



รายงานประจำปี 2552

ANNUAL REPORT 2009

บริษัท ศรีไทยซูเปอร์แวร์ จำกัด (มหาชน)

Srithai Superware Public Company Limited



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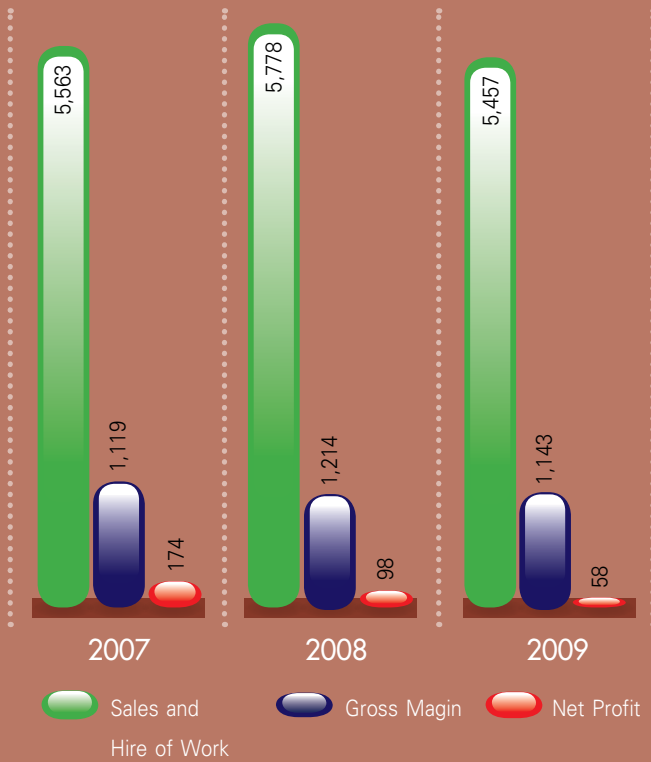
HIGHLIGHT OF CONSOLIDATED FINANCIAL STATEMENTS

Unit : Thousand Baht

	2009	2008	2007
CONSOLIDATED BALANCE SHEETS			
Assets	7,720,503	7,451,859	6,878,961
Liabilities	2,701,541	2,393,215	1,816,115
Shareholders' equity	5,018,962	5,058,644	5,062,846
CONSOLIDATED INCOME STATEMENTS			
Sales and hire of work	5,456,581	5,777,722	5,563,455
Gross profit	1,142,844	1,214,264	1,118,828
Selling & Administrative expenses	(955,218)	(928,477)	(830,221)
Directors and managements' remuneration	(72,334)	(76,404)	(64,755)
Other income (Other expenses)	22,406	(8,313)	49,752
Profit before finance costs and income tax	137,698	201,070	273,604
Net profit for the year(Equity holders of the parent)	57,764	98,193	174,404
CONSOLIDATED STATEMENTS OF CASH FLOWS			
Net cash receipt from operating activities	483,132	350,654	527,113
Net cash payments for investing activities	(748,842)	(740,483)	(455,925)
Net cash receipts (payments) for financing activities	254,121	405,224	(71,379)
Cash and cash equivalents, closing balance	279,417	291,006	275,611
KEY FINANCIAL RATIOS			
Current Ratio (times)	1.56	1.49	1.84
Account Receivable Turnover (days)	70.41	66.72	68.19
Inventory Turnover (days)	32.57	29.95	30.07
Account Payable Turnover (days)	61.55	57.22	64.97
Gross Profit Ratio to Sales (%)	20.94	21.02	20.11
Net Profit Ratio to Total Revenues (%)	1.05	1.68	3.11
Return on Total Assets (%)	0.76	1.37	2.57
Debt to Equity Ratio (times)	0.54	0.47	0.36

Operation Results

(Unit : Million Baht)



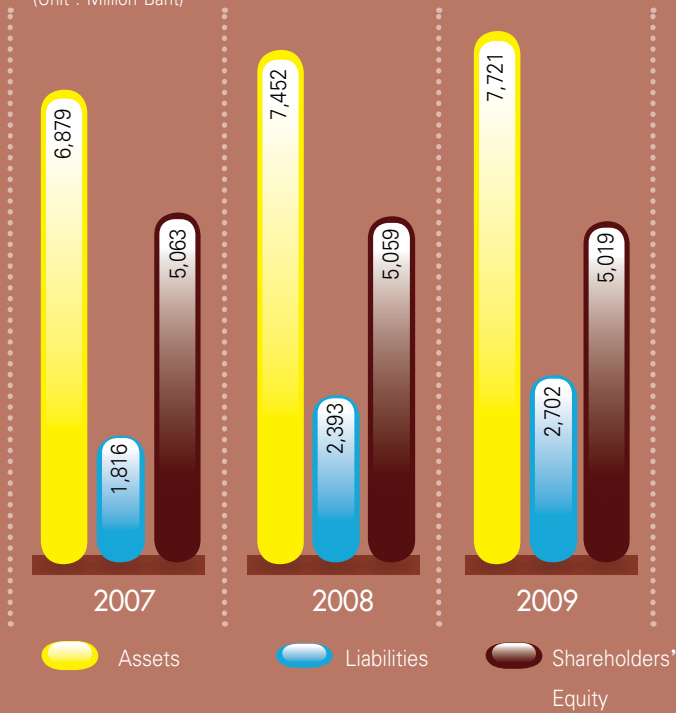
Earnings per Share

(Unit : Baht)



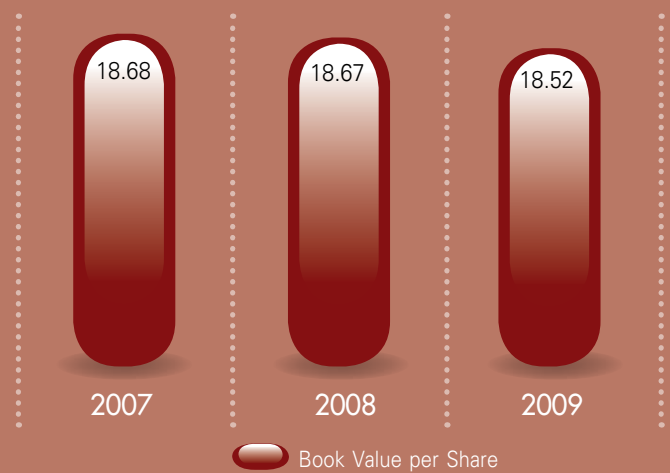
Assets/Liabilities and Shareholders' Equity

(Unit : Million Baht)



Book Value per Share

(Unit : Baht)



Message from the Chairman



As Thailand's economic situation continued in the recovery mode last year, Srithai Superware Public Company Limited "Srithai" concentrated its efforts into balancing various fluctuations in the market that directly affected our products to ensure that Srithai not only maintained production and profit stability, but that it was able to grow and develop to meet the ever-changing demands and trends of the markets for our products. Thanks to a superior team of experts in every department, we were able to stand strong and meet every obstacle and difficulty with success. As a testimony of our superior production standards, this year Srithai was awarded the "Best Product in the Family Category Award

(Movie Theme Cups & Buckets)" from IN-MOLD DECORATING ASSOCIATION (IMDA), in the United States.

The dramatic fluctuations in the price of oil and the foreign exchange rate had a very direct and volatile effect on the price of plastic resin compound, an important raw material in plastics production. For instance, the price of polypropylene (PP) rose from Baht 33 per kilogram in the beginning of last year to Baht 45 per kilogram in the fourth quarter. This severe fluctuation of the plastic resin compound price directly impacted on the plastics production and market.

The unstable political situation in Thailand contributed to the slowdown of demand and supply in many industries and the plastics business of Srithai was no exception. The automobile assembly and electrical appliance industries were the hardest hit, resulting in a reduced production capacity of 30% - 50%. This directly affected the automobile parts business of Srithai. In addition, in order to protect the company from severe losses due to the roller-coaster price changes of the plastic resin compound, it was necessary for Srithai to reduce the number of advance orders received, which lowered our sales volume of industrial parts by 50%.

However, the wise foresight in expanding Srithai's product line to enhance its revenue paid off. Last year, Srithai increased the production of lighter weight closures for beverage packaging and Preform for bottle blowing, which were then distributed to local leading beverage companies. Apart from this, Srithai also successfully marketed its CD and DVD cases, contributing towards a substantial gain for Srithai. These new products helped to compensate for the downturn in sales revenue from industrial parts.

For 2010, Srithai management plans to increase the sales volume of the plastics business as well as to continue product development to increase the value of our products. We will be focusing on production of beverage packaging for export to countries within the Free Trade Agreement (FTA) and it is expected that sales volumes for our products will grow at a fast pace. To meet the needs of our consumers, Srithai will also increase production of another new product, tamper-evident food packaging of which seal being broken once opened. In addition, Srithai signed an agreement with Aqua Guardian Group Limited to develop AquaArmour to reduce the vaporization of water from water resource conservation areas. Srithai is confident that the total sales volumes of the plastic business will increase considerably from the previous year.

Srithai will also continue to focus on cost reduction and the enhancement of production efficiency by improving production processes and decreasing waste production to save energy by the installation of new machinery that will help to decrease energy/labor costs. We will also look into cost reduction of machinery maintenance and other similar strategies.

Another step taken last year by Srithai which will be further utilized in our operations for 2010 was the application of the "Best Practice Guidelines" of the Amata Nakorn factory in Chonburi to our Korat factory, helping to improve the production of melamine household products by increasing automated production control.

We will also be benefitting from increased overseas distribution channels which have been selling our products through leading household retail companies of outlets with branches around the world, an initiative which began last year. Srithai can now export its products to 100 countries across the globe with expectations to reach 120 countries by 2012.

Another major overseas investment plan which began in 2009 saw Srithai entering into a joint alliance with India. This investment promises to provide worthwhile returns beginning in 2010 as we serve the fast growing markets in India and the Middle East. In fact, plans are underway to build a factory for melamine production in India this year. In the SEA region, the production base of melamine in Vietnam has increased its capacity by 50%, enabling us to serve the growing Melamine market in Vietnam.

Srithai's direct sales through the MLM (Multi-level Marketing) method consists of various types of health and beauty products under the brand "SNatur" was launched also last year with outstanding consumer response. This has led to a fast-paced expansion of the sales volume of these products, resulting in plans to open another 5 branches in 2010.

Last year, Srithai performed its business by focusing on the "5 M Factors" as follows:

- Machines – Increased the number of modern machines to enhance efficiency of production, with special focus on the use of automated control.
- Mould – Increased the number of moulds for new designs of products.
- Material – Co-developed raw material with Thai MFC Co., Ltd.
- Man – Increased manpower potential by providing continuous academic and strategy training to executives and staff throughout the previous year in order to create long-term strength for the company.
- Method and System – Improved production efficiency by reducing waste in the production process for purpose of cost reduction. Increased investment in better technology such as software, machines and moulds which are more time and cost efficient, and real-time reporting system for production control.

Srithai has targeted its sales volumes from the plastics business, melamine business, and direct sales business through the MLM (Multi-level Marketing) to grow by 18%.

For 2010, we are determined to remain progressive and to continue to implement plans and policies that will yield productive results for Srithai.

The management would like to thank all our investors and stakeholders for your kind and consistent patronage and confidence in Srithai Superware Public Company Limited. As Chairman of the company, I am strongly committed to leading the company towards even greater prosperity, stability and sustainable growth in Thailand and in the global market.



Mr. Sanan Angubolkul
Chairman

1. GENERAL INFORMATION

Head Office : 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok 10140
Tel. : 66 2427 0088 Fax : 66 2428 9675
URL : www.srithaisuperware.com

Registration Number : 0107536001516

Registered and Paid up Capital : THB2,709,904,800
Comprising 270,990,480 common shares at par value THB10

Accounting Period : January 1 – December 31

Share Registrar : Thailand Securities Depository Co., Ltd.
62 The Stock Exchange of Thailand Bldg., Rachadapisek Road,
Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110
Tel. : 66 2229 2800 Fax : 66 2359 1259

Auditor : Mr. Prasan Chuaphanich
Certified Public Accountant (Thailand) No. 3051
PricewaterhouseCoopers ABAS Limited
15th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road,
Bangkok 10120
Tel. : 66 2286 9999, 66 2344 1000 Fax : 66 2286 5050

Legal Advisor : Niti-Pricha Office
69/33 Soi Athens Theater, Phayathai, Bangkok 10400
Tel. : 66 2252 9494, 66 2251 3225
Fax : 66 2251 3226, 66 2255 5201

Security Agent : Siam City Bank Public Company Limited
Head Office
1101 New Petchburi Road, Rajthevi, Bangkok 10400
Tel : 66 2208 5000
Fax : 66 2253 6227

Managerial Contract : None

JURISTIC PERSON'S SHARES OF WHICH THE COMPANY HOLDS MORE THAN 10%

Subsidiary Companies

1. **Company Name** : Srithai (Vietnam) Company Limited
Location : 9 Street 2, Song Than 1 Industrial Park, Di An District, Binh Duong Province, Socialist Republic of Vietnam
Type of Business : Manufacturing and distributing plastic industrial products and household products made of melamine
Telephone : 84 6503 790023-4 **Fax** : 84 6503 790025
Paid-up Capital : Dong 109,337,834,503

Structure of Shareholders	%
Srithai Superware Public Company Limited	95.8
Management	0.0
Relatives of some Management	0.0
Other	4.2
Total	100.0

2. **Company Name** : Srithai Moulds Company Limited
Location : 55/1, 55/6 Moo 1, Nong-Samsak, Amphoe Ban Bueng, Chon Buri
Type of Business : Mould making service
Telephone : 0 3837 9280-2 **Fax** : 0 3847 6352, 0 3837 9283
Number of shares issued and paid up : 1,000,000 shares, paid-up per share : Baht 100
Paid-up Capital : Baht 100,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	709,820	71.0
Management	188,060	18.8
Relatives of some Management	102,000	10.2
Other	120	0.0
Total	1,000,000	100.0

3. **Company Name** : Srithai Nanoplast Company Limited
Location : 42 Moo 4, Tambon Bualoy, Amphoe Nhong Kae, Saraburi
Type of Business : Manufacture and Distribution of Plastic Products
Telephone : 0 3637 3251-5 **Fax** : 0 3637 3256
Number of shares issued and paid up : 4,000,000 shares, paid-up per share : Baht 10
Paid-up Capital : Baht 40,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	2,799,997	70.0
Management	2	0.0
Relatives of some Management	600,000	15.0
Other	600,001	15.0
Total	4,000,000	100.0

4. Company Name : Srithai Miyagawa Company Limited

Location : 539 Moo 4, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan
 Type of Business : Mould making service, Manufacturing and distributing plastic industrial products
 Telephone : 0 2324 0425-6 Fax : 0 2324 0427
 Number of shares issued and paid up : 1,200,000 shares, paid-up per share : Baht 100
 Paid-up Capital : Baht 120,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	611,994	51.0
Management	4	0.0
Relatives of some Management	1	0.0
Other	588,001	49.0
Total	1,200,000	100.0

5. Company Name : Srithai Lock&Lock Company Limited

Location : 191 Silom Complex Building, 25th Floor, Unit 2, 3-5 C, Silom Road, Silom, Bang Rak, Bangkok
 Type of Business : Import and Distribute Lock & Lock Food Containers
 Telephone : 0 2632 1794-5 Fax : 0 2632 1796
 Number of shares issued and paid up : 1,700,000 shares, paid-up per share : Baht 10
 Paid-up Capital : Baht 17,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	866,997	51.0
Management	2	0.0
Relatives of some Management	0	0.0
Other	833,001	49.0
Total	1,700,000	100.0

6. Company Name : Srithai Shin-Osaka Company Limited⁽¹⁾

Location : 1/132 Moo 2, Tambon Ta-sai, Amphoe Mueang, Samut Sakorn
 Type of Business : Providing services of hard-chroming, polishing and etching of moulds and assembly services for plastic products
 Telephone : 0 3449 0130-1 Fax : 0 3449 0132
 Number of shares issued and paid up : 600,000 shares, paid-up per share : Baht 83
 Paid-up Capital : Baht 49,800,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	240,000	40.0
Management	45,005	7.5
Relatives of some Management	44,995	7.5
Other	270,000	45.0
Total	600,000	100.0

(1) Srithai Shin-Osaka Co., Ltd. is a subsidiary. Eventhough the Company holds shares in it less than half, the Company has controlling votes, directly or indirectly, and controlling power.

Associated Companies

1. Company Name : Srithai Sanko Company Limited

Location : 15 Moo 4, Soi Suksawat 36, Suksawat Rd., Bangpakok, Rasburana, Bangkok
 Type of Business : Trading Company
 Telephone : 0 2427 0088, 0 2428 9936 Fax : 0 2428 9935
 Number of shares issued and paid up : 200,000 shares, paid-up per share : Baht 100
 Paid-up Capital : Baht 20,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	95,994	48.0
Management	5	0.0
Relatives of some Management	0	0.0
Other	104,001	52.0
Total	200,000	100.0

2. Company Name : Thai MFC Company Limited

Location : 1 Siam Cement Road, Bang Sue, Bangkok
 Type of Business : Manufacture and Distribution of Melamine Powder
 Telephone : 0 2586 3894-6 Fax : 0 2586 4878
 Number of shares issued and paid up : 2,000,000 shares, paid-up per share : Baht 100
 Paid-up Capital : Baht 200,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	900,000	45.0
Management	0	0.0
Relatives of some Management	0	0.0
Other	1,100,000	55.0
Total	2,000,000	100.0

3. Company Name : S.K.I. Ceramics Company Limited⁽²⁾

Location : 7/101 Moo 4, Tambon Mab Yang Porn, Amphoe Pluak Daeng, Rayong
 Type of Business : Manufacture and Distribution of Ceramics Tableware
 Telephone : 0 3895 6025 Fax : 0 3895 6030
 Number of shares issued and paid up : 12,500,000 shares, paid-up per share : Baht 10
 Paid-up Capital : Baht 125,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	5,249,999	42.0
Management	1	0.0
Relatives of some Management	0	0.0
Other	7,250,000	58.0
Total	12,500,000	100.0

(2) Registered for the company's dissolution on 16 February 2009 with the Ministry of Commerce and under liquidation.

- 4. Company Name** : Beijing Huatai Replica of Porcelain Products Company Limited⁽³⁾
 Location : Xi Guan Street No.104, Tongxian, Beijing, P.R.C.
 Type of Business : Producing and distributing melamine tableware
 Telephone : 86 10 6954 7477 Fax : 86 10 6954 1924
 Paid-up Capital : Yuan 10,610,678

Structure of Shareholders	%
Srithai Superware Public Company Limited	40.0
Management	0.0
Relatives of some Management	0.0
Other	60.0
Total	100.0

(3) Registered capital was increased from Yuan 8,947,925 to Yuan 10,610,678 by netting call-up of increased capital with dividend payment of all shareholders. After the capital increase, ratio of shareholders remained unchanged.

- 5. Company Name** : Srithai Packaging Company Limited
 Location : 30/27 Moo 2, Tambon Khok Kham, Amphoe Mueang Samut Sakhon, Samut Sakhon
 Type of Business : Manufacture and Distribution of Paper Boxes
 Telephone : 0 3445 2100-7 Fax : 0 3445 2108-9
 Number of shares issued and paid up : 600,000 shares, paid-up per share : Baht 100
 Paid-up Capital : Baht 60,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	235,200	39.2
Management	29,400	4.9
Relatives of some Management	29,400	4.9
Other	306,000	51.0
Total	600,000	100.0

- 6. Company Name** : PT. Srithai Maspion Indonesia
 Location : Ji Kembang Jepun 38-40, Surabaya, Indonesia
 Type of Business : Producing and distributing melamine tableware
 Telephone : 62 31 891 3004 Fax : 62 31 891 3630
 Number of shares issued and paid up : 9,320 shares, paid-up per share:Rupiah 1,115,250
 Paid-up Capital : Rupiah 10,394,130,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	3,029	32.5
Management	0	0.0
Relatives of some Management	0	0.0
Other	6,291	67.5
Total	9,320	100.0

- 7. Company Name** : Thai Takahashi Plastics Company Limited
- Location : 479 Moo 4, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan
- Type of Business : Manufacture and Distribution of Plastic Products
- Telephone : 0 2324 0730, 0 2709 3480 Fax : 0 2324 0698-9
- Number of shares issued and paid up : 200,000 shares, paid-up per share : Baht 100
- Paid-up Capital : Baht 20,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	50,000	25.0
Takahashi Plastics Co., Ltd.	39,997	20.0
Management	0	0.0
Relatives of some Management	0	0.0
Other	110,003	55.0
Total	200,000	100.0

- 8. Company Name** : Takahashi Korat (1995) Company Limited⁽⁴⁾
- Location : 479 Moo 4, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan
- Type of Business : Manufacturing and distributing plastic industrial products
- Telephone : 0 4433 8158 Fax : 0 4433 8487
- Number of shares issued and paid up : 1,500,000 shares, paid-up per share : Baht 100
- Paid-up Capital : Baht 150,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	285,000	19.0
Management	63,750	4.3
Relatives of some Management	63,750	4.3
Other	1,087,500	72.4
Total	1,500,000	100.0

(4) Halted operation temporarily since the 4th quarter of 2009 due to suffering of loss.

- 9. Company Name** : Takahashi Plastics Company Limited⁽⁵⁾
- Location : 479 Moo 4, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan
- Type of Business : Manufacturing and distributing plastic industrial products
- Telephone : 0 2324 0730, 0 2709 3480 Fax : 0 2324 0698-9
- Number of shares issued and paid up : 1,340,000 shares, paid-up per share : Baht 100
- Paid-up Capital : Baht 134,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	66,000	4.9
Takahashi Korat (1995) Co., Ltd.	1,140,001	85.1
Management	0	0.0
Relatives of some Management	0	0.0
Other	133,999	10.0
Total	1,340,000	100.0

(5) Registered increase of capital from Baht 40 million to Baht 134 million with the Ministry of Commerce on November 24, 2009. Takahashi Korat (1995) Co., Ltd., was the sole investor in the common share capital increase, leading to decrease of direct shareholding by the Company from 16.5% to 4.9%. However, total direct and indirect shareholdings by the Company is still more than 20%, so the Company's status as an associated company remained unchanged.

Joint Venture Company

- Company Name** : Srithai-Otto (Thailand) Company Limited
Location : 15 Moo 4, Soi Suksawat 36, Suksawat Rd., Bangpakok, Rasburana, Bangkok
Type of Business : Trading Company
Telephone : 0 2427 0088 **Fax** : 0 2874 5015
Number of shares issued and paid up : 200,000 shares, paid-up per share : Baht 50
Paid-up Capital : Baht 10,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	99,996	50.0
Management	2	0.0
Relatives of some Management	1	0.0
Other	100,001	50.0
Total	200,000	100.0

Other Company

- Company Name** : LN Srithai Comm Company Limited
Location : 71/12 Moo 5, Tambon Tha-Kam, Amphoe Bang Pakong, Chachengsao
Type of Business : Manufacture and Export of Telephone Sets
Telephone : 0 3857 3061-3 **Fax** : 0 3857 3064, 0 3857 3069
Number of shares issued and paid up : 76,000 shares, paid-up per share : Baht 1,000
Paid-up Capital : Baht 76,000,000

Structure of Shareholders	shares	%
Srithai Superware Public Company Limited	15,194	20.0
Management	3	0.0
Relatives of some Management	2	0.0
Other	60,801	80.0
Total	76,000	100.0

SHAREHOLDING STRUCTURE OF SRITHAI SUPERWARE GROUP CLASSIFIED BY BUSINESS LINE

Srithai Superware Public Company Limited



SHAREHOLDING STRUCTURE OF SRITHAI SUPERWARE GROUP

Srithai Superware Public Company Limited



2. RISK FACTORS

2.1 Marketing Risk

Export markets, especially of the melamine tablewares, had experienced a high level of competition due to the influx of products from Chinese competitors. Eventhough the overall quality of products from China is lower than those of the Company, some entrepreneurs are also improving their production capacity and offering products of almost the same grade of melamine as those offered by the Company. Also, the Chinese government's export promotion policies had emerged in various forms. It allowed Chinese producers to offer their products at a lower price with more competitiveness. These resulted in more competitive environment for the Company and losing our market share. However, the Company had mapped out plan to manage this risk as follow:-

- a. Find out cheaper sources of raw materials with acceptable quality, and collaborate with producers on development of raw materials to get raw materials that are suitable with our production technology and our products;
- b. Improve production efficiency to reduce cost per unit;
- c. Export to countries having Free Trade Agreements with Thailand to enjoy low customs duty, i.e. ASEAN countries, Korea, China, India, Japan, Australia and New Zealand;
- d. Expand customer bases restlessly to countries in Eastern Europe, Africa and South America, with more than 100 countries worldwide being exported to;
- e. Increase product variety and sell products as per customers' requirement on design and standard;
- f. Develop new product designs to serve many applications and launch new decorations of contemporary trend;
- g. Expansion of production base and establishment of a market base in Vietnam - a country of continued potential growth in term of economy and number of population. Distribution channels are made through wholesaling, retailing through Hyper Market and Modern Trade, and direct selling to institutions such as hotels, restaurants, food shops, etc. The comparative advantages on low wages and abundant labor forces provide an opportunity to develop and expand our production base in Vietnam to serve rising demand for our products in South-East Asian and East Asian countries;
- h. Establish a firm market base in India by appointing sales distributors, and set up a production base in India to serve market expansion and to satisfy demand from South Asian countries and Middle-East countries;
- i. Emphasize on markets of high purchasing power and focus on quality products, e.g. Middle-East and Europe;
- j. Launch in marketing and sales promotion activities continually;
- k. Make public relations to promote product knowledge and make consumers aware of the danger of using low quality melamine products made of toxic ingredient.

In domestic market, some competitors in this same business import cheaper products to sell here. The Company has managed that risk by diversifying its sales distribution channels via distributors and direct approach to customers. In addition, the Company has also joined hands with a governmental agency to set up quality standard to control imported goods so as to make sure that imported products are of comparable quality with local products to protect consumers too.

2.2 Risk of Raw Material Price

Plastic resin and melamine powder, two key raw materials, are by-products from oil refinery process. If price of world crude oil rises, price of raw material rises. Though the Company buys most raw material from domestic source, the selling prices are referred to world market price quoted globally in US Dollar currency. So the fluctuation in foreign exchange rate between Thai Baht and US Dollar has some impact to raw material prices. Moreover, demand and supply side of production and consumption of those raw materials is another key factor determining raw material prices. If world prices rise, the Company has to hike selling prices accordingly.

Because the Company uses plastic and melamine as much as 60% of the cost of production, the Company stands at risk bearing rising cost and is not able to adjust selling prices suitable to the increase in cost at times of raw material price fluctuation. Therefore, the Company had determined measures to safeguard itself from price-fluctuation risk as follow:-

- a. Check prices with many suppliers for best terms before making any decision;
- b. Monitor prices of raw materials from both domestic and offshore suppliers and crude oil price trend as well;
- c. Buy raw material now to support production for a certain period of time if price tends to rise in the future, or place order more frequently if volatile price;
- d. Import raw materials in case that price in offshore market is below that of domestic one;
- e. Negotiate occasionally on trade terms with suppliers to get appropriate prices;
- f. Take OEM orders for industrial parts which expose the Company to minimal risk on volatility of raw material prices because hirers take that risk, with agreements between the two parties to be adopted to adjust prices when prices of raw materials change.

2.3 Production Risk

Melamine powder, the major raw material for production of household products, has unique application and is available from only a few suppliers in Thailand while the Company's demand for melamine powder had increased along with the business growth. Therefore, the Company may take risk on shortage of raw material, causing the limit on growth of household products to be lower than what it should be. However, the Company has measures to absorb such risks as follow.

- a. The Company holds 45% of common shares in Thai MFC Co., Ltd. which is the main producer of melamine powder used by the Company. The two partners engage in joint research and development scheme on raw materials. Production capacity of Thai MFC Co., Ltd. is sufficient to satisfy demand of the Company and to supply to other manufacturers as well. This ensures that the Company has reliable source of supply of quality melamine powder and will not experience shortages of such in the future.
- b. The Company has good relationship with other melamine powder producers who had been our trading partners for a long time. These producers include Thai KK Co., Ltd. Panasonic Electric Works, (Ayuthaya) Co., Ltd. As a result, the Company could procure the raw materials at reasonable prices.
- c. If the production capacity of melamine powder in Thailand is not sufficient or the melamine powder is available at a higher price than that outside of Thailand, the Company will import it from other countries such as China, Italy, Japan, and Taiwan.

The Company has no risk of experiencing shortage of plastic pellet which is an important raw-material of all industrial parts as there are many suppliers. The Company could procure it from local and foreign suppliers.

2.4 Financial Risk

2.4.1 Risk of Breaching Financial Covenants

The Company has to comply with financial covenants, as required by the Loan Agreements signed between the Company and the Siam City Bank Pcl. and the Bangkok Bank Pcl. The Agreement is still effective until outstanding loans being fully settled. In case of breaching of any financial covenant, an event of default may be declared.

Risk Counter-Measures:

The Company has prepared a financial projection for internal use. It can be used as a tool by Management to predict financial ratios of the future. Real figures in subsequent interim periods are closely monitored to lessen the chance of breaching any financial covenant.

2.4.2 Risk of Foreign Exchange Rates

Exports of products and imports of raw materials, finished goods and machines & equipment expose the Company to risk of foreign exchange fluctuation. In such case, the Company cannot forecast income and cost accurately.

Risk Counter-Measures:

The Company has been signing forward contracts with banks to prevent risk of foreign exchange in observation of situation of foreign exchange market at that time. Entering into forward contracts enables the Company to know precisely our income and cost of products, and facilitates our mapping of appropriate business strategies. In addition, negotiation and quotation of goods prices denominated in currencies other than US dollars is diversification of foreign exchange risk and lessening of impact on dependence on any particular currency.

2.4.3 Interest Rate Risk

The Company's long-term loans consist of the long-term loans under energy conservation project, and the long-term loan the Company additionally received for investment plan. A part of such two types of long-term loans carries fixed interest charge throughout the 7-year period since it is the low-cost loan supported by the government for energy conservation, and the other part of long-term loan based on MLR throughout the 7-year period. In addition, the Company's working capital credit facilities bear interest rate at MOR per year; hence, the Company exposes to risk of fluctuation of floating interest rate based on MLR and MOR in the financial market.

Risk Counter-Measures:

Due to obtaining additional long-term loans to finance investment, the proportion of long-term loans with floating interest rate based on MLR was higher as compared with those with fixed interest rate. Therefore, the Company has faced higher risk on interest rate change as compared with that of last year. However, the Company implemented risk counter-measures for managing interest rate risk by setting investment plans in advance so that the Company could have sufficient time seeking for proper sources of credit lines with reasonable interest rate, and by prepaying principal amount as deemed appropriate in case of excess liquidity. This is possible without incurring extra expenses or breaching any covenant.

For working capital credit facilities, the Company's overdraft line was based on floating interest rate (MOR). The Company has applied a risk counter-measure by preparing the projected cash flow in advance so that the Company was able to estimate the needs for cash in each period, and was able to plan and raise a short-term loan at a fixed interest rate or utilize other revolving credit facilities as deemed appropriate to make up liquidity. Furthermore, the Company also raised additional source of working capital by obtaining credit lines with 1 domestic commercial banks during the year 2009.

2.4.4 Credit Risk

Due to most of the Company's sales to customers – both domestic and export customers being on credit, selling to existing customers and new customers along with expansion of customer base under different credit terms granting to the customers have exposed the Company to credit risk that customers might not pay their dues.

Risk Counter-Measures:

The Company has set guidelines for customer credit rating. By trying to find out more information about customers and analyzing credit worthiness before granting credit to them, credit risk of the Company deems appropriate. Besides, the Company has a large number of customers who are manufacturers and distributors. Those customers are active in diverse markets. Therefore, credit risk on concentration of customers is low. Taking into consideration the above reasons and our past experience on collection of accounts receivable, management believes that no additional credit provision beyond the amounts provided as allowance for doubtful accounts is necessary.

Furthermore, payment terms for most export customers are opening of letters of credit or partial or full payment before shipment in case of new customers or those whose financial standing is still in doubt.

2.4.5 Liquidity Risk

The Company needs to maintain sufficient cash and financial liquidity to support working capital requirement for running the business as well as to support additional investments and business expansion in the future. Failure on having sufficient financial liquidity causes the risk of losing business opportunity to compete in the market and leads to interruption in running the business.

Risk Counter-Measures:

The Company has been currently granted revolving credit facilities from local commercial banks for total amount not less than one billion bahts. It comprises many credit facilities such as bank overdraft, promissory notes, L/C, T/R, L/G. Size of those credit facilities was deemed sufficient for running business. However, the Company keeps on trying to find additional sources of working capital in order to make sure that it will have sufficient credit facilities with reasonable terms and cost and lessen risk of excessive dependence on any particular lender.

The Company has projected its cash flows and monitored it closely so as to assure that the Company will not face liquidity problem.

2.4.6 Capital Risk

In normal business operation, the Company has to maintain sufficient capital for its operation and investment so that its business could be operational smoothly and growth could be expected subject to environment and external supporting factors. Sources of fund may come from debt financing and equity financing. In case the mixture of fund from different sources is not suitable, there might be capital risk of inappropriate financial structure resulting in instability of business operation and financial damage.

Risk Counter-Measures:

The Company realizes significance of capital risk management. Therefore, the Company has formulated a policy on capital management for the objective of safeguarding the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In maintaining or restructuring capital, the Company might adjust its dividend policy, return capital to shareholders, issue new shares, acquire own shares, or sell of assets so as to reduce debt as deemed appropriate on a case by case basis.

2.5 Risk of Inability to Declare Dividend

The Company has adopted a dividend-payment policy that dividend will be paid out from profit at the rate not less than 50% of net profit each year as shown in the Company's financial statements, and on a condition that the Company has no retained loss. Therefore, declaration of dividend is subject to operation results and financial circumstance in each year.

Risk Counter-Measures:

The Company has prepared a business plan and financial projections. By so doing, the Company can predict the operation results and financial circumstance in the future, and ways of doing business can be adjusted according to the economic condition, industrial situation, and other outside factors. This is an effort to reduce risk of inability to declare dividend.

The Company has appropriated its net profit of the year 2008 as legal reserve for the amount of THB 5,000,000, and paid out dividend to shareholders at the rate of THB 0.35 per share, totalling THB 94,846,668, which is 95.69% of net profit as shown in the Company financial statements on May 27, 2009. Regarding operation result of the year 2009, dividend could be declared only after getting approval from the shareholders' meeting.

3. NATURE OF BUSINESS

3.1 Company Background

Srithai Superware Public Company Limited, “the Company”, was initially operated under the name “Srithai Plastic Industry Limited Partnership”. It was founded by Mr. Sumit Lertsumitkul on August 1, 1963, to operate as a manufacturer and distributor of household plasticware.

In 1972, the business was renamed “Srithai Superware Limited Partnership” and the management team was reorganized. Mr. Sanan Angubolkul was appointed as Factory Manager at that time. A new product line, melamine tableware, was added.

In 1979, the limited partnership was transformed into a company limited under the name “Srithai Superware Company Limited”, after which the Company kept on expanding.

The Company was listed in The Stock Exchange of Thailand on October 2, 1991, with an increase of registered capital from Baht 170 million to Baht 200 million. The Company was transformed into a public company limited on December 13, 1993.

The Company increased its registered capital again to Baht 470 million on January 14, 1994, and subsequently to Baht 500 million on March 19, 1996, with fully paid-up share capital of Baht 400 million.

In July 1997, under the pressure of economic crisis in the Asia-Pacific region, the Company had restructured its debt. On April 28, 2000, the Company converted a portion of debt to equity according to the reorganization plan. It resulted in an increase in paid-up capital from Baht 400 million to Baht 2,857 million. The remainder portion of the affected debts was converted to Secured Floating Rate Notes (FRN) amounting to USD 84.2 million. Implementation of the business plan of the Company had been completed, the Company then asked for its release from the reorganization plan. On July 15, 2002, the Southern Bangkok Civil Court passed an order to release the Company from the reorganization plan by virtue of Section 90/70 of the Bankruptcy Act B.E. 2483. As a result, the Management team of the Company resumed managerial power again.

On August 12, 2005 Mr. Sumit Lertsumitkul, late Chairman of the Board of Directors of the Company, passed away. Later on, the Board of Directors unanimously appointed the President Mr. Sanan Angubolkul to be the Chairman and President of the Company. The Board did not appoint a new director to replace Mr. Sumit Lertsumitkul.

The Company has restructured its lines of businesses effective from October 1, 2006. The new structure comprises a Plastic Business line, of which main products are industrial products and household products, a Trading Business line, and a supporting line.

The Re-engineering Plan and Activities & New Business Plan was drawn up in late 2007 with the objective to move the Company forward to stable and sustainable growth and to gaining international recognition. The Plan had effected changes in many managerial processes to the direction of reduction of production cost. As a result, industrial products of the Company had become more competitive and profitable. Besides, focusing on investment in modern machines and equipments and new moulds had resulted in differentiation and value-adding of products.

3.2 Business Outlook of Srithai Superware Group

Business outlook of Srithai Superware Group is mostly under the same structure as that of our core businesses, i.e. Plastic Business Line which comprises industrial products and household products and Trading Business Line. The Company has set its strategy of doing integrated businesses to reduce dependency on outsiders, so that competitiveness of the Group could be enhanced. Mould-making subsidiaries, a core success factor of the Plastic Business Line, and other affiliated companies that cannot be classified under the two main business lines are grouped under “other businesses”.

3.3 Structure of Revenue

The structure of revenue of the Group can be classified by business lines : Plastic Business Line comprising Industrial Products and Household Products , Trading Business Line, and Mould-Making Business Line as described below :-

(Unit : Thousand Baht)	Consolidated Financial Statements For the year ended December 31, 2009					
	Plastics Business				Trading and Moulds Businesses	Total
	Household Products		Industrial Products			
	Domestic Productions	Overseas Productions	Domestic Productions	Overseas Productions		
Sales and hire of work	1,908,008	39,256	2,853,165	189,288	561,876	5,551,593
Revenues from subsidiaries	(7,303)	(7,189)	(11,386)	(2,118)	(67,016)	(95,012)
Total Sales and hire of work	1,900,705	32,067	2,841,779	187,170	494,860	5,456,581

Remark : Additional information classified by business lines and geographic segments was disclosed in notes to financial statements for the year ended December 31, 2009, page 20

3.4 Structure of Total Sales of Srithai Superware Group

Unit of Total Sales : Million Baht								
	2009 Sales (%)		2009		2008		2007	
	Domestic	Export	Sales	%	Sales	%	Sales	%
Plastic Businesses								
Srithai Superware Public Company Limited	69	31	4,368	58.0	4,599	53.3	4,542	43.3
Srithai (Vietnam) Company Limited (Sales in Vietnam)	82	18	216	2.9	222	2.6	199	1.9
Srithai Nanoplast Company Limited	100	0	6	0.1	31	0.4	59	0.6
Srithai Miyagawa Company Limited	65	35	281	3.7	489	5.7	483	4.6
Thai MFC Company Limited	23	77	636	8.5	667	7.7	561	5.3
Srithai Shin-Osaka Company Limited ⁽¹⁾	0	100	2	0.0	0	0.0	0	0.0
Beijing Huatai Replica of Porcelain Products Company Limited (Sales in China)	100	0	76	1.0	104	1.2	76	0.7
PT. Srithai Maspion Indonesia (Sales in Indonesia)	100	0	94	1.3	95	1.1	70	0.7
Soko Srithai Company Limited ⁽²⁾	-	-	0	0.0	0	0.0	5	0.0
Takahashi Korat (1995) Company Limited	79	21	380	5.0	1,040	12.0	3,239	30.8
Takahashi Korat (1995) Company Limited	85	15	403	5.3	358	4.1	379	3.6
Total Plastic Businesses			6,462	85.8	7,605	88.1	9,613	91.5

Structure of Total Sales of Srithai Superware Group (Continue)

Unit of Total Sales : Million Baht								
	2009 Sales (%)		2009		2008		2007	
	Domestic	Export	Sales	%	Sales	%	Sales	%
Trading Businesses								
Srithai Superware Public Company Limited	92	8	280	3.7	161	1.9	109	1.0
Srithai Lock&Lock Company Limited ⁽³⁾	100	0	70	0.9	0	0.0	0	0.0
Srithai-Otto (Thailand) Company Limited	100	0	56	0.8	58	0.7	48	0.5
Srithai Sanko Company Limited	100	0	71	0.9	101	1.1	52	0.5
Srithai WBG Company Limited ⁽⁴⁾	-	-	0	0.0	3	0.0	3	0.0
Total Trading Businesses			477	6.3	323	3.7	212	2.0
Other Businesses								
Mould-Making								
Srithai Superware Public Company Limited	72	28	48	0.6	122	1.4	45	0.4
Srithai Moulds Company Limited	100	0	78	1.0	117	1.3	106	1.0
Srithai Miyagawa Company Limited	100	0	93	1.3	82	1.0	96	0.9
Srithai Shin-Osaka Company Limited	100	0	5	0.1	7	0.1	13	0.2
Total Mould-Making			224	3.0	328	3.8	260	2.5
Other								
Srithai Superware Public Company Limited	100	0	97	1.3	42	0.5	16	0.2
S.K.I. Ceramics Company Limited ⁽⁵⁾	8	92	161	2.1	194	2.2	295	2.8
Srithai Packaging Company Limited	100	0	115	1.5	146	1.7	105	1.0
Total Others			373	4.9	382	4.4	416	4.0
Grand Total			7,536	100.0	8,638	100.0	10,501	100.0

- (1) Srithai Shin-Osaka Company Limited had provided assembly services for plastics products in 2009 to earn more income.
- (2) Soko Srithai Company Limited registered for the company's dissolution in 2008 with the Ministry of Commerce and was under liquidation .
- (3) Srithai Lock&Lock Company Limited was registered on December 25, 2009 with the Ministry of Commerce and started to earn income in 2009.
- (4) Srithai WBG Company Limited registered for the company's dissolution in 2008 with the Ministry of Commerce and was under liquidation .
- (5) S.K.I. Ceramics Company Limited registered for the company's dissolution on February 16, 2010 with the Ministry of Commerce and was under liquidation .

Remarks :

- 1 Structure of Sales of the Company and group companies, shown comparatively for 3 years 2007-2009, was derived from financial statements of respective company without eliminating inter-company transactions.
- 2 Exchange rates used in the translation of sales of foreign associates were shown below:-

	2009	2008	2007
Srithai (Vietnam) Company Limited	Baht 1 = 555.556 VND	Baht 1 = 500.000 VND	Baht 1 = 476.190 VND
Beijing Huatai Replica of Porcelain Products Company Limited	Baht 1 = 0.206 RMB	Baht 1 = 0.197 RMB	Baht 1 = 0.218 RMB
PT. Srithai Maspion Indonesia	Baht 1 = 294.403 RP	Baht 1 = 332.591 RP	Baht 1 = 295.412 RP

3.5 Vision, Mission and Business Direction of the Company

The Company has announced its Vision, Mission and Business Direction for the year 2010-2012 so that the executives and all staffs could share a common understanding and coordinating among them to push forward the Company to achieve the desired goals and move forward to designated direction steadily. Besides, the Company has released its Vision, Mission and Business Direction to the public, partners and stakeholders in order to enhance their confidence in the direction and future of the Company and in doing business with the Company.

Vision

To be a leading company of Thailand in the manufacture and distribution of plastic products and household products that gain international recognition.

Mission

1. Mission in Marketing

Gain more market share in domestic market and expand export markets with quality and standardized products.

2. Mission in Production

2.1 Offer high quality products with lower costs at competitive prices to the world markets, supported by standardized production-management system.

2.2 Improve and develop new products to fulfill demand in markets.

3. Mission in Customer Satisfaction

Improve and maintain quality standard of products so as to build up confidence and customer satisfaction by providing impressive services to customers consistently.

4. Mission in Management

Promote personnel development for enhancing their value adding, advancement in career path and their safety at work places. Be aware of corporate social responsibility and environmental protection.

Business Direction of Srithai Superware Public Company Limited

For the years 2010- 2012

(announced on 24 December 2009)

1. We shall develop the Superware brand to become a global brand well known to people from all walks of life and generally recognized for its superior quality, fairness and social responsibility.

2. We shall enhance quality growth of the Srithai Superware Group as follows:

2.1 Plastic business :

2.1.1 Industrial products

- Export Market Assure aggressive growth in regional markets, especially in member countries of AFTA so as to gain more market share and profitability in our businesses.
- Domestic Market Develop markets to assure its continual growth including defending and expanding of market share so as to enhance profitability continually by focusing on products of high market growth and returns.
- Product Line Expansion Focus on development of production technology for industrial products, packaging products for food and beverage and other new products in order to have wider coverage for our customers.

2.1.2 Household products

- Export Market Move towards being a sustainable world leader in melamine products by attaching importance to innovation, development and penetration of markets in various countries in every region.
- Domestic Market Develop markets to assure continual growth, defend and expand market share, as well as enhance stable profitability.
- Production Base Expansion Expand production base to a country of high potential in terms of low production cost and supportiveness of expansion of customer base and new markets, especially India.

2.2 Trading Business :

- To develop a multi-level marketing system as a prominent marketing strategy in expanding business boundary and increasing product variety.

3. Our employees are important partners for our company, therefore we shall give first priority to the development of knowledge and skill of our personnel at all levels to contribute towards their career development, to improve their quality of life and to give them the opportunity to grow along with our business growth.
4. We shall focus on innovation in all areas of production, marketing and services to assure our competitiveness internationally.
5. We shall collectively reshape our corporate culture that will mold our personnel into a team with solidarity and teamwork, loyalty to the organization and recognition of mutual accountability.
6. We shall focus on improvement of product quality, reduction of production cost and punctuality of delivery so as to enhance competitiveness and sustainably defend market leadership of our main products.
7. We shall deploy modern information technology to support our work processes in order to assure speed, accuracy and the most up-to-date information.

4. BUSINESS OPERATION BY BUSINESS LINE

4.1 Content of Plastics Business Line

4.1.1 Plastic Business

The Company's plastics business line has been categorized by its main products i.e. industrial products and household products. The categorization was made according to the function of the products as shown hereunder:-

(1) Industrial Products

(a) Description of Product or Service

Industrial Parts - Parts that are used in the assembly of industrial products such as microwave oven, air-conditioner, refrigerator, washing machine, parts for automobiles and motorcycle, fax machine, printer etc.



Battery Cases - Exterior plastic case, lid and anode & cathode of batteries for cars and motorcycles.



Pallet - Low-rise rectangular plastic pedestal used for putting on with goods in warehouse. There are openings inside the pallet for forks of forklift trucks to insert for lifting.



Bottle Crate - Plastic crates with inside divided into small sockets for keeping bottles upright such as soft drink, beer, and other drinks, etc.



Container - Pail for paint, chemical, lubricant and grease.



Garbage Bin - Large garbage bin with wheels for sidewalk or public places



Crate - Fish crate, spare part box, milk-pack crate and crate for containing fruits & vegetables



Food & Beverage Packaging

- Plastic package for containing food and beverage, produced with thin-wall injection technology, and printed with “offset” printing technology and labeled with “in-mould” labeling technology.



- Caps and Preforms for blowing PET bottles.



(b) **Marketing and Competition**

Description of Customer

Customers who buy automotive and motorcycle parts and battery cases use the products for further assembly in their production process before putting on sale.

Customers who buy pallets, bottle crates, pails, garbage bins, and container crates are end-users such as manufacturing plants.

Customers who buy food and beverage packaging products are F&B factories, cinema house launching marketing campaign, and convenient stores.

Customers who buy CD and DVD boxes are producers of movies or songs. The Company acts as the manufacturer and distributor for Super Jewel Box International b.v. located in the Netherlands.

Premium products are directly sold to brand-owners and retailers for their promotional campaigns.

Accessories, decorations, and appliances are sold through sale agents or retailers who distribute the products to the consumers.

Credit Term

Usually a credit term of 30-90 days is granted to customers of plastic products. Sales in grand sales event are made in cash.

Competitive Strategy

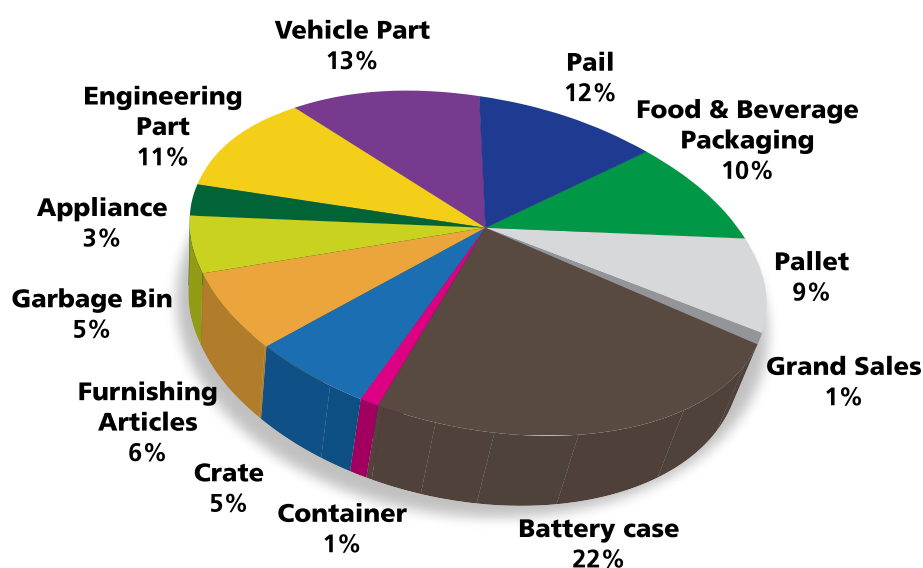
Emphasis is put on high quality products, wide variety of products and complete integration of services, owing to the fact that certain related companies can produce moulds for customers.

Distribution Channel

Plastic products are distributed through the following

Export Sales : 14.7%

Domestic Sales : 85.3%



Distributors are Srithai Marketing Co., Ltd., Siam Melamine Marketing Co., Ltd., Srithai-Otto (Thailand) Co., Ltd., Tanasiri Industries Co., Ltd. and S. Sirithai Trading Co., Ltd. They have been our trade partners for a very long time.

(c) Competitive Status and Potential

Most plastic product producers focus on just any one particular product line and compete only in their niche markets. For instance, producers of household plastic products will only produce household products and not other. There are thousands of plastic factories in the country, most of which are relatively small like shop-house factories or household factories with low investment and low technology. Only few plastic factories considered large enough can produce quantity products to serve individuals and businesses as it requires high investment, strict quality control, and advanced technology. Additionally, brand name is also important in creating creditability among customers, especially for manufacturing of engineering parts which requires high quality and timeliness of delivery. However, fluctuation in resin prices resulting in rising resin price coupled with economic recession has caused many small plastic factories to terminate their operations.

The Group is the leader in plastic industry with many of modern machines and application of new technologies used to enhance its production competency continuously. Currently, the Company has two modern factories producing industrial products with total production capacity as high as 45,000 tons per annum. The Company has expertise in producing plastic precision parts such as industrial and vehicle parts, but will not compete with small producers on plastic products for general use in which price competition is strong but quality is low merely to gain more market share. On contrary, the Company has focused on industrial products of big market size by offering high quality modern products that can serve wide variety of demand of customers. In addition, the Company has developed products continuously to differentiate its product and create value-added on it, and expanded into new product line to consistently increase variety of industrial products. Hence, the Company is confident in its competitiveness competency and its business growth prospect in the future.

Size of the Company as Compared to Competitors'

The Company can not compare its size with its competitors because there are thousands of plastic injection factories, medium and small. Therefore, size can be estimated from market shares as follow:-

	market share
battery cases	70%
industrial parts	60%
material handling products	50-60%

(d) Sourcing of Products or Services

The Company has two factories producing industrial parts, i.e. Amata Nakorn factory in Chonburi and Bangpoo factory. The two factories are producing different products as follow:-

Amata Nakorn Factory in Chonburi

It produces almost all industrial products either small or large pieces. This includes pallets, bottle crates, pails, garbage bins, food & beverage packaging products, CD&DVD boxes, decoration accessories, electrical parts and automotive parts.





Bangpoo Factory

Producing battery cases.

Important raw materials are various types of plastic resin which are purchased domestically from dealers of many producers. Hence, there is no problem on raw material quality or shortage. However, when crude oil price rose, the price of plastic resin also increased. To reduce risk on fluctuation of resin prices, the Company placed orders frequently, and negotiated for better trade terms with suppliers on occasional basis to get reasonable raw material prices. In case of rising raw material prices, the Company sometimes can pass on rising cost to customers, if there is such an agreement. The Company tries to avoid accepting orders of long-term delivery. The production process does not cause any negative impact to environment.

(e) Pending Orders

Customer-base of the Company is extensive; therefore, the Company did not rely on big customers whose pending orders valued more than 10% of total revenue.

(2) Household Products

(a) Description of Product or Service

Household Products comprise tableware and kitchenware, made of melamine powder, beautifully decorated or printed patterns or cartoons characters. They include dish, bowl, rice bowl, ladle, spoon, cup etc. The factory has received promotional privileges from the Board of Investment.



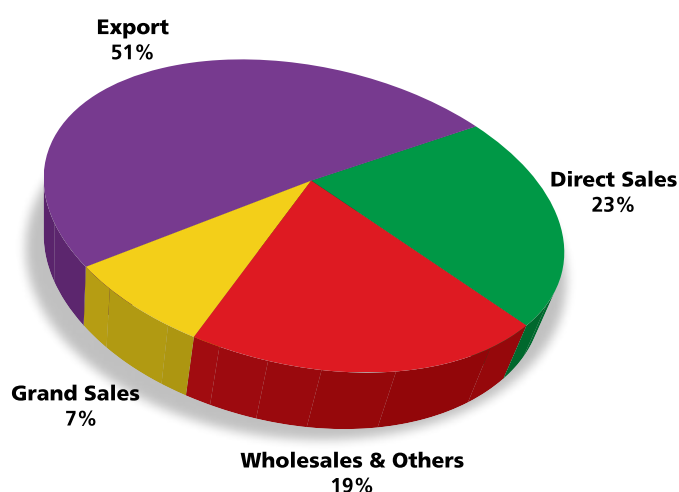
(b) **Marketing and Competition**

Description of Customers Distributed by sale agents, direct sales to consumers and exporting abroad.

Credit Term Usually credit term of 30 – 150 days is granted to distributors. Sales in grand sales event are made in cash and direct sales are also mostly made in cash.

Competitive Strategy Emphasis is made on high quality product with beautiful decoration and colorful design along with product shapes which are suitable for wide applications.

Distribution Channel Household products have the following distribution channels:
Export Sales : 51.3%
Domestic Sales : 48.7%



Distributors are Siam Melamine Marketing Co., Ltd. and Srithai Marketing Co., Ltd. They have been our trade partners for a very long time.

(c) **Competitive Environment**

Household products made of melamine powder which is heat resistant up to 100 oC is suitable for producing food container because it is safe for consumer. There are currently not so many producers in the market. Melamine products of the Company become popular in the markets both domestic and abroad due to its durability and many beautiful designs, and 100% melamine powder has been used for production. Export markets can be expanded to neighbouring countries and developed countries. Presently, the Company has been exporting it to more than 100 countries. Markets could be expanded further.

The Company is the leader in the business of melamine products as producer of 100% melamine products, largest in the world. The Company has modern production technology and has adopted Lean Manufacturing process in the production of household products. The Company is moving forward to more automation in its production process. It has expanded another production base for household products in Vietnam in order to reduce production cost and increase price competitiveness of the Company. In 2009 the Company has started establishing a firm market base in India via sales distributors to enhance competitiveness and to satisfy rising demand for our products in India.

The Company possesses 6 brands of household products made of melamine, i.e. Superware, Vanda, Flowerware, Melamineware, UNICA and ekstra. The Company is the only melamine product distributor who deploys a team force of direct sales.

Size of the Company as Compared to Competitors'

The Company is biggest in term of market share and production capacity. Our production capacity is in excess of 10,000 tons per annum, bigger than those of competitors many times.

(d) Sourcing of Product or Service



The Company produces its household products made of melamine at the factory in Nakorn Rachasrima province, in Suranaree Industrial Estate. Production is focused on made-to-order products as per purchase orders from overseas, and to satisfy demand for certain popular designs in the domestic market. Major raw material is melamine powder, almost all purchased from domestic producers, i.e. Thai MFC Co., Ltd., Thai K.K. Co., Ltd. and Panasonic Electric Works(Ayuthaya) Co., Ltd. These three companies have maintained good relationship with the Company. There are no problems on quality or shortage of raw material, and the production process causes no environmental impacts.

The Company buys melamine powder from Thai MFC Co., Ltd. more than 70% of total purchase of melamine powder in 2009. Due to being an affiliated company, purchase price is reasonable and quality is standard. There is no shortage problem of raw material.

(e) Pending Orders

The Company sells to tens of thousands of customers in domestic and export markets, both consumers and distributors. There is no pending order amounted more than 10% of total revenue.

“Ektra” products are made of plastic or melamine. It is designed to look modern for metropolitan people to be in line with the popularity for products of good design, that are suitable for modern living. This creates the expansion of upper-class customers. Ektra products are popular quite satisfactorily, especially Modern Catering products that are tableware in modern style. The Company sells these products through direct sales, department stores, leading shops and export market.



4.1.2 Trading Business Line

Besides Plastic Business Line, Trading Business Line is another revenue generator for the Company. This involves searching/ importing of new products of high quality, modern and in-trend, and popular both domestically and internationally to sell here at reasonable prices. Below are products on the Company's shelf.

(a) Description of Product or Service

Products categorized under trading business line comprise:-

Domestic Products

Bedding, food cooking ware, consumable products such as health-care & beauty-care products, supplementary foods and other consumer products, etc.



Imported Products

Lock & Lock food preservation boxes with special locking system being imported from Korea. Gadgets used in kitchen and catering from Italy. Tables, sun loungers, and artificial rattan chairs under brand names "Evolutif" and "Kettal" from France and Spain.



(b) Marketing and Competition

Description of Customer

End users and HoReCa business which consists of Hotel, Restaurant, and Catering.

Credit Term

Usually credit term of 90 - 150 days is granted to distributors. Sales in grand sales event are made in cash and direct sales are also mostly made in cash.

Competitive Strategy

Focus on offering differentiated products which are known for its quality, innovations, and highly demanded in both local and foreign markets and yet available at affordable prices. This is not to do without sales promotion and membership in the direct sales of single-level marketing and multi-level marketing systems. Such method will help the Company cover more ranges of consumers and target customers as well as create more recognition of the products among customers. Furthermore, the Company focuses on selling full range of products or product groups that can be offered to the same target group.

Distribution Channel

Sell directly to consumers and use selling agents as distributors. Moreover, direct sales systems both Single-level Marketing (SLM) and Multi-level Marketing (MLM) have been used.

(c) Competitive Environment

The Company committed itself to select products of high quality and popularity to be distributed to customers. Focus was also put on market survey in order to pick up the right product that could satisfy the customer. Marketing and sales activities were continually launched through distribution channels of the Company – sales agents, direct sales, and department stores. All of these activities allow recognition and make easy access to our product for consumers. As a result, our products become well-known and accepted among customers, and have high potential to be the products of common use and to gain more sales in the future.

Moreover, the Company has a policy to promote the brand SNatur to gain more recognition in the markets by restlessly selecting highly demanded products and put it on sales under SNatur brand. A part of this group of products is consumer goods used in daily life that can substitute other products existing in the market. Another way is selecting products that are unique and differentiated from existing products in the market. Such differentiation will create a memorable impression to the Company's products while offering another option to consumers.

Anyway, the Company carefully studied products and market in order to avoid unnecessary risk and competition. Besides, trading business does not require large investment. If any product is not lucrative or not welcome by consumers, the Company could give up distribution of that product with very little impact. It is a good point of this type of business.

Size of the Company as Compared to Competitors'

The Company cannot compare size of trading business with its competitors' because there are many types of products and of different applications. There are many competitors of many sizes, so that the Company could not evaluate market condition of each product and determine market share. However, given special quality, feature and patent protection, the Company's products are difficult to copy and become another choice of consumers.

(d) Sourcing of Products or Services

There are wide ranges of products that the Company had selected to sell under its business, whether they are locally or internationally supplied. In choosing suppliers, the Company evaluates the quality of the product and the popularity and confidence of the product among customers. The Company also considers the competency of the producer, market information, as well as other qualifications of the producer while also valuing good relationship with trade partners. This is to ensure continuity of supply of products for distribution.

(e) Pending Orders

The Company distributed products to various types of customers – i.e. end users, retailers, sales agents and HoReCa (Hotel, Restaurant, and Catering). In addition, revenue proportion of trading business in the year 2009 is still small as compared to total revenue of the Company. Therefore, there is no pending order amounted more than 10% of total revenue.

4.1.3 Other Business

Other business lines comprise mould-making business which is supporting plastic business, and businesses other than plastic business and trading business as following:-

(1) Mould-Making Business

The Company does not itself make moulds for sale to outsiders. Mould-making business has been operated by our subsidiaries, namely Srithai Miyagawa Co., Ltd. and Srithai Moulds Co., Ltd. Both companies are leaders in this business. Their products are supplied to automobile industry, electrical appliance industry and toiletry which require very high precision of injected parts. Srithai Shin-Osaka Co., Ltd., another company in Srithai Group, has been providing mould laminating business.



As mould is used for producing both industrial and household products, mould is important to the plastic business line. Each mould has different feature and efficiency. If low quality mould is used, the end products may be of low quality and sub-standard and it may result in rejects in the production line. There are three groups of moulds as follow:

- Group 1** Mould to inject products of simple design like household products, electrical appliances and toys that require simple plastic injection system. This group of moulds are cheap and many small mould-makers are involved in this business.
- Group 2** Mould to inject products like electrical parts, automotive parts and sanitaryware that need high & long process technology. This requires high investment in machines and software to support production. Srithai Miyagawa Co., Ltd and Srithai Moulds Co., Ltd are mould-makers for this group of moulds.
- Group 3** Mould of round shape and smooth surface like mould to inject buckets or glass, which require high efficiency machines. Most mould-makers in Thailand could not make moulds of this group, so they have to hire offshore mould-makers to make such moulds and then import it at expensive costs. The Company's subsidiary has planned to improve and develop production technology to produce moulds of this group in the future to substitute import.

(a) Description of Product or Service

It is a hire-of-work to make moulds for plastic injection or melamine compression as per designs and sizes described by clients, including mould repair services.

(b) Marketing and Competition

Plastic products have been used increasingly every year as manufacturers look toward cost saving by changing raw materials from high cost metal to low cost plastic. They are in automotive industry, electrical appliance industry, sanitaryware industry, etc. Mould is an important part and a start point of plastic injection. There are many mould makers, Thai or foreigners, investing in mould-making businesses, small or big moulds, with initial investment of approximately THB 100 million each. In addition, with support and personnel development of this industry in the country for advancement and efficiency, it results in an increase in mould production capacity and no more labor shortage. Production capacity of moulds could fulfill demand in the country. Only moulds of complicated shape and requiring high production technology are imported. With increasing demand for moulds, plastic product manufacturers could hire mould-makers inside or outside the country by comparing quality, capability and pricing among them before making decision. Hence, mould industry in Thailand has faced fierce competition from foreign makers in term of both pricing and technology.

(c) Competitive Status and Potential

Competency and availability of skilled labors, modern machinery & equipments, and company software have made Srithai Miyagawa Co., Ltd. and Srithai Moulds Co., Ltd. capable in making high precision moulds. They could make and supply moulds to automotive industry, electrical appliance industry, sanitaryware industry, and others as many as 200-300 sets per annum, amounting to THB 200-300 million. In 2009, the two companies got orders from their customers only 60-70% of their production capacity due to economic recession having adverse effect on automotive and electrical appliance industries, including price-cutting competition. However, they tried to cut costs to increase competitiveness. They set up a goal to develop their competency that they will be able to make more complicated moulds.

Size of the Company as Compared to Competitors'

Srithai Miyagawa Co., Ltd. has invested in tools, machinery and man-power to be able to make moulds of weight 200 kgs. up to 5,000 kgs., whereas Srithai Moulds Co., Ltd. can make large mould of weight up to 10,000 kgs. There are about 50 competitors of the same size with us. However, those competitors have special skill in different areas of products. As a result, competition is not so high.

(d) Sourcing of Product or Service

Iron ingot is the raw material of mould-making. There are many import agents for iron ingots in Thailand. Hence, competition among those import agents is high. Mould-making companies of ours can then procure iron ingots easily without shortage of supply.

(e) Pending Orders

Mould making is time consuming, especially on design, production and testing in its normal production process. As such, if purchase orders come in late of the year, there is a chance that pending jobs will be varied subject to proportion of purchase order amount received by year end.

However, as of December 31, 2009, Srithai Miyagawa Co., Ltd and Srithai Shin-Osaka Co., Ltd, had pending orders not more than 10% of total revenue. Only Srithai Moulds Co., Ltd. had a pending order from 1 client for the amount over 10% of total revenue. The pending job could be delivered within 3-4 months.

(2) Other line of business

Number of companies in the Group categorized under other line of business had decreased as compared to that of last year. Presently, there is only Srithai Packaging Co., Ltd. under this category because S.K.I. Ceramics Co., Ltd. had been shut down due its chronic losses and loss of major customers in highly competitive environment and unfavorable economic condition. The Company had reclassified its investment in LN Srithai Comm Co., Ltd. in the year 2008, leading to exclusion of LN Srithai Comm Co., Ltd. from other line of business.

Srithai Packaging Co., Ltd.

(a) Description of Product or Service

Manufacturing corrugated paper boxes printed by offset technique for sale to goods manufacturers (made-to-orders)

(b) Marketing, Competition, and Competitive Environment

Eventhough facing strong competition, it can retain a group of loyal customers with its quality and service, so there is no problem.

(c) Sourcing of Product or Service

Major raw materials are card board and craft paper, which are all purchased from domestic suppliers. Sometimes price of paper pulp rose up and raw material was short, causing price of paper to increase to some extent which required longer lead time of purchase. However, wise problem-solving methods and efficient management help lessen any adverse impact on cost of products to insignificant level.

(d) Pending Orders

Srithai Packaging Co., Ltd. had no pending order valued more than 10% of total revenue.

4.2 Characteristics of Customers and Their Relationships

(a) Characteristics of Customers and Their Relationships in the Plastic Business

This category of customers can be divided into 5 types:

- 1) Importers for own usage or distribution in their own companies such as shopping malls, and distributors. These importers will decide to order products from the Company on a case-by-case basis.
- 2) Institutional customers such as other companies or other entities which acquire the product for self-use e.g. airlines requiring plastic wares for aircrew meals or beverage producers requiring bottles container, for example. This group also includes car assemblers, and electrical appliances producers for household uses, etc. This category of customers had been engaged in good relationship with the Company for a lengthy period of time.
- 3) Direct sales system which involves representatives, direct sales staff or freelance sales. These traders earn from the difference in the market price at which the product was sold and the price they set to their direct customers.
- 4) Sales agents are entities with good relationship with the Company and are able to acquire the products through their trade credits. These sales agents will distribute the Company's product to retail sellers and department stores subsequently.
- 5) Cash sales in Grand Sale fair where sales discount and seasonal promotions are held, taking place 4 times a year in the Company's factories. Products sold in these events are defected goods, and products which had been oversupplied from customer's orders, and slow moving products. The main customers of this channel are housewives and direct consumers.

(b) Customer Characteristics in Trading Business

This category of customers can be divided into the following categories:

- 1) Direct consumers or entities with the demand for the product for their business uses such as cooks, and "HoReCa" group of businesses which consist of Hotel, Restaurant, and Catering operators.
- 2) Direct sales system through Single-level Marketing and Multi-level Marketing which has representatives or direct sellers presenting the products and selling them on a freelance basis. The main sources of income for the representatives are the discount from the prices and benefits returns payments.
- 3) Sales agents which are entities who engages in long-term trading relationships with the Company and are able to acquire the products through trade credits for redistribution among retail outlets and department stores.

(c) Customer Characteristics and Relationship with Other Businesses

- **Mould Business Line**

Srithai Miyagawa Co., Ltd. and Srithai Shin-Osaka Co., Ltd. had been sending staffs with expertise in mould labeling to provide advises in various industrial factories that need production of industrial parts or produce plastic goods in order to educate the producer's community with services. Customers in contact with this type of business are often those with long term relationships.

- **Other Areas of Businesses**

Srithai Packaging Co., Ltd. has customers who directly use the Company's product in their factories, most of which have had long established relationship with the Company.

4.3 Investment Promotion Certificates

The Company had been approved investment promotion certificates from the Board of Investment. The benefits received can be summarized as follows:-

(1) Industrial Products

Promotion Certificates	Products and Production Capacity	Location	Benefits Received	Benefits Remaining
7007/2537 dated May 27, 1994	Plastic Goods 26,500 tons/24 hrs./ 300 days/year	Amata Nakorn Industrial Estate	1) Corporate Income Tax Exemption 2) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on Raw Materials
3004/ Wor./2544 dated February 9, 2001	Plastic Parts for electrical appliances 12,000 tons/24 hrs./ 350 days/year	Suksawat Road	1) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on Raw Materials
1764(4)/ 2548 dated August 29, 2005	Plastic Packaging 4,100 tons/24 hrs./ 300 days/year	Amata Nakorn Industrial Estate	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption 3) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption 3) Exemption of Import Tariffs on Raw Materials
1339(2)/ 2550 dated April 4, 2007	Plastic Parts for Industrial Use 40,000 tons/24 hrs./ 300 days/year	Amata Nakorn Industrial Estate	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption 3) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption 3) Exemption of Import Tariffs on Raw Materials

(2) Household Products

Promotion Certificates	Products and Production Capacity	Location	Benefits Received	Benefits Remaining
1040/Sor.Or./ 2536 dated March 4, 1993	Melamineware 3,400 tons/24 hrs./ 300 days/year	Suranaree Industrial Estate	1) Lower Import Tariffs on machines 2) Corporate Income Tax exemption and reduction 3) Exemption of Import Tariff on Raw Materials	1) Exemption of Import Tariffs on Raw Materials
7027/2537 dated August 26, 1994	Melamineware 5,500 tons/24 hrs./ 365 days/year	Suranaree Industrial Estate	1) Corporate Income Tax exemption and reduction	1) Corporate Income tax reduction
1083/2539 dated February 13, 1996	Melamineware 2,000 tons/24 hrs./ 300 days/year	Suranaree Industrial Estate	1) Exemption of Import Tariffs on machine 2) Corporate Income Tax Exemption and reduction 3) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on Raw Materials
1158/2540 dated March 6, 1997	Melamineware 3,000 tons/24 hrs./ 365 days/year	Suranaree Industrial Estate	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption and reduction	1) Corporate Income tax reduction

5. OPERATING ASSETS OF THE COMPANY AND ITS SUBSIDIARIES

5.1 Major Operating Assets

1) Srithai Superware Public Company Limited

Comprising Head office and 3 Factories :

- | | |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. Head office | Location : No. 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok.
Area 22-3-7 rai |
| B. Bangpoo Factory | Location : No. 610, Soi 8A, Bangpoo Industrial Estate, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan Province. Area 6-3-89 rai |
| C. Amata Nakorn Chonburi Factory | Location : No. 700/13 Moo 1, Amata Nakorn Industrial Estate, Tambon Klong Tamru, Amphoe Mueang, Chon Buri Province. Area 49-0-98 rai |
| D. Korat Factory | Location : No. 335, 529, Moo 6, Suranaree Industrial Estate, Ratchasima – Chok Chai Road, Tambon Nongrawiang, Amphoe Mueang, Nakhon Ratchasima Province. Area 48-0-0 rai |

Net asset value as of 31 December 2009 of major operating assets at each location.

Unit : Million Baht

Assets	Land	Building	Plant and equipment
Head office	251.53	84.91	59.18
Bangpoo Factory	20.92	28.66	155.70
Amata Nakorn Chonburi Factory	196.98	139.74	1,603.35
Korat Factory	38.40	171.43	175.68
Total	507.83	424.74	1,993.91

Apart from the major assets stated above, the Company also has several warehouses and showrooms of which details are added in notes to the consolidated and company financial statements for the year ended December 31, 2009, under headline ‘Property, plant and equipment, net’, page 33-38.

Collateral and Mortgaged Assets

The Company has received long term loans under the energy conservation project and working capital facilities from two local commercial banks of which one loan contract and five amendment of loan contracts were secured by the following mortgaged assets as of December 31, 2009:

- Mortgaged land parcels in which 3 factories are situated :

Bangpoo Factory	Area	6-3-89	rai
Amata Nakorn Chonburi Factory	Area	49-0-98	rai
Korat Factory	Area	48-0-0	rai

2. Mortgaged the property, including buildings and factories
 - 2.1 Mortgaged Bangpoo Factory. Address : No. 610 Bangpoo Industrial Estate, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan Province
 - 2.2 Mortgaged Amata Nakorn Chonburi Factory. Address: No. 700/13 Moo 1, Amata Nakorn Industrial Estate, Tambon Klong Tamru, Amphoe Mueang, Chon Buri Province.
 - 2.3 Mortgaged Korat Factory. Address: No. 335,529 Moo 6 Suranaree Industrial Estate, Tambon Nongrawiang, Amphoe Mueang, Nakhon Ratchasima Province.
3. Endorsement of relevant insurance policies in which two banks are the sole beneficiaries or Sole Loss Payee.

Long-term loans and all revolving credit facilities that the Company has received since year 2008, for supporting investment plan and business expansion, are clean long term loans and revolving credit facilities that do not require collateral. There are only certain conditions which prohibited the Company from incurring any additional obligation or conducting any legal transaction concerning all of the Company's current and future property, plant and equipments (Negative Pledge), and appointed the creditor as sole beneficiaries of the Company's insurance policies. These conditions are in line with the Company's current financing policy that any additional credit facility obtained will not be collateralized.

2) Srithai (Vietnam) Company Limited

Location of Office and Factory - 9 Street 2, Song Than 1 Industrial Park, Di An District, Binh Duong Province, Socialist Republic of Vietnam. The 18 -3-0 rai land area has been leased from an operator of an Industrial Estate in Vietnam for 38 years since July 12, 1997 at annual rental rate of USD 36,000.

3) Srithai Moulds Company Limited

Location of Office and Factory - No. 55/1, 55/6 Moo 1, Tambon Nong-Samsak, Amphoe Ban Bueng, ChonBuri Province. The 14-3-9.4 rai land area is owned by the company in which some of the following assets are mortgaged to creditor banks :

- 3.1) Three condominium units and some machines were mortgaged to the Bank of Ayudhaya Pcl. as collateral for working capital credit line and other credit line under the energy conservation projects.
- 3.2) The 8-0-75.4 rai land area was mortgaged to the Siam Commercial Bank Pcl. as collateral for working capital credit line.

4) Srithai Nanoplast Company Limited

Location of Office and Factory - No. 42 Moo 4, Tambon Bualoy, Amphoe Nhong Kae, Saraburi Province. The 5-2-50 rai land area is owned by the company.

5) Srithai Miyagawa Company Limited

Location of Office and Factory - No. 539 Moo 4, Soi 8B, Bangpoo Industril Estate, Sukhumvit Road, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan Province. The 11-1-73 rai land area is owned by the company.

6) Srithai Lock&Lock Company Limited

Location - No. 191 Silom Complex Building, 25th Floor, Unit 2, 3-5 C, Silom Road, Silom, Bang Rak, Bangkok. According to the rental contract, the area is 393.20 square meters with a lease period of 3 years and total rental rates for 3 years are approximately Baht 7.93 million.

7) Srithai Shin-Osaka Company Limited

Location of Office and Factory - Samut Sakorn Industrial Estate, No. 1/132 Moo 2, Rama 2 Road, Tambon Ta-sai, Amphoe Mueang, Samut Sakorn Province. The 4-0-10 rai land area is owned by the company.

5.2 Intangible Asset

The Company has acquired a license from Universal Closure Limited (UCL) to produce and distribute caps covering 14 countries. The innovation will help reduce cost and raw material consumption as well as increase the Company's competitive advantage. In addition, the Company has also invested in a license to produce and distribute in some products of Trading Business line as well as in various copyrights, which caused an increase in net intangible assets. Details and net asset value of net intangible asset are provided in notes to the consolidated and company financial statements for the year ended December 31, 2009, page 39-40. On average, length of the production and distribution license as well as term of various copyrights and software license are in the range of 5-10 years.

5.3 Intellectual Property

The Company has two types of intellectual properties, patent and trademark. In year 2009, the Company had submitted additional patents and trademarks for domestic registration, consisting of 19 design patents and 2 trademarks for 2 product categories. In addition, the Company had also registered a trademark in India in 2009 for 2 product categories. The additional registration and cancellation of some patents and trademarks were due to its expiry or no intention of future use for cost saving purpose. The Company currently has 171 active patents altogether of which 168 items are design patents, 1 is invention patent and 2 are petty patents. There are also 2 active overseas design patents. The Company has 20 active domestic trademarks and new registration for 49 product categories, and overseas registration of 7 trademarks for 17 product categories.

Patents and Trademarks registration has Characteristics, Conditions, Effect on Business and Life of Rights as follows :

Patents

Important Characteristics

There are three kinds of Company's registered patents:

1. **Design Patent:** A protection of creativity concerning unique design, shape, and color or product pattern that create beauty and differentiation.
2. **Invention Patent:** A protection of creativity concerning component, structure or mechanism of products, including method of production or quality improvement or invention of new product which is different from existing product. Process of invention is difficult to do and could be industrialized or commercialized.
3. **Petty Patent:** A protection granted to innovations which is similar to a patent for invention. However, the difference is that an invention applied for a petty patent is a slight improvement of an invention in order to enhance its usefulness.

Patent registration at the Ministry of Commerce allows the Company or patentee to possess the sole right to obtain benefits on the design of the products and to grant permission of use to other parties with benefits in return.

Condition

According to the law, a design that may apply for a patent must be a new design of product for industrialization or handicraft. Such design is not widely used in the country or essence of which not yet disclosed in any publication, inside or outside the country, before the date of submission and not similar with existing design.

Effect on Business

After patent is registered, the Company will be granted protection of sole right in producing, distributing, importing even allowing other parties to use the right in exchange of benefits. Thus, in case of rights violation, the Company will be able to enforce such rights and stop the violation, and seize violating assets for destroying or claim for damage caused by such act. Violator will also be subject to imprisonment, fine or both. This is to prevent competitors and others from reproducing and distributing Company's work without permission. Therefore, patent registration is necessary for business competition and benefit protection.

Life of Patent

Patent life is classified according to type:

1. **Design Patent** has 10 years protection period from the submission date and need renewal from the beginning of 5th year until 10th year.
2. **Invention Patent** has 20 years protection period from the submission date.
3. **Petty Patent** has 6 years protection period from the submission date and need to pay annual fee from the beginning of 5th year and 6th year, and is able to renew twice with two years each (altogether 10 years in total).

Trademark

Characteristics

It is a distinctive sign (picture, word, name, character, etc) used to identify products or services so that the public or consumers could identify it from other goods of other trademarks. Usually, the general public refers to trademark as brand.

Condition

Trademark could be submitted for registration at Ministry of Commerce. It must not resemble any trademark especially within the same product categories.

Effect on Business

Trademark enables customers to correctly identify Company's product and its trademark, which allow them to purchase goods as needed and prevent confusion among choices. Trademark that has not been registered will not permit the owner to take legal actions against any infringement. The registered trademark allows the owner to file infringement lawsuit which has heavier penalty, claim monetary damage, and revoke the registration of the imitation or counterfeit trademark. Thus, if the Company does not register its trademark, others can produce a counterfeit trademark, which can confuse customers and hurt Company's reputation and effect business operation. Infringement of registered trademark is stronger penalized than infringement of unregistered trademark.

Life of Trademark

Registered trademark has 10 years protection period from the submission date and can be renewed every 10 years.

6. LEGAL DISPUTE

The Company and its subsidiaries have no lawsuit or legal dispute as follows:

1. Any lawsuit which may negatively affect on the assets of the Company or its subsidiaries for an amount more than 5% of the shareholders' equity;
2. Any lawsuit that may affect significantly on the Company's business operation and its impact could not be estimated;
3. Any lawsuit not caused by normal business operation of the Company.

7. STRUCTURE OF CAPITAL

7.1 Securities Issued by the Company and Subsidiaries

Presently, the Company and subsidiaries have issued only common shares in its structure of capital and no other securities such as preferred stocks, debenture, convertible securities, etc. was issued to raise fund. Details of registered capital of the Company and subsidiaries were shown below:-

Company	Description of Registered and Paid up Capital
Srithai Superware Public Company Limited	Registered Capital : THB 2,709,904,800, fully paid-up, comprising 270,990,480 common shares at par value THB10 each.
Srithai (Vietnam) Company Limited	Registered Capital : Dong 109,337,834,503, fully paid-up.
Srithai Moulds Company Limited	Registered Capital : THB 100,000,000, fully paid-up, comprising 1,000,000 common shares at par value THB 100 each.
Srithai Nanoplast Company Limited	Registered Capital : THB 40,000,000, fully paid-up, comprising 4,000,000 common shares at par value THB 10 each.
Srithai Miyagawa Company Limited	Registered Capital : THB 120,000,000, fully paid-up, comprising 1,200,000 common shares at par value THB 100 each.
Srithai Lock&Lock Company Limited	Registered Capital : THB 17,000,000, fully paid-up, comprising 1,700,000 common shares at par value THB 10 each.
Srithai Shin-Osaka Company Limited	Registered Capital : THB 49,800,000, fully paid-up, comprising 600,000 common shares at par value THB 83 each.

7.2 List of Top 10 Major Shareholders as of December 30, 2009

7.2.1 Shareholders who could Participate in Formulation of Corporate Policies

Name	Rank	Shares	%	Major Business
MR. SANAN ANGUBOLKUL	1	44,082,351	16.27	Chairman and President of Srithai Superware Pcl.
MRS. SRISUDA LERTSUMITKUL	3	15,000,000	5.54	Director of Srithai Superware Pcl.

7.2.2 Shareholders who could not Participate in Formulation of Corporate Policies

Name	Rank	Shares	%
MS. MAYUREE SIRIVAJANANGKUL	2	16,307,349	6.02
MR. SOMBAT & MRS. NALINEE LERTSUMITKUL	4	11,071,700	4.09
MR. SOMYOD LERTSUMITKUL	5	10,070,815	3.72
MR. SOMKIEAT LERTSUMITKUL	6	7,836,000	2.89
MS. BUNNAPA LERTSUMITKUL	7	7,820,000	2.89
MR. SOMSAK LERTSUMITKUL	8	7,102,070	2.62
MR. KAMONPLUST MEKWORAWUT	9	6,652,500	2.45
JEFFERIES & COMPANY, INC	10	6,630,200	2.45
Total shares of Top 10 major shareholders		132,572,985	48.92
Total common shares		270,990,480	100.00

Remark : Investors could have access to name-list of the current top 10 major shareholders shown in the Company's website before arrival date of the Annual General Meeting of Shareholders.

7.3 Share Holding of Directors in the Company

The list of shareholders of the Company, as of 30 December 2009, showed that 62,592,671 common shares were held by Directors and spouses, equivalent to 23.10% of total issued common shares. The change of share-holding in the Company by Directors and their spouses was insignificant as compared to that of the previous year.

7.4 Dividend Policy

7.4.1 Dividend Policy of the Company

The Company has a policy to pay out dividend from profit at the rate not less than 50% of net profit each year as shown in the Company's financial statements, and on a condition that the Company has no retained loss.

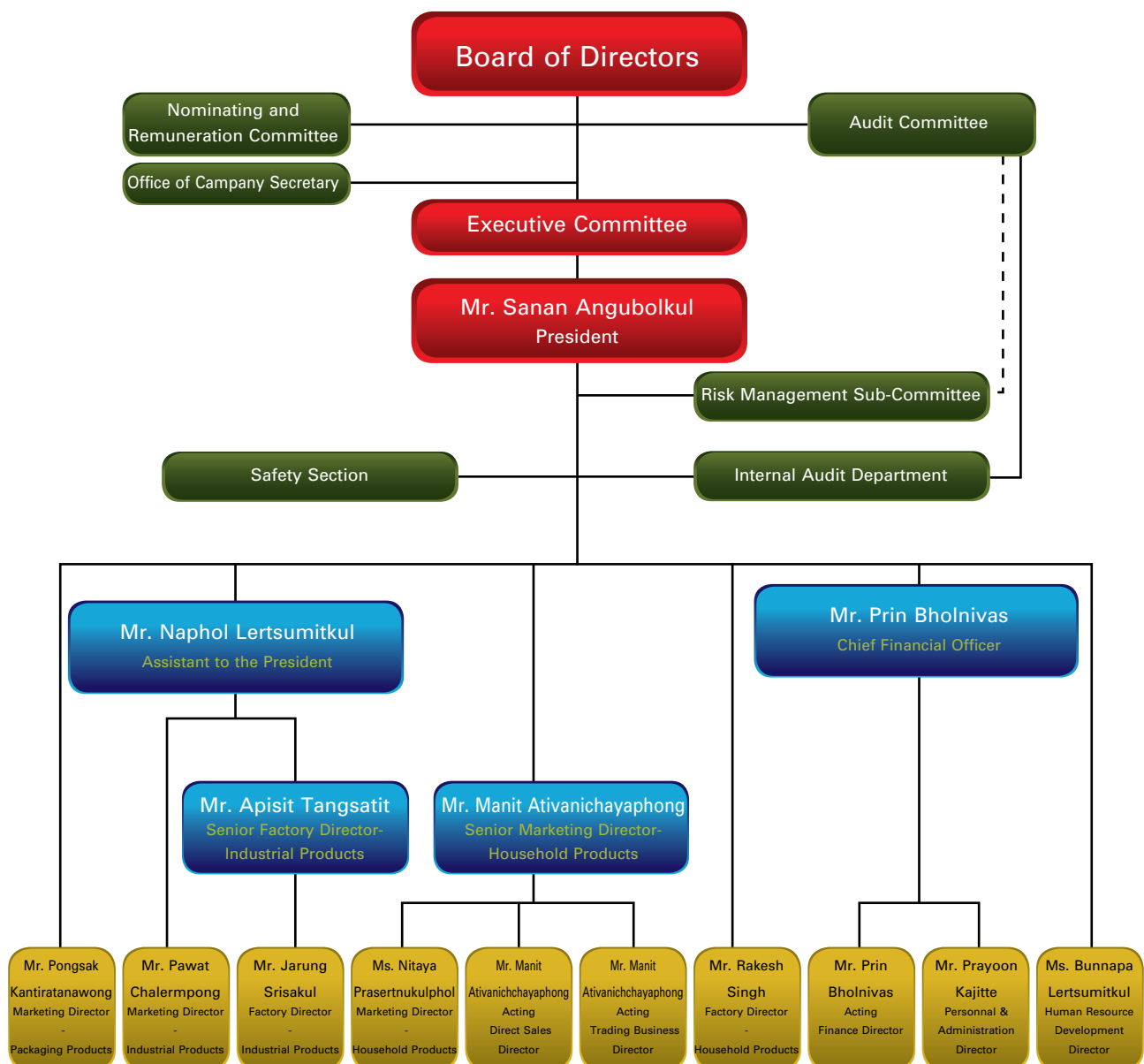
7.4.2 Dividend Policy of Subsidiaries

Due to the fact that each subsidiary has its own management team who is free on formulating dividend policy, the Company could not set up dividend policy for any subsidiary. However, subsidiaries will usually pay out dividend at reasonable ratio subject to their financial standing at that time, if they have profit and there is no other concerns. There is no pre-determined dividend pay-out ratio.

8. MANAGEMENT

The Board of Directors is responsible for overall management of the Company. According to the Articles of Association, the Board consists of at least 5 directors but not more than 12 directors, and at least 3 of them must be independent directors. At least half of total number of Directors representing in the Meeting of the Board of Directors constitutes a quorum. The Meeting of Shareholders nominates Directors. The term of Directorship is 3 years. Any director whose term is expired can be nominated and re-elected by the Meeting of Shareholders. Management conducts business on behalf of the Board of Directors.

8.1 Structure of Organization



8.2 Board of Directors : Authority and Responsibilities

Board of Directors



Standing from left to right : Mr. Enghug Nontikarn, Mr. Prin Bholnivas, Mr. Naphol Lertsumitkul,
Mr. Mani Ativanichayaphong, Mr. Suchat Boonbanjerd Sri

Seated from left to right : Mrs. Siriporn Sailasuta, Mr. Sanan Angubolkul,
Prof. Viroj Lowhaphandu, Mrs. Srisuda Lertsumitkul

1.	Mr. Sanan Angubolkul	Chairman, President and Nominating and Remuneration Committee Member
2.	Prof. Viroj Lowhaphandu	Independent Director and Chairman of the Audit Committee
3.	Mr. Enghug Nontikarn	Independent Director, Audit Committee Member and Chairman of the Nominating and Remuneration Committee
4.	Mr. Suchat Boonbanjerd Sri	Independent Director and Audit Committee Member
5.	Mrs. Siriporn Sailasuta	Independent Director and Nominating and Remuneration Committee Member
6.	Mrs. Srisuda Lertsumitkul	Director
7.	Mr. Naphol Lertsumitkul	Director
8.	Mr. Mani Ativanichayaphong	Director and Risk Management Sub-Committee Member
9.	Mr. Prin Bholnivas	Director, Nominating and Remuneration Committee Member, Chairman of the Risk Management Sub-Committee and Company Secretary

Authority and Responsibilities of the Board of Directors

The Board of Directors has the following authorities and responsibilities :

1. Performing duties in accordance with the law, the Objects and Articles of Association of the Company as well as the resolution of the Meeting of Shareholders;
2. Prescribing business policies and targets for the Management to follow;
3. Monitoring and controlling Management to conduct business efficiently and in good faith, and to follow shareholders' resolution;
4. Calling for the Meeting of the Shareholders at least once a year to report business performance and to request for the resolutions on matters beyond the power of the Board of Directors e.g. declaration of dividend;
5. Calling for the Meeting of the Board of Directors at least once every three months;
6. Entering into any transaction or any act which may have material effect on financial position, obligation on liabilities, and reputation of the Company, e.g. borrowing money from financial institution;
7. Entering into any connected transaction that requires no approval of Shareholders' Meeting between the Company, its subsidiaries, or affiliated companies and connected persons;
8. Setting up internal control system and efficient internal auditing procedure;
9. Directing and monitoring the accuracy, completeness, and transparency of financial reporting and reporting of other information to shareholders and other concerned parties;
10. Nominating and defining scope of duties and responsibilities of ad-hoc committee in any particular issue;
11. Nominating and changing authorized signatories who can bind the Company;
12. Setting up policies, business strategies, business plan, and annual budget for the Company;
13. Following up results of work and business results quarterly and annually of the Company, and comparing it to budget;
14. Entering into any contract that is not normal business of the Company, or any material contract of normal business nature;
15. Directing and monitoring the compliance to principles of good corporate governance; and
16. Amending or changing the scope of authorities and responsibilities of the Board as mentioned above.

8.3 Management : Authority and Responsibilities

Management (Definitions as set by the Office of the Securities and Exchange Commission)

1.	Mr. Sanan	Angubolkul	Chairman and President
2.	Mr. Prin	Bholnivas	Chief Financial Officer
3.	Mr. Naphol	Lertsumitkul	Assistant to the President
4.	Mr. Manit	Ativanichayaphong	Senior Marketing Director - Household Products, Acting Trading Business Director and Acting Direct Sales Director
5.	Mr. Prayoon	Kajitte	Personnel and Administration Director
6.	Ms. Bunnapa	Lertsumitkul	Human Resource Development Director
7.	Mr. Apisit	Tangsatit	Senior Factory Director - Industrial Products
8.	Mr. Pawat	Chalermpong	Marketing Director - Industrial Products
9.	Ms. Nitaya	Prasertnukulphol	Marketing Director - Household Products
10.	Mr. Pongsak	Kantiratanawong	Marketing Director - Packaging Products
11.	Mr. Jarung	Srisakul	Factory Director - Industrial Products
12.	Mr. Rakesh	Singh	Factory Director - Household Products

Remark : Mr. Rakesh Singh has been appointed by resolution of the Board Meeting no.6/2552, held on 23 December 2009 and effective on 4 January 2010 onward.

Authority and Responsibilities of the President

1. Manage and supervise the Company's business operations in accordance with the direction / goal of the Company and to strengthen the Company's businesses according to the policies of the Board of Directors.
2. Manage and Implement short-term and long-term plans in order to achieve the Company's objectives and goals.
3. Implement financial management in order for the Company to have proper and strong financial structure.
4. Manage proactive public relations and foster good relationship with every group of stakeholders in order to create good and sustainable Company's image.
5. Implement risk management properly and efficiently.
6. Manage the organization's activities regarding environmental responsibility and corporate social responsibility.
7. Supervise and perform duties according to the laws, and Company's objectives, rules, and regulations.
8. Perform duties as assigned by the Board of Directors.

Authority and Responsibilities of the Management

The Management will manage the Company so as to assure that work plan being implemented and policies of the Board being followed. The Management will carry out any assignment from the Board as follows:

1. Managing, directing and monitoring the performance of the Company in order to be efficient, comply with the direction and objectives of the Company and keep up the strength of business as stated by policies of the Board of Directors;
2. Screening any agenda to be proposed to the Board of Directors and carrying out any assignment from the Board;
3. Reporting its performance result to the Board;
4. Planning and screening all short-term and long-term plans so as to achieve purposes and objectives of the Company;
5. Planning financial management so as to diminish financial burdens and to solidify the financing structure of the Company; and
6. Performing duties in compliance with the laws, the objectives and Articles of Association of the Company.

COMPANY SECRETARY Mr. Prin Bholnivas

8.4 Background Information about Directors and Executives

1) Mr. Sanan Angubolkul

Age	: 64 years
Nationality	: Thai
Present Position	: Chairman, President and Nominating and Remuneration Committee Member
Authority to sign for the Company as per Certification Document	: Yes
No. of share	: 44,082,351 shares or 16.27 percent (December 30, 2009)
Relationship among Directors	: None
Illegal acts in the past 10 years	: None
Training Course Thai Institute of Directors Association (IOD)	: Chairman 2000 Program, class no. 4/2001 Director Accreditation Program (DAP)
Other Training	: Top Executive Program in Commerce and Trade, 2 nd Class (TEPCoT2), Commerce Academy Thai Capital Market Leader Program 7 (2008),

Thai Capital Market Academy

Education :

Institution	Degree	Major
University of Oglethorpe, Atlanta, Georgia, U.S.A.	B.B.A.	Business Administration
Chiang-Mai University	Honorary Doctorate	Business Administration
Sripatum University	Honorary Doctorate	Marketing
The National Defence College of Thailand	Certificate of Achievement, 3 rd Class	-

Experience:

Company	Position	Time Period
Srithai Superware Public Company Limited	Chairman, President and Nominating and Remuneration Committee Member	A.D. 1972 – present

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Chairman, President and Nominating and Remuneration Committee Member

2) Non-listed Companies:

2.1) Srithai Superware Group

: Please see the additional details in Attach no. 1

(Details of Directors and Management who have control over companies in Srithai Superware Group)

2.2) Other Companies :

Company	Position
LN Srithai Comm Company Limited	Director
Nissen Chemitec(Thailand) Limited	Director
D.M.S. Tech Company Limited	Director

3) Position in competing companies / company related to business of the Company that conflict of interest may arise

: None

Attendance :

- Board meetings	No. of meetings held : 6	No. of meetings attended : 6
- Nominating and Remuneration Committee meetings	No. of meetings held : 2	No. of meetings attended : 1

Being a director for how many years

: 7 years (since the Company was released from the Rehabilitation Plan in July 2002 till present time)

2) Prof. Viroj Lowhaphandu

Age	: 80 years
Nationality	: Thai
Present Position	: Independent Director and Chairman of the Audit Committee
Authority to sign for the Company as per Certification Document	: None
No. of share	: None (December 30, 2009)
Relationship among Directors	: None
Illegal acts in the past 10 years	: None
Training Course Thai Institute of Directors Association (IOD)	: Director Certification Program (DCP) Audit Committee Program (ACP)
Other Training	: Certified Professional Internal Auditors Certified Public Accountant (Thailand)

Education :

Institution	Degree	Major
Thammasat University	Bachelor	Commerce and law
Thammasat University	Higher Diploma in Accounting (Master)	Accounting
The American University, Washington D.C., U.S.A	M.B.A.	Business Administration
Thammasat University	Honorary Doctorate	Accounting
Sripatum University	Honorary Doctorate	Business Administration - Banking
Rangsit University	Honorary Doctorate	Philosophy (Leadership in Society Business and Politics)
The National Defence College of Thailand	Certificate of Achievement, 22 nd Class	-

Experience:

Company	Position	Time Period
Ministry of Finance	Deputy Permanent Secretary	A.D. 1978 – 1980
The Treasury Department, Ministry of Finance	Director General	A.D. 1980 – 1985
The Revenue Department, Ministry of Finance	Director General	A.D. 1985 – 1986
The Customs Department, Ministry of Finance	Director General	A.D. 1986 – 1990
The Excise Department, Ministry of Finance	Director General	A.D. 1990 – 1991

Present Positions in Companies:

1) Listed Companies:

Company	Position
Central Plaza Hotel Public Company Limited	Executive Director
Moong Pattana International Public Company Limited	Chairman
Srithai Superware Public Company Limited	Independent Director and Chairman of the Audit Committee

2) Non-listed Companies:

2.1) Srithai Superware Group : None

2.2) Other Companies :

Company	Position
Ajinomoto Foundation	Director and Treasurer
Big C Foundation	Director
Federation of Accounting Professions	Advisor of the CPA Examination Sub-Committee
Federation of Accounting Professions	Academic Committee (Accounting)

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

Attendance :

- Board meetings	No. of meetings held : 6	No. of meetings attended : 6
- Audit Committee meetings	No. of meetings held : 4	No. of meetings attended : 4

Being a director for how many years : 7 years (since the Company was released from the Rehabilitation Plan in July 2002 till present time)

3) Mr. Enghug Nontikarn

Age : 54 years

Nationality : Thai

Present Position : Independent Director, Audit Committee Member and Chairman of the Nominating and Remuneration Committee

Authority to sign for the Company as per

Certification Document : None

No. of share : 5,900 shares or 0.00 percent (December 30, 2009)

(included shares held by spouse)

Relationship among Directors : None

Illegal acts in the past 10 years : None

Training Course Thai Institute of : Director Accreditation Program (DAP)

Directors Association (IOD)

Education :

Institution	Degree	Major
Thammasat University	M.B.A.	Business Administration

Experience:

Company	Position	Time Period
Krung Thai Bank Public Company Limited	Deputy Manager	A.D. 1979 – 1991
Bangkok Metropolitan Bank Public Company Limited	Manager	A.D. 1991 – 1995
Siam City Bank Public Company Limited	Senior Vice President	A.D. 1995 – 1998
Siam City Bank Public Company Limited	Executive Vice President	A.D. 1998 – 2001
Siam City Bank Public Company Limited	First Executive Vice President	A.D. 2002 – 2005

Present Positions in Companies:
1) Listed Companies:

Company	Position
Siam City Bank Public Company Limited	Senior Executive Vice President
Srithai Superware Public Company Limited	Independent Director, Audit Committee Member and Chairman of the Nominating and Remuneration Committee

2) Non-listed Companies:

2.1) Srithai Superware Group : None

2.2) Other Companies : None

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

Attendance :

- Board meetings	No. of meetings held : 6	No. of meetings attended : 6
- Audit Committee meetings	No. of meetings held : 4	No. of meetings attended : 4
- Nominating and Remuneration Committee meetings	No. of meetings held : 2	No. of meetings attended : 2

Being a director for how many years : 7 years (since the Company was released from the Rehabilitation Plan in July 2002 till present time)

4) Mr. Suchat Boonbanjerd Sri

Age	: 51 years
Nationality	: Thai
Present Position	: Independent Director and Audit Committee Member
Authority to sign for the Company as per Certification Document	: None
No. of share	: None (December 30, 2009)
Relationship among Directors	: None
Illegal acts in the past 10 years	: None
Training Course Thai Institute of Directors Association (IOD)	: Director Certification Program (DCP) Audit Committee Program (ACP)

Education :

Institution	Degree	Major
Chulalongkorn University	Bachelor (2 nd class honor)	Quantitative Economics
Wharton School, University of Pennsylvania, U.S.A.	M.B.A.	Business Administration : Finance & Marketing

Experience:

Company	Position	Time Period
Kasikornbank Public Company Limited	Dealer – Treasury Department	A.D. 1985 – 1986
Kasikornbank Public Company Limited, Los Angeles Branch	Manager	A.D. 1986 – 1994
Thammasat University, Kasetsart University	Guest Lecturer, M.B.A. Program	A.D. 1987
Asset Plus Securities Company Limited	Senior Vice President	A.D. 1994 – 1996
Dynamic Eastern Finance (1991) Public Company Limited	Managing Director	A.D. 1996 – 1997
Financial Restructuring Authority of Thailand	Non core Sale Department	A.D. 1997 – 1998
Sub-Committee on Fiscal, Banking and Financial Institution House of Representatives	Advisor	A.D. 1999 – 2000
Siam University	Guest Lecturer, M.B.A. Program	A.D. 2000
Aeronautical Radio of Thailand Company Limited, A state enterprise under the Ministry of Transport and Communication	Director	A.D. 2001 – 2002
Siam Syntech Construction Public Company Limited	Director	A.D. 2001 – 2002
Sub-Committee on Economics Development House of Representatives	Advisor	A.D. 2001 – 2005
Aeronautical Radio of Thailand Company Limited	Advisor, Risk Management Committee	A.D. 2002 – 2006

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Independent Director and Audit Committee Member

2) Non-listed Companies:

2.1) Srithai Superware Group : None

2.2) Other Companies :

Company	Position
Practicum Engineering Company Limited	Director

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

Attendance :

- Board meetings	No. of meetings held : 6	No. of meetings attended : 6
- Audit Committee meetings	No. of meetings held : 4	No. of meetings attended : 4

Being a director for how many years : 7 years (since August 2002 till present time)

5) Mrs. Siriporn Sailasuta

Age	: 63 years
Nationality	: Thai
Present Position	: Independent Director, Nominating and Remuneration Committee Member
Authority to sign for the Company as per Certification Document	: None
No. of share	: None (December 30, 2009)
Relationship among Directors	: None
Illegal acts in the past 10 years	: None
Training Course Thai Institute of Directors Association (IOD)	: Director Certification Program (DCP) Financial Statements for Directors (FSD) Role of Compensation Committee (RCC)

Education :

Institution	Degree	Major
Chulalongkorn University	B.Sc. in Engineering	Electrical Engineering
Pennsylvania State University	Certificate	Energy Planning Programme for Southeast Asia Countries
Office of the Civil Service Commission	Certificate, Top Executive Training Program 1	-
The National Defence College of Thailand, Institute of National Defence Academy	Certificate of Achievement, 42 nd Class	-
The Australian National University	Certificate	Leadership, Management and Governance in The Public Section

Experience:

Company	Position	Time Period
Department of Energy Development and Promotion, Ministry of Science and Technology	Deputy Director General (Administrator Level 9)	A.D. 1997-2000
Department of Energy Development and Promotion, Ministry of Science and Technology	Director General (Administrator Level 10)	A.D. 2000-2002
Department of Alternative Energy Development and Efficiency, Ministry of Energy	Director General (Administrator Level 10)	A.D. 2002-2006
The Thai Military Bank Public Company Limited	Advisor	A.D. 2006-2007

Present Positions in Companies:
1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Independent Director, Nominating and Remuneration Committee Member

2) Non-listed Companies :

2.1) Srithai Superware Group : None

2.2) Other Companies :

Company	Position
Charoen Pokphand Group Company Limited	Advisor – Corporate Development & Productivity Improvement Office

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

Attendance :

- Board meetings	No. of meetings held : 6	No. of meetings attended : 6
- Nominating and Remuneration Committee meetings	No. of meetings held : 2	No. of meetings attended : 1*

* Mrs. Siriporn Sailasuta has been appointed a Nominating and Remuneration Committee Member by resolution of the Board Meeting no. 4/2552, held on August 14, 2009.

Being a director for how many years : 2 years (since 2008 till present time)

6) Mrs. Srisuda Lertsumitkul

Age : 70 years
Nationality : Thai
Present Position : Director
Authority to sign for the Company as per Certification Document : None
No. of share : 15,000,000 shares or 5.54 percent (December 30, 2009)
Relationship among Directors : Mother of Mr. Naphol and Ms. Bunnapa Lertsumitkul
Illegal acts in the past 10 years : None
Training Course Thai Institute of Directors Association (IOD) : None

Education :

Institution	Degree	Major
-	Elementary school	-

Experience:

Company	Position	Time Period
Srithai Superware Public Company Limited	Director	Since establishment till present

Present Positions in Companies:

1) Listed Companies:

Company	Position	Time Period
Srithai Superware Public Company Limited	Director	Since establishment till present

2) Non-listed Companies:

2.1) Srithai Superware Group : None
2.2) Other Companies : None

3) Position in competing companies / company related to business of the Company that conflict of interest may arise

: None

Attendance :

- Board meetings No. of meetings held : 6 No. of meetings attended : 5

Being a director for how many years : 7 years (since the Company was released from the Rehabilitation Plan in July 2002 till present time)

7) Mr. Naphol Lertsumitkul

Age : 49 years
Nationality : Thai
Present Position : Director and Assistant to the President
Authority to sign for the Company as per Certification Document : Yes
No. of share (included shares held by spouse) : 2,155,700 shares or 0.80 percent (December 30, 2009)
Relationship among Directors : Son of Mrs. Srisuda Lertsumitkul and elder brother of Ms. Bunnapa Lertsumitkul
Illegal acts in the past 10 years : None
Training Course Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP)
Director Certification Program (DCP)

Education :

Institution	Degree	Major
University of Houston, Texas, U.S.A.	Associate of Applied Science	Business Management

Experience:

Company	Position	Time Period
Srithai Superware Public Company Limited	Director and Assistant to the President	A.D. 1986 – Present

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Director and Assistant to the President

2) Non-listed Companies:

2.1) Srithai Superware Group : Please see the additional details in Attach no. 1
(Details of Directors and Management who have control over companies in Srithai Superware Group)
2.2) Other Companies : None

3) Position in competing companies / company related to business of the Company that conflict of interest may arise : None

Attendance :

- Board meetings : No. of meetings held : 6 No. of meetings attended : 6

Being a director for how many years : 7 years (since the Company was released from the Rehabilitation Plan in July 2002 till present time)

8) Mr. Mani Ativanichayaphong

Age : 65 years
Nationality : Thai
Present Position : Director, Risk Management Sub-Committee Member,
Senior Marketing Director - Household Products,
Acting Trading Business Director and Acting Direct Sales Director

Authority to sign for the Company
as per Certification Document : Yes
No. of share : 1,148,720 shares or 0.42 percent (December 30, 2009)
(included shares held by spouse)
Relationship among Directors : None
Illegal acts in the past 10 years : None
Training Course Thai Institute of : Director Accreditation Program (DAP)
Directors Association (IOD) : Director Certification Program (DCP)

Education :

Institution	Degree	Major
Ramkamhaeng University	Bachelor	Marketing

Experience:

Company	Position	Time Period
Grant Advertising International Inc.	Account Executive	A.D. 1967 – 1974

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Director, Risk Management Sub-Committee Member, Senior Marketing Director - Household Products, Acting Trading Business Director and Acting Direct Sales Director

2) Non-listed Companies:

- 2.1) Srithai Superware Group** : Please see the additional details in Attach no. 1
(Details of Directors and Management who have control over companies
in Srithai Superware Group)
- 2.2) Other Companies** : None

**3) Position in competing companies / company related to business
of the Company that conflict of interest may arise : None**

Attendance :

- Board meetings No. of meetings held : 6 No. of meetings attended : 6
- Risk Management Sub-Committee meetings No. of meetings held : 11 No. of meetings attended : 9

Being a director for how many years : 7 years (since the Company was released from the
Rehabilitation Plan in July 2002 till present time)

9) Mr. Prin Bholnivas

Age : 54 years
Nationality : Thai
Present Position : Director, Nominating and Remuneration Committee Member,
Chairman of the Risk Management Sub- Committee,
Company Secretary and Chief Financial Officer

Authority to sign for the Company

as per Certification Document : Yes
No. of share : 200,000 Shares or 0.07 percent (December 30, 2009)
Relationship among Directors : None
Illegal acts in the past 10 years : None
Training Course Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP)
Director Certification Program (DCP)
Role of the Compensation Committee (RCC)
Audit Committee Program (ACP)
Company Secretary Program
Developing Corporate Governance Policy
D&O Insurance Mitigating Directors Liabilities Risk

Education :

Institution	Degree	Major
Thammasat University	Bachelor	Accounting
University of Wisconsin – Madison, Wisconsin, U.S.A.	M.B.A.	Accounting

Experience:

Company	Position	Time Period
State Railways of Thailand	Chief of Financial Analysis & Planning Division, Accounting and Finance Department	A.D. 1982 – 1989
Sunny's Supermarket Company Limited	Financial Controller	A.D. 1989 – 1992
TelecomAsia Corporation Public Company Limited	Senior Manager – Management Information System Division, Accounting Department	A.D. 1992 – 1993
Charoen Pokphand Group	Assistant Vice President – Finance & Accounting, Marketing and Distribution Business Group	A.D. 1993 – 2000

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Director, Nominating and Remuneration Committee Member, Chairman of the Risk Management Sub- Committee, Company Secretary and Chief Financial Officer

2) Non-listed Companies:

2.1) Srithai Superware Group

: Please see the additional details in Attach no. 1

(Details of Directors and Management who have control over companies in Srithai Superware Group)

2.2) Other Companies :

Company	Position
Practicum Engineering Company Limited	Director

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise

: None

Attendance :

- Board meetings	No. of meetings held : 6	No. of meetings attended : 6
- Audit Committee meetings	No. of meetings held : 4	No. of meetings attended : 4
- Nominating and Remuneration Committee meetings	No. of meetings held : 2	No. of meetings attended : 2
- Risk Management Sub-Committee meetings	No. of meetings held : 11	No. of meetings attended : 11

Being a director for how many years

: 7 years (since the Company was released from the Rehabilitation Plan in July 2002 till present time)

10) Mr. Prayoon Kajitte

Age

: 59 years

Nationality

: Thai

Present Position

: Personnel and Administration Director

Authority to sign for the Company

as per Certification Document

: None

No. of share

: 90,000 Shares or 0.03 percent (December 30, 2009)

Relationship among Directors

: None

Illegal acts in the past 10 years

: None

Education :

Institution	Degree	Major
Rajamangala Institute Bangkok Technical Campus	Associate	-

Experience:

Company	Position	Time Period
Anglo-Thai Industrial Company Limited	Technician	A.D. 1972 – 1974

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Personnel and Administration Director

- 2) Non-listed Companies:
- 2.1) Srithai Superware Group : None
- 2.2) Other Companies : None
- 3) Position in competing companies / company related to business of the Company that conflict of interest may arise : None

11) Ms. Bunnapa Lertsumitkul

Age : 48 years

Nationality : Thai

Present Position : Human Resource Development Director

Authority to sign for the Company as per Certification Document : None

No. of share : 7,820,000 Shares or 2.89 percent (December 30, 2009)

Relationship among Directors : Daughter of Mrs. Srisuda Lertsumitkul and younger sister of Mr. Naphol Lertsumitkul

Illegal acts in the past 10 years : None

Education :

Institution	Degree	Major
City of London Polytechnic	Bachelor	Marketing

Experience:

Company	Position	Time Period
Srithai Superware Public Company Limited	Human Resource Development Director	A.D. 1984 – Present

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Human Resource Development Director

- 2) Non-listed Companies:
- 2.1) Srithai Superware Group : None
- 2.2) Other Companies : None
- 3) Position in competing companies / company related to business of the Company that conflict of interest may arise : None

12) Mr. Apisit Tangsatit

Age : 52 years
Nationality : Thai
Present Position : Senior Factory Director - Industrial Products
Authority to sign for the Company as per Certification Document : None
No. of share : 30,142 Shares or 0.01 percent (December 30, 2009)
Relationship among Directors : None
Illegal acts in the past 10 years : None

Education :

Institution	Degree	Major
King Mongkut's University of Technology Thonburi	Bachelor	Mechanics

Experience:

Company	Position	Time Period
Srithai Superware Public Company Limited	Senior Factory Director - Industrial Products	A.D. 1983 – Present

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Senior Factory Director - Industrial Products

2) Non-listed Companies:

- 2.1) Srithai Superware Group : Please see the additional details in Attach no. 1
(Details of Directors and Management who have control over companies in Srithai Superware Group)
- 2.2) Other Companies : None

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

13) Mr. Pawat Chalermpong

Age : 49 years
Nationality : Thai
Present Position : Risk Management Sub-Committee Member and
Marketing Director - Industrial Products
Authority to sign for the Company as per Certification Document : None
No. of share : 30,000 Shares or 0.01 percent (December 30, 2009)
Relationship among Directors : None
Illegal acts in the past 10 years : None

Education :

Institution	Degree	Major
Ramkamhaeng University	Bachelor	Business Administration (Marketing)
Webster University, St. Louis, U.S.A.	M.B.A	Business Administration

Experience:

Company	Position	Time Period
Fareast Advertising Public Company Limited	Account Executive	A.D. 1987 – 1988
Siam Commercial Bank Public Company Limited	Import & Export Department	A.D. 1988 – 1990
Shinawatra Computer and Communication Public Company Limited	Manager of Finance	A.D. 1990 – 1993

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Risk Management Sub-Committee Member and Marketing Director - Industrial Products

2) Non-listed Companies:

- 2.1) Srithai Superware Group** : Please see the additional details in Attach no. 1
(Details of Directors and Management who have control over companies
in Srithai Superware Group)
2.2) Other Companies : None

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

Attendance :

- Risk Management Sub-Committee meetings No. of meetings held : 11 No. of meetings attended : 8

14) Ms. Nitaya Prasertnukulphol

Age : 50 years
Nationality : Thai
Present Position : Risk Management Sub-Committee Member and
Marketing Director – Household Products
Authority to sign for the Company
as per Certification Document : None
No. of share : None (December 30, 2009)
Relationship among Directors : None
Illegal acts in the past 10 years : None

Education :

Institution	Degree	Major
Thammasat University	M.B.A.	Marketing

Experience:

Company	Position	Time Period
Berli Jucker Public Company Limited	Marketing Manager	A.D. 1986 – 1994
International Beauty Products Company Limited, Thailand (a subsidiary company of The Tempo Group, Indonesia)	Director of Marketing & Sales	A.D. 1994 – 2000
PT. Barclay Products, Indonesia (a subsidiary company of The Tempo Group, Indonesia)	Senior Technical Adviser in Marketing & Sales	A.D. 2000 – 2006

Present Positions in Companies:
1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Risk Management Sub-Committee Member and Marketing Director – Household Products

2) Non-listed Companies:

2.1) Srithai Superware Group : None
2.2) Other Companies : None

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

Attendance :

- Risk Management Sub-Committee meetings No. of meetings held : 11 No. of meetings attended : 4*

* Ms. Nitaya Prasertnukulphol was assigned to be a Management of Srithai (Vietnam) Company Limited which is a subsidiary during the year 2009. She, therefore, has been stationed in the Socialist Republic of Vietnam and could not attend the meetings.

15) Mr. Pongsak Kantiratanawong

Age : 52 years
 Nationality : Thai
 Present Position : Marketing Director - Packaging Products
 Authority to sign for the Company as per Certification Document : None
 No. of share : None (December 30, 2009)
 Relationship among Directors : None
 Illegal acts in the past 10 years : None

Education :

Institution	Degree	Major
Chulalongkorn University	Bachelor	B. Sc. (Biochemistry)
Thammasat University	M.B.A.	Business Administration (Marketing)

Experience:

Company	Position	Time Period
Hoechst Thai Limited	Technical Sales Representative	A.D. 1980 – 1985
SCT Company Limited	Marketing Officer	A.D. 1985
Thai Modern Plastic Industry Company Limited	Senior Marketing Manager	A.D. 1986 – 1993
C.P. Packaging Industry Company Limited	Vice President	A.D. 1993 – 2007

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Marketing Director - Packaging Products

2) Non-listed Companies:

2.1) Srithai Superware Group : None
 2.2) Other Companies : None

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

16) Mr. Jarung Srisakul

Age : 56 years
Nationality : Thai
Present Position : Risk Management Sub-Committee Member and
Factory Director - Industrial Products
**Authority to sign for the Company
as per Certification Document** : None
No. of share : None (December 30, 2009)
Relationship among Directors : None
Illegal acts in the past 10 years : None

Education :

Institution	Degree	Major
Saint Louis University	Bachelor of Science	Electronics & Telecommunication Engineering
Saint Louis University	Master of Science	Management Engineering (MS.ME)

Experience:

Company	Position	Time Period
Unico Consumer Products Company Limited	Manufacturing Director	A.D. 1993 – 2000
Bangkok Decor Metal Company Limited	General Manager	A.D. 2001 – 2004
Srithai Miyagawa Company Limited	General Manager	A.D. 2004 – 2007

Present Positions in Companies:
1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Risk Management Sub-Committee Member and Factory Director - Industrial Products

2) Non-listed Companies:

2.1) Srithai Superware Group : None
2.2) Other Companies : None

3) Position in competing companies / company related to business

of the Company that conflict of interest may arise : None

Attendance :

- Risk Management Sub-Committee meetings No. of meetings held : 11 No. of meetings attended : 9

17) Mr. Rakesh Singh

(being executive since 4 January 2010 onward)

Age : 46 years
Nationality : Thai
Present Position : Factory Director - Household Products
Authority to sign for the Company
as per Certification Document : None
No. of share : None (December 30, 2009)
Relationship among Directors : None
Illegal acts in the past 10 years : None

Education :

Institution	Degree	Major
Central Institute of Plastics Engineering, India	Post Diploma	Plastics Mold Design
Plastics & Rubber Institute (PRI), London, United Kingdom	Diploma	-

Experience:

Company	Position	Time Period
Royal Industries (Thailand) Company Limited	Plant Manager	A.D. 1987 – 1994
Malaplast Company Limited	General Manager	A.D. 1994 – 2004
K.P.N. Plastics Public Company Limited	Managing Director	A.D. 2004 – 2007
T.T. Technoplast Company Limited	Managing Director	A.D. 2007 – 2009

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Factory Director - Household Products

2) Non-listed Companies:

2.1) Srithai Superware Group : None

2.2) Other Companies :

Company	Position
Double Points Limited	Director

3) Position in competing companies / company related to business of the Company that conflict of interest may arise

: None

8.5 Attendance of Directors at Meetings

In the year 2009, there were 6 Board Meetings and 4 Audit Committee Meetings. Attendance report of Directors and Audit Committee Members is shown hereunder:-

Board of Directors' Name		Number of Meetings Attended	
		Board of Directors' Meetings	Audit Committee's Meetings
Mr. Sanan	Angubolkul	6	-
Prof. Viroj	Lowhaphandu	6	4
Mr. Enghug	Nontikarn	6	4
Mr. Suchat	Boonbanjerd Sri	6	4
Mrs. Siriporn	Sailasuta	6	-
Mrs. Srisuda	Lertsumitkul	5	-
Mr. Naphol	Lertsumitkul	6	-
Mr. Manit	Ativanichayaphong	6	-
Mr. Prin	Bholnivas	6	4

8.6 Nomination of Directors

In the year 2005, the Company has appointed a Nominating and Remuneration Committee, of which an Independent Director is Chairman, to perform the duty of nominating new directors, and propose to the Board for approval and/or propose to the meeting of shareholders for approval. The procedure of nominating directors was described in Article no. 13 and no. 14 of the Articles of Association as following:-

- “(1) One shareholder has one voting right for one share held;
- (2) Each shareholder will cast all his votes in (1) to elect one candidate or more as Director, but he cannot split his votes, more or less, to elect any candidate;
- (3) The candidates shall be ranked in order descending from the highest number of votes to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the chairman shall have a casting vote.”

Nomination of Executives

When any senior executive resigns or retires, the Nominating and Remuneration Committee will nominate a new senior executive and propose to the Board for approval.

Report of the Nominating and Remuneration Committee

To : Shareholders

Srithai Superware Public Company Limited

The Nominating and Remuneration Committee has been appointed by the Board of Directors according to the resolution of the Board of Directors' Meeting No. 4 / 2548 on August 10, 2005. The purpose is to comply with the Company's good corporate governance policies and the good corporate governance principles of the Stock Exchange of Thailand to help the Board of Directors to recruit and nominate the potential directors and top executives, to determine the remuneration for the directors and top executives, and to ensure that such process is transparent, fair among stakeholders, and efficient to the business.

Additionally, the Board of Directors at the meeting no. 4/2009 held on August 14, 2009, had approved the appointment of a member of the resulting in the number of Committee members consisting of no more than 4 Directors, 2 of which are Independent Directors and the remainder 2 members are Executive Directors. However, the Chairman of the Nomination and Remuneration Committee shall be an Independent Director. The term of the present Nomination and Remuneration Committee will expire by the end of the accounting period in 2010.

Performance of the Nominating and Remuneration Committee

In 2009, the Nominating and Remuneration Committee held the meeting for 2 times, and the number of times each member of the Nominating and Remuneration Committee attended the meeting was as follows.

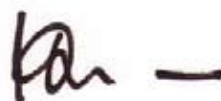
Name	Position	Number of Times Attending the Meeting / Number of Total Meetings (Times)
Mr. Enghug Nontikarn	Chairman of the Nominating and Remuneration Committee	2/2
Mr. Sanan Angubolkul	Member of the Nominating and Remuneration Committee	1/2
Mrs. Siriporn Sailasuta*	Member of the Nominating and Remuneration Committee	1/2
Mr. Prin Bholnivas	Member of the Nominating and Remuneration Committee and Secretary of the Committee	2/2

* Mrs. Siriporn Sailasuta has been appointed a Nominating and Remuneration Committee Member by resolution of the Board Meeting no. 4/2552, held on August 14, 2009.

Duties of the Nominating and Remuneration Committee during the year 2009 can be summarized as follows.

1. To consider the selection of Executive Directors to replace the Company's Directors whose terms have been completed, and their remuneration for consideration by the Board of Directors of the Company for further proposing to the Annual General Meeting of Shareholders no. 28 (of the year 2008).
2. To consider payment of bonus to Company's executives for performance of the year 2009.
3. To consider extension of working period of retiring President and top executives according to the Company's regulation and to propose to the Board of Directors of the Company.
4. To consider appointment of an additional executive.

On Behalf of the Nominating and Remuneration Committee



Mr. Enghug Nontikarn

Chairman of the Nominating and Remuneration Committee

8.7 Remuneration for Directors, Executives and Management

(Definitions as set by the Office of the Securities and Exchange Commission)

(1) Financial Remuneration

- Directors

Name	Position	2009 Amount (million baht)	2008 Amount (million baht)
Meeting Allowance			
Mr. Sanan Angubolkul	Chairman, President and Nominating and Remuneration Committee Member	0.200	0.200
Prof. Viroj Lowhaphandu	Chairman of the Audit Committee	0.450	0.450
Mr. Enghug Nontikarn	Audit Committee Member and Chairman of the Nominating and Remuneration Committee	0.250	0.250
Mr. Suchat Boonbanjersri	Audit Committee Member	0.250	0.250
Mrs. Siriporn Sailasuta	Independent Director and Nominating and Remuneration Committee Member	0.100	0.075
Mrs. Srisuda Lertsumitkul	Director	0.100	0.100
Mr. Naphol Lertsumitkul	Director	0.100	0.100
Mr. Mani Ativanichayaphong	Director and Risk Management Sub-Committee Member	0.100	0.100
Mr. Prin Bholnivas	Director, Nominating and Remuneration Committee Member and Chairman of the Risk Management Sub- Committee	0.100	0.100
Total		1.650	1.625

Remarks :

- Mrs. Siriporn Sailasuta has been holding directorial position since the beginning of 2008 replacing the late Director who passed away. Thus, she had received meeting allowance for 2008 not in full amount.
- In 2009, the meeting allowance the Company paid to each Director was in accordance with the approval of the Annual General Meeting of Shareholders no. 28 (of the year 2008) as follows:-
 - Meeting allowance for Board of Directors

Chairman	at Baht 200,000	per annum
Directors	at Baht 100,000	per annum /per person
 - Meeting allowance for Audit Committee

Chairman of Audit Committee	at Baht 350,000	per annum
Member of Audit Committee	at Baht 150,000	per annum / per person
- The Company had no remuneration payment to the Nominating and Remuneration Committee and other Sub-Committees.

- Management

	2009		2008	
	Number	Amount (million baht)	Number	Amount (million baht)
Salary	11	37.26	12	37.90
Bonus	11	3.65	12	4.79
Total	11	40.91	12	42.69

Remarks :

1. The number of the executives decreased from that of last year because an Executive Director passed away in 2008 and had been replaced by Mr. Rakesh Singh who was appointed as an Executive in December 2009 and effective since January 4, 2010 onward.
2. List of Executives received remuneration in 2009 was shown as follows:

2.1	Mr. Sanan	Angubolkul
2.2	Mr. Prin	Bholnivas
2.3	Mr. Naphol	Lertsumitkul
2.4	Mr. Manit	Ativanichayaphong
2.5	Mr. Prayoon	Kajitte
2.6	Ms. Bunnapa	Lertsumitkul
2.7	Mr. Apisit	Tangsatit
2.8	Mr. Pawat	Chalermpong
2.9	Ms. Nitaya	Prasertnukulphol
2.10	Mr. Pongsak	Kantiratanawong
2.11	Mr. Jarung	Srisakul
3. Inclusive of accrued bonus of the year.

(2) Other Remuneration

None

8.8 Report on Good Corporate Governance

The Board of Directors has realized the importance of good corporate governance in view of its benefits to increase transparency, competitiveness of the Company, and confidence among shareholders and stakeholders. In 2009, the Board of Directors had approved the 2nd revision of Good Corporate Governance Policy. Compliance to good corporate governance could be summarized as following:-

1. The Rights of Shareholders and the Equitable Treatment of Shareholders

The Company pays attention to performing the duties with transparency and honesty, promoting the sustainable competitive advantage, and fostering the confidence among stakeholders. Thus, the Board of Directors implements the good corporate governance policy as follows :

Information Disclosure

The Company consistently provides present and accurate news and information through several channels i.e. Annual Report and Annual Filing of Information (Form 56-1), Financial Statements, interview with the media such as newspaper and television, meeting with investors or analysts by participating activity organized by the SET such as Opportunity Day, including broadcasting via the Company's website (www.srithaisuperware.com). Apart from being the center of gathering of information dissemination via other channels, the website also provides business news and marketing activities, financial information, and other information of the Company such as activities and accomplishment of the Company or social responsibility activities, etc, including message from Chairman (In Touch.... From Chairman's Desk) which has been periodically posted in the website.

In 2009, the Company had improved its website by adding Investor Relations (IR) Tab which is for the purpose of easy access to information by shareholders, investors, or other persons who are interested in the Company's business. It is to increase communication channel with the Board of Directors or the Executives of the Company. There are responsible officers gathering questions, suggestions, or complaints through the channel. These will be further submitted to concerned Executives for further consideration and action.



Convening Shareholders' Meeting

The Company offers the rights to shareholders to propose meeting agendas, including proposing names of candidates to be nominated as the Company's directors for the Annual General Meeting of Shareholders. The Company posted the details, criteria, procedures, and relevant documents regarding the proposing of meeting agenda and / or name of candidates to be the Company's directors on the Company's website, and informed such rights via the information system of the Stock Exchange of Thailand. The shareholders were given sufficient time for considering and proposing such issues to the Board of Directors for further consideration. In the Annual General Meeting of Shareholders No. 28 (of the year 2008), there was no shareholder exercising such rights.

The Company has a policy to submit relevant information of meeting agenda to all shareholders at least 14 days before date of meeting, and also informed them about criteria, information and details of significant information and opinion of the Board of Directors in each matter as following:-

- Rules and procedures of attending the meeting.
- Proposing at least 1 independent director to be proxy of shareholders.
- Agenda regarding the Board of Directors' report of the Company performance during the past year.
- Agenda regarding the approval of the audited Balance Sheets and Income Statements.
- Agenda on appointing directors who have been considered by the Nominating and Remuneration Committee. Background information of nominated directors and number of times of attending Board Meeting in the past year was also furnished. In the agenda regarding the appointment of Company's directors, the Company proposed to appoint the directors individually.
- Agenda on remuneration of directors who have been considered by the Nominating and Remuneration Committee. Policy on remuneration, criteria and procedure of consideration, amount and method of remuneration varied to responsibility of each director were also furnished.
- Agenda on appointing auditor and audit fee as approved by the Audit Committee together with proposing name of auditor and auditor's office, years of providing service to the Company, and opinion of the Board of Directors.
- Agenda on appropriation of net profit and dividend payment with detail on dividend policy and comparing actual payment with the dividend policy.

In the shareholders' meeting, the Board of Directors consisting of Chairman / President, Chairman of the Audit Committee, Independent Directors, Executive Directors and relevant high-level executives always paid attention to and attended the meeting all together. The Chairman of the Board of Directors acted as the Chairman of the meeting. He allocated sufficient time to shareholders for their inquiries.

The Company Secretary informed the shareholders way to conduct meeting and voting right. The Company distributed voting cards of each agenda to shareholders at time of registration and also arranged for a legal advisor to count the votes together with a representative of the shareholders witnessing the counting in each meeting agenda.

After the meeting of shareholders, the Company has submitted all relevant information via IT system of the Stock Exchange of Thailand. The Company has also issued minutes of shareholders' meeting describing sufficiently significant information such as names of attending/unattending directors, method of voting and vote counting, significant explanations, resolution of the meeting under three categories, i.e. approve, disapprove, or abstain, questions of shareholders and explanations. The said minutes of shareholders' meeting (in details) has been broadcast via the Company's website

Control and Monitor on Insiders' Trading

In 2009, the Board of Directors of the Company had approved updating of internal regulation concerning prevention of insiders' trading by Directors or Executives to use the information for ones' own benefit, including for stock trading – ban on stock trading within 30 days prior to the Company's announcement of operating results or important information are disclosed to the public. Offenders will face penalty and punishment according to regulation of the Company as prescribed under the Securities and Exchange Act (version 4) B.E. 2551.

Disclosure of Vested Interest of Directors, Executives and Other Concerned Parties

The Company has stipulated that Directors and Executives of the Company shall provide their conflict of interest report and of related persons which will be filed by the Company Secretary pursuant to related laws. If any of the agendas of the Board of Directors' meeting considers any matter that may have conflict of interest with any Director, such Director shall leave the meeting in order to assure transparency and fairness to the common interest.

2. The Roles of Stakeholders

The Company has since the year 2006 notified the code of ethics to every level of employees and the Company's executives to serve as their guideline for carrying out their assignments with quality and virtue. The code of ethics covers the following :-

- 1) Guidelines for Treatment to Customers
- 2) Guidelines for Treatment to Competitors
- 3) Guidelines for Treatment to Government Agencies
- 4) Guidelines for Treatment to Employees
- 5) Guidelines for Treatment to Society
- 6) Guidelines for Treatment to Counterparties
- 7) Guidelines for Treatment to Creditors

Regarding personnel management matter, the Company has realized the importance of the matter toward sustainable growth of the Company. Therefore, a personnel development plan has been included into the Company's Business Direction for the year 2010 -2012.

3. Disclosure of Information and Transparency

The Board of Directors has made available disclosure of the Company's both financial and non-financial information accurately, completely, timely, and transparently in accordance with regulations determined by the Securities and Exchange Commission and the Stock Exchange of Thailand via IT system. Also, the Company has presented significant information in its Annual Report comprising:-

- Organization structure and business structure
- Vision and mission
- Risk factors
- Business performance
- Report by the Board of Directors on its accountability to financial statements which certified the compliance to generally accepted accounting principles, was suitable for our businesses, applied appropriate accounting policies consistently, and was signed by Chairman of the Board
- Report of the Audit Committee on its duties and responsibilities regarding assurance that financial statements are compliant to relevant laws, internal control system, compliance to Securities Act and regulation of The Stock Exchange of Thailand and relevant laws, appointment of auditors, and other matters as prescribed by the Stock Exchange of Thailand.
- Report by the Nominating and Remuneration Committee

The annual report is posted on the Company's website in both Thai and English versions. The office of Company Secretary also acts as the Investor Relations Office and is responsible for providing news and information to the shareholders or investors who are interested in the Company's businesses.

4. The Responsibilities of the Board

The Board comprises well experienced directors who are knowledgeable, efficient, and fit to business. Presently, there are 9 directors, i.e. 5 directors who represent the shareholders are the Company's executives. They are knowledgeable, proficient, and experienced in the Company's businesses. The Company has 4 independent directors who possess diverse skills and experiences, and strong leadership so they can apply their judgment freely.

The Board of Directors has appointed 3 independent directors to be the Audit Committee responsible for supporting the Board of Directors in carrying out its prescribed duties and responsibility.

Definition of Independent Director

An independent director means persons who have the qualifications as stipulated by the Securities and Exchange Commission according to the notification of the Capital Market Supervisory Board No. Tor Jor. 28/2551 Re : The Request for Approval and the Approval of Initial Public Offering, as follows :-

- (A) The persons who hold the voting shares of no more than 1% of the total number of shares in the Company, parent company, subsidiaries, associated companies, or juristic persons that may have conflicts with the Company, and the shares held by the related parties of such independent director will also be counted.
- (B) The persons shall not be or did not use to be the directors who participate in the management of the Company, the workers, employees, full-time consultants, or the authorized persons of the Company, parent company, subsidiaries, associated companies, or juristic persons that may have conflicts with the Company, except that they do not have such qualifications for at least 2 years before the date of submitting the request to the office.

- (C) The persons shall not have blood relationship with or shall not legally register to be the parents, spouse, siblings, and children, including spouse of children or the management, or major shareholders, or authorized persons or persons who are proposed to be the management or authorized persons of the Company / subsidiaries.
- (D) The persons shall not have or did not use to have business relationship with the Company, parent company, subsidiaries, associated companies, or juristic persons that may have conflicts with the Company and such relationship may impede their own freedom of judgment, and shall not be or did not use to be the major shareholders, directors who are not independent directors, or management of the persons who have the business relationship with the Company, parent company, subsidiaries, associated companies, or juristic persons that may have conflicts with the Company, except that they do not have such qualifications for at least 2 years before the date of submitting the request to the office.

The business relationship according to the definition stipulated by the Securities and Exchange Commission means the normal business transactions for conducting the businesses, renting or leasing the immovable properties, the transactions relevant to the assets or services or the grant or acceptance of financial assistance by accepting or lending, guaranteeing, offering assets to be the debt guarantee, including the similar behaviors, and such actions may affect the persons who request for approval or parties to possess debts that shall be paid to the other party of lower of at least 3% of the net tangible assets of the persons who request for approval or at least 20 million baht. The calculation of such debts shall comply with the calculation methods of the value of related transactions according to the notification of the Board of Governors of the Stock Exchange of Thailand regarding the disclosure of information and the operations of the listed companies on the related transactions but upon considering such debts, shall include the debts incurred within 1 year before the date of business relationship with the same person.
- (E) The persons shall not be or did not use to be the external auditors of the Company, parent company, subsidiaries, associated companies, or juristic persons that may have conflicts with the Company, and shall not be the major shareholders, directors who are not independent directors, management, or managing partners of the audit office that are auditors of the Company, parent company, subsidiaries, associated companies, or juristic persons that have conflicts with the Company, except that they do not have such qualifications for at least 2 years before the date of submitting the request to the office.
- (F) The persons shall not be or did not use to be any professional service providers, including the legal services or financial advisory services that obtain the service fee more than 2,000,000 baht per year from the Company, parent company, subsidiaries, associated companies, or juristic persons that may have conflicts with the Company. In case that such professional service providers are juristic persons, including being major shareholders, directors who are not independent directors, management or managing partners of such professional service providers, except that they do not have such qualifications for at least 2 years before the date of submitting the request to the office.
- (G) The persons are not the directors who are appointed to be the representatives of the Company's directors, major shareholders, or shareholders who are related to major shareholders of the Company.
- (H) The persons do not have any other characteristics that prohibit such people from freely expressing opinions regarding the Company's operations.

After being appointed to be independent directors who have the characteristics according to paragraph (A) to (H), such independent directors may be assigned by the Board of Directors to make decisions regarding the operations of the Company, parent company, subsidiaries, associated companies, or other subsidiary of the same level, or juristic persons that may have conflicts with the Company with the collective decision.

Nominating of Directors

Board of Director appointed a Nominating and Remuneration Committee to perform the duty of nominating individuals who possess qualifications and experiences as required by the Company. The nominated persons should be able to devote time and efforts to carry out their duties efficiently for the benefits of the Company.

In appointing a director, the Board of Directors shall approve or propose to a meeting of shareholders for approval as the case may be, subject to criteria and method described in Article 13 and 14 of Articles of Association of the Company as follows:-

"Article 13 The shareholders' meeting shall elect the directors in accordance with the conditions and procedures as follows:

- (1) One shareholder has one voting right for one share held;
- (2) Each shareholder will cast all his votes in (1) to elect one candidate or more as Director, but he can not split his votes, more or less, to elect any candidate;
- (3) The candidates shall be ranked in order descending from the highest number of votes to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the chairman shall have a casting vote.

Article 14 At every annual general meeting, one-third of the directors shall retire. If the number of directors cannot be divided into three, the number of directors closet to one-third shall retire.

In the first and second years after the registration of the Company, the directors shall retire by drawing lots. In subsequent years, the director who has held office for the longest shall retire.”

The Company did not describe maximum numbers of times of being nominated as director nor qualification on limit of age for directorship. In this regard, Article 14 of the Company’s Articles of Association will be observed.

Doubling of Positions

The two positions, Chairman and President, are held by the same person who represents a group of major shareholders. The Company deems the doubling of positions appropriate under this circumstance due to the fact that this person has gained much experiences in this business for a very long time, and he is widely recognized among business community.

However, with the ratio of the independent directors of more than one-third of the number of directors, the Board of Directors is able to balance its motion, and opinions could be expressed freely when reviewing performance of the Management.

Remuneration for Directors and Executives

The Company had appointed a Nominating and Remuneration Committee to formulate a policy on remuneration for directors transparently and properly compared to those of other businesses in the same industry.

The Nominating and Remuneration Committee has a policy to determine the remuneration for directors and executives by considering the information obtained from the survey of Thai Institute of Directors regarding the directors’ remuneration of listed companies as criteria for determining the remuneration of the Company’s directors. The executive directors shall obtain the remuneration that relates to their respective performance. Regarding the independent directors and members of the Audit Committee, the Company has proposed proper amount of remuneration according to their workload, duties, and responsibilities. The Company has proposed directors’ remuneration to the meeting of shareholders for approval as required under Public Limited Company Act.

The Company disclosed details of remuneration for directors and executives in its Annual Report and Annual Filing of Information Form (Form 56-1) every year and in financial statements for the years ended 31 December 2009 under Statements of Income.

Board Meetings

Schedule of Board Meetings has been set up in advance for 5 times of ordinary meetings per annum. Extraordinary meeting of the Board may be called for. Agendas of the ordinary meetings usually comprise acknowledgement of audit result of reviewed or audited financial reports after having been considered by the Audit Committee, considering and monitoring business operation results in accordance with business plan and policy, approving significant business matters such as vision, mission, strategy, financial target and budget etc., consideration on agenda proposed by Management, and acknowledgement of performance of subcommittees set up by the Board for specific assignments, i.e. the Audit Committee, the Nominating and Remuneration Committee and the Risk Management Sub-committee. The Chairman allocates sufficient time for the Company’s directors to freely and fairly express their opinions on important issues based on the interests of the shareholders and relevant parties. Upon considering the agenda of conflicts of interests, the relevant directors are required not to be in the meeting room for considering such agenda.

Although in 2009 there was no meeting among the Non-Executive Directors, the Company has opened opportunities for the Non-Executive Directors to independently discuss among themselves, and facilitated them with venue and necessary information upon request for their consideration.

The Company Secretary prepares the invitation letter, the meeting agenda, and the necessary documents for the Company’s directors at least 7 days in advance of the meeting date so that the directors could have sufficient time to study the information before attending the meeting. The Company Secretary also takes and prepares minutes of meeting with complete and sufficient information, and keeps such minutes and the relevant information in file after being adopted by the Board of Directors so that it could be accessed by the Board of Directors and relevant parties.

Directors in Other Listed Companies

In order to perform directorial functions independently with enough time to efficiently supervise the operation, the Company requires that the Directors of the Company be in the position of Directors in no more than 4 listed companies. In 2009, all of Directors had conformed to the requirement.

Performance Evaluation of the Board

The Board of Directors requires that all members of the Board of Directors shall evaluate themselves collectively by using the form provided by the Stock Exchange of Thailand. Such evaluation shall cover the following :-

- 1) Satisfaction of the Board on its own performance/Company's performance and problem-solving of management.
- 2) Understanding of the Board on its roles/businesses and strategies of the Company.
- 3) Good relationship between the Board and management.
- 4) Description of roles and duties of the President, and appropriate evaluation of his performance.
- 5) Efficiency in business operation of subsidiaries.
- 6) Efficient performance of all committees.
- 7) Devotion of time to carry out works of directors.
- 8) Preparation of directors before attending Board Meeting.
- 9) Expressing opinion independently by Board Members.
- 10) Expressing opinion without bias by Board Members.
- 11) Chairing Board Meetings by the Chairman.
- 12) Confidence of investors in the Board.
- 13) Compliance to good corporate governance.

In the Board of Directors' meeting No. 6/2552 on December 23, 2009, the Board of Directors has evaluated their own performance for the year 2009 together, and the outcome was satisfactory.

In addition, the Company has provided support to Directors in performing their duties efficiently by providing training courses organized by the Thai Institute of Directors Association (IOD) or other agencies such as Capital Market Academy, etc. At present, the Company's Directors who received training from the IOD are accounted for 85% of the total Directors of the Company.

Committees and Sub-committee

The Board had appointed 3 committees and sub-committee who were assigned to study in details and review various assignments, i.e. the Audit Committee, the Nominating and Remuneration Committee, and the Risk Management Sub-committee. The Board has outlined policies and frame-work of the 3 Committees and Sub-committee clearly regarding their duties and responsibilities, meeting procedure, and reporting to the Board as follows:-

1) Audit Committee

The Board of Directors has appointed the Audit Committee consisting of 3 independent directors who possess qualifications as stipulated by the Notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand. The Audit Committee consists of Professor Viroj Lowhaphandu who has expertise in accounting, auditing, finance, and taxation, Mr. Enghug Nontikarn and Mr. Suchat Boonbanjerd Sri who have expertise in finance and banking, investment, and accounting.

The Audit Committee's duty and responsibility are stipulated in the Charter of the Audit Committee which is pursuant to the Notification of the Stock Exchange of Thailand, Re: Qualifications and Scope of Work of the Audit Committee 2008 as follows:

Duty and Responsibility of the Audit Committee

The Audit Committee is an ad hoc committee assigned by the Board of Directors with the following duties and responsibilities:

Authority and Duty of the Audit Committee

The Audit Committee's duties are as follows:

1. Assuring that financial reporting of the Company is accurately and sufficiently disclosed by coordinating with external auditor and the executive who is responsible for preparation of financial reports quarterly and annually. The Audit Committee may recommend external auditor to review or audit any particular transaction deemed necessary and significant during audit session;
2. Reviewing and assuring availability of internal control and audit systems of the Company with external auditor and internal auditor to assure their appropriateness and effectiveness;
3. Selecting and proposing for nomination the external auditor, and proposing remuneration of external auditor for approval by taking into consideration trustworthiness, resourcefulness, and volume of works in hand of the candidates for nomination;
4. Examining connected transactions or transactions which may have conflicts of interest so as to assure compliance to the announcement of related governmental agencies;
5. Reviewing policies on financial management, risk management, adherence to business codes of ethics by Management, and reviewing jointly with Management any significant report to be made public as required by law;
6. Preparing report on activities of the Audit Committee, and disclosing it in the Company's annual report. The report will be signed by Chairman of the Audit Committee. The report will comprise the following information:-
 - 6.1 Opinion on process of preparing financial reports and disclosure of information in the reports as to its accuracy, sufficiency, and reliability;
 - 6.2 Opinion on sufficiency of internal control system of the Company;
 - 6.3 Reasons to convince that the term of the present external auditor should be extended by another one year;
 - 6.4 Opinion on compliance of the Company with the Securities and Exchange Act, Rules and Regulations of the Stock Exchange of Thailand, and any laws regulating the businesses of the Company;
 - 6.5 Any report deemed necessary to be disclosed to the public and investors within the framework of duties and responsibilities assigned by the Board.
7. Holding the audit committee's meeting on topics being assigned as follows:
 - 7.1 To review financial statements and other relevant financial reports, accounting principles and practice, compliance to accounting standards, viability of the Company, change of significant accounting policies and the rationale of Management on formulating such accounting policies and to present it to the Board for further publicizing;
 - 7.2 To review internal control system and internal audit procedures;
 - 7.3 To review annual internal audit plan, coordination in each step of the audit plan, and evaluation of the auditing jointly with internal auditor and external auditor. Audit Committee will inquire the extent of the audit plan so as to assure that any irregularity or weak point of internal control system be detected;
 - 7.4 To review together with internal auditor the problems and limitation arising during the internal audit courses, and to review the internal audit procedure;
 - 7.5 To review together with external auditor the problems and limitation arising during the external audit courses;
 - 7.6 To review together with internal auditor and external auditor the audit plan on procedure and control of electronic data processing, and to review safety measures so as to prevent irregularity or malpractice on computer system by staffs or outsiders;
 - 7.7 To be compliant with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, and other laws regulating the businesses of the Company;
 - 7.8 To carry out any work assigned by the Board;
 - 7.9 To do self evaluation on performance and achievement of assignments;
8. To review and assure the accuracy and adequacy of financial reporting;
9. To consider jointly with the Management the evaluation on performance and merit or punishment of the head of internal audit;

10. To review jointly with the Management on policy and adequacy of risk management on sensitive issues of the Company;
11. To review financial management policy of the Company;
12. To report to the Board the tasks of Audit Committee;
13. To perform any other duties as assigned by the Board under mutual consent;
14. To review Charter of Audit Committee.

Responsibility of the Audit Committee

To perform in accordance with the aforementioned Charter, the Audit Committee is directly responsible to the Board of Directors and the Audit Committee is also responsible for the Company's operation toward outsiders.

2) Nominating and Remuneration Committee

The Board of Directors has appointed the Nominating and Remuneration Committee consisting of not more than 4 members of the Board of Directors, 2 of which are Independent Directors and the remainder 2 persons are Executive Directors. However, Chairman of the Nominating and Remuneration Committee will be Independent Director. They are:-

- | | | |
|------------------|-------------|---------------------------------------------------------------------------------|
| 1. Mr. Enghug | Nontikarn | Chairman of the Nominating and Remuneration Committee
(Independent Director) |
| 2. Mr. Sanan | Angubolkul | Member |
| 3. Mrs. Siriporn | Sailasuta * | Member (Independent Director) |
| 4. Mr. Prin | Bholnivas | Member and Secretary |

* Mrs. Siriporn Sailasuta has been appointed a Nominating and Remuneration Committee Member on August 14, 2009.

Authority and Responsibility of the Nominating and Remuneration Committee:

1. Consider organization chart, qualification and composition of directors and executives of the Company;
2. Select capable persons and propose their names to the meeting of shareholders for nomination as directors, or to the Board for nomination as executives if there is a vacant position, as the case may be;
3. Consider and propose structure of remuneration for directors and executives, such as salary, severance pay, bonus, welfare, meeting allowance, and other financial or non-financial remuneration;
4. Evaluate performance of the Nominating and Remuneration Committee, and report to the Board;
5. Other assignments relevant to nominating personnel and remunerating as deemed fit by the Board.

3) Risk Management Sub-committee

The Board of Directors has appointed the Risk Management Sub-committee consisting of high-level executives and relevant executives as follows:-

- | | | |
|----------------|-------------------|-----------------------------------------------|
| 1. Mr. Prin | Bholnivas | Chairman of the Risk Management Sub-Committee |
| 2. Mr. Manit | Ativanichayaphong | Member |
| 3. Mr. Pawat | Chalermpong | Member |
| 4. Ms. Nitaya | Prasertnukulphol | Member |
| 5. Mr. Jarung | Srisakul | Member |
| 6. Mr. Pramual | Pinyo | Member |
| 7. Mr. Tanatch | Sripan | Member and Secretary |

Authority and Responsibility of the Risk Management Sub-committee:

1. Study, review and evaluate any possible risk, including trend of probable impact on the organization, for both internal and external risks covering at least 4 areas as described below:-
 - Financial risk
 - Operational risk
 - Business risk
 - External factors risk

2. Formulate policies on risk management, and propose it to the Board for the Board's overview;
3. Formulate strategies, organizational structure, and resources used in the management of risks, in compliance with risk management policies and business directions of the Company;
4. Set up risk-taking criteria of operation in term of financial limit and nature of transactions;
5. Monitor and review policies, strategies and implementation to assure that risk management strategies are implemented appropriately;
6. Be authorized to appoint working group to evaluate and keep track of risk throughout the organization;
7. Other matters as assigned by the Board.

In 2009, the Risk Management Sub-committee's performance could be summarized as follows:

1. Improved the Charter of the Risk Management Sub-committee and appointed additional Sub-committee Member for the year 2010;
2. Coordinated with Risk Owner on any matter leading to the following of the risk management plan;
3. Coordinated with concerned agencies to establish appropriate measures responding the Liability for Damages Arising from Unsafe Products Act B.E. 2008;
4. Considered improvement and revision of work procedure to be in line with the present situation, and to help internal control and operation of the Company to perform more efficiently;
5. Revised risk status in line and suitable with the present economic situation and applied it to the operation of the Sub-Committee in 2010;
6. Evaluated operation results of the Sub-Committee of the year 2009.

Company Secretary

The Company has appointed a Director (Chief Financial Officer) to be the Company Secretary with duty and responsibility as prescribed in the Securities and Exchange Act (No.4) B.E.2551.

Duty and Responsibility of the Company's Secretary

1. Duty concerning holding a meeting
 - 1.1. To organize the meeting, attend the meeting, and record the minutes of the Board of Directors meeting and the Annual General Meeting of Shareholders.
 - 1.2. To gather and prepare document to be sent to the Company's Directors and the shareholders.
 - 1.3. To follow and revise the procedures of the Board of Directors' meeting and the Annual General Meeting of Shareholders.
 - 1.4. To gather and file the documents for the meeting and the minutes of the meeting.
2. Conforming to Laws and Regulations
 - 2.1. To ensure that the Company's operation follows the stipulation of the Memorandum of Association and the regulations of the Company.
 - 2.2. To ensure that the Company and the Company's Board of Directors conform to the related laws such as preparation of the Directors Registration, handling of connected transaction, acquisition or disposal of assets, etc.
 - 2.3. To ensure that the Company and the Company's Board of Directors conform to the regulations of the Stock Exchange of Thailand regarding disclosure of information as well as to the regulations of the Securities and Exchange Commission in its accountability as issuer of securities to the public.
 - 2.4. To revise the progress and provide consultancy, suggestion, and support on matter of Good Corporate Governance, and the Code of Best Practice for Directors.
3. Preparation, gathering, and dissemination of information
 - 3.1. To prepare draft of message of the Board of Directors and the report by the Board of Directors on its responsibility to the Company's financial statements to be shown in the annual report.
 - 3.2. To co-ordinate in preparation and dissemination of the annual report and the financial report to the shareholders and concerned parties such as debtors, creditors, staffs, related agencies such as the Revenue Department, the Stock Exchange of Thailand, the Securities & Exchange Commission, and Financial Advisor, etc.

- 3.3. To gather and update the Company's shareholder-list and request the Share Registrar for cooperation.
- 3.4. To examine and follow the movement of the shareholder-list to prevent being taken over.
- 3.5. To gather information and report on security holding as per the regulations of the Stock Exchange of Thailand for Directors, Executives, Auditors, and spouses and children who have not reached majority of the aforementioned persons.
- 3.6. To provide report of information pursuant to the regulations of the Stock Exchange of Thailand such as connected transaction, acquisition or disposal of assets, etc.
4. Other related duties
 - 4.1. To provide suggestion and hand to the Company's daily management in order to achieve the objective of the Company.
 - 4.2. To be the center of communication and to provide information to the Non-Executive Directors.
 - 4.3. To contact with shareholders in making announcements such as dividend payment, etc.
 - 4.4. To provide information to other agencies and to have a duty as required by concerning laws on finance and accounting, and other management policies
 - 4.5. To be responsible for Investor Relations by taking care of dissemination of information of the Company to the public, including investors in general, as well as to be another channel for the third parties to make contact with the Company.
 - 4.6. To provide knowledge to the Directors of the Company.

Transactions that may cause conflict of interest

Regarding the transactions between the Company or its subsidiaries and the connected persons such as executives, major shareholders, or persons who have controlling power over the Company, etc. which may lead to conflict of interests, the Board of Directors follows the criteria, procedures, and the disclosure of the connected transactions identified by the Capital Market Supervisory Board in order to maximize the benefits to the Company and shareholders, and to assure transparency of such transactions.

8.9 Information about Personnel of the Company

1) Manpower Classified by Functions as of December 31, each year

Unit : Person	2009					
	Suksawat		Korat	Bangpoo	Amata Nakorn Chonburi	Total
	Office	Factory				
Management	9	0	0	1	1	11
Support Line	182	0	0	0	0	182
Marketing Line	495	0	0	0	0	495
Production Line	0	26	1,864	256	1,288	3,434
Total	686	26	1,864	257	1,289	4,122

Unit : Person	2008					
	Suksawat		Korat	Bangpoo	Amata Nakorn Chonburi	Total
	Office	Factory				
Management	9	0	0	1	1	11
Support Line	208	0	0	0	0	208
Marketing Line	496	0	0	0	0	496
Production Line	0	18	1,938	267	1,334	3,557
Total	713	18	1,938	268	1,335	4,272

Unit : Person	2007					
	Suksawat		Korat	Bangpoo	Amata Nakorn Chonburi	Total
	Office	Factory				
Management	9	0	1	0	1	11
Support Line	181	0	0	0	0	181
Marketing Line	474	0	0	0	0	474
Production Line	0	707	1,930	287	736	3,660
Total	664	707	1,931	287	737	4,326

Remarks:

1. The Company increased/ decreased the number of executives during 2008 because one of the Executives had passed away, and an Executive was appointed.
2. The manpower of the production line of Suksawat factory in 2008 decreased from that of the previous year due to the transfer of production line and operation of the factory to Amata Nakorn factory in Chonburi province.

2) Summary of salary and wage of the years 2007-2009

Unit : Million Baht

Year	Salary	Wage	O.T.	Employee Welfare	Bonus	Total
2009	294.0	154.9	138.7	43.3	33.5	664.4
2008	291.3	168.1	151.6	42.2	34.4	687.6
2007	268.5	175.2	130.4	37.0	32.2	643.3

The Company has been studying and considering the appropriateness of setting up a provident fund to be a long term welfare of its personnel in order to motivate them to work for the Company and to grow with the Company in the long run.

3) Human Resource Development

The Company has attached much importance on human resource (HR) development by assigning the Office of Human Resource Development to determine and provide training courses and activities to enhance staff with knowledge and capability, specialization in their duties, and readiness and potential to grow in the future. One of the importance courses which the Office of Human Resources Development had implemented in 2009 was to search for talented persons of the Company with outstanding proficiency or supervisory level staff to attend training courses in order to develop their leadership, leading to a sustainable growth of the certain group of persons who could efficiently create benefit for the Company in the future.

Moreover, the Office of Human Resource Development is expected to be developed to become an educational institution in the future. It will be a center of knowledge of plastic industry and plastic injection technology. The Company is willing to transfer such knowledge not only to staffs but also to outsider for the sake of social contribution.

To achieve the said target, the Office of Human Resource Development has set up 4 main missions:-

1. Creating 4S organizational culture;
2. Creating a learning organization;
3. Professional training and development;
4. Managerial training and development

Creating Organizational Culture

The Company has a vision and determination to develop its business to become a world-class company. By doing so, the organization could grow firmly and sustainably. The personnel should be value added by enhancing their working skill and quality so as to bring achievement to the organization and bring the Company to the goals. The Company, therefore, has introduced “4 principles of management (4S)” which now becomes philosophy of working with an aim to improve efficiency and effectiveness of staffs in its personnel development and culturalization of the organization. The 4S comprises :

STRENGTH : To strengthen team-work which leads to strength of the organization

- The personnel have consciousness in morality and virtue so as to work together in team-work and likewise appreciate the Company as a part of their lives.

STRETCH : To do it better today, and to be ahead of tomorrow

- The personnel could continually develop and improve the capability of themselves and their works to be more efficient.

SPEED : To respond quickly with service mindfulness

- The personnel could support requirements of concerned persons from both inside and outside the organization with up-to-date, correct, and quick information, and make service impression.

SYSTEM : To work systematically and traceably

- The personnel could work systematically and make decision based on correct and precise analyzed information.

The year 2009 was the year of the second S activity of the Company i.e. Stretch, a carried on activity from 2008 which was the year of the first S i.e. Strength. The Office of Human Resources Development had developed courses and activities throughout the year to help support the Company’s staffs in term of knowledge and understanding and compliance with the principles of the second S of Stretch, “To do it better today, and to be ahead of tomorrow” by focusing on determination of

1. Work accomplishment
2. Continuous self and work development
3. Versatile working skills creation
4. Resources management to create maximum benefit

However, the Company will schedule the courses and activities to enhance knowledge and good understanding of the third S principles of Speed and the fourth S principle of System in the coming years.

9. INTERNAL CONTROL

The Company has a policy to set up an efficient and effective internal control system. It is the duties and responsibilities of the Board and the Management to set up and maintain an internal control system, including review of its efficiency from time to time, to safeguard investments of shareholders and assets of the Company. Scope of an internal control system covers financial control, business operations, monitoring to assure compliance with laws and relevant regulations, and risk management. An efficient internal control system will reasonably boost up confidence that the Company will achieve its objectives and targets as following:-

- Information system and financial reports are accurate and respectable.
- Regulations, policies and work procedures of the Company and relevant laws are complied with.
- Assets of the Company exist and are kept in good order.
- Business operations are efficient, and resources are used efficiently.
- Objectives of the Company are achieved effectively.

A good internal control system will be a tool to intercept irregularity, and it serves as an alarming signal which helps to reduce risk to an acceptable level.

The internal control system set up by the Company is in line with that of the Committee of Sponsoring Organization of the Treadway Commission (COSO), which could be summarized according to areas of control as following:-

1. Organization & Control Environment. The Company has a business plan that outlines the targets, strategies, vision and budget with clear performance indices. Organizational structure was adjusted to stay in line with the business plan. There was improvement on the monitoring methods of business. Qualified personnels are recruited and developed continually. There are policies and work procedures on financial transactions, purchasing, risk management, personnel management, and other.
2. Risk Management. The Company had introduced risk management in corporate level since the year 2004. The Risk Management Sub-Committee and the Audit Committee played the role of monitoring.
3. Operational Control. The Company introduced segregation of duties for purpose of internal controlling, written authorization on approval of transactions variable to financial limits, procedure of works for connected transactions and intra-company transactions so as to observe the laws.
4. Information & Communication. The Company has made available information system to support decision-making. A department was set up to collect, analyze and store data in the data-warehouse system. Information system within the organization is of two-way nature. Sufficient information and documents have been furnished to the Board before its decision-making. Directors could ask for additional information from the Company freely.
5. Monitoring. The Company introduced monitoring system for its executives and directors so that business plan could be achieved. Internal Audit Department monitored and evaluated internal control system freely, and it could report the results and suggestions to the Management for further action.

In the Board of Directors' meeting No. 6/2552 on 23 December 2009, the Board of Directors evaluated the Company's internal control system by using the evaluation form provided by the Stock Exchange of Thailand in 5 aspects as mentioned above and the outcome indicated that the Company had sufficient internal control system.

Internal Audit

The Company has made available the Internal Audit Department. It reports directly to the Audit Committee and the President. Its responsibility is auditing, evaluation of internal control system, monitoring risk management system and corporate governance, so as to assure that the Company has made available these systems sufficiently and efficiently according to its desired objectives.

Internal Audit Department was independent. It was allocated with sufficient resource and budget appropriate for carrying out its tasks on operational audits and compliance audits on legal requirements, rules and regulations.

The annual auditing plan was prepared by considering the relevant risk factors and was approved by the Audit Committee. The audit result and performance report were provided to the Audit Committee and the President as well as the quarterly summary of audit results to meeting of the Board of Directors.

10. RELATED-PARTY TRANSACTIONS

1) Connected Persons and Related-Party Transactions

The Company has some related companies according to the criteria set by the Capital Market Supervisory Board. Types of businesses and relationship with the Company are as follows.

Company name / Related	Nature of business	Type / Value of Transactions in 2009	Necessity / Reasonableness
<u>Srithai Moulds Company Limited</u> 1. A subsidiary whose 71.0% of shares held by the Company. 2. 29.0% of shares held by executives of the Company and relatives of some executives.	Mould making service	1. Normal business transactions amounted THB 15.59 million 2. Dividend receipt amounted THB 7.10 million	Inter-company transactions for products and/or services of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices same as those transactions with outsiders or under the scopes stipulated by the Board of Directors of the Company.
<u>Srithai Nanoplast Company Limited</u> 1. A subsidiary whose 70.0% of shares held by the Company. 2. 15.0% of shares held by executives of the Company and relatives of some executives. 3. A relative of some executives of the Company serves as a director in Srithai Nanoplast Company Limited	Manufacture and Distribution of Plastic Products	1. Normal business transactions amounted THB 0.78 million 2. Normal business transactions amounted THB 0.02 million 3. Dividend receipt amounted THB 2.80 million	1. Inter-company transactions for products of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices same as those transactions with outsiders or under the scopes stipulated by the Board of Directors of the Company. 2. A transaction supporting normal business on letting an area for display and sales of products in a Grand Sale fair which is organized by the Company every year, and the rent rate is the same as that of other tenants.

Company name / Related	Nature of business	Type / Value of Transactions in 2009	Necessity / Reasonableness
<u>Srithai Shin-Osaka Company Limited</u> 1. A subsidiary whose 40.0% of shares held by the Company. 2. 15.0% of shares held by executives of the Company and relatives of some executives.	Providing services of hard-chroming, polishing and etching of moulds and assembly services for plastic products	Normal business transactions amounted THB2.61 million	Inter-company transactions for products and/or services of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices same as those transactions with outsiders or under the scopes stipulated by the Board of Directors of the Company.
<u>Srithai Packaging Company Limited</u> 1. An associate whose 39.2% of shares held by the Company. 2. 9.8% of shares held by an executive of the Company and relatives of some executives. 3. A relative of some executives of the Company serves as a director in Srithai Packaging Company Limited	Manufacture and Distribution of Paper Boxes	Normal business transactions amounted THB 9.46 million	Inter-company transactions for products of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices same as those transactions with outsiders or under the scopes stipulated by the Board of Directors of the Company.
<u>Srithai Marketing Company Limited</u> 1. A related company. 2. 72.0% of shares held by relatives of some executives of the Company. Some of them serve as directors of Srithai Marketing Company Limited 3. It has long been a distributor for the Company	Distributor of house-ware products	1. Normal business transactions amounted THB 219.55 million 2. Normal business transactions amounted THB 0.42 million	1. Inter-company transactions for products of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices same as those transactions with outsiders or under the scopes stipulated by the Board of Directors of the Company. 2. A transaction supporting normal business on letting an area for display and sales of products in a Grand Sale fair which is organized by the Company every year, and the rent rate is the same as that of other tenants. In addition, some transactions were supporting of sales promotional expenses to the distributor.

Company name / Related	Nature of business	Type / Value of Transactions in 2009	Necessity / Reasonableness
<p><u>Siam Melamine Marketing Company Limited</u></p> <ol style="list-style-type: none"> 1. A related company. 2. 65.0% of shares held by relatives of some executives of the Company. 3. It has long been a distributor for the Company 	<p>Distributor of plastic products and melamine products</p>	<ol style="list-style-type: none"> 1. Normal business transactions amounted THB 199.04 million 2. Normal business transactions amounted THB 4.30 million 3. A short-term property rent amounted THB 1.11 million 	<ol style="list-style-type: none"> 1. Inter-company transactions for products of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices same as those transactions with outsiders or under the scopes stipulated by the Board of Directors of the Company. 2. A transaction supporting normal business on letting an area for display and sales of products in a Grand Sale fair which is organized by the Company every year, and the rent rate is the same as that of other tenants. In addition, some transactions were supporting of sales promotional expenses to the distributor. 3. Short-term property rent of two places provided by the Company for one year. The rental rate is reasonable as compared with the market rates under the prevailing economy situation.
<p><u>Srithai Stainless Company Limited</u></p> <ol style="list-style-type: none"> 1. A related company. 2. 60.0% of shares held by relatives of some executives of the Company. They also serve as directors of Srithai Stainless Company Limited 	<p>Manufacture and Distributor of kitchenware and furniture</p>	<ol style="list-style-type: none"> 1. Normal business transactions amounted THB 5.38 million 2. Normal business transactions amounted THB 0.12 million 	<ol style="list-style-type: none"> 1. Inter-company transactions for products of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices same as those transactions with outsiders or under the scopes stipulated by the Board of Directors of the Company. 2. A transaction supporting normal business on letting an area for display and sales of products in a Grand Sale fair which is organized by the Company every year, and the rent rate is the same as that of other tenants.

Company name / Related	Nature of business	Type / Value of Transactions in 2009	Necessity / Reasonableness
<u>Firstpoint Translogistics Company Limited</u> 1. A related company. 2. 100.0% of shares held by an executive of the Company and his relatives. 3. An executive of the Company serves as a director in Firstpoint Translogistics Company Limited	Domestic cargo transportation	No related party transaction in the year 2009.	
<u>S.Sahatara (Thailand) Company Limited</u> 1. A related company. 2. 100.0% of shares held by an executive of the Company and his relatives. Some of them serve as directors of S.Sahatara (Thailand) Company Limited	Printing Stickers	Normal business transactions amounted THB 5.30 million	Inter-company transactions for products of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices same as those transactions with outsiders or under the scopes stipulated by the Board of Directors of the Company.
<u>Toho Foam (Thailand) Company Limited</u> 1. A related company. 2. 73.2 % of shares held by an executive of the Company and his relatives. Some of them serve as directors of Toho Foam (Thailand) Company Limited	Manufacturing and Selling EPE Foam	No related party transaction in the year 2009.	

Remark : Executive and relative of executive mean person or persons as defined in the relevant criteria on connected transaction as laid down by the Capital Market Supervisory Board.

Information in the table above showed that the Company and its subsidiaries had transactions with connected companies and almost all transactions were transactions of normal business operations and / or for supporting the normal business operations of the Company and its subsidiaries. Most of them transacted at prices and terms similar to those transactions between each related company and outsiders in order to maximize benefits of each company. If there were some differences of prices and term from those transactions with outsiders, the prices and terms of such transactions shall be limited within the scope laid down by the Board of Directors. The Company has disclosed details of related party transactions for the year 2009 in the note to financial statements for the year ended 31 December 2009, Pages 58-62.

For related-party transactions in the form of financial support comprised providing corporate guarantee on credit facilities granted to Srithai (Vietnam) Company Limited and Srithai Lock & Lock Company Limited in order to support business operations of the two subsidiaries. The Company has no other financial support transaction with any other subsidiary or associated or related companies.

2) Need for related-party transactions

Since the Company has attached an importance on the investment in the business related and/or connected to the plastic business, the main business of the Company, in order to reduce any dependence on the business outside the group and to increase market coverage, including increasing competitiveness and growth of Srithai's group of companies. As a result, most companies under Srithai's group have similar businesses and products or supporting arms of main businesses of the Company. Therefore, related-party transaction frequently occurred among the group of companies due to its need to purchase or sell products or services to another party within the group of companies to support and enhance the revenue to its main business.

In addition, the connected transactions executed with connected persons not under the structure of Srithai's group of companies were mostly carried out with distributors of the Company on purpose of trading business and satisfying demand for products from another party to create revenue to its main business.

3) Procedure of Approval on Inter-Company Transactions

Each company in the Group has its own Management team who tries to maximize benefit of their company. Regarding inter-company transactions, terms and conditions of trade and services were based on normal transactions of outsiders. Terms and conditions of inter-company transactions were compared with those from external sources of information for reason of reasonableness of terms and prices of inter-company transactions. Of course, exceptional cases were considered during sales promotion campaign or at time of transacting with long-term trade partner on a case by case basis. However, the Board has been very careful to assure that interest of shareholders and all stakeholders was safeguarded for transactions which might have any conflict of interest.

In order for the Company to accurately follow the criteria regarding the connected transactions, the Board of Directors had passed a resolution approving in principle pricing of products / services and terms of debt collection/settlement between the Company / subsidiaries and connected persons according to the definition as stipulated by the Securities and Exchange Act (No.4) B.E.2551 and the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 dated 31 August 2008, and granted the power to the management to approve connected transactions within the scope stipulated by the Board of Directors.

4) Policy and Future Trend of Related Party Transactions

The Group has the policy to allow each company in the Group to trade freely with any party. Price and term of trade will be major factors influencing the decision of each company's Management. The number of related party transactions is not expected to fluctuate much in each year, subject to demand for products, production capacity & servicing, and business expansion of each company.

11. FINANCIAL POSITION AND BUSINESS PERFORMANCE

11.1 Financial Statements

11.1.1 Summary of Auditor's Report

The Company has retained PricewaterhouseCoopers ABAS Limited, "PwC", as its auditor. The auditor has audited consolidated and company financial statements for the year ended 31 December 2009, and has expressed unqualified opinion that the consolidated and company financial statements of the Company present fairly, in all material respects, the consolidated and company financial position as at 31 December 2009 and 2008, and the consolidated and company results of operations, and cash flows for the year then ended of the Company and its subsidiaries, and of the Company, respectively, in accordance with generally accepted accounting principles.

11.1.2 Consolidated Financial Statements Table

Consolidated Balance Sheets

As at 31 December

Unit : Million Baht

	2009	2008	2007
Assets			
Current assets			
Cash and cash equivalents	279.4	291.0	275.6
Short-term investments	18.2	69.6	46.0
Trade accounts and notes receivable, net	1,115.7	1,007.3	1,116.0
Inventories, net	948.3	800.7	722.9
Other current assets	65.1	56.1	48.5
Total current assets	2,426.7	2,224.7	2,209.0
Non-current assets			
Long-term investments	444.6	491.5	521.1
Property, plant and equipment, net	4,693.2	4,596.7	4,024.4
Intangible assets, net	70.2	45.6	23.7
Deferred tax assets	22.4	40.1	49.9
Other non-current assets, net	63.4	53.3	50.9
Total non-current assets	5,293.8	5,227.2	4,670.0
Total assets	7,720.5	7,451.9	6,879.0
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from banks	181.3	210.4	14.9
Trade accounts payable	842.6	632.5	818.2
Payable of long-term assets	44.1	315.6	47.4
Long-term loans (maturing within one year)	258.7	145.3	94.2
Other current liabilities	229.2	185.7	226.7
Total current liabilities	1,555.9	1,489.5	1,201.4
Non-current liabilities			
Long-term loans	921.7	659.0	344.2
Other non-current liabilities	223.9	244.7	270.5
Total non-current liabilities	1,145.6	903.7	614.7
Total liabilities	2,701.5	2,393.2	1,816.1

Consolidated Balance Sheets (Continue)
As at 31 December

Unit : Million Baht

	2009	2008	2007
Shareholders' equity			
Share capital	2,709.9	2,709.9	2,857.1
Retained earnings	1,050.0	1,015.5	971.2
Unrealised gain	1,032.4	1,083.9	1,142.7
Treasury shares	0.0	0.0	(127.3)
Other	(20.9)	(14.3)	(29.7)
Minority interests	247.6	263.7	248.9
Total shareholders' equity	5,019.0	5,058.7	5,062.9
Total liabilities and shareholders' equity	7,720.5	7,451.9	6,879.0

Consolidated Statements of Income
As at 31 December

Unit : Million Baht

	2009	2008	2007
Sales and hire of work	5,456.6	5,777.7	5,563.5
Cost of sales and services	(4,313.7)	(4,563.5)	(4,444.6)
Gross profit	1,142.9	1,214.2	1,118.9
Selling & Administrative expenses	(955.2)	(928.5)	(830.2)
Other income	44.9	55.0	47.6
Gain (Loss) on foreign exchange rate, net	9.0	(50.6)	(2.0)
Other expenses	(2.9)	(14.7)	(10.1)
Directors and managements' remuneration	(72.3)	(76.4)	(64.8)
Operating profit	166.4	199.0	259.4
Share of profit (loss) of investments in associates and in joint venture	(28.7)	2.0	14.2
Profit before finance costs and income tax	137.7	201.0	273.6
Finance costs	(52.0)	(34.7)	(20.2)
Income tax	(37.4)	(31.7)	(56.4)
Net profit for the year	48.3	134.6	197.0
Attributable to:			
Equity holders of the parent	57.8	98.2	174.4
Minority interests	(9.5)	36.4	22.6
Earnings per share for profit attributable to the equity holders of the parent			
Basic earnings per share	0.21	0.36	0.64

* The Company has reclassified some accounting items in Financial Statements for the year 2007 and 2008 for purpose of comparison and in order to be in line with the classification of accounting items for the year 2009 without effect on net profit as disclosed in the Annual Report of last year.

Statements of Cash Flows from Consolidated Financial Statements
As at 31 December

Unit : Million Baht

	2009	2008	2007
Net profit before income tax for the year	85.7	166.3	253.4
Adjustments to reconcile net profit to net cash provided by (paid for) operations :			
Depreciation & Amortisation	459.6	405.6	388.3
Loss on impairment of intangible assets and goodwill	0.0	5.3	4.3
(Gain) Loss on impairment and disposal of long-term assets	(3.5)	(2.7)	(0.3)
(Gain) Loss on foreign exchange rate	(3.7)	48.2	(1.5)
Interest received	(5.4)	(5.5)	(6.8)
Share of net (profit) loss of investments in associates and joint venture	28.7	(2.0)	(14.2)
Dividend income from other investments	(6.8)	(7.2)	(7.4)
Finance costs	52.1	34.7	20.2
Others	2.6	1.6	5.9
Changes in operating assets and liabilities			
(Increase) decrease in operating assets			
Trade accounts and notes receivable and amounts due from related parties	(109.1)	107.7	(149.4)
Inventories	(149.0)	(78.4)	15.9
Others	(27.6)	(24.9)	(14.6)
Increase (decrease) in operating liabilities			
Trade accounts payable	215.5	(185.7)	29.0
Others	12.4	(40.8)	62.9
Cash flows from operating activities	551.5	422.2	585.7
Interest paid	(51.7)	(34.7)	(20.5)
Income tax paid	(16.7)	(36.8)	(38.1)
Net cash receipt from operating activities	483.1	350.7	527.1
Cash flows from investing activities			
Cash payment for short-term investments	(5.1)	(53.6)	(48.9)
Cash payment in long-term investments	0.0	0.0	(15.6)
Purchase of long-term assets and Cash payment for intangible assets	(841.9)	(782.0)	(474.9)
Cash receipt from short-term investments	56.5	30.3	14.0
Proceeds from disposal of long-term assets	14.4	23.9	9.3
Interest received	4.9	5.2	6.9
Dividends from investments in long-term investments	22.4	35.7	45.1
Other	0.0	0.0	8.2
Net cash payments for investing activities	(748.8)	(740.5)	(455.9)
Cash flows from financing activities			
Increase (decrease) in short-term loans from banks	(23.9)	195.4	(73.0)
Receipt from long-term loans	532.6	459.0	322.5
Repayment of long-term loans	(154.6)	(94.6)	(173.5)
Dividend payment	(107.8)	(154.3)	(136.4)
Other	7.8	(0.3)	(11.0)
Net cash receipt (payments) for financing activities	254.1	405.2	(71.4)
Net increase (decrease) in cash and cash equivalents	(11.6)	15.4	(0.2)
Cash and cash equivalents, opening balance	291.0	275.6	275.8
Cash and cash equivalents, closing balance	279.4	291.0	275.6

11.1.3 Significant Financial Ratios of Consolidated Financial Statements

Ratio	Unit	2009	2008	2007
Liquidity Ratio				
Current Ratio	Times	1.56	1.49	1.84
Quick Ratio	Times	0.91	0.92	1.20
Operating Cash Flows Ratio	Times	0.32	0.26	0.42
Account Receivable Turnover	Times	5.11	5.40	5.28
Average Collection Period	Days	70.41	66.72	68.19
Inventory Turnover*	Times	11.05	12.02	11.97
Inventory Turnover Days	Days	32.57	29.95	30.07
Account Payable Turnover	Times	5.85	6.29	5.54
Average Payment Period	Days	61.55	57.22	64.97
Cash Cycle**	Days	41.42	39.46	33.29
Profitability Ratio				
Gross Profit to Sales	%	20.94	21.02	20.11
Operating Margin to Sales	%	2.14	3.65	4.05
Non-operating Margin to Total Revenues	%	0.82	0.94	0.85
Operating Cash Flows Margin	%	413.14	166.18	233.85
Net Profit Ratio to Total Revenues	%	1.05	1.68	3.11
Return on Equity	%	1.15	1.94	3.48
Efficiency Ratio				
Return on Total Assets	%	0.76	1.37	2.57
Return on Net Fixed Assets	%	10.43	10.97	13.18
Total Assets Turnover	Times	0.73	0.81	0.83
Financial Policy Ratio				
Debt to Equity Ratio	Times	0.54	0.47	0.36
Interest Coverage Ratio	Times	10.67	12.16	28.64
Operating Cash Flows Coverage	Times	0.44	0.34	0.66
Dividend Payout Ratio	%	186.53	157.13	78.17

* Only finished goods inventory, excluding work in process, goods in transit and raw materials(before allowance for net realisable value and allowance for obsolescence)

** Average Collection Period + Inventory Turnover Days - Average Payment Period

11.2 Analysis and explanation of financial status and operating results

Analysis of financial ratios from the consolidated financial statements

Liquidity

The overall picture of the Current Ratio of the group of companies increased from 1.49 times in 2008 to 1.56 times in 2009 due to the increase of the net trade accounts and notes receivable and inventory. The current liabilities also increased mainly caused by increase of trade account payables and current portion of long-term loans. In addition, the depreciation also increased in line with increase of acquired assets, leading to the increase of the Operating Cash Flows Ratio from 0.26 times in 2008 to 0.32 times in 2009.

The Cash Cycle of the Company was prolonged from 39.46 days in 2008 to 41.42 days in 2009. It was because the group of companies' Average Collection Period of the account receivable was prolonged from 66.72 days in 2008 to 70.41 days in 2009 after the expansion of the sales volume in the fourth quarter of 2009. However, the economic recession during three quarters of the year had caused the sales volume of the group of companies to decline while the average volumes of the inventory increased. Moreover, raw material was purchased more as a protection against the fluctuation of its prices. As a result, the group of companies had longer Average Inventory Turnover Days. It increased from 29.95 days in 2008 to 32.57 days in 2009, and Average Payment Period to account payables increased from 57.22 days in 2008 to 61.55 days in 2009. Thus, after taken into consideration the aforementioned ratios, it could be summarized that in 2009, the

group of companies' financial liquidity was at satisfactory level with continuous sufficient cash flow from the business operation for operation and turnover which helps support business operation of the group of companies to perform without any obstacles and get ready for business expansion of the group of companies.

Profitability

In 2009, the group of companies' Profitability Ratio decreased from that of last year which was in accordance with the decline of the group of companies' operating results from the previous year. The group of companies' revenue from sales and hiring of work decreased from the previous year due to the economic recession. Despite the group of companies' revenue increased by sales volume of plastic products, a new business under the food and beverage packaging products, and trading products, its revenue could not replace the decreased revenue of the existing plastic products, particularly, the industrial products such as automobile and electrical appliance parts. In addition, the decrease of purchase orders and production output and fluctuation of plastic resin prices had caused higher cost of production to the group of companies as the prices of finished products could not be adjusted as needed. This led the Gross Profit to Sales to be slightly declined from 21.02% in 2008 to 20.94% in 2009.

While loss from foreign exchange rate reversed from the loss of Baht 50.64 million in 2008 to the profit of Baht 9.07 million in 2009, financial cost was higher from that of 2008 resulting from draw-down of additional long-term loans for investments and draw-down of revolving credit facilities to support liquidity and business expansion. In addition, halt of business operations of 2 associated companies, and unrecovery of business performance of another associated company had led to share of loss on investments in associates and joint-venture in 2009. As a consequence, the attributable profit to equity holders of the parent of the group of companies decreased by 41.17% as compared to that of the previous year. It resulted in the group of companies' Net Profit Ratio to Total Revenues to decrease from 1.68% in 2008 to 1.05% in 2009, and the Return on Equity Ratio (ROE) to decrease from 1.94% in 2008 to 1.15% in 2009.

Efficiency

The Return on Total Assets (ROA) decreased from 1.37% in 2008 to 0.76% in 2009, and the Return on Net Fixed Assets decreased from 10.97% in 2008 to 10.43% in 2009. This was caused by the decrease of the attributable profit to equity holders of the parent of the group of companies from Baht 98.19 million in 2008 to Baht 57.76 million in 2009, together with the increase of the fixed assets value from acquisition of additional assets.

Financial Policy

The increase of the long-term loans which was withdrawn during the year, and the increase of the account payables after the increase of purchase of raw materials and factors of production, had led the group of companies' Debt to Equity Ratio (D/E) to increase from 0.47 times in 2008 to 0.54 times in 2009.

The group of companies' Interest Coverage Ratio decreased from 12.16 times in 2008 to 10.67 times in 2009 due to the higher financial cost caused by the draw-down of additional long-term loans and the draw-down of revolving credit facilities. However, the net cash received from the operating activities increased from that of the previous year while the group of companies' financial obligation in 2009, such as repayments of long-term loans and acquisition of additional fixed assets, had slightly increased as compared to that of 2008, including the decrease of dividend payment, leading to the slight increase of Operating Cash Flows Coverage Ratio as compared with that of the previous year.

Analysis of Consolidated Financial Statements

11.2.1 Overview of Business Performance

A. Revenues

The structure of the group of companies comprises two main businesses: Plastic Business and Trading Business with Mold Business as an important support of Plastic Business. In 2009, the group of companies' main revenue still came from Plastic Business – industrial products and household products whereas the Trading Business volume had gradually improved as direct sales business(MLM) expanded. Revenue from the sales and the hire of work of the group classified by business lines in 2009 and 2008 was shown below:-

Consolidated Financial Statements	2009		2008	
	Million Baht	%	Million Baht	%
Plastic Business *	4,962	90.93	5,355	92.68
Trading and Mold Business	495	9.07	423	7.32
Total	5,457	100.00	5,778	100.00
* Main products classification:				
- Industrial products	3,029	61.04	3,537	66.05
- Household products	1,933	38.96	1,818	33.95
Total of Plastic business line	4,962	100.00	5,355	100.00

The group of companies' revenue from industrial products is higher than that of the household products because the industrial products could serve wider need of customers in several industries, while the household products only directly serve the need of consumers and/or end users. However, distribution of the industrial products of the group of companies presently focuses on domestic sales whereas the distribution of the household products has higher overseas sales portion as compared with the domestic sales. Thus, with the economic recession prevailing since 2008 which had carried on till 2009, some markets of some industries as well as the consumer spending were shrunk such as automotive and electrical appliance industries. This had an impact more on the industrial products rather than on the household products of which the increase of overseas sales volume helped compensate the decline of domestic sales volume, leading to a slight change of the proportion of sales of the two product types in 2009 as compared to that of 2008.

However, the group of companies consistently expand business by entering into new product lines, of which the demand in the market is increasing and profitable in order to increase diversification of the Company's product lines. Thus, in 2009, the group of companies had launched new products under the category of food and beverage packaging, consisting of PET Preform and Closure and Thin Wall Packaging, including CD and DVD cases. The new group of products also helps increase additional revenue to the group of industrial products business. Apart from helping the Company by compensating the revenue when there is a shrink of the markets of some industries, the new group of products also has good growth potential with the high demand and expansion within domestic and overseas markets.

For the Trading Business, in 2009, there was an increase of growth and sales volume as compared with that of the previous year. It was because the group of companies continuously introduced new products and expanded the MLM direct sales business. Advertising and sales promotion had also taken part in helping the products of the group of companies to be known and quickly accepted by consumers. In addition, the potential of products quality and distribution channels of the group of companies, together with sales teams of the Single-level Marketing and the Multi-level Marketing, including distributors, have dramatically helped enhance the growth of the Trading Business and the revenue of the group of companies in the future.

Despite the revenue from the Mold Business being quite small as compared with the total revenue of the group of companies, the revenue growth of the Mold Business is closely related with the revenue growth from Plastic Business. That is because it plays an important role to support the Plastic business in terms of industrial products and household products. In 2009, the group of companies' revenue from Mold Business decreased from that of the previous year due to the decline of orders for made-to-order molds due to the economic recession, and the high competition within the mold making industry. Nonetheless, the investment requirement of customers and the ability to solicit trading partners, including technology and ability to make high precision molds of the group of companies are also important factors which help support the growth of the revenue of the mold business of the group of companies.

B. Marketing and Trend

1) Plastic Business Line

1.1) Domestic Market for Industrial Products

The overall picture of the marketing of domestic industrial products in 2009 was still affected by the unrecovered economic situation. Consumers still lacked of confidence in the country's economic situation and political instability leading to cautious spending. In addition, customers from some of the industries had decreased their production capacity and orders, particularly the automobile and electrical appliances industries. With such an unfavorable economic situation for every industry, the Company had to carefully perform business by focusing on orders which provided appropriate gross profit margin, and to grant credit carefully to customers who purchased products with credit. The situation had affected the domestic sales for industrial products of the Company in the first 3 quarters of 2009 to dramatically decrease from the same period of the previous year.

However, new products of the Company entering the market in 2009, highly demanded in the market with high potential growth, such as closure and PET preform bottle distributed to the bottlers and distributors of soda water and water, etc., had helped increase additional revenue to the Company. Apart from this, the economic situation was gradually improving and the Company received more orders from the customers by the end of 2009, leading to slight decline of the overall domestic market for industrial products as compared with that of the previous year.

Moreover, the consistent industrial product improvement and development to maintain the quality of the products and to meet the standard required by the customers, together with the continual market expansion for existing products and new products launched to market in 2009, helped the Company to better serve demand of existing customers and new customers in order to get bigger market share. In addition, with sourcing and development works to launch new products into the market, the Company expects that domestic sales of industrial products will increase in 2010 as compared with the sales in 2009.

1.2) Export Market for Industrial Products

The Company had been affected by slowdown of the global economy and the continual appreciation of the Thai Baht, causing the decrease of export revenue of industrial products – crate, pail, and pallet. However, the new products of the Company distributed in 2009 such as closure and PET preform exported to the soda water and water bottlers and distributors in Laos, the Philippines, and Cambodia, as well as the CD and DVD boxes exported to more than 10 countries across the World, etc, helped boost revenue and customer base for the Company. Thus, the Company's total revenue from the export of industrial products in 2009 slightly increased over that of 2008.

For 2010, the Company has planned to increase sales volume on export of industrial products by maintaining customers in Indochina countries, and focusing on export market expansion to Japan, Hong Kong, Singapore, Australia, and countries in the Middle East, including promoting and pushing new products of the Company to be widely known in the world market.

1.3) Domestic Market for Household Products

With the slowdown of economy across the world since the end of 2008 which carried on and caused sluggish economy in Thailand in 2009, including the instability of the country's political situation, the household sector had become more careful with spending. However, the Company had increased new design of decoration for its household products and provided sales promotion to continually stimulate consumption. In addition, the Company also supported the government's economic stimulus plan which encouraged spending of the "Help the Country" cheque by purchasing the Company's products to ease the impact from the unfavorable economic situation. Thus, the Company's sales of domestic household products in 2009 slightly decreased from that of previous year.

However, with the recovery of the economy started by late of 2009, the Company expects that the trend of the household's consumption and spending in 2010 will be better off the year 2009, and it will enhance the expansion of the Company's sales volume. Also, the Company has planned to launch more new products to the market. The new products are designed with extraordinary decoration and shapes with sales promotion to stimulate demand in the market and to motivate consumers of each group of different favorites or life styles. In addition, the Company is confident that the quality of products, diversified distribution channels, and efficient direct sales team will help the Company's household products to better serve need of each consumer group. Also, the products can replace tableware made of other materials such as porcelain or glass which are fragile. In 2010, the Company expects that sales volume of domestic household products will grow further over that of 2009.

1.4) Export Market for the Household Products

Despite of the continuous slowdown of economy in many countries, particularly in Europe and the USA, and the continuous appreciation of the Thai Baht against the US Dollar throughout 2009, the Company's export sales of the household products had increased significantly as compared with that of 2008. Export market of household products of the Company had continuously expanded due to the following reasons:

- The export market of the Company is not concentrated in any group of countries in any continent but diversified to many countries in good balance. In addition, with the expansion to new markets in Africa and Eastern Europe in 2009, the Company had succeeded in market expansion and had exported to more than 100 countries around the World.
- Presently, consumers have realized the importance of quality and safety of household products which can be observed on enforcing of rules and standard of products to prevent import of household products, made of urea or melamine mixed with urea, which may adversely affect health. There are strict quality control in many countries requiring quality check before exporting. Thus, it is such a good opportunity of the Company's household products made of melamine 100%. The Company always attach importance on quality and brand.
- Gaining confidence of a large and famous household product retailer in Sweden, the Company manufactures and exports household products to the customer's many branches in many countries.
- The Company always co-develops decoration and shapes of products with customers to serve their need and market trend in each country. It differentiates the Company's products from competitors' in the market.
- The Company supports advertising and public relations to promote the Company's brand in many important countries so that the brand become well-known across the world.
- The Company has lessened foreign exchange risk by negotiating with customers in ASEAN countries to sell the products in currencies other than the US Dollar as deemed appropriate such as the Thai Baht or the Singapore Dollar, etc., including consideration of selling products to customers in Japan in Yen currency.

With an effort to push and present quality household products, made of 100% genuine melamine, and to develop the shapes and decoration of the products to fulfill various kinds of demand, together with determination to export to new markets in Eastern Europe, Africa, and South America, the Company is confident that it can export it products to a wider market coverage, leading to sustainable growth of export markets in the future.

2) Trading Business Line

The slowdown of domestic economy and the sluggish tourism and hotel industry in 2009 had affected sales of products of the Company's trading business line to miss the expected target. The sales volume of some of the products in 2009 slightly decreased when compared with that of the previous year. However, with the increase of product line by procurement of disposable products domestically for distribution via direct sales channel with MLM system (Multi-level Marketing) under the brand "SNatur" such as health products and beauty products, food supplement and other consumer products, etc. Though the number of MLM's networks and members is still small because it is a new business of the Company, starting in 2008, it helped increase sales volume contributed to the trading business line of the Company and resulting in higher sales volume of the whole company as compared with that of 2008.

In addition, for SNatur, the Company determines to select products which serve the need of customers according to market trend. In principle, the products must be safe, result showing within reasonable period, outstanding, explainable to consumers, disposable, and replacement requiring from time to time, in order to encourage repeating of orders. Besides, the Company has a policy to launch new products under the brand "SNatur" continually; some of which are products of daily use which can replace other products in the market and the others are products which are outstandingly differentiated from other products in the market.

For 2010, apart from the effort to increase diversification of products by procuring modern and popular products from local and overseas sources for distribution at reasonable prices, the Company also focuses on marketing and sales promotion continually in parallel to building more efficient sales teams of the MLM direct sales and to increase number of members in order to make the Company's products well-known and having wider market coverage among consumers as well as to help boost up the Company's revenue in the future.

C. Operation Results and Financial Position (from consolidated financial statements)

Net profit shown in consolidated financial statements for the year ended 2009 was THB 57.76 million, decreased by THB 40.43 million, or 41.17%. Summary on operating results and financial position as of 31 December 2009 was as follows:-

- Consolidated statements of income for the year ended 31 December 2009 as compared with that of the same period of previous year ended 31 December 2008. (Details as shown in Consolidated and Company Financial Statements for the year 2009 under Statements of Income)
- 1. Sales and hire of work amounted THB 5,456.58 million was decreased by THB 321.14 million from that of previous year, or 5.56% due to :-
 - 1.1 Plastics Business Line
 - 1) Sales of Plastic Business Line - Household Products of domestic and overseas sales amounted THB 1,932.77 million, or 35.42% of total sales, was increased by THB 115.36 million over that of previous year or 6.35% due to:
 - Increase in export sales orders from major customers, netted with decrease in local sales resulting from economic downturn.
 - Increase in sales of overseas subsidiary due to continuous expansion of its market.
 - 2) Sales of Plastic Business Line - Industrial Products of domestic and overseas sales amounted THB 3,028.95 million, or 55.51% of total sales, was decreased by THB 508.28 million from that of previous year or 14.37%. That was due to slowdown economy especially for automotive and electronic appliance businesses causing sales of automotive and electronic parts products to decrease dramatically. However, the Company has been adjusting sales structure to focus on high valued products, soaring export sales, and increasing orders of new products under food and beverage packaging categories.

1.2 Trading and Moulds Business Line

Sales of Trading and Moulds Business Line amounted THB 494.86 million, or 9.07% of total sales, was increased by THB 71.78 million over that of previous year or 16.97%. That was due to new products sourcing and expansion of MLM direct sales business.

2. Gross profit was THB 1,142.84 million, a decrease of THB 71.42 million. Gross profit on sales ratio for the year ended 31 December 2009 was 20.94%, lower than that of the previous year being 21.02% due to the fluctuation of plastic resin price which are major raw materials. Selling price has not yet been adjusted to be in line with production cost which increased as a result of declining production volume as purchase orders decreased.
3. Selling and administrative expenses amounted THB 955.22 million was increased by THB 26.74 million over that of the previous year. Selling and administrative expenses on sales ratio was 17.51% for the year ended 31 December 2009, higher than that of the previous year being at 16.07%. The increase was due to high sales promotion expenses in order to push sales. Salary and advertising expenses of a subsidiary engaged in trading Business of Household Products also increased since it started business in the year 2009. As well, idle cost was recognized due to machines of 2 subsidiaries were not fully utilized.
4. Other expenses amounted THB 2.84 million was decreased by THB 11.82 million from that of the previous year. The decrease was due to impairment of goodwill of subsidiary and associate amounted THB 4.9 million, impairment of subsidiary's fixed assets amounted THB 2.1 million, and employee compensation for retirement amounted THB 3.4 million.
5. Gain on exchange rate amounted THB 9.07 million whilst loss incurred of THB 50.64 million in the previous year. This was due to weak Baht currency causing unrealized loss on exchange rate as of year ended 2008 caused by outstanding debt on assets acquired during the year 2008 and due for repayment in the year 2009.
6. Directors and managements' remuneration amounted THB 72.34 million was reclassified in the year 2009 since the Department of Business Development, Ministry of Commerce, has announced the new format of financial statements for the year 2009, dated 30 January 2009. Directors and managements' remuneration was decreased from that of previous year due to change in number of managements.
7. Share of loss from associates and joint venture amounted THB 28.70 million whilst gain in the previous year for THB 2.01 million. That was due to purchase orders of a major customer of an associate engaged in Industrial Products was decreased dramatically causing operation loss significantly. It then ceased its business temporarily. In addition, another associate engaged in Household Products faced financial and liquidity problem, slowdown economy and high competition causing the associate to close down on 31 January 2010. This resulted in the Company recognizing significant share of loss because the associate's equity was negative.
8. Financial cost amounted THB 52.04 million was increased by THB 17.30 million over that of the previous year. That was due to additional borrowing of long-term loan to finance purchase of fixed assets due to business expansion and working capital requirement.
9. Income tax expenses amounted THB 37.37 million was increased by THB 5.67 million, comparing to THB 31.70 million of the previous year, due to an increase in net taxable profit for the year 2009, netted with deferred tax assets being recognized less than previous year by THB 9.85 million.
10. Basic earnings per share is THB 0.21, a decrease of 41.67% as compared to THB 0.36 per share in the previous year, due to a decrease in net profit.

- Consolidated Balance Sheets as of 31 December 2009 comparing to that as of 31 December 2008. (Details as shown in Consolidated and Company Financial Statements for the year 2009 under Balance Sheets)
- 1. Total assets amounted THB 7,720.50 million were increased by THB 268.64 million over that as of 31 December 2008 or 3.61% due to the significant changes as follows :-
 - 1.1 Net trade accounts and notes receivable amounted THB 1,115.68 million were increased by THB 108.40 million over that of previous year due to sales soaring in fourth quarter of the year 2009.
 - 1.2 Inventories amounted THB 948.29 million were increased by THB 147.57 million over that of previous year due to increase of inventory of new business, raw material built up to cope up with price fluctuation and increase in raw material price.
 - 1.3 Long-term Investments amounted THB 444.61 million was decreased by THB 46.91 million from that of the previous year due to investments in associates and joint venture being decreased by THB 44.27 million from that of previous year as a result of lower performance of associates of the year 2009, netted with dividends received under equity method of accounting and increase of capital of an overseas associate amounted THB 3.23 million.
 - 1.4 Property, plant and equipment amounted THB 4,693.17 million were increased by THB 96.48 million from acquisitions of new assets and netted with depreciation expenses during the year.
 - 1.5 Intangible assets amounted THB 70.18 million were increased by THB 24.58 million from acquiring a production license and new computer system, netted with amortization expenses during the year.
 - 1.6 Deferred tax assets amounted THB 22.42 million were decreased by THB 17.65 million from that of the previous year because of the recognition of income tax expenses by THB 30.56 million, netted with additional deferred tax assets amounted THB 12.91 million during the year.
- 2. Total liabilities amounted THB 2,701.54 million were increased by THB 308.33 million over that as of 31 December 2008 or 12.88% due to the following significant changes :-
 - 2.1 Trade accounts payable amounted THB 842.62 million were increased by THB 210.08 million over that of previous year because of an increase in purchase of raw material to get prepared for raw material price fluctuation as well as new business expansion.
 - 2.2 Payable of long-term assets amounted THB 44.06 million were decreased by THB 271.53 from that of the previous year because of payment due.
 - 2.3 Current portion of long – term loans and long – term loans amounted THB 1,180.41 million were increased by THB 376.16 million due to the Group’s additional borrowing under the investment project valued THB 532.63 million, netted with loan repayment of principal amounted THB 154.63 million during the year.
 - 2.4 Other current liabilities amounted THB 229.21 million were increased by THB 43.44 million over that of previous year due to increase of accrued expenses by THB 29.18 million over that of previous year as a result of the increase in accrued income tax because loss carryforward being fully utilized during the year 2009 and increase of accrued electricity charge due to increase in electricity rate.
 - 2.5 Non Current liabilities mostly comprised deferred tax liabilities amounted THB 221.80 million which were decreased by THB 21.64 million from that of the previous year due to temporary recognition of difference between tax and financial accountings of depreciation expenses of appraised assets during the year.
- 3. Total shareholders’ equity amounted THB 5,018.96 million were decreased by THB 39.68 million from that as of 31 December 2008 or 0.78% due to the following significant changes :-
 - 3.1 Net profit attributable to the parent company for the year ended 31 December 2009 amounted THB 57.76 million.
 - 3.2 Unrealized gain being fair value reserves on assets amounted THB 1,032.39 million decreased by THB 51.49 million from that of the previous year because of assets revaluation surplus amortization against an addition to retained earnings which was in line with increase in depreciation expenses portion of appraised assets.

- 3.3 Minority interests amounted THB 247.57 million were decreased by THB 16.08 million from that of previous year mainly due to net loss of the year 2009 amounted THB 9.47 million, increased depreciation expenses of assets' revaluation amounted THB 1.55 million, and dividends amounted THB 12.92 million, netted with increase in investment in subsidiary amounted THB 8.33 million.
- Consolidated statements of cash flows for the year ended 31 December 2009 comparing to that of the previous year ended 31 December 2008 showed a net decrease of cash flows of THB 11.59 million, (Details as shown in Consolidated and Company Financial Statements for the year 2009 under Statements of Cash Flows) comprising:-
 - Net cash receipts from operating activities amounted THB 483.13 million were increased by THB 132.48 million over that of the previous year as a result of operating performance of the year 2009 and increase in depreciation expenses, netted with changes in trade accounts receivable, inventories, and trade accounts payable.
 - Net cash payments for investing activities amounted THB 748.84 million on acquisition of fixed assets and investment in intangible assets such as production license and new computer software system amounted THB 841.86 million in order to get prepared for business expansion, netted with cash received from fixed assets disposal amounted THB 14.36 million, dividends receipts amounted THB 22.38 million, and cash received from short-term investments amounted THB 56.54 million.
 - Net cash receipts for financing activities amounted THB 254.12 million were due to the Group's draw-down of long – term loans under the investment plan amounted THB 532.63 million and cash received from investment in subsidiary of minority interest amounted THB 8.33 million, netted with repayment of loan principal amounted THB 154.63 million, decrease of short-term loan amounted THB 23.94 million and dividend payment amounted THB 107.75 million.

(d) Financial Covenants on Loan Agreements

Financial covenants on loan agreements have no material conditions that may have negative impact on expansion of business of the Company. Requirement on financial ratios that have to be maintained is as follow:-

- Debt to Equity Ratio not more than 2 times.
- Debt Service Coverage Ratio “DSCR” not less than 1.1 times.

“DSCR” means earning before interest expenses, corporate income tax, amortization, and depreciation(EBITDA) against total amount of interest charges and principal sum payable in that year.

Calculation result as per the formula of calculation described in the loan agreements, based on the Company financial statements, showed the following:-

(Unit : Times)	Financial Covenant	2009
Debt to Equity Ratio	Not more than 2.0	0.52
Debt Service Coverage Ratio	Not less than 1.1	3.31

Strong financial position and good operating result indicates as shown in the financial ratios in the table above, the Company has no problem in maintaining the financial covenants.

11.2.2 Important Changes and Significant Events over the Past Year

In the year 2009, the Company faced series of major events. Some events were disclosed to the public after the Board of Directors having passed the resolution in accordance with the regulation of the Stock Exchange of Thailand through ELCID and Company's website. The important changes and significant events were :

1) Investment

1.1) Increase of Production Capacity and New Products

In 2009, the Company has invested in machines, moulds and new technology continually in order to increase production capacity and variety of products, especially those involving moulds for the food and beverage packaging products. The Company had started production and distribution since 2008 due to the enormous demand in such market and in hopes of propelling growth to cater to both local and international demands. Furthermore, the Company also has plans to venture into producing and distributing food packaging with one-time sealable property so as to prevent contamination. The Company also has sought cooperation with a plastic resin producer and Aqua Guardian Group Limited, which is the owner of the patent, in developing plastic buoy beneficial to water conservation through minimizing water vaporization. Such cooperation had helped the plastic business of the Company to be able to sustain continuous growth.

On August 31, 2009, the Company had signed an Memorandum of Understanding to co-develop and promote plastic industry in Thailand with PTT Chemical Pcl. Together, both companies will co-develop, exchange knowledge and skills in production process of one another in order to synergize efficiency and reduce cost of production for mutual benefits.

1.2) Investment in the Republic of India

The Republic of India ("India") is the country of high market potential because it is the country with the second highest number of population after the Republic of China. However, the Company has engaged in distributing household goods to India through only a few local distributors. Therefore, with the good prospect in sales growth, the popularity in the Company's products which are 100% made of melamine, and confidence in the product's quality and safety, the Company is able to compete in India where the major competitors are still a few in numbers and the Company's products can serve as good substitution for the existing houseware products in the market. The Company has plans to expand its market further in India by investing in a new company which will be jointly invested with local partners in India for the purpose of importing the Company's household goods and distributing them through distributors. Moreover, this is also means to expanding distribution channel, leading the Company to be able to get exposure among different types of customers and cover wider area of markets which will in return create a strong market base for the Company's presence in India.

The new company is called Srithai Superware India Private Limited ("SSI") and is operating at the initial stage of business with INR 50 million in registered capital with the Company holding no less than 70% of the shares. This had led SSI to be one of the Company's subsidiaries. The investment capital injected into SSI by the Company will come from the cash flow from operations. However, SSI has not been successfully incorporated as a foreign entity and there are many legal frameworks to comply, it was necessary for shareholders to invest first hand in SSI in order to support expense spending of SSI. The Company had already remitted its investment capital proportionate to the ratio of its shareholding in 2009, totaling to INR 7 million or THB 5.2 million.

In addition, the Company also has a long term plan to establish strong production base for production of household products in India in order to expand and meet with demands for products as observable in the Middle-East and South Asian countries.

1.3) Increase of Capital in a Foreign Affiliated Company

Beijing Huatai Replica of Porcelain Products Co., Ltd. (“Beijing”) is the Company’s joint venture in producing and distributing household goods in China. The Company holds 40% of shares. It increased registered capital from RMB 8,947,925 to RMB 10,610,678 in order to support business expansion. The new capital was derived by offsetting it with dividend payable to shareholders. After the capital increase, the shareholding structure still remains the same.

1.4) Amendment of Business Plan in the Business of Takahashi Group

In the year 2009, 2 companies within the Takahashi group, namely Takahashi Plastic Co., Ltd. (“Takahashi Plastic”) and Takahashi Korat (1995) Co., Ltd. (“Takahashi Korat”) produce and distribute plastic industrial parts for use in the automotive and electrical appliance industries. These companies are affiliated with the Company as the Company directly holds shares of 16.5% in Takahashi Plastic and 19.0% in Takahashi Korat. Both companies had been affected by the unfavorable economy and lost major customers, causing the sales revenue to significantly decrease and experiencing huge loss.

The Shareholder’s meeting of both Companies had addressed the issue and considered survival strategies. The meeting had passed the resolution to address the problem as follow:-

- Takahashi Plastic:

Takahashi Plastic will accept transfer of purchase orders from Takahashi Korat and produce it on their behalf as Takahashi Plastic has lower fixed cost than that of Takahashi Korat. Takahashi Plastic had also been approved to increase registered capital from THB 40 million to THB 134 million in order to support working capital and decrease debt burden. This means that Takahashi Korat had become the major shareholder of Takahashi Plastic and the sole investor in the increased common share capital. The increase in capital had been registered with the Ministry of Commerce on November 24, 2009. Such increase in capital had caused the direct shareholding ratio of the Company to decrease from 16.5% to 4.9%. However, in considering both indirect and direct shareholding by the Company, it had still remain at no less than 20%. As a result, the investment status remains as an affiliate without change.

- Takahashi Korat

Takahashi Korat had undergone temporary shut down in order to sustain the Takahashi group of business as well as to reconsider business and management strategies in order to capture new opportunities in the future.

1.5) Ceasing Operation of an Affiliated Company

S.K.I. Ceramics Co., Ltd. (“S.K.I.”) is an affiliated company producing and distributing ceramics tableware. The Company holds 42% of shares. It had experienced chronic losses on operations leading to financial crisis and shortage of working capital. The unfavorable economic condition and operational limitation had also caused S.K.I. to be uncompetitive with other companies, and difficult for its recovery. Therefore, the Shareholder’s Meeting of S.K.I. had resolved to close down S.K.I. effective on January 31, 2010. S.K.I. had also registered a resolution of shareholders’ meeting for winding up with the Minister of Commerce on February 16, 2010.

2) Borrowings

2.1) Long-term Loans to Support Investment Plans

The Company had received additional long term loans in order to support the investment plan for the year 2009 from 3 local commercial banks, totaling THB 349.65 million with 7 years term of repayment at fixed interest condition throughout the loan contract and floating rate against MLR and Prime Rate. In the year 2009, the Company had already signed a loan agreement to obtain loan worth THB 100 million, fully drawn down, and the remaining long-term loan agreements are expected to be signed in 2010.

In conclusion, long term debts of the Company as of December 31, 2009 amounted THB 1,129.17 million. Details of such information are explained in the note to the financial statements for the fiscal year ending December 31, 2009 page 42-45.

2.2) Revolving Credit Facilities

In 2009, the Company had received additional revolving credit facilities from 2 local financial institutions totaling THB 160 million. Credit facilities comprised O/D, promissory note, L/C, T/R, L/G and Forward Contract, for example. From the aforementioned additional revolving credit facilities, the Company is currently enjoying total revolving credit facilities from all financial institutions at no less than THB 1 billion for the purpose of supporting working capital and business expansion, as well as enabling the Company to allocate use of funds at reasonable financial costs..

2.3) Credit Facilities Guarantee for Subsidiaries

Srithai Lock & Lock Co., Ltd. (“Srithai Lock & Lock”) is a subsidiary engaged in importing and distributing plastic containers for food and others, called Lock & Locks, as well as other relevant products. The Company holds 51.0% of shares. It is in the beginning stage of business which requires capital fund for business expansion by increasing number of retailing shops inside shopping complex, as well as more working capital to finance import of goods, marketing, campaign and sales promotion. Therefore, Srithai Lock & Lock had negotiated with the Bangkok Bank Pcl. (“BBL”) for financial support of THB 60 million. However, Srithai Lock & Lock is a trading company and has no collateral to guarantee the credit facilities. Therefore, BBL had proposed that shareholders of Srithai Lock & Lock provide guarantee against the credit facilities proportionate to ratios of their shareholdings, condition of which had been approved by the Company’s Board of Directors in the Board Meeting no. 2/2552 held on May 15, 2009.

3) Others

3.1) Appointment of an Executive

In 2009, the Board of Directors had passed the resolution to appoint a knowledgeable and an experienced veteran in plastic and household goods, Mr. Rakesh Singh, to be the Factory Director – Household Products. This will come into effect on January 4, 2010. Such appointment is served to replace a deceased Factory Director in 2008.

3.2) Dividend Payment

The Company set as legal reserve the sum of THB 5,000,000 for the year 2008 and paid dividend to shareholders at the rate of THB 0.35 per share in 2009 amounted THB 94,846,668 equivalent to 95.69% of net profit of the Company Financial Statements on May 27, 2009.

3.3) Change of Head Office’s Address

The Rasburana District Office had launched a project to rearrange the numbering of houses in the district to comply with the international standard. The number of the Company’s head office address was then changed from no. 355 to no. 15, effective from November 1, 2009.

11.3 Remuneration to Auditor

1) Audit Fee

The Company and subsidiaries paid audit fee to:-

- External auditor in the past accounting year for the sum of THB 2.27 million.
- Audit firm for whom the auditor work and persons or business related to the auditor and such audit firm in the past accounting year for the sum of THB 1.73 million and USD 16,000.

2) Non-audit Fee

The Company and subsidiaries paid non-audit fee for review of computer system control, advice on preparation of consolidated financial statements, and audit on compliance to BOI promotion certificate of companies in the Group to:-

- auditors in the past accounting year the sum of THB 0.68 million, and the Company is obligated to pay to them in the future the sum of THB – million.
- audit firm for whom the auditor work and persons or business related to the auditor and such audit firm in the past accounting year the sum of THB 0.20 million, and the Company is obligated to pay to them in the future the sum of THB – million.

12. OTHER INFORMATION

12.1 Information Technology System

The development of information technology system of the Company in the year 2009 had focused on building the strong base for the organizational growth and competitiveness in the future. This also serves to support the Company's goal in becoming a world-class business operator. Details of business operations for the year 2009 are as follow:

- 1) Increasing the efficiency of the information technology infrastructure and network facilities so that it is faster and safer.
- 2) Improving the remote conference call meetings and video conferences in order to facilitate planning and support demand for prompt decision making.
- 3) Leveraging computer system to help control production and data analysis, enhancing efficiency in production planning and cost-saving as well as promoting the Company's product quality to achieve the predetermined quality standards.
- 4) Improving the information technology for direct sales business in order to be able to offer a greater variety of services.
- 5) Studying and adopting usage of RFID to complement products and help with internal control and management.
- 6) Improving work procedure in the Oracle ERP system to reduce tasks duplication and redundancy by reducing the load of paperwork requirements.
- 7) Providing staffs training in the area of computer so as to develop knowledge and understand the IT system of the organization.
- 8) Refurbishing the website with Investor Relations (IR) section to support convenient access to Company's information for shareholders, investors, or interested public, as well as create more communication channels with the Company's Board of Directors or Management.

12.2 Policy and Energy Conservation Measure

The Company has continuously focused on energy conservation measures both for its factories and offices by setting up various campaigns to raise awareness of all levels of employees continually. In addition to normal energy conservation measures, the Company is open for employees to share ideas or make suggestions on point of improvement or waste of energy for further remedial actions, as well as to co-launch activities on energy saving so as to get participation from all units within the organization. Such program is not only good to the Company in terms of cost reduction, but also to the society and the nation as a whole.

In the areas of production, the Company had invested in new machines of high production efficiency and energy saving in order to replace obsolete machines that consume high energy as deemed suitable and necessary, coupled with introduction of new innovations in the production process. Not only these investments helped enhance productivity and reduce consumption of raw materials, the Company also experienced lower energy consumption per product weight.

Furthermore, the Company also engages in energy conservation campaigns with the public such as participating in the pilot project of Department of Alternative Energy Development and Efficiency, Energy Ministry, in standard plan of energy management and organizing pragmatic seminar under the topic of Energy Conservation Measures for the Plastics Industry in order to provide knowledge to other factories engaging in plastics business. This not only reflect importance of energy conservation to the Company and to the society, but also it was aimed at sharing knowledge and experience as well as treating partners, competitors, and stakeholders up to best ethical standard.

12.3 Safety, Health and Working Environment

The Company has followed a scheme on safety, health and working environment seriously and continually. This includes training employees before they start working, making a work manual, disseminating information about safety and setting up a sub-committee on safety, health and working environment in each plant to work closely in audit of safety, improvement, and evaluation. This aims to achieve results as described in the Company's policy and suitability with our business operation. It helps pave a way to standardization on safety, health and working environment of international standard, resulting in an increase in competitive edge for the Company as a whole by reducing waste in term of staff, time and productivity, together with improving the Company's image to the public.

The Company had organized training on "Safety Executives" and "Safety Supervisors" to employees in each branch continually as required by law. The program aimed to appoint trained employees to be Safety Executives and Safety Supervisors. Furthermore, the Company's factory in Korat had been certified for the Safety, Health and Working Environment standards OHSAS 18001:2007 and TIS 18001:1999 in December 2009. This serve to assure the customers' confidence in safety of the Company's production process up to the level of ministerial and international standards.

12.4 Environment

The Company has realized the importance of social and environmental responsibilities and considered as part of its key tasks assigned to all staffs. The Company wishes to continually improve environmental management system. The Company has set up an environmental policy to serve as a guideline to all. Currently, 2 out of the Company's 3 factories, namely Bangpoo Factory and Korat Factory had been certified for its environmental protection standard ISO 14001:2004 by United Registrar of Systems (Thailand) Ltd. (URS) in the year 2007 and 2009, respectively. This is a good representation of the importance of effective environmental protection given by the Company.

Meanwhile, Amata Nakorn Chonburi factory is undergoing improvement on basic environmental management system for its production process in order to apply for the Good Manufacturing Practice ("GMP") certification within the year 2010. Certain products are related to food and beverages – such certification will serve to create more consumers' confidence in the Company's production process of its safety up to global standards. Furthermore, the Company's Amata Nakorn Chonburi factory is also preparing to get certification on environmental management standard ISO 15001:2004 in the year 2011.

12.5 Corporate Social Responsibility

The Company realizes the importance of its roles and participation in returning benefits back to the society. Mr. Sanan Angubolkul, Chairman and President, had sat on the Board of various organizations to promote and improve various areas of society developments such as education, society, culture, environment, energy, trade, and foreign diplomacy. These include holding the position as Chairman of AFS Intercultural Programs of Thailand, Chairman of The Rogetien Foundation, Chairman of Beijing Language and Culture University Bangkok College, Chairman of the Committee on Energy of the Thai Chamber of Commerce, President of Confederation of St.Gabriel's Foundation of Thailand Parent and Teacher Association, President of Parent and Teacher Association of Assumption Commercial College, President of the Development and Promotion Committee of King Mongkut's University of Technology Thonburi, and Honorary Consul-General of The Republic of Maldives to Thailand, etc.



Furthermore, the Company provides products supportive of CSR practices for beverage and drinking water industry, such as caps and pre-form bottles (PET) which is light-weighted. It is a new innovation that saves cost and lessens consumption of raw materials for customers, and it is consistent with guideline of the Company on participation in the campaigning of the thought on "Save Material, Save Energy, Save the World".

12.6 Other Activities

In 2009 the Company had pursued the following projects:-

- | | |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1) You Dee Mee Suk Project | To campaign for and train staffs on living with sufficiency according to the King's Sufficiency Economic Activities. |
| 2) Long-term Training for Students Project | To let students of vocational level and higher vocational level from the North Eastern region of Thailand have a long-term training and pay incentive and welfare as if they were our staffs. |
| 3) School inside Factory Activity | It is a cooperation among the Company, the Labor Ministry and the Education Ministry, in providing education inside factory to staffs and interested persons who live thereby for sake of their chance to be educated by setting up three outside-school educational centers in Bangpoo, Amata Nakorn Chonburi and Korat factories. |
| 4) Educational Funds Donation | Twelve talents who are financially scarce in Korat factory were granted scholarship from the To-Be-Number-One program. |
| 5) One Coin, One Wish Program for the King | Mr. Sanan Angubolkul, Chairman and President, co-chaired the One Coin, One Wish Program for the King which comprises representatives from various careers joining hands in forming the committee with the objective to show loyalty to His Majesty the King Bhumibol Adulyadej, uniting the Thai people and promoting peace and harmony among communities. Proceeds from the program had been donated to the Dabos Foundation to support the underprivileged in education and career. The program had taken place between October – November 2009. |
| 6) Safety for Workers and Good Hygiene Program | The Company's Bangpoo factory had participated in the Safety for Safety for Workers and Good Hygiene Program of the Industrial Estate Authority of Thailand and Department of Labor Protection and Welfare of the Ministry of Labor to promote safety, hygienic work-place environment and to promote the National Agenda: "Safety for Workers and Good Hygiene". |

12.7 Awards Received in 2009

1) IP Champion Award

On May 14, 2009, the Company had been awarded IP Champion which is an award for the company that was most successful in applying intellectual property in commercial practices. The award was granted by the Director General of Department of Intellectual Property, Ministry of Commerce.

2) To-be-Number-One for Local Entrepreneurs

On June 26, 2009, the Company's Korat factory had received To-Be-Number-One Award for local entrepreneurs for its campaign in drug abuse prevention within the organization and the community. The award had been granted by the Royal patronage of HRH Princess Ubolrat Ratchakalya Siri wattana Pannawadi. The Company had been given such award for the 3rd consecutive year apart from having received the award for the provincial level, and receiving the award for the Northeastern category level in the year 2007 and 2008.

3) Thailand Top 100 HR

On August 29, 2009, Mr. Sanan Angubolkul, Chairman and President of the Company, had received Thailand Top 100 HR award in the CEO category from Human Resources Department of Thammasat University. The award was granted to 30 winners. Special awards were granted to foreigners and international organizations who had dedicated themselves in the development of human resources in Thailand.

4) Best Business Operators in Labor Relations and Labor Welfare 2009

On September 18, 2009 the Company's Korat factory had won the award given by H.E. Mr. Abhisit Vejjajiva, Thailand's Prime Minister. The award had been given to the Company for the 5 consecutive years. Criteria of awarding was based on evaluation in 3 areas namely, Business Enterprise information, Labor Relations information, and Labor Welfare information.

5) IMDA Awards 2009

On October 28, 2009 the Company had been granted IMDA Award in the category of Best Product Family in Movie Theme Cups & Buckets branch from In-Mold Decorating Association, the United States of America. The award was granted to businesses entrepreneurs who have applied in-mold labeling technology to their packaging production which helps packaging look beautiful and strong.



6) Certificate of Aids Management Standard in Business Enterprises

On November 9, 2009, the Company's Korat factory had received the Certificate of Aids Management Standard in Business Enterprises from the Governor of Nakhon Ratchasima Province. The certificate is given to business operators who practices effective measures in preventing and controlling AIDS within the organization.

7) Model Factory Credential 2009

On December 12, 2009 The Company's Bangpoo factory had received the Model Factory Credential from the Industrial Estate Authority of Thailand of the Ministry of Industry, and Health Promotion Fund. Such credential is awarded to factories with systematic management in the quality of employee's lifes, environment, and safety as well as promotions in employee's wellness and good health.

8) Plate of Honor for Blood Donation Supporter under the King's Project

On December 15, 2009, Korat factory received the Plate of Honor for Blood Donation Supporter under the King's Project from Chairman of the Thai Red Cross Society of Nakorn Ratchasima Province. Korat factory had held blood donations three times in 2009.

Details of Directors and Management who have control over companies in Srithai Superware Group

Company	Mr. Sanan Angubolkul	Mr. Manit Ativanichayaphong	Mr. Prin Bholnivas	Mr. Naphol Lertsumitkul	Mr. Apisit Tangsatit	Mr. Pawat Chalermpong
Subsidiaries						
Srithai (Vietnam) Company Limited	CM	-	DR	-	-	-
Srithai Moulds Company Limited	CM	-	DR	-	-	-
Srithai Nanoplast Company Limited	ED	-	DR	-	-	DR
Srithai Miyagawa Company Limited	CM	-	DR	DR	DR	-
Srithai Lock&Lock Company Limited	ED	DR	DR	-	-	-
Srithai Shin-Osaka Company Limited	ED	-	DR	-	-	-
Associated Companies						
Srithai Sanko Company Limited	ED	-	DR	-	DR	-
Thai MFC Company Limited	DR	DR	DR	-	-	-
Beijing Huatai Replica of Porcelain Products Company Limited	DR	-	-	-	-	-
Srithai Packaging Company Limited	DR	-	DR	-	-	-
PT. Srithai Maspion Indonesia	DR	DR	-	-	-	-
Thai Takahashi Plastics Company Limited	DR	-	DR	-	-	-
Takahashi Korat (1995) Company Limited	DR	-	DR	-	DR	-
Takahashi Plastics Company Limited	DR	-	DR	-	-	-
Joint Venture Company						
Srithai-Otto (Thailand) Company Limited	ED	-	DR	-	-	ED
Related Companies						
First Translogistics Company Limited	-	-	-	ED	-	-
S.Sahatara (Thailand) Company Limited	DR	-	-	-	-	-
Toho Foam (Thailand) Company Limited	DR	-	-	-	-	-

Remerk : 1) Background Information about Directors and Executives (Detail in Clause 8.4)
2) Abbreviation : CM = Chairman, DR = Director, ED = Executive Director

Director of Subsidiaries

Abbreviation : CM = Chairman, DR = Director, ED = Executive Director

Name		Srithai (Vietnam) Company Limited	Srithai Moulds Company Limited	Srithai Nanoplast Company Limited	Srithai Miyagawa Company Limited	Srithai Lock & Lock Company Limited	Srithai Shin-Osaka Company Limited
Mr. Sanan	Angubolkul	CM	CM	ED	CM	ED	ED
Mr. Prin	Bholnivas	DR	DR	DR	DR	DR	DR
Mr. Manit	Ativanichayaphong	-	-	-	-	DR	-
Mr. Naphol	Lertsumitkul	-	-	-	DR	-	-
Mr. Apisit	Tangsatit	-	-	-	DR	-	-
Mr. Pawat	Chalermpong	-	-	DR	-	-	-
Mr. Santi	Sakgumjorn	ED	-	-	-	-	-
Mr. Prapon	Siripanich	-	ED	-	-	-	-
Mr. Michio	Nakai	-	ED	-	-	-	-
Mr. Somyod	Lertsumitkul	-	-	DR	-	-	-
Mr. Seishiro	Miyagawa	-	-	-	DR	-	-
Mr. Shingo	Miyagawa	-	-	-	DR	-	-
Mr. Masanobu	Terakura	-	-	-	ED	-	-
Mr. Park	Hyon Chul	-	-	-	-	DR	-
Mr. Kim	Il Hae	-	-	-	-	ED	-
Miss Suwanna	Mahuttanapun	-	-	-	-	-	DR

Note : Subsidiary means the company that Srithai Superware Public Company Limited has the right to vote directly and indirectly of more than 50% of all the rights to vote or has the authority to control financial management policy and its business operations. Financial statements of a subsidiary will be consolidated in financial statements of the parent company.

Report by the Board of Directors on its Responsibility to Financial Statements

To: Shareholders
Srithai Superware Public Company Limited

The Board of Directors is accountable for correctness of financial statements of Srithai Superware Public Company Limited and consolidated financial statements of Srithai Superware Public Company Limited and its subsidiaries including financial information presented in the Annual Report. The Company has adopted appropriate accounting policies consistently applied and conformed to generally accepted accounting standards. Also, significant information was sufficiently disclosed in notes to financial statements for sake of proper benefits to shareholders, investors, and stakeholders.

Financial statements of the Company and consolidated financial statements of the Company and its subsidiaries have been audited by PricewaterhouseCoopers ABAS Limited, auditor of the Company. The Board of Directors and executives supported the auditor with all necessary information and documents so that external auditor could audit and express his opinion in accordance with auditing standards. The external auditor has expressed his opinion in Auditor's Report as shown in the Annual Report.

The Board of Directors has provided risk management system and maintained internal control systems with appropriateness. That was to assure reasonably of the correctness, completeness, and sufficiency of accounting records that the Company's assets have been maintained and safeguarded, and dishonest conducts or material abnormal operations have been prevented.

The Board of Directors has appointed an Audit Committee to be responsible for reviewing accounting policies, quality of financial reports, internal control system, internal audit system, risk management system, and disclosure of related party-transaction information. The Audit Committee has expressed their opinion in the Report of the Audit Committee as shown in this Annual Report.

The Board of Directors opines that managerial structure and internal control system of the Company are satisfactory. The Company's auditor did not qualify the Company's financial statements, or raised any specific observation thereon, so it is assured that financial statements of Srithai Superware Public Company Limited and consolidated financial statements of Srithai Superware Public Company Limited and its subsidiaries as at December 31, 2009 present fairly in all material respects the financial position, performance, and cash flows in accordance with generally accepted accounting principles and other relevant laws and regulations.

On behalf of the Board of Directors



Mr. Sanan Angubolkul
Chairman of the Board

Report of the Audit Committee

To Shareholders of Srithai Superware Public Company Limited

The Audit Committee of Srithai Superware Public Company Limited is pleased to present to the shareholders their 2009 Annual Audit Committee report.

The Audit Committee, whose members are all independent directors, namely Prof. Viroj Lowhaphandu , Chairman , Mr. Enghug Nontikarn and Mr. Suchat Boonbanjerd Sri. Each individual possesses qualification expertise and experience in accordance with the SEC's regulations and requirements. The committee is fully independent in its activities and responsibilities as prescribed by the Charter of Audit Committee.

During the fiscal year 2009 the Audit Committee held 4 meetings with presence of all members in joint attendance with Chief Financial Officer, Certified Public Accountant as well as the Manager of Internal Audit Department. Reports of the Audit Committee were prepared and submitted to the Company's Board of Directors for their information and actions. The Audit Committee performance could be summarized as follow:-

1. Quarterly and Annual Financial Statements for the year 2009

The Audit Committee has reviewed the Company's quarterly and annual financial statements for the year 2009 and discussed with auditors, the Chief Financial Officer and the internal auditor focusing on accounting practices in accordance with generally accepted accounting principles.

In our opinion the mentioned financial statements were prepared and presented in due process according to the Generally Accepted Accounting Principles and adequate disclosures of important financial informations were included in the 2009 Financial Statements. It was deemed appropriate to submit it to the Board of Directors for approval before further consideration of the Shareholders' Meeting.

2. Internal Control and Good Corporate Governance System

The Audit Committee, the Certified Public Accountant and the Internal Auditor of the Company have reviewed the Company's internal control system but there was neither irregularity nor significant control weakness. The Audit Committee has emphasized the follow up and timely implementations of auditing recommendations accepted by the management. Good corporate governance policy was written and revised in the year 2009 to enhance efficiency of corporate governance.

3. Risk Management Review

The Audit Committee has reviewed and collaborated with the Risk Management Sub-committee quarterly. It was concluded that the Company effectively monitored and managed business risk and operational risk in light of the changing of business and economic environment.

4. Compliance with Applicable Laws and SEC's Regulations

The Audit Committee has reviewed the compliance with the Securities and Exchange Act as well as regulations of the Stock Exchange of Thailand and relevant laws. There was no instance of law non-compliance.

The Company has complied with regulations on good corporate governance set up by the Company and it was evaluated by the Thai Institute of Directors Association. The evaluation report revealed that the Company achieved scoring of "very good".

5. Appointment of Certified Public Accountant for the Year 2010

The Audit Committee has reviewed the performance of the External Auditor during the past fiscal year in various aspects namely the reputation, reliabilities, competency, independence and timeliness of completing the audit assignment of financial statements. The review results were satisfactory. The Audit Committee therefore recommends to the Board of Directors to appoint Mr.Prasan Chuaphanich CPA No.3051, or Ms. Nangnoi Charoenthaveesub CPA No. 3044, or Mr. Kajornkiet Aroonpirodkul CPA No. 3445 from PricewaterhouseCoopers ABAS Company Limited to be the Company auditor for the fiscal year 2010, for further approval in the Shareholders' Meeting as the External Auditor of the Company for the fiscal year 2010 with the total audit fee of Baht 2,027,000 (Two Million and Twenty Seven Thousand Baht only)

On Behalf of the Audit Committee
Srithai Superware Public Company Limited



(Prof. Viroj Lowhaphandu)
Chairman of the Audit Committee

Bangkok
February 26, 2010



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AUDITOR'S REPORT

To the Shareholders of Srithai Superware Public Company Limited

I have audited the accompanying consolidated and company balance sheets as at 31 December 2009 and 2008, and the related consolidated and company statements of income, changes in shareholders' equity and cash flows for the years then ended of Srithai Superware Public Company Limited and its subsidiaries, and of Srithai Superware Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position as at 31 December 2009 and 2008, and the consolidated and company results of operations, and cash flows for the years then ended of Srithai Superware Public Company Limited and its subsidiaries, and of Srithai Superware Public Company Limited, respectively, in accordance with generally accepted accounting principles.



Prasan Chuaphanich
Certified Public Accountant (Thailand) No. 3051
PricewaterhouseCoopers ABAS Limited

Bangkok
26 February 2010

Srithai Superware Public Company Limited

Balance Sheets

As at 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
Notes		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	279,416,938	291,005,783	151,730,290	120,716,968
Short-term investments	8	18,242,415	69,590,799	-	-
Trade accounts and notes receivable, net	9	1,115,682,865	1,007,281,327	1,005,052,677	918,760,700
Amounts due from related parties	35.3	1,119,084	252,901	7,463,413	3,306,130
Short-term loans and accrued interest income to related parties	35.4	-	-	-	-
Inventories, net	10	948,294,690	800,723,818	666,754,395	600,493,298
Other current assets	11	64,001,888	55,828,972	36,975,391	45,708,466
Total current assets		2,426,757,880	2,224,683,600	1,867,976,166	1,688,985,562
Non-current assets					
Investments in subsidiaries, net	12.1	-	-	297,436,823	288,636,823
Investments in associates, net	12.1	291,218,952	335,889,979	195,058,123	210,823,802
Interest in joint venture	12.1	7,622,157	7,218,569	4,999,800	4,999,800
Other long-term investments, net	13	145,766,384	148,406,384	76,420,000	79,060,000
Property, plant and equipment, net	14	4,693,174,685	4,596,694,831	4,168,798,106	4,066,247,768
Intangible assets, net	15	70,182,002	45,601,629	65,575,778	41,149,634
Deferred tax assets	21.1	22,418,750	40,071,823	21,842,750	38,023,823
Other non-current assets, net	16	63,362,542	53,291,905	67,082,792	56,478,328
Total non-current assets		5,293,745,472	5,227,175,120	4,897,214,172	4,785,419,978
Total assets		7,720,503,352	7,451,858,720	6,765,190,338	6,474,405,540

The notes to the consolidated and company financial statements on pages 8 to 64 form an integral part of these financial statements.

Srithai Superware Public Company Limited

Balance Sheets

As at 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
Notes		Baht	Baht	Baht	Baht
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	17	181,344,800	210,353,600	150,000,000	170,000,000
Trade accounts payable - third parties		705,194,063	500,118,090	478,705,068	365,380,993
- related parties	35.6	137,427,359	132,423,441	142,890,301	141,071,565
Payable of long-term assets		44,059,051	315,586,539	35,426,621	302,191,617
Long-term loans (maturing within one year)	18	258,728,932	145,282,308	240,665,532	119,393,000
Amounts due to related parties	35.6	708,374	1,946,350	3,936,296	3,845,729
Accrued expenses	19	120,651,372	91,469,507	103,551,044	70,673,848
Other current liabilities	20	107,849,642	92,351,800	76,421,534	61,332,358
Total current liabilities		1,555,963,593	1,489,531,635	1,231,596,396	1,233,889,110
Non-current liabilities					
Long-term loans	18	921,681,387	658,971,368	888,508,349	605,744,258
Finance lease liabilities		2,093,339	1,270,838	1,267,332	-
Deferred tax liabilities	21.2	221,802,672	243,441,022	203,669,675	223,717,401
Total non-current liabilities		1,145,577,398	903,683,228	1,093,445,356	829,461,659
Total liabilities		2,701,540,991	2,393,214,863	2,325,041,752	2,063,350,769
Shareholders' equity					
Share capital	24	2,709,904,800	2,709,904,800	2,709,904,800	2,709,904,800
Premium on treasury shares	24	19,928,420	19,928,420	19,928,420	19,928,420
Translation adjustment for investments in overseas subsidiary and associates		(40,818,709)	(34,268,076)	-	-
Unrealised gain	27	1,032,390,192	1,083,878,951	1,006,158,057	1,055,576,086
Retained earnings					
Appropriated - legal reserve	25	106,000,000	100,000,000	106,000,000	100,000,000
Unappropriated		943,986,772	915,544,110	598,157,309	525,645,465
Total parent's shareholders' equity		4,771,391,475	4,794,988,205	4,440,148,586	4,411,054,771
Minority interests	28	247,570,886	263,655,652	-	-
Total shareholders' equity		5,018,962,361	5,058,643,857	4,440,148,586	4,411,054,771
Total liabilities and shareholders' equity		7,720,503,352	7,451,858,720	6,765,190,338	6,474,405,540

The notes to the consolidated and company financial statements on pages 8 to 64 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statements of Income
For the years ended 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
	Notes	Baht	Baht	Baht	Baht
Sales and hire of work	30	5,456,581,348	5,777,721,827	4,793,024,319	4,923,519,778
Cost of sales and services	30	(4,313,737,068)	(4,563,457,710)	(3,834,639,646)	(3,983,986,867)
Gross profit		1,142,844,280	1,214,264,117	958,384,673	939,532,911
Other income	35.7	44,877,298	54,981,123	81,168,770	102,084,385
Selling expenses	29	(577,824,872)	(560,611,825)	(535,684,790)	(538,742,783)
Administrative expenses	29	(377,393,434)	(367,865,231)	(269,060,807)	(277,020,060)
Gain (Loss) on foreign exchange rate, net		9,069,787	(50,636,917)	6,766,689	(42,755,135)
Directors and managements' remuneration	35.9	(72,333,697)	(76,404,369)	(42,564,800)	(44,310,200)
Other expenses		(2,843,205)	(14,664,951)	(10,560,614)	(342,941)
Operating profit		166,396,157	199,061,947	188,449,121	138,446,177
Share of profit (loss) of investments in associates and in joint venture	12.1	(28,698,408)	2,007,631	-	-
Profit before finance costs and income tax		137,697,749	201,069,578	188,449,121	138,446,177
Finance costs	31	(52,040,232)	(34,737,150)	(46,867,828)	(29,760,255)
Profit before income tax		85,657,517	166,332,428	141,581,293	108,685,922
Income tax	21.3	(37,366,219)	(31,703,277)	(34,446,045)	(9,571,167)
Net profit for the year		48,291,298	134,629,151	107,135,248	99,114,755
Attributable to:					
Equity holders of the parent		57,763,986	98,193,129	107,135,248	99,114,755
Minority interests	28	(9,472,688)	36,436,022	-	-
		48,291,298	134,629,151	107,135,248	99,114,755
Earnings per share for profit attributable to the equity holders of the parent					
Basic earnings per share	32	0.21	0.36	0.40	0.37

The notes to the consolidated and company financial statements on pages 8 to 64 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statements of Changes in Shareholders' Equity
For the years ended 31 December 2009 and 2008

Consolidated (Baht)									
	Attributable to equity holders of the company								
	Issued and paid up share capital (Note 24)	Premium on treasury shares (Note 24)	Translation adjustment for investments in overseas subsidiary and associates	Unrealised gain (Note 27)	Appropriated retained earnings - legal reserve (Note 25)	Appropriated retained earnings - treasury shares reserve (Note 26)	Unappropriated retained earnings	Treasury shares (Note 26)	Minority interests (Note 28)
Opening balance as at 1 January 2009	2,709,904,800	19,928,420	(34,268,076)	1,083,878,951	100,000,000	-	915,544,110	-	5,058,643,857
Transfer of fair value reserves on assets - depreciation (net of deferred tax liabilities)	-	-	-	(49,037,203)	-	-	70,053,147	-	19,467,073
Fair value reserves on available-for-sale investments	-	-	-	(2,548,145)	-	-	-	-	(2,548,145)
Translation adjustment for investments	-	-	(6,550,633)	-	-	-	-	-	(6,864,976)
Increase (decrease) during the year (net of deferred tax liabilities)	-	-	-	96,589	-	-	1,452,282	-	1,391,900
Total gain (loss) recognised in equity	2,709,904,800	19,928,420	(40,818,709)	1,032,390,192	100,000,000	-	987,049,539	-	5,070,089,709
Net profit for the year	-	-	-	-	-	-	57,763,986	-	48,291,298
Total gain (loss) recognised for the year	2,709,904,800	19,928,420	(40,818,709)	1,032,390,192	100,000,000	-	1,044,813,525	-	5,118,381,007
Dividends	-	-	-	-	-	-	(94,826,753)	-	(107,748,646)
Legal reserve	-	-	-	-	6,000,000	-	(6,000,000)	-	-
Investment in subsidiary	-	-	-	-	-	-	-	-	8,330,000
Closing balance as at 31 December 2009	2,709,904,800	19,928,420	(40,818,709)	1,032,390,192	106,000,000	-	943,986,772	-	5,018,962,361
Opening balance as at 1 January 2008	2,857,142,860	-	(29,735,144)	1,142,670,822	95,000,000	127,309,640	748,904,360	(127,309,640)	5,062,845,682
Transfer of fair value reserves on assets - depreciation (net of deferred tax liabilities)	-	-	-	(53,090,507)	-	-	75,843,581	-	20,508,896
Fair value reserves on available-for-sale investments	-	-	-	(2,163,792)	-	-	-	-	(2,163,792)
Translation adjustment for investments	-	-	(4,532,932)	-	-	-	-	-	(4,868,482)
Increase (decrease) during the year (net of deferred tax liabilities)	-	-	-	(3,537,572)	-	-	5,760,190	-	1,980,786
Total gain (loss) recognised in equity	2,857,142,860	-	(34,268,076)	1,083,878,951	95,000,000	127,309,640	830,508,131	(127,309,640)	5,078,303,090
Net profit for the year	-	-	-	-	-	-	98,193,129	-	134,629,151
Total gain (loss) recognised for the year	2,857,142,860	-	(34,268,076)	1,083,878,951	95,000,000	127,309,640	928,701,260	(127,309,640)	5,212,932,241
Dividends	-	-	-	-	-	-	(135,466,790)	-	(154,288,384)
Legal reserve	-	-	-	-	5,000,000	-	(5,000,000)	-	-
Reversal of treasury shares reserve	-	-	-	-	-	(127,309,640)	127,309,640	-	-
Offset of treasury shares	(147,238,060)	19,928,420	-	-	-	-	-	127,309,640	-
Closing balance as at 31 December 2008	2,709,904,800	19,928,420	(34,268,076)	1,083,878,951	100,000,000	-	915,544,110	-	5,058,643,857

The notes to the consolidated and company financial statements on pages 8 to 64 form an integral part of these financial statements.

Statements of Changes in Shareholders' Equity

	Company (Baht)							
	Issued and paid up share capital (Note 24)	Premium on treasury shares (Note 24)	Unrealised gain (Note 27)	Appropriated retained earnings - legal reserve (Note 25)	Appropriated retained earnings - treasury shares reserve (Note 26)	Unappropriated retained earnings (Note 26)	Treasury shares (Note 26)	Total
Opening balance as at 1 January 2009	2,709,904,800	19,928,420	1,055,576,086	100,000,000	-	525,645,465	-	4,411,054,771
Transfer of fair value reserves on assets - depreciation (net of deferred tax liabilities)	-	-	(45,325,747)	-	-	64,751,067	-	19,425,320
Fair value reserves on available-for-sale investments	-	-	(2,640,000)	-	-	-	-	(2,640,000)
Increase (decrease) during the year (net of deferred tax liabilities)	-	-	(1,452,282)	-	-	1,452,282	-	-
Total gain (loss) recognised in equity	2,709,904,800	19,928,420	1,006,158,057	100,000,000	-	591,848,814	-	4,427,840,091
Net profit for the year	-	-	-	-	-	107,135,248	-	107,135,248
Total gain (loss) recognised for the year	2,709,904,800	19,928,420	1,006,158,057	100,000,000	-	698,984,062	-	4,534,975,339
Dividends	-	-	-	-	-	(94,826,753)	-	(94,826,753)
Legal reserve	-	-	-	6,000,000	-	(6,000,000)	-	-
Closing balance as at 31 December 2009	2,709,904,800	19,928,420	1,006,158,057	106,000,000	-	598,157,309	-	4,440,148,586
Opening balance as at 1 January 2008	2,857,142,860	-	1,111,660,200	95,000,000	127,309,640	365,330,690	(127,309,640)	4,429,133,750
Transfer of fair value reserves on assets - depreciation (net of deferred tax liabilities)	-	-	(48,237,130)	-	-	68,910,186	-	20,673,056
Fair value reserves on available-for-sale investments	-	-	(2,400,000)	-	-	-	-	(2,400,000)
Increase (decrease) during the year (net of deferred tax liabilities)	-	-	(5,446,984)	-	-	5,446,984	-	-
Total gain (loss) recognised in equity	2,857,142,860	-	1,055,576,086	95,000,000	127,309,640	439,687,860	(127,309,640)	4,447,406,806
Net profit for the year	-	-	-	-	-	99,114,755	-	99,114,755
Total gain (loss) recognised for the year	2,857,142,860	-	1,055,576,086	95,000,000	127,309,640	538,802,615	(127,309,640)	4,546,521,561
Dividends	-	-	-	-	-	(135,466,790)	-	(135,466,790)
Legal reserve	-	-	-	5,000,000	-	(5,000,000)	-	-
Reversal of treasury shares reserve	-	-	-	-	(127,309,640)	127,309,640	-	-
Offset of treasury shares	(147,238,060)	19,928,420	-	-	-	-	127,309,640	-
Closing balance as at 31 December 2008	2,709,904,800	19,928,420	1,055,576,086	100,000,000	-	525,645,465	-	4,411,054,771

The notes to the consolidated and company financial statements on pages 8 to 64 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statements of Cash Flows
For the years ended 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
	Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities					
Cash generated from operations	34.1	551,485,680	422,176,394	506,319,490	247,679,003
Interest paid		(51,692,225)	(34,722,337)	(46,560,662)	(29,658,705)
Income tax paid		(16,661,684)	(36,799,883)	(4,861,558)	(8,099,142)
Net cash receipt from operating activities		<u>483,131,771</u>	<u>350,654,174</u>	<u>454,897,270</u>	<u>209,921,156</u>
Cash flows from investing activities					
Cash payment for short-term investments	8	(5,099,633)	(53,633,691)	-	-
Cash payment for investments in subsidiaries	12.1	-	-	-	(8,669,970)
Purchase of long-term assets	34.2	(812,513,060)	(747,538,655)	(746,496,939)	(643,959,993)
Cash payment for intangible assets	34.2	(29,346,920)	(34,436,469)	(26,767,559)	(33,276,469)
Cash receipt from short-term investments	8	56,539,872	30,320,686	-	-
Proceeds from disposal of long-term assets		14,356,577	23,895,599	17,489,518	21,614,672
Interest received		4,845,889	5,192,780	1,227,373	946,050
Dividends from investments in subsidiaries and associates	34.2	15,615,982	28,499,061	34,694,089	53,677,467
Dividends from other investments		6,759,700	7,218,000	6,759,700	7,218,000
Net cash payments for investing activities		<u>(748,841,593)</u>	<u>(740,482,689)</u>	<u>(713,093,818)</u>	<u>(602,450,243)</u>
Cash flows from financing activities					
Increase (decrease) in short-term loans from banks		(23,940,600)	195,410,000	(20,000,000)	170,000,000
Receipt from long-term loans	18	532,629,623	458,974,467	532,629,623	439,807,727
Repayment of long-term loans	18	(154,634,580)	(94,560,408)	(128,593,000)	(71,192,000)
Repayment of finance lease liabilities		(514,820)	(312,044)	-	-
Dividend payment	33	(94,826,753)	(135,466,790)	(94,826,753)	(135,466,790)
Dividends paid to minority interests	28	(12,921,893)	(18,821,594)	-	-
Receipt from investment of minority interests	28	8,330,000	30	-	-
Net cash payments for financing activities		<u>254,120,977</u>	<u>405,223,661</u>	<u>289,209,870</u>	<u>403,148,937</u>
Net increase (decrease) in cash and cash equivalents		<u>(11,588,845)</u>	<u>15,395,146</u>	<u>31,013,322</u>	<u>10,619,850</u>
Cash and cash equivalents, opening balance		291,005,783	275,610,637	120,716,968	110,097,118
Cash and cash equivalents, closing balance	7	<u><u>279,416,938</u></u>	<u><u>291,005,783</u></u>	<u><u>151,730,290</u></u>	<u><u>120,716,968</u></u>

The notes to the consolidated and company financial statements on pages 8 to 64 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2009 and 2008

1 General information

Srithai Superware Public Company Limited (the Company) is a Public Limited Company and is incorporated and domiciled in Thailand. The address of its registered office is as follows:

15 Suksawat Rd. Soi 36 Bangpakok Rasburana Bangkok 10140, Thailand.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, Srithai Superware Public Company Limited (“the Company”) and its subsidiaries are collectively the “Group”.

The Group is the manufacturing and selling of plastics, comprising household products and industrial products, and the trading and moulds business line.

These consolidated and company financial statements have been approved by the Board of Directors on 26 February 2010.

2 Accounting policies

The principal accounting policies adopted in the preparation of these consolidated and company financial statements are set out below:

2.1 Basis for preparation

The consolidated and company financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The consolidated and company financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates.

Comparative figures have been adjusted to conform with changes in presentation in the current year by the followings:

- The presentation of bank charges previously classified under finance costs have been reclassified to be presented under selling expenses and administrative expenses.
- The presentation of finished goods warehouse department’s expenses previously classified under administrative expenses have been reclassified to be presented under selling expenses.
- The presentation of managements’ remuneration previously classified under cost of sales and services, selling expenses, and administrative expenses have been reclassified to be presented under directors and managements’ remuneration.

	Previously presented Baht	Increase (Decrease) Baht	Reclassified Baht
Consolidated Statements of Income for the year ended 31 December 2008			
Cost of sales and services	4,579,530,201	(16,072,491)	4,563,457,710
Selling expenses	557,241,949	3,369,876	560,611,825
Administrative expenses	418,575,863	(50,710,632)	367,865,231
Directors and managements’ remuneration	1,625,000	74,779,369	76,404,369
Finance costs	46,103,272	(11,366,122)	34,737,150

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2009 and 2008

2 Accounting policies (Cont'd)

2.1 Basis for preparation (Cont'd)

	Previously presented Baht	Increase (Decrease) Baht	Reclassified Baht
Company Statements of Income for the year ended 31 December 2008			
Cost of sales and services	3,987,807,067	(3,820,200)	3,983,986,867
Selling expenses	532,571,927	6,170,856	538,742,783
Administrative expenses	310,815,027	(33,794,967)	277,020,060
Directors and managements' remuneration	1,625,000	42,685,200	44,310,200
Finance costs	41,001,144	(11,240,889)	29,760,255

An English version of the consolidated and company financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 New accounting standard, new financial reporting standards and amendments to accounting standards

Thai Accounting Standards were renumbered with effect from 26 June 2009 following an announcement by the Federation of Accounting Professions in order to conform with the numbers used in the International Financial Reporting Standards.

Revised standards that are effective for the period beginning on or after 1 January 2009 and revised accounting framework.

TAS 36 (revised 2007) Impairment of Assets
TFRS 5 (revised 2007) Non-current Assets Held for Sale and Discontinued Operations (formerly TAS 54)
Accounting Framework (revised 2007) (effective 26 June 2009)

These two standards and accounting framework do not have a material impact on the financial statements being presented.

The revised accounting standards and new accounting standards which are effective for the period beginning on or after 1 January 2011 and 1 January 2012 and which were not early adopted by the Group are as follows:

Effective for the period beginning on or after 1 January 2011

TAS 24 (revised 2007) Related Party Disclosure (formerly TAS 47)
TAS 40 Investment Property

Effective for the period beginning on or after 1 January 2012

TAS 20 Accounting for Government Grants and Disclosure for Government Assistance

The Group's management has assessed and determined that the revised standard and the new standards will not significantly impact the financial statements being presented, except for TAS 40: Investment Property. As mentioned in Note 14, the Group holds the land for future projects in which it has not yet determined for future use. Such land is currently recorded in property, plant and equipment. In applying TAS 40, the land held for a currently undetermined future use should be recorded as investment property.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2009 and 2008

2 Accounting policies (Cont'd)

2.3 Consolidation

The consolidated financial statements incorporate the financial statements of Srithai Superware Public Company Limited and its subsidiaries, by eliminating intercompany balances, related party transactions and unrealised surpluses and deficits, investments in subsidiaries and the share capital of subsidiaries.

2.3.1 Investments in subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement. See Note 2.10.1 for the accounting policy on goodwill.

All intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered but considered an impairment indicator of the asset transferred. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group. Separate disclosure is made for minority interests in the consolidated balance sheet and consolidated statement of income.

Investments in subsidiaries are reported by using the cost method of accounting less allowance for impairment of investments in the Company's separate financial statements.

A list of the Group's subsidiaries is set out in Note 12.

2.3.2 Investments in associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting in the consolidated financial statements and using the cost method of accounting less allowance for impairment of investments in the company financial statements. The Group's investment in associates includes goodwill identified on acquisition (net of accumulated impairment loss). The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in fair value reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other the Group's obligations or payments that are made on behalf of the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

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2 Accounting policies (Cont'd)

2.3 Consolidation (Cont'd)

2.3.1 Investments in associates (Cont'd)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

A list of the Group's associates is set out in Note 12.

2.3.3 Investment in joint venture

The Group's interests in jointly controlled entities are accounted for by the equity method and cost method of accounting in the consolidated and company financial statements, respectively.

A list of the Group's joint venture is set out in Note 12.

2.4 Foreign currency translation

Items included in the financial statements of each entity in the Group are measured using Thai Baht. The consolidated financial statements are presented in Thai Baht.

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the balance sheet date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of income.

Statements of income and cash flows of foreign entities are translated into Thai Baht at the weighted average exchange rates for the year and balance sheets are translated at the exchange rates ruling on the balance sheet date. Currency translation differences arising from the retranslation of the net investment in foreign entities are taken to shareholders' equity. On disposal of a foreign entity, accumulated currency translation differences are recognised in the statement of income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets or liabilities of the foreign entity and are translated at the closing rate.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from the date of acquisition, and fixed deposits held with banks for the period not exceeding three months. Deposits pledged at banks are not included in cash and cash equivalents balance.

2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful accounts. The Group estimates the allowance for doubtful accounts based on a review of all outstanding amounts at the period end. The estimate encompasses consideration of past collection experiences and other factors such as changes in the composition and volume of the receivable, the relationship of the allowance to the receivable and local economic conditions. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified and recognised in the income statement within administrative expenses.

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2 Accounting policies (Cont'd)

2.7 Inventories

Inventories on the balance sheet are stated at the lower of cost or net realisable value. Cost of finished goods, work in process, raw materials and supplies are determined on the standard cost basis which approximates to actual cost calculated on a weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts. The cost of finished goods and work in process comprises direct materials, direct labour, other direct costs and manufacturing overheads. Manufacturing overheads include costs directly related to the units of production and those systematically allocated from variable and fixed production overheads, but exclude borrowing costs. Work-to-order is stated at actual cost.

The Group estimates net realisable value from the estimated selling price in the ordinary course of business, less the costs necessary for completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.8 Investments

Investments other than investments in subsidiaries, associates and joint venture are classified into the following three categories: 1. Held-to-maturity investments, 2. Available-for-sale investments, and 3. General investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- (1) Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the balance sheet date which are classified as current assets.
- (2) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the balance sheet date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- (3) Investments in non-marketable equity securities are classified as general investments.

Held-to-maturity investments are carried at amortised cost using the effective yield method.

Available-for-sale investments are carried at fair value. Fair value of marketable equity securities is calculated by reference to Stock Exchange of Thailand quoted bid prices at the close of business on the balance sheet date. Unrealised gains and losses which increase/decrease in the carrying amount are credited/charged against fair value reserves on available-for-sale investments in shareholders' equity. When investments classified as available-for-sale are impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment in securities.

General investments are carried at cost less impairment.

When changing the status of investment in subsidiaries or associates to other long-term investments, the Company records transfer price by using the book value of the remaining investments.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of income. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

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2 Accounting policies (Cont'd)

2.9 Property, plant and equipment and depreciation

Carrying value-at appraised value

The major part of property, plant and equipment of the Group is initially recorded at cost. Land, buildings and machinery and equipment are subsequently shown at fair value, based on valuations by external professional independent valuers, less accumulated depreciation. The Group's policy requires an appraisal to be done every 3 to 5 years or when there are factors that might materially impact the value of the assets.

Increases in the carrying amount arising on revaluation are credited to the fair value reserves on assets in shareholders' equity. Decreases that offset previous increases of the same asset are charged against that reserve; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the income statement) and depreciation based on the asset's original cost is transferred from fair value reserves on assets to the retained earnings.

Carrying value-at cost

Minor part of equipment of the Group are recorded at cost less accumulated depreciation. Cost is measured by the cash and cash equivalent price of obtaining the asset and bringing it to the location and condition necessary for its intended use.

Depreciation

Property, plant and equipment except for land are presented at cost or appraisal value less accumulated depreciation.

Depreciation is calculated on the straight line basis to write off the cost or the revalued amount of each asset, except for land which is considered to have an indefinite life, to its residual value over the estimated useful life as follows:

	<u>Years</u>
Buildings	20
Land improvements	5
Building improvements	5
Machinery and equipment	10 to 20
Furniture and office equipment	5 to 8
Motor vehicles	5

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Repairs and maintenances are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with the carrying amount and are included in the income statement. On disposal of revalued assets, the fair value reserve relating to that asset is transferred to the retained earnings.

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2 Accounting policies (Cont'd)

2.10 Intangible assets

2.10.1 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associate undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is reported in the consolidated balance sheet as an intangible asset. Goodwill on acquisitions of associates is included in investments in associates and is tested for impairment as part of the overall balance.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

2.10.2 Operational computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (not exceeding five years).

2.10.3 Other intangible assets

Expenditure on acquired patents, copyright and licences is capitalised and amortised using the straight-line method over their useful lives, generally over 1 to 10 years. Intangible assets are not revalued.

2.11 Deferred income taxes and income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. The principal temporary differences arise from tax losses carried forward, allowance for impairment of investments and fair value reserves on assets.

Currently enacted tax rates at the balance sheet date are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. In addition, deferred income tax is provided on temporary differences arising from investments in associates and interest in joint venture, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not be reversed in the foreseeable future.

2.12 Other non-current assets

Leasehold right

Leasehold right of lands and buildings is amortised using the straight-line method over the lease period of 30 to 38 years.

Deferred moulds

Deferred moulds represent cash paid in advance for customers' moulds which are used for the manufacture of engineering parts for each customer. The deferred moulds are recognised as expenses based on the actual quantity manufactured from customers' orders over the period of 3 to 6 years.

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2 Accounting policies (Cont'd)

2.13 Impairment of assets

Property, plant and equipment and other non-current non-financial assets, including goodwill and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed the possible reversal of the impairment at each reporting date.

2.14 Accounting for leases - where a Group company is the lessee

Operating leases

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Finance leases

Leases of assets where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance charge cost is charged to the statements of income over the lease period. The property, plant and equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or the lease term.

Accounting for leases - where a Group company is the lessor

Operating leases

Assets leased out under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.15 Provisions

Provisions, excluding the provisions for employee benefits, are recognised when the Group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

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2 Accounting policies (Cont'd)

2.16 Treasury shares

Where the Company or its subsidiaries purchases the Company's equity share capital, the consideration paid including any attributable incremental external costs net of income taxes is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

The Company will appropriate retained earnings in the same amount of treasury shares as treasury shares reserve to comply with a guidance of the Securities and Exchange Commission. The Company will reverse the reserves when the treasury shares are sold.

2.17 Revenue recognition

Revenue comprises the invoiced value for the sale of goods and services net of output tax, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue from rendering services are recognised as revenue when work is completed and delivered to customers.

Other revenue are recognised on the following bases:

- Royalty and rental income is recognised on an accrual basis in accordance with the substance of the relevant agreement.
- Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.
- Dividend income is recognised when the Group's right to receive payment is established.
- Scrap income is recognised when the scrap is actually sold.

2.18 Dividends

Dividends are recorded in the consolidated and company's financial statements in the period in which they are approved by the shareholders.

2.19 Segment reporting

The Company reports financial information by business segments providing products or services that are subject to risks and returns that are different from those of other business segments and geographical segments providing products or services within a particular economic environment that are subject to risks and returns that are different from those of components operating in other economic environments.

Srithai Superware Public Company Limited
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3 Financial risk management

3.1 Financial risk factors

The principle financial risks faced by the Group are interest rate risk, exchange rate risk, and credit risk. To finance its investments and operations, the Group borrows money at both fixed and floating rates. The majority of the debts are in local currency, except for loans of a foreign subsidiary, which are in foreign currency (as described in Note 17 and 18). Part of the revenues from sales and services, and imported machinery and equipment is denominated in foreign currencies. Credit risk arises when sales and services are made on a credit term basis.

Nevertheless, with the exception of entering into forward foreign exchange contracts for imported goods and machinery and exported goods, the Group does not make use of any derivative financial instruments in order to manage such risks because there is no material financial commitment in foreign currency. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Management of credit, currency and interest rate exposures is the responsibility of the Financial Executive. Monthly management reports contain details of the cost and market value of all financial instruments, including forward foreign exchange contracts. An analysis of exposures against the limits established by the directors is also provided. These limits principally cover the maximum permitted exposure in respect of:

a) Exchange rate risk

Export of products and imports of raw materials, finished goods, machinery and equipment, and minor part of loans expose the Group to risk of foreign exchange fluctuation. In such case, the Group cannot forecast income and cost accurately. The Group has been signing forward contracts with banks to prevent risk of foreign exchange in observation of situation of foreign exchange market at that time. Entering into forward contracts enables the Group to know precisely its income and cost, and facilitate its mapping of appropriate business strategies.

b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by directors before execution. The Group has no significant interest-bearing assets.

As at 31 December 2009, the portion of outstanding long-term loans carries interest at fixed rates throughout the loan agreement term of 7 years. The portion of the remaining long-term loans carries interest at the rate of MLR less 1.525% to MLR per annum throughout the loan agreements term of 7 years. However, the Company implemented risk counter-measures for managing interest rate risk by setting investment plans in advance so that the Company could have sufficient time to seek proper sources of credit lines with reasonable interest rates, and by prepaying a principal amount as deemed appropriate in the case of excess liquidity, which is allowed with no additional charge and no breach of conditions in the loan agreement.

c) Credit risk

The majority of the Company's revenues are derived from manufacturing and selling of plastic products. The Company has set guidelines for customer credit evaluation. Management believes that credit risk arising from sales is insignificant. Concentrations of credit risk with respect to trade receivables are limited due to the Group's large number of customers, who are dispersed, cover the spectrum of manufacturing and distribution and have a variety of end markets in which they sell. The Group's historical experience in collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond the amounts provided for allowance for collection losses.

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3 Financial risk management (Cont'd)

3.1 Risk factors (Cont'd)

d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available. Cash and deposits are placed with financial institutions with high credit rating.

3.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instruments are recognised in the financial statements on inception.

Foreign currency forward contracts mitigate the Group's risk from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward exchange contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes and are not recognised in the financial statements.

3.3 Fair value estimation

The fair value of available-for-sale investments is based on quoted market prices at the balance sheet date. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date.

In assessing the fair value of non-traded derivatives and other financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for the specific or similar instruments are used for long-term debt. Other techniques, such as estimated discounted value of future cash flows, are used to determine fair value for the remaining financial instruments.

The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

4 Critical accounting estimates, assumption and judgements

Estimates, assumption and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) **Fair value of investment in a subsidiary**

The investment in a subsidiary is reported using the cost method in the Company financial statements. A provision for impairment was recognised in previous years as the cost of the investment in a subsidiary exceeded the recoverable amount. Following a combination of restructuring of management team of the subsidiary and an improving long-term outlook, management made an assessment as to whether the impairment provision should be reversed. In making this assessment, management produced and reviewed a cashflow projection and financial forecast, and concluded that the impairment of investment has been decreased and carrying amount of the investment shall be increased to its recoverable amount. The impairment reversals were made in 2009 and 2008 (Note 12).

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4 Critical accounting estimates, assumption and judgements (Cont'd)

b) Property, plant and equipment

The Group's policy requires a revaluation of land, buildings and equipment by professional independent valuers to be carried out every 3 to 5 years or when there are factors that might materially impact the value of the assets. However, the Group reviews annually whether appraisal values have suffered any impairment. The review is based on consideration of historical revaluation, fixed asset's condition, and the past gain or loss on disposal of appraised assets. During the year 2009, the Group did not use the professional independent valuers to review the revaluation of fixed assets since management has considered the above factors and do not expect any material impact to arise.

c) Deferred tax

Deferred tax assets come from the estimation of the unrecognised tax loss carry forwards and some temporary difference effects which it is probable to utilise tax benefit. Management's estimates come from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimations on a conservative basis.

5 Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, acquire own shares or sell assets to reduce debt.

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6 Reported financial information by business and geographic segments

The Group's main businesses are the manufacturing and selling of plastics, comprising household products and industrial products, and the trading and moulds business line. Intercompany sales were already eliminated. Profit from sales was determined by subtracting cost of sales and selling and administrative expenses from net sale. Other income was unallocated. Fixed assets, trade accounts payable, payable of long-term assets, amounts due to related parties, accrued expenses and other current liabilities are allocated to each segment based on their utilisations.

	Consolidated					
	For the year ended 31 December 2009 (Baht'000)					
	Plastics business line					
	Household products		Industrial products		Trading and moulds business line	Total
	Domestic Production	Overseas Production	Domestic Production	Overseas Production		
Sales and hire of work	1,908,008	39,256	2,853,165	189,288	561,876	5,551,593
Revenue from subsidiaries	(7,303)	(7,189)	(11,386)	(2,118)	(67,016)	(95,012)
Total sales and hire of work	1,900,705	32,067	2,841,779	187,170	494,860	5,456,581
Profit (loss) from sales	218,778	2,586	(61,852)	46,121	(20,850)	184,783
Other income						44,877
Share of profit (loss) of investments in associates and joint venture						(28,699)
Gain (loss) on foreign exchange rate, net						9,070
Directors' remuneration						(72,334)
Profit before financial cost and income tax						137,697
Finance costs						(52,040)
Profit before income tax						85,657
Income tax						(37,366)
Net profit for the year						48,291
Depreciation and amortisation						459,575
Fixed assets	570,266		3,029,096		214,814	3,814,176
Other fixed assets						878,999
Fixed assets as at 31 December 2009						4,693,175
Other assets						3,027,328
Total assets as at 31 December 2009						7,720,503
Trade accounts payable as at 31 December 2009	191,507		332,952		318,162	842,621
Payable of long-term assets as at 31 December 2009	1,940		6,529		35,590	44,059
Amounts due to related parties as at 31 December 2009	-		-		708	708
Accrued expenses as at 31 December 2009	52,976		49,790		17,885	120,651
Other current liabilities as at 31 December 2009	29,381		32,487		45,982	107,850
Other liabilities						1,585,652
Total liabilities as at 31 December 2009						2,701,541

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6 Reported financial information by business and geographic segments (Cont'd)

	Consolidated				
	For the year ended 31 December 2008 (Baht'000)				
	Plastics business line				
	Household products		Industrial products		Trading and moulds business line
	Domestic Production	Overseas Production	Domestic Production	Overseas Production	Total
Sales and hire of work	1,803,845	27,516	3,360,450	193,988	5,870,087
Revenue from subsidiaries	(937)	(13,013)	(15,295)	(1,911)	(92,365)
Total sales and hire of work	1,802,908	14,503	3,345,155	192,077	5,777,722
Profit (loss) from sales	139,404	(6,183)	36,802	37,163	271,122
Other income					54,981
Share of profit (loss) of investments in associates and joint venture					2,008
Gain (loss) on foreign exchange rate, net					(50,637)
Directors' remuneration					(76,405)
Profit before financial cost and income tax					201,069
Finance costs					(34,737)
Profit before income tax					166,332
Income tax					(31,703)
Net profit for the year					134,629
Depreciation and amortisation					405,648
Fixed assets	583,149		2,866,429		3,691,750
Other fixed assets					904,945
Fixed assets as at 31 December 2008					4,596,695
Other assets					2,855,164
Total assets as at 31 December 2008					7,451,859
Trade accounts payable as at 31 December 2008	217,735		195,516		632,542
Payable of long-term assets as at 31 December 2008	3,276		280,738		315,587
Amounts due to related parties as at 31 December 2008	1,133		813		1,946
Accrued expenses as at 31 December 2008	34,623		41,586		91,470
Other current liabilities as at 31 December 2008	23,062		28,460		92,352
Other liabilities					1,259,318
Total liabilities as at 31 December 2008					2,393,215

7 Cash and cash equivalents

For the purposes of the cash flows statement, the cash and cash equivalents as at 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Cash on hand	12,452,983	4,906,532	4,000,967	4,318,958
Cheque on hand	6,016,932	7,867,166	5,106,766	7,867,166
Deposits with banks				
- current accounts	27,642,344	35,310,412	6,318,514	7,734,988
- saving accounts	143,686,503	122,097,804	116,059,607	50,568,061
- fixed deposits	89,618,176	120,823,869	20,244,436	50,227,795
Total cash and cash equivalents	279,416,938	291,005,783	151,730,290	120,716,968

As at 31 December 2009, the average interest rate of saving deposits at banks is between 0.25% to 1.50% per annum (2008 : 0.50% to 2.75% per annum).

As at 31 December 2009, fixed deposits at banks represent 14-day to 3-month fixed deposits carrying interest at the rate of 0.50% to 9.70% per annum (2008 : 1.10% to 8.00% per annum).

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8 Short-term investments

Short-term investments as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Fixed deposits pledged at bank	4,000,000	4,000,000	-	-
Fixed deposits	3,717,312	57,172,501	-	-
Local mutual fund units which are classified as available-for-sale investments	10,093,786	8,078,836	-	-
<u>Add</u> Fair value reserves	431,317	339,462	-	-
Total short-term investments	18,242,415	69,590,799	-	-

As at 31 December 2009, a fixed deposits account of a subsidiary, Srithai Shin-Osaka Company Limited, amounting to Baht 4.0 million (2008 : Baht 4.0 million) is pledged as collateral for bank overdrafts.

As at 31 December 2009, fixed deposits of subsidiaries represent 3 to 12-month fixed deposits at banks carrying interest at the rate of 0.75% to 2.50% per annum (2008 : 2.25% to 4.38% per annum).

As at 31 December 2009, short-term investments of a subsidiary amounting to Baht 10.1 million (2008 : Baht 8.1 million) represent local mutual fund units at bank classified as available-for-sale investments which may be sold if the subsidiary needs to raise operating capital.

The movements of short-term investments for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Opening book value	69,590,799	46,041,586	-	-
Increase in short-term investments	5,099,633	53,633,691	-	-
Disposals	(56,539,872)	(30,320,686)	-	-
Fair value changes of available-for-sale investments	91,855	236,208	-	-
Closing book value	18,242,415	69,590,799	-	-

9 Trade accounts and notes receivable, net

Trade accounts and notes receivable as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Trade accounts receivable - third parties	899,145,675	802,728,475	789,711,511	714,387,344
Trade notes receivable - third parties	13,051	27,985	13,051	27,985
Total	899,158,726	802,756,460	789,724,562	714,415,329
<u>Less</u> Allowance for doubtful accounts	(2,102,368)	(1,985,060)	(1,967,688)	(1,963,780)
Trade accounts and notes receivable - third parties, net	897,056,358	800,771,400	787,756,874	712,451,549
Trade accounts receivable - related parties	222,280,395	210,167,723	220,949,691	209,966,947
<u>Less</u> Allowance for doubtful accounts	(3,653,888)	(3,657,796)	(3,653,888)	(3,657,796)
Trade accounts receivable - related parties, net (Note 35.3)	218,626,507	206,509,927	217,295,803	206,309,151
Trade accounts and notes receivable, net	1,115,682,865	1,007,281,327	1,005,052,677	918,760,700

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9 Trade accounts and notes receivable, net (Cont'd)

Trade accounts and notes receivable can be aged as follows:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Not yet due	869,068,212	747,425,360	787,974,530	691,354,060
Overdue not exceeding 3 months	227,943,037	253,058,143	200,397,311	222,463,996
Overdue 3 to 6 months	8,643,651	5,265,417	8,279,069	4,987,417
Overdue 6 to 12 months	10,470,100	2,728,852	8,780,556	1,204,102
Overdue 12 months	5,314,121	4,446,411	5,242,787	4,372,701
Total	1,121,439,121	1,012,924,183	1,010,674,253	924,382,276
<u>Less</u> Allowance for doubtful accounts	(5,756,256)	(5,642,856)	(5,621,576)	(5,621,576)
Trade accounts and notes receivable, net	1,115,682,865	1,007,281,327	1,005,052,677	918,760,700

10 Inventories, net

Inventories as at 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Finished goods	366,164,441	414,279,084	314,721,636	391,244,524
<u>Less</u> Allowance for net realisable value	(1,905,595)	(2,370,570)	(1,000,000)	(1,000,000)
Finished goods	364,258,846	411,908,514	313,721,636	390,244,524
Work in process	267,753,666	179,269,256	69,021,511	34,479,680
Raw materials	285,934,554	186,881,146	256,428,176	155,392,039
Supplies	30,121,331	28,151,985	21,780,634	21,851,613
Moulds for sales	11,845,285	4,801,317	14,076,347	7,331,359
	959,913,682	811,012,218	675,028,304	609,299,215
<u>Less</u> Allowance for obsolescence	(15,074,083)	(13,396,483)	(11,000,000)	(11,000,000)
	944,839,599	797,615,735	664,028,304	598,299,215
Goods in transit	3,455,091	3,108,083	2,726,091	2,194,083
Total inventories, net	948,294,690	800,723,818	666,754,395	600,493,298

Allowance for obsolescence and allowance for net realisable value as at 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Allowance for obsolescence				
Finished goods	7,669,600	6,189,000	5,805,000	5,805,000
Work in process	411,100	411,100	215,000	215,000
Raw materials	6,132,598	5,935,598	4,980,000	4,980,000
Supplies	860,785	860,785	-	-
Total allowance for obsolescence	15,074,083	13,396,483	11,000,000	11,000,000
Allowance for net realisable value				
- finished goods	1,905,595	2,370,570	1,000,000	1,000,000
Total allowance for obsolescence and allowance for net realisable value	16,979,678	15,767,053	12,000,000	12,000,000

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11 Other current assets

Other current assets as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Withholding income tax	16,599,403	18,806,117	8,154,154	18,010,588
Prepaid expenses	17,909,724	11,176,971	12,925,463	8,960,843
Advance payment for moulds	1,640,200	7,392,200	6,155,200	8,697,200
Accrued income	1,320,129	4,704,688	1,320,129	3,660,688
Undued Value Added Tax	3,840,549	5,102,158	3,434,902	2,746,860
Value Added Tax receivable	12,897,034	2,941,013	-	-
Others	9,794,849	5,705,825	4,985,543	3,632,287
Total other current assets	64,001,888	55,828,972	36,975,391	45,708,466

12 Investments in subsidiaries, associates and joint venture

12.1 The movements in book value of investments in subsidiaries, associates and joint venture for the years ended 31 December comprise the following:

Subsidiaries

	Consolidated Equity method		Company Cost method	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Opening net book amount for the year	-	-	288,636,823	269,566,853
Impairment of investment in subsidiary	-	-	-	(2,600,000)
Reversal of loss on impairment of investment in subsidiary	-	-	8,800,000	13,000,000
Investment in subsidiaries (Note 12.3 (d))	-	-	-	8,669,970
Closing net book amount for the year	-	-	297,436,823	288,636,823

Subsidiary - Srithai (Vietnam) Company Limited

In 2009 and 2008, following a review of an impairment provision previously booked in respect of an investment in a subsidiary, management concluded that it was appropriate to reverse this provision in the Company financial statements, at the amount of Baht 8.8 million and Baht 13 million, respectively based on an assessment of projected future cash flows (Note 4 a)).

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12 Investments in subsidiaries, associates and joint venture (Cont'd)

12.1 The movements in book value of investments in subsidiaries, associates and joint venture for the years ended 31 December comprise the following: (Cont'd)

Associates

	Consolidated Equity method		Company Cost method	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening net book amount for the year	335,889,979	437,597,939	210,823,802	231,523,802
Share of profit (loss) of investments in associates	(29,101,996)	1,053,345	-	-
Dividends received	(19,822,883)	(28,499,061)	-	-
Impairment of investments in associates (Note 37)	-	-	(19,000,000)	(5,500,000)
Investment in an associate (Note 12.3 (c))	3,234,321	-	3,234,321	-
Change in status of investment in an associate to other long-term investment (Note 12.3 (f))	-	(73,546,384)	-	(15,200,000)
Impairment of goodwill	-	(1,266,667)	-	-
Currency translation differences	1,019,531	550,807	-	-
Closing net book amount for the year	<u>291,218,952</u>	<u>335,889,979</u>	<u>195,058,123</u>	<u>210,823,802</u>

Joint venture

	Consolidated Equity method		Company Cost method	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening net book amount for the year	7,218,569	6,264,283	4,999,800	4,999,800
Share of profit from interest in joint venture	403,588	954,286	-	-
Closing net book amount for the year	<u>7,622,157</u>	<u>7,218,569</u>	<u>4,999,800</u>	<u>4,999,800</u>

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12 Investments in subsidiaries, associates and joint venture (Cont'd)

12.2 The Group's share of the results of associates and joint venture, all of which are unlisted, and its share of the assets including goodwill and liabilities are as follows:

For the year ended 31 December 2009

	Country of incorporation	Assets Baht	Liabilities Baht	Revenues Baht	Profit (Loss) Baht	Percentage of share holding
Local						
	Thailand	26,067,806	14,134,175	34,490,778	2,671,687	48.0
	Thailand	203,141,353	41,357,772	288,126,370	15,855,825	45.0
	Thailand	65,475,696	59,847,317	62,492,478	(13,455,150)	42.0
	Thailand	68,515,614	21,680,088	45,544,105	728,500	39.2
	Thailand	493,795	3,750	14,250	5,722	25.0
	Thailand	59,318,519	25,747,817	75,835,487	(38,381,592)	19.0
	Thailand	18,715,814	22,748,361	20,534,583	-	4.9
		441,728,597	185,519,280	527,038,051	(32,575,008)	
Foreign						
	China	38,200,629	13,576,389	31,893,317	57,685	40.0
	Indonesia	20,985,772	2,825,289	31,552,241	3,415,327	32.5
		59,186,401	16,401,678	63,445,558	3,473,012	
		500,914,998	201,920,958	590,483,609	(29,101,996)	
Joint venture						
Local						
	Thailand	12,613,063	4,789,933	28,140,446	403,588	50.0
		12,613,063	4,789,933	28,140,446	403,588	
		513,528,061	206,710,891	618,624,055	(28,698,408)	

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12 Investments in subsidiaries, associates and joint venture (Cont'd)

12.2 The Group's share of the results of associates and joint venture, all of which are unlisted, and its share of the assets including goodwill and liabilities are as follows:
(Cont'd)

For the year ended 31 December 2008						
Country of incorporation	Assets Baht	Liabilities Baht	Revenues Baht	Profit (Loss) Baht	Percentage of share holding	
Local						
Srithai Sanko Co., Ltd.	25,313,739	12,292,611	48,237,378	3,407,295	48.0	
Srithai WBG Co., Ltd.	-	-	3,241,729	-	47.0	
(liquidation during the year as described in Note 12.3 (e))						
Thai MFC Co., Ltd.	215,999,025	61,878,169	300,165,338	11,521,357	45.0	
S.K.I. Ceramics Co., Ltd.	65,781,684	46,698,155	81,880,863	(11,163,072)	42.0	
Srithai Packaging Co., Ltd.	72,226,081	26,621,667	57,270,480	605,518	39.2	
Thai Takahashi Plastics Co., Ltd.	488,073	3,750	12,615	4,581	25.0	
Soko Srithai Co., Ltd.	-	-	3,382,201	-	24.0	
(liquidation during the year as described in Note 12.3 (e))						
LN Srithai Comm Co., Ltd.	-	-	556,458,634	631,697	20.0	
(status changed from associate to other long-term investment during the year as described in Note 12.3 (f))						
Takahashi Korat (1995) Co., Ltd.	99,993,065	28,040,772	200,746,682	(10,381,031)	19.0	
Takahashi Plastics Co., Ltd.	36,366,561	55,832,723	61,102,611	-	16.5	
	516,168,228	231,367,847	1,312,498,531	(5,373,655)		
Foreign						
Beijing Huatai Replica of Porcelain Products Co., Ltd.	42,726,719	17,031,375	39,623,531	(979,973)	40.0	
PT. Srithai Maspion Indonesia	20,270,438	3,980,140	36,248,729	7,406,973	32.5	
	62,997,157	21,011,515	75,872,260	6,427,000		
Total associates	579,165,385	252,379,362	1,388,370,791	1,053,345		
Joint venture						
Local						
Srithai-Otto (Thailand) Co., Ltd.	10,928,956	3,375,967	29,406,763	954,286	50.0	
Total Joint venture	10,928,956	3,375,967	29,406,763	954,286		
Total associates and joint venture	590,094,341	255,755,329	1,417,777,554	2,007,631		

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12 Investments in subsidiaries, associates and joint venture (Cont'd)

- 12.2 The Group's share of the results of associates and joint venture, all of which are unlisted, and its share of the assets including goodwill and liabilities are as follows: (Cont'd)

In 2009, the Group has not recognised share of losses in associates amounting to Baht 8,414,993 (2008 : Baht 3,687,839) and accumulated losses amounting to Baht 44,255,936 (2008 : Baht 35,840,943) since the Group had already recognised share of losses equal to the value of investments.

Although the Company has a direct interest in Takahashi Korat (1995) Co., Ltd. and Takahashi Plastics Co., Ltd of less than 20.0% of the voting or potential voting rights of the investee, the Company has an indirect interest and related persons hold further shares in these groups. Therefore the Company has an interest of more than 20.0% via direct and indirect voting rights and it is considered to be an associate.

12.3 Significant events

a) Increase in share capital in Takahashi Plastics Company Limited

The Board of Directors of the Company passed a resolution to approve increase of authorised share capital in Takahashi Plastics Company Limited and these increase share capital will be fully funded by Takahashi Korat (1995) Company Limited, a major shareholder of Takahashi Plastics Company Limited. Takahashi Plastics Company Limited registered its share capital increase from Baht 40 million to Baht 134 million with the Ministry of Commerce on 24 November 2009. As a result, the Company's holdings in Takahashi Plastics Company Limited decreased from 16.5% to 4.9%. However, the Company has an indirect interest and related persons hold further shares in these groups, then the Company has voting or potential voting rights of more than 20.0%. Therefore Takahashi Plastics Company Limited is still an associate.

b) Going concern in an associate-Takahashi Korat (1995) Company Limited

Takahashi Korat (1995) Company Limited, an associate, has been impacted by a significant decrease in orders from a big customer as a result of the present global economic crisis. The associate has suffered operation losses since 2008 and, for the interest of the group's businesses, currently the associate had temporarily stopped its manufacturing and operations.

The Company anticipates this situation should not have impairment effect to the investment in an associate.

c) Increase in share capital in Beijing Huatai Replica of Porcelain Products Co., Ltd.

On 13 November 2009, the Board of Directors of Srithai Superware Public Company Limited passed a resolution to recognise dividend income and increase their investments in Beijing Huatai Replica of Porcelain Products Company Limited based on its 40.0% shareholding at the amount of Yuan 665,101.32 or equivalent to Baht 3.23 million. The purpose of increase in share capital is to serve business expansion. The additional shares are paid by offsetting with dividends received which is same amount and the shareholding portion remains unchanged.

d) Newly established subsidiary

On 25 December 2008, Srithai Lock & Lock Company Limited, a subsidiary, was registered with the Ministry of Commerce. Srithai Lock & Lock Company Limited is engaged in the importation and distribution of plastic food containers and related items followed by shareholders agreement of 5 November 2008, with a share capital of Baht 17 million comprising 1,700,000 ordinary shares of Baht 10 each. The entire amount of share capital has been requested to be paid-up. The Company holds 866,997 ordinary shares, or 51.0% of the subsidiary's shares, amounting to Baht 8.67 million. The share subscription was paid-up in full.

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12 Investments in subsidiaries, associates and joint venture (Cont'd)

12.3 Significant events (Cont'd)

e) Liquidation

Associate - Soko Srithai Company Limited

At the Extraordinary Shareholders' Meeting of Soko Srithai Company Limited held on 15 April 2008, subsequently confirmed by the Extraordinary Shareholders' Meeting held on 2 May 2008, it was resolved that the associate be dissolved. The dissolution was registered with the Ministry of Commerce on 27 May 2008. The associate is under the process of liquidation.

Associate - Srithai WBG Company Limited

At the Extraordinary Shareholders' Meeting of Srithai WBG Company Limited held on 26 August 2008, it was resolved and confirmed that the associate would be dissolved. The dissolution was registered with the Ministry of Commerce on 10 September 2008. The associate is under the process of liquidation.

f) Change in status of investment in LN Srithai Comm Company Limited

LN Srithai Comm Company Limited is engaged in the manufacture of telephone sets. Srithai Superware Public Company Limited holds 76,000 shares or 19.99% of its shares, and it was regarded as an associate as the Group had significant influence, but no control over it. Two of the Company's executives were authorised directors of the associate.

On 9 November 2008, the Board of Directors of the Company passed a resolution to change the role of the Company's executives in the associate by retaining only one directorship with no signatorial binding in the associate. This role change implies that the Company no longer has a significant influence over the associate. The status of this investment has therefore changed from investment in an associate to other long-term investment. However, the voting rights remain unchanged. The associate registered the change with the Ministry of Commerce on 11 December 2008.

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12 Investments in subsidiaries, associates and joint venture (Cont'd)

12.4 Subsidiaries, associates and joint venture as at 31 December comprise the following:

Company as at 31 December 2009 and 2008 (Unit : Baht)														
	Nature of business	Country of incorporation	Nature of relationship	Paid up capital	Percentage of shareholding		Cost method			Cost method				
					31 December 2009	31 December 2008	Cost	for impairment	Allowance	Net book value	Cost	for impairment	Allowance	Net book value
Subsidiaries														
Local														
SriThai Moulds Co., Ltd. SriThai Nanoplast Co., Ltd. SriThai Miyagawa Co., Ltd.	Manufacture of moulds	Thailand	Shareholder	100,000,000	71.0	71.0	82,000,000	-	82,000,000	82,000,000	-	82,000,000		
	Manufacture of plastic	Thailand	Shareholder	40,000,000	70.0	70.0	27,999,980	-	27,999,980	27,999,980	-	27,999,980		
	Manufacture of moulds and plastic	Thailand	Shareholder	120,000,000	51.0	51.0	61,200,000	-	61,200,000	61,200,000	-	61,200,000		
	Trading	Thailand	Shareholder	17,000,000	51.0	51.0	8,669,970	-	8,669,970	8,669,970	-	8,669,970		
SriThai Shin-Osaka Co., Ltd.	Mould laminating and manufacture of plastic	Thailand	Shareholder	49,800,000	40.0	40.0	19,920,000	(5,800,000)	14,120,000	19,920,000	(5,800,000)	14,120,000		
							199,789,950	(5,800,000)	193,989,950	199,789,950	(5,800,000)	193,989,950		
Foreign														
SriThai (Vietnam) Co., Ltd.	Manufacture of plastic	Vietnam	Shareholder	109,338 Mil Vnd.	95.8	95.8	181,646,873	(78,200,000)	103,446,873	181,646,873	(87,000,000)	94,646,873		
							181,646,873	(78,200,000)	103,446,873	181,646,873	(87,000,000)	94,646,873		
Total investments in subsidiaries														
							381,436,823	(84,000,000)	297,436,823	381,436,823	(92,800,000)	288,636,823		

The Company has an interest of less than one half or equivalent to 40% of the ownership of Srithai Shin-Osaka Co., Ltd. and the Directors hold a further 15%, therefore, the Company has an interest of more than one half via direct and indirect voting rights and has power to govern the financial and operating policies of such investment. Therefore, it is considered to be a subsidiary and is consolidated in the consolidated financial statements.

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12 Investments in subsidiaries, associates and joint venture (Cont'd)

12.4 Subsidiaries, associates and joint venture as at 31 December comprise the following: (Cont'd)

As at 31 December 2009 and 2008 (Unit : Baht)														
	Nature of business	Country of incorporation	Nature of relationship	Paid up capital	Percentage of shareholding		Equity method Consolidated		Cost method 2009		Cost method 2008			
					31 December 2009	31 December 2008	31 December 2009	31 December 2008	Cost	Allowance for impairment	Net book value	Cost	Allowance for impairment	Net book value
Associates														
Local														
Srithai Sanko Co., Ltd.	Trading of plastic	Thailand	Shareholder	20,000,000	48.0	48.0	10,828,939	11,037,072	9,599,400	-	9,599,400	9,599,400	-	9,599,400
Srithai WBG Co., Ltd	Direct Sales	Thailand	Shareholder	8,000,000	47.0	47.0	-	-	3,759,940	(3,759,940)	-	3,759,940	(3,759,940)	-
Thai MFC Co., Ltd	Manufacture of melamine powder	Thailand	Shareholder	200,000,000	45.0	45.0	160,359,095	153,503,269	90,000,000	-	90,000,000	90,000,000	-	90,000,000
S.K.I. Ceramics Co., Ltd.	Manufacture of ceramics	Thailand	Shareholder	125,000,000	42.0	42.0	-	13,455,151	52,500,000	(52,500,000)	-	52,500,000	(33,500,000)	19,000,000
Srithai Packaging Co., Ltd.	Manufacture of packaging	Thailand	Shareholder	60,000,000	39.2	39.2	47,669,059	46,940,558	27,156,000	-	27,156,000	27,156,000	-	27,156,000
Thai Takahashi Plastics Co., Ltd.	Manufacture of plastic	Thailand	Shareholder	20,000,000	25.0	25.0	490,044	484,322	5,000,000	(5,000,000)	-	5,000,000	(5,000,000)	-
Soko Srithai Co., Ltd.	Manufacture of plastic	Thailand	Shareholder	250,000,000	24.0	24.0	-	-	48,384,880	(48,384,880)	-	48,384,880	(48,384,880)	-
Takahashi Korat (1995) Co., Ltd.	Manufacture of plastic	Thailand	Shareholder	150,000,000	19.0	19.0	29,087,090	67,468,682	28,500,000	-	28,500,000	28,500,000	-	28,500,000
Takahashi Plastics Co., Ltd.	Manufacture of plastic	Thailand	Shareholder	134,000,000	4.9	16.5	-	-	6,600,000	(6,600,000)	-	6,600,000	(6,600,000)	-
							248,434,227	292,889,054	271,500,220	(116,244,820)	155,255,400	271,500,220	(97,244,820)	174,255,400
Foreign														
Beijing Huaiai Replica of Porcelain Products Co., Ltd.	Manufacture of melamine	China	Shareholder	10.6 Mil. Yuan	40.0	40.0	24,624,241	26,710,627	25,864,865	-	25,864,865	22,630,544	-	22,630,544
PT. Srithai Maspon Indonesia	Manufacture of melamine	Indonesia	Shareholder	10,394.1 Mil. Rupiah	32.5	32.5	18,160,484	16,290,298	37,437,858	(23,500,000)	13,937,858	37,437,858	(23,500,000)	13,937,858
							42,784,725	43,000,925	63,402,723	(23,500,000)	39,802,723	60,068,402	(23,500,000)	36,568,402
Total investments in associates							291,218,952	335,889,979	334,802,943	(139,744,820)	195,058,123	331,568,622	(120,744,820)	210,823,802
Joint venture														
Local														
Srithai-Otto (Thailand) Co., Ltd.	Trading	Thailand	Shareholder	10,000,000	50.0	50.0	7,622,157	7,218,569	4,999,800	-	4,999,800	4,999,800	-	4,999,800
Total interest in joint venture							7,622,157	7,218,569	4,999,800	-	4,999,800	4,999,800	-	4,999,800
Total investments in associates and interest in joint venture							298,841,109	343,108,548	339,802,743	(139,744,820)	200,057,923	336,568,422	(120,744,820)	215,823,602

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13 Other long-term investments, net

Other long-term investments as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Listed company (Available-for-sale investments)				
Other company - Union Plastic Public Company Limited	39,980,000	39,980,000	39,980,000	39,980,000
<u>Add</u> Fair value reserves on available-for-sale investments	(2,060,000)	580,000	(2,060,000)	580,000
	<u>37,920,000</u>	<u>40,560,000</u>	<u>37,920,000</u>	<u>40,560,000</u>
Non-listed companies				
Related party - D M S Tech Co., Ltd.	-	11,000,000	-	-
Other companies				
- LN Srithai comm Co., Ltd.	73,546,384	73,546,384	15,200,000	15,200,000
- Nissen Chemitec (Thailand) Co., Ltd.	17,000,000	17,000,000	17,000,000	17,000,000
- D M S Tech Co., Ltd.	11,000,000	-	-	-
- Others (less than 5% holding)	9,800,000	9,800,000	9,800,000	9,800,000
	<u>111,346,384</u>	<u>111,346,384</u>	<u>42,000,000</u>	<u>42,000,000</u>
<u>Less</u> Allowance for impairment loss of investments	(3,500,000)	(3,500,000)	(3,500,000)	(3,500,000)
	<u>107,846,384</u>	<u>107,846,384</u>	<u>38,500,000</u>	<u>38,500,000</u>
Total other long-term investments, net	<u>145,766,384</u>	<u>148,406,384</u>	<u>76,420,000</u>	<u>79,060,000</u>

During the year 2009, the voting rights to exercise management of the Company's executive in D M S Tech Company Limited decreased significantly. As a result, the Company's relationship with D M S Tech Company Limited is changed from related party to other long-term investments.

The movement in book value of other long-term investments for the year ended 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Opening net book amount for the year	148,406,384	77,260,000	79,060,000	66,260,000
Change in status of investment in an associate to other long - term investment (Note 12.3(f))	-	73,546,384	-	15,200,000
Fair value reserves on available-for-sale investments increase (decrease) during the year	(2,640,000)	(2,400,000)	(2,640,000)	(2,400,000)
Closing net book amount for the year	<u>145,766,384</u>	<u>148,406,384</u>	<u>76,420,000</u>	<u>79,060,000</u>

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14 Property, plant and equipment, net

The movements of property, plant and equipment for the years ended 31 December comprise the following:

	Land Baht	Land and buildings Baht	Land improvements Baht	Consolidated					Total Baht
				Building improvements Baht	Machinery and equipment Baht	Furniture and office equipment Baht	Motor vehicles Baht	Work under installation Baht	
As at 31 December 2007									
Cost or appraisal value	363,180,000	1,943,416,774	15,948,813	251,436,031	2,199,703,304	219,315,745	120,274,479	132,362,901	5,245,638,047
Less: Accumulated depreciation	-	(114,224,577)	(15,761,942)	(158,786,133)	(659,483,196)	(177,783,709)	(87,344,774)	-	(1,213,384,331)
Provision for impairment	-	-	-	-	(7,861,205)	-	-	-	(7,861,205)
Net book value	363,180,000	1,829,192,197	186,871	92,649,898	1,532,358,903	41,532,036	32,929,705	132,362,901	4,024,392,511
For the year ended 31 December 2008									
Opening net book value	363,180,000	1,829,192,197	186,871	92,649,898	1,532,358,903	41,532,036	32,929,705	132,362,901	4,024,392,511
Additions	-	79,731,800	-	23,495,879	157,910,926	22,635,152	19,229,486	669,941,617	972,944,860
Depreciation charge (Note 29)	-	(68,020,855)	(81,869)	(23,296,123)	(251,927,467)	(17,406,446)	(13,812,532)	-	(374,545,292)
Disposals - cost	-	-	-	-	(41,369,444)	(11,881,268)	(7,843,844)	-	(61,094,556)
- accumulated depreciation	-	-	-	-	23,397,313	11,728,383	7,111,837	-	42,237,533
Impairment charge	-	-	-	-	(2,128,000)	-	-	-	(2,128,000)
Transfer within account	-	-	-	14,053,949	640,118,452	-	-	(654,172,401)	-
Assets written off - cost	-	-	-	(1,811,454)	(722,258)	(148,714)	-	-	(2,682,426)
- accumulated depreciation	-	-	-	-	-	-	-	-	-
Foreign exchange rate adjustment	-	(1,832,700)	-	976,453	449,475	89,773	-	-	1,515,701
Closing net book value	363,180,000	1,839,070,442	105,002	106,068,602	2,055,996,300	46,542,916	37,599,452	148,132,117	4,596,694,831
As at 31 December 2008									
Cost or appraisal value	363,180,000	2,021,120,374	15,948,813	287,174,405	2,952,749,180	229,905,015	131,600,821	148,132,117	6,149,810,725
Less: Accumulated depreciation	-	(182,049,932)	(15,843,811)	(181,105,803)	(886,763,675)	(183,362,099)	(94,001,369)	-	(1,543,126,689)
Provision for impairment	-	-	-	-	(9,989,205)	-	-	-	(9,989,205)
Net book value	363,180,000	1,839,070,442	105,002	106,068,602	2,055,996,300	46,542,916	37,599,452	148,132,117	4,596,694,831

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14 Property, plant and equipment, net (Cont'd)

The movements of property, plant and equipment for the years ended 31 December comprise the following: (Cont'd)

	Consolidated								
	Land Baht	Land and buildings Baht	Land improvements Baht	Building improvements Baht	Machinery and equipment Baht	Furniture and office equipment Baht	Motor vehicles Baht	Work under installation Baht	Total Baht
For the year ended 31 December 2009									
Opening net book value	363,180,000	1,839,070,442	105,002	106,068,602	2,055,996,300	46,542,916	37,599,452	148,132,117	4,596,694,831
Additions	-	13,336,861	-	18,514,165	140,544,624	28,712,178	6,173,203	335,622,370	542,903,401
Depreciation charge (Note 29)	-	(69,014,966)	(79,658)	(29,491,055)	(296,519,689)	(17,795,896)	(14,005,692)	-	(426,906,956)
Disposals - cost	-	-	-	-	(25,643,052)	(4,933,443)	(641,869)	-	(31,218,364)
- accumulated depreciation	-	-	-	-	15,130,161	4,623,277	641,868	-	20,395,306
Impairment charge	-	-	-	-	-	-	-	(40,000)	(40,000)
Transfer within account	-	-	-	5,062,172	337,493,123	660,400	-	(343,215,695)	-
Assets written off - cost	-	-	-	(901,079)	(16,758,968)	(1,873,672)	-	-	(19,533,719)
- accumulated depreciation	-	-	-	226,292	16,305,889	1,871,705	-	-	18,403,886
Foreign exchange rate adjustment	-	(3,195,100)	-	-	(4,214,600)	(22,400)	(91,600)	-	(7,523,700)
Closing net book value	363,180,000	1,780,197,237	25,344	99,479,097	2,222,333,788	57,785,065	29,675,362	140,498,792	4,693,174,685
As at 31 December 2009									
Cost or appraisal value	363,180,000	2,030,335,435	15,948,813	309,849,663	3,381,883,509	252,418,477	136,918,555	140,538,792	6,631,073,244
Less: Accumulated depreciation	-	(250,138,198)	(15,923,469)	(210,370,566)	(1,149,773,316)	(194,633,412)	(107,243,193)	-	(1,928,082,154)
Provision for impairment	-	-	-	-	(9,776,405)	-	-	(40,000)	(9,816,405)
Net book value	363,180,000	1,780,197,237	25,344	99,479,097	2,222,333,788	57,785,065	29,675,362	140,498,792	4,693,174,685

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14 Property, plant and equipment, net (Cont'd)

The movements of property, plant and equipment for the years ended 31 December comprise the following: (Cont'd)

	Company								
	Land Baht	Land and buildings Baht	Land improvements Baht	Building improvements Baht	Machinery and equipment Baht	Furniture and office equipment Baht	Motor vehicles Baht	Work under installation Baht	Total Baht
As at 31 December 2007									
Cost or appraisal value	363,180,000	1,706,250,000	15,948,813	234,753,655	1,851,580,106	182,339,009	106,296,895	132,362,901	4,592,711,379
Less Accumulated depreciation	-	(95,847,279)	(15,761,942)	(148,174,415)	(551,857,973)	(152,488,226)	(77,324,063)	-	(1,041,453,898)
Provision for impairment	-	-	-	-	(6,576,027)	-	-	-	(6,576,027)
Net book value	363,180,000	1,610,402,721	186,871	86,579,240	1,293,146,106	29,850,783	28,972,832	132,362,901	3,544,681,454
For the year ended 31 December 2008									
Opening net book value	363,180,000	1,610,402,721	186,871	86,579,240	1,293,146,106	29,850,783	28,972,832	132,362,901	3,544,681,454
Additions	-	-	-	23,028,118	131,521,369	16,223,518	14,939,168	669,236,317	854,948,490
Depreciation charge (Note 29)	-	(52,664,728)	(81,869)	(20,742,214)	(216,170,539)	(12,866,544)	(11,948,089)	-	(314,473,983)
Disposals - cost	-	-	-	-	(28,067,591)	(11,167,338)	(7,843,844)	-	(47,078,773)
- accumulated depreciation	-	-	-	-	10,952,886	11,052,582	7,111,837	-	29,117,305
Transfer within account	-	-	-	14,053,949	640,118,452	-	-	(654,172,401)	-
Assets written off - cost	-	-	-	(1,811,454)	(854)	(204,118)	-	-	(2,016,426)
- accumulated depreciation	-	-	-	976,453	749	92,499	-	-	1,069,701
Closing net book value	363,180,000	1,557,737,993	105,002	102,084,092	1,831,500,578	32,981,382	31,231,904	147,426,817	4,066,247,768
As at 31 December 2008									
Cost or appraisal value	363,180,000	1,706,250,000	15,948,813	270,024,268	2,595,151,482	187,191,071	113,392,219	147,426,817	5,398,564,670
Less Accumulated depreciation	-	(148,512,007)	(15,843,811)	(167,940,176)	(757,074,877)	(154,209,689)	(82,160,315)	-	(1,325,740,875)
Provision for impairment	-	-	-	-	(6,576,027)	-	-	-	(6,576,027)
Net book value	363,180,000	1,557,737,993	105,002	102,084,092	1,831,500,578	32,981,382	31,231,904	147,426,817	4,066,247,768

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14 Property, plant and equipment, net (Cont'd)

The movements of property, plant and equipment for the years ended 31 December comprise the following: (Cont'd)

	Company								
	Land Baht	Land and buildings Baht	Land improvements Baht	Building improvements Baht	Machinery and equipment Baht	Furniture and office equipment Baht	Motor vehicles Baht	Work under installation Baht	Total Baht
For the year ended 31 December 2009									
Opening net book value	363,180,000	1,557,737,993	105,002	102,084,092	1,831,500,578	32,981,382	31,231,904	147,426,817	4,066,247,768
Additions	-	12,535,661	-	13,282,290	100,535,457	13,257,345	6,173,203	335,622,369	481,406,325
Depreciation charge (Note 29)	-	(52,695,148)	(79,658)	(26,624,327)	(265,217,813)	(11,536,636)	(11,990,906)	-	(368,144,488)
Disposals - cost	-	-	-	-	(25,473,052)	(4,933,444)	-	-	(30,406,496)
- accumulated depreciation	-	-	-	-	15,071,762	4,623,277	-	-	19,695,039
Transfer within account	-	-	-	5,062,173	337,488,222	-	-	(342,550,395)	-
Assets written off - cost	-	-	-	-	-	(364,608)	-	-	(364,608)
- accumulated depreciation	-	-	-	-	-	364,566	-	-	364,566
Closing net book value	363,180,000	1,517,578,506	25,344	93,804,228	1,993,905,154	34,391,882	25,414,201	140,498,791	4,168,798,106
As at 31 December 2009									
Cost or appraisal value	363,180,000	1,718,785,661	15,948,813	288,368,731	3,007,702,109	195,150,364	119,565,422	140,498,791	5,849,199,891
Less Accumulated depreciation	-	(201,207,155)	(15,923,469)	(194,564,503)	(1,007,220,928)	(160,758,482)	(94,151,221)	-	(1,673,825,758)
Provision for impairment	-	-	-	-	(6,576,027)	-	-	-	(6,576,027)
Net book value	363,180,000	1,517,578,506	25,344	93,804,228	1,993,905,154	34,391,882	25,414,201	140,498,791	4,168,798,106

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14 Property, plant and equipment, net (Cont'd)

As at 31 December 2009, the Group has the land held for future projects, which has not yet determined the purpose of use in the consolidated and company financial statements amounted to Baht 363 million.

Addition in the consolidated and company financial statements includes Baht 4 million and Baht 2 million, respectively (2008 : Baht 2 million and none, respectively), assets leased under finance leases where the Group and the Company are the lessee.

As at 31 December 2009, the Group's and the Company's fully depreciated fixed assets which are presented in cost or appraisal value before accumulated depreciation amounting, approximately, to Baht 691 million and Baht 532 million, respectively (2008 : Baht 562 million and Baht 439 million, respectively), are still in use.

Depreciation for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Depreciation - cost	356,853,809	298,701,711	303,393,421	245,563,797
- fair value reserves on assets	70,053,147	75,843,581	64,751,067	68,910,186
Total	426,906,956	374,545,292	368,144,488	314,473,983

Included in property, plant and equipment are leased assets leased out to Group company and third parties under operating leases as the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Cost	120,931,531	128,962,601	120,931,531	128,962,601
Less Accumulated depreciation	(29,819,269)	(22,938,223)	(29,819,269)	(22,938,223)
Net book value	91,112,262	106,024,378	91,112,262	106,024,378

Recent revaluation

The Company's recent revaluation of land, buildings, and machinery and equipment was performed during the year 2006. The subsidiaries revalued land, buildings, and machinery and equipment during the years 2007 and 2006. A revaluation surplus of assets is recorded under "Fair value reserves on assets" in shareholders' equity. Loss from revaluation is recorded in the statements of income.

Valuation methodologies applied by the professional independent valuer to revalue the assets are summarised as follows:

- Land - market comparable approach
- Buildings - new replacement value less accumulated depreciation and estimated salvage value
- Machinery and equipment - new replacement value less accumulated depreciation and estimated salvage value

The historical cost of the revalued land, buildings, machinery and equipment are summarised as follows:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Cost	5,560,081,922	5,575,908,492	4,956,934,288	4,963,434,458
Less Accumulated depreciation	(3,931,068,171)	(3,806,402,128)	(3,530,049,311)	(3,432,896,690)
Net book value	1,629,013,751	1,769,506,364	1,426,884,977	1,530,537,768

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14 Property, plant and equipment, net (Cont'd)

Commitments

As at 31 December, the Group has mortgaged the following part of the land, buildings and machinery to banks as collateral for overdrafts, long-term loans and working capital facilities from banks and financial institutions.

	31 December 2009		31 December 2008	
	Appraisal value Million Baht	net book value as at appraisal date Million Baht	Appraisal value Million Baht	net book value as at appraisal date Million Baht
Srithai Superware Public Company Limited - Land and buildings	703.2	674.6	703.2	674.6
Subsidiaries:				
Srithai Moulds Company Limited - Land, buildings and machinery	62.6	40.7	87.4	50.9
Srithai Miyagawa Company Limited - Machinery	132.0	89.1	132.0	89.1

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15 Intangible assets, net

Intangible assets as at 31 December comprise the following:

	Consolidated				
	Software copyright and operational computer software Baht	Work under installation- computer software Baht	Production Technique Patents Baht	Goodwill Baht	Total Baht
At 31 December 2007					
Cost	79,402,001	2,976,300	-	6,293,564	88,671,865
Less Accumulated amortisation	(62,287,501)	-	-	(2,674,765)	(64,962,266)
Net book value	17,114,500	2,976,300	-	3,618,799	23,709,599
For the year ended 31 December 2008					
Opening net book value	17,114,500	2,976,300	-	3,618,799	23,709,599
Additions	11,547,174	11,458,681	11,629,322	-	34,635,177
Amortisation charge	(7,591,813)	-	(1,162,932)	-	(8,754,745)
Transfer within account	6,885,371	(6,885,371)	-	-	-
Impairment charge	(364,803)	-	-	(3,618,799)	(3,983,602)
Foreign exchange rate adjustment	(4,800)	-	-	-	(4,800)
Closing net book value	27,585,629	7,549,610	10,466,390	-	45,601,629
At 31 December 2008					
Cost	97,469,743	7,549,610	11,629,322	6,293,564	122,942,239
Less Accumulated amortisation	(69,884,114)	-	(1,162,932)	(2,674,765)	(73,721,811)
Provision for impairment	-	-	-	(3,618,799)	(3,618,799)
Net book value	27,585,629	7,549,610	10,466,390	-	45,601,629
For the year ended 31 December 2009					
Opening net book value	27,585,629	7,549,610	10,466,390	-	45,601,629
Additions	3,721,762	4,118,780	26,342,250	-	34,182,792
Amortisation charge	(6,626,496)	-	(2,974,323)	-	(9,600,819)
Transfer within account	2,512,000	(2,512,000)	-	-	-
Foreign exchange rate adjustment	(1,600)	-	-	-	(1,600)
Closing net book value	27,191,295	9,156,390	33,834,317	-	70,182,002
At 31 December 2009					
Cost	103,684,305	9,156,390	37,971,572	6,293,564	157,105,831
Less Accumulated amortisation	(76,493,010)	-	(4,137,255)	(2,674,765)	(83,305,030)
Provision for impairment	-	-	-	(3,618,799)	(3,618,799)
Net book value	27,191,295	9,156,390	33,834,317	-	70,182,002

The Company reviewed impairment of goodwill. The recoverable amounts of cash-generating units were determined based on value-in-use calculations which were derived from management's estimates. The Company recognised loss from impairment of goodwill of Baht 3.6 million as an expense in the consolidated statement of income for the year ended 31 December 2008.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
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15 Intangible assets, net (Cont'd)

	Company			Total Baht
	Software copyright and operational computer software Baht	Work under installation- computer software Baht	Production Technique Patents Baht	
At 31 December 2007				
Cost	59,168,501	2,976,300	-	62,144,801
<u>Less</u> Accumulated amortisation	(47,760,693)	-	-	(47,760,693)
Net book value	11,407,808	2,976,300	-	14,384,108
For the year ended 31 December 2008				
Opening net book value	11,407,808	2,976,300	-	14,384,108
Additions	10,387,174	11,458,681	11,629,322	33,475,177
Amortisation charge	(5,181,916)	-	(1,162,932)	(6,344,848)
Transfer within account	6,885,371	(6,885,371)	-	-
Impairment charge	(364,803)	-	-	(364,803)
Closing net book value	23,133,634	7,549,610	10,466,390	41,149,634
At 31 December 2008				
Cost	76,441,046	7,549,610	11,629,322	95,619,978
<u>Less</u> Accumulated amortisation	(52,942,609)	-	(1,162,932)	(54,105,541)
Provision for impairment	(364,803)	-	-	(364,803)
Net book value	23,133,634	7,549,610	10,466,390	41,149,634
For the year ended 31 December 2009				
Opening net book value	23,133,634	7,549,610	10,466,390	41,149,634
Additions	1,547,401	3,713,780	26,342,250	31,603,431
Amortisation charge	(4,202,964)	-	(2,974,323)	(7,177,287)
Transfer within account	2,512,000	(2,512,000)	-	-
Closing net book value	22,990,071	8,751,390	33,834,317	65,575,778
At 31 December 2009				
Cost	80,865,250	8,751,390	37,971,572	127,588,212
<u>Less</u> Accumulated amortisation	(57,510,376)	-	(4,137,255)	(61,647,631)
Provision for impairment	(364,803)	-	-	(364,803)
Net book value	22,990,071	8,751,390	33,834,317	65,575,778

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16 Other non-current assets, net

Other non-current assets as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Deferred moulds	44,150,487	35,210,421	60,105,322	49,521,871
<u>Less</u> Allowance for unrecoverable of assets	<u>(1,100,000)</u>	<u>(1,401,747)</u>	<u>(1,100,000)</u>	<u>(1,401,747)</u>
Deferred moulds, net	43,050,487	33,808,674	59,005,322	48,120,124
Leasehold right, net	13,918,911	15,651,491	5,307,876	5,669,780
Deposit	5,710,785	3,038,579	2,130,435	1,919,264
Others	682,359	793,161	639,159	769,160
Total other non-current assets, net	<u>63,362,542</u>	<u>53,291,905</u>	<u>67,082,792</u>	<u>56,478,328</u>

17 Short-term loans from banks

Short-term loans from banks as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Short-term loan from a local bank - Baht	155,000,000	170,000,000	150,000,000	170,000,000
Short-term loan of overseas subsidiary				
- US dollars - US dollars 216,886				
(2008 : US dollars 1,104,382)	7,003,800	40,353,600	-	-
- Vietnam Dong - Vietnam Dong				
10,745 million (2008 : Nil)	19,341,000	-	-	-
Total short-term loans from banks	<u>181,344,800</u>	<u>210,353,600</u>	<u>150,000,000</u>	<u>170,000,000</u>

As at 31 December 2009, short-term loan from a local bank represents promissory notes amounting to Baht 155 million (2008 : Baht 170 million) with a period not exceeding 3 months, carrying interest at a rate of 1.85% to 1.90% per annum and MLR less 1.00% per annum (2008 : 4.45% to 5.37% per annum).

As at 31 December 2009, short-term loans of overseas subsidiary amounting to Baht 26.34 million (2008 : Baht 40.35 million) bear interest at the rate of 4.70% to 10.50% per annum (2008 : 5.40% to 7.20% per annum) and are secured by Srithai Superware Public Company Limited.

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18 Long-term loans

Long-term loans as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Long-term loans				
- Baht	1,174,205,719	789,394,076	1,129,173,881	725,137,258
- US dollars - US dollars 192,110 (2008 : US dollars 406,656)	6,204,600	14,859,600	-	-
Total long-term loans	<u>1,180,410,319</u>	<u>804,253,676</u>	<u>1,129,173,881</u>	<u>725,137,258</u>

Long-term loans are due for repayments as follows:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Current portion of long-term loans	<u>258,728,932</u>	<u>145,282,308</u>	<u>240,665,532</u>	<u>119,393,000</u>
Loans due later than 1 year and not later than 3 years	511,555,041	368,439,406	482,638,743	330,850,519
Loans due later than 3 years and not later than 5 years	303,801,346	275,015,983	299,544,606	259,377,760
Loans due later than 5 years	106,325,000	15,515,979	106,325,000	15,515,979
	<u>921,681,387</u>	<u>658,971,368</u>	<u>888,508,349</u>	<u>605,744,258</u>
Total long-term loans	<u>1,180,410,319</u>	<u>804,253,676</u>	<u>1,129,173,881</u>	<u>725,137,258</u>

The movements of long-term loans for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Opening balance for the year	804,253,676	438,447,317	725,137,258	356,521,531
New loans	532,629,623	458,974,467	532,629,623	439,807,727
Repayment of long-term loans	(154,634,580)	(94,560,408)	(128,593,000)	(71,192,000)
Foreign exchange rate adjustment	(1,838,400)	1,392,300	-	-
Closing balance for the year	<u>1,180,410,319</u>	<u>804,253,676</u>	<u>1,129,173,881</u>	<u>725,137,258</u>

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18 Long-term loans (Cont'd)

18.1 The requirements and conditions for long-term loans comprise the following:

Contract No.	Consolidated Long-term loans		Company	Loan Purpose	Loan limit	Interest rate and repayment terms	Guarantees and collaterals
	31 December 2009 (Million Baht)	31 December 2008 (Million Baht)					
1	218.1	295.0	Parent company Srithai Superware Public Company Limited	The energy preservation project	452.4 million Baht	Fixed interest rate at 3.00% to 4.00% per annum and floating rate at the MLR less 1.00% to MLR of local banks. Repayment is due every three months from March 2005 to 2014.	a) mortgage over the Company's land, buildings and plants (as described in Note 14). b) the lenders will be nominated as the first beneficiary of all risk insurance covering the Company's collateral assets.
2	911.1	430.1	Srithai Superware Public Company Limited	To invest in machinery, moulds and factory equipment	1,184.9 million Baht (9 agreements)	2 agreements bear fixed interest rate at 4.00% per annum. 7 agreements bear floating interest rate at the MLR less 1.525% to MLR less 0.50% of local banks. Repayment is due every three months from June 2009 to 2016.	a) the Company will not enter into any encumbrance or commitment on its assets, currently owned or acquired in the future, except for authorised commitments by the lenders. b) the lenders will be nominated as the first beneficiary of the Company's all risk insurance.

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18 Long-term loans (Cont'd)

18.1 The requirements and conditions for long-term loans comprise the following: (Cont'd)

Contract No.	Consolidated Long-term loans		Company	Loan purpose	Loan limit	Interest rate and repayment terms	Guarantees and collaterals
	31 December 2009 (Million Baht)	31 December 2008 (Million Baht)					
3	9.1	15.1	Local subsidiaries Srithai Moulds Company Limited	The energy preservation project	15.0 million Baht (2008 : 24.4 million Baht)	Fixed interest rate at 4.00% per annum (2008 : fixed interest rate at 3.00% to 4.00% per annum). Repayment is due every month and every three months from 2006 to 2013.	The subsidiary has mortgaged its current land and buildings, as well as those to be acquired in the future, and pledged its machinery and a condominium unit (as described in Note 14).
4	35.9	49.2	Srithai Miyagawa Company Limited	The energy preservation project	92.2 million Baht	Fixed interest rate at 3.00% to 4.00% per annum. Repayment is due every month from July 2006 to 2016.	The subsidiary has mortgaged its machinery (as described in Note 14) and two land parcels and buildings including prospective construction on the land parcels are covenanted to not perform any legal act or any commitment with any person or juristic person during the loan period, except legal transactions in favour of the lending bank.
5	6.2 (US dollars 192,110)	14.9 (US dollars 406,656)	Overseas subsidiary Srithai (Vietnam) Company Limited	To invest in machinery and factory equipment	US dollars 898,000	Interest rate at Cost of Fund plus 2.25% and Cost of Fund plus 2.50% per annum of a bank in Vietnam. (2008 : SIBOR plus 2.25% and SIBOR plus 2.50% per annum of a bank in Vietnam). Repayment is due for a period of 6 years from the date of the first draw down with 6 months grace period for principal repayment.	Guaranteed by Srithai Superware Public Company Limited
Total	1,180.4	804.3					

The Company and subsidiaries must comply with other conditions and restrictions for long-term loans provided for in the agreement.

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18 Long-term loans (Cont'd)

18.2 The interest rate exposure on the borrowings of the Group and the Company comprises the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Total borrowings:				
at fixed rates	394,887,315	498,501,295	349,855,477	434,244,477
at floating rates	785,523,004	305,752,381	779,318,404	290,892,781
	<u>1,180,410,319</u>	<u>804,253,676</u>	<u>1,129,173,881</u>	<u>725,137,258</u>
Weighted average effective interest rates:				
bank borrowings	3.00% to 6.25%	3.00% to 7.50%	3.00% to 6.25%	3.00% to 7.00%

The carrying values and fair value of long-term loans are as follow:

	Consolidated		Company	
	2009 Million Baht	2008 Million Baht	2009 Million Baht	2008 Million Baht
Long-term loans - carrying value	1,180.4	804.3	1,129.2	725.1
Long-term loans - fair value	1,141.6	764.5	1,092.3	689.5

The fair values of long-term loans are based on discounted cash flows using a discount rate from the market borrowing rates which are available to the Group and Company at the balance sheet date. The carrying amounts of short-term loans are shown at an approximate fair value.

18.3 Unutilised credit facilities comprise the following:

	Consolidated					
	31 December 2009			31 December 2008		
	Overdraft Baht	Long-term loan facilities Baht	Working capital facilities Baht	Overdraft Baht	Long-term loan facilities Baht	Working capital facilities Baht
Floating rate						
- draw down within 1 year	-	166,629,105	-	-	474,258,728	-
- draw down with no timeframe limitation	127,784,636	-	75,971,440	129,200,000	-	82,700,429
Fixed rate						
- draw down within 1 year	-	70,383,673	-	-	55,504,552	-
- draw down with no timeframe limitation	-	-	739,049,925	-	-	443,493,495
	<u>127,784,636</u>	<u>237,012,778</u>	<u>815,021,365</u>	<u>129,200,000</u>	<u>529,763,280</u>	<u>526,193,924</u>
	Company					
	31 December 2009			31 December 2008		
	Overdraft Baht	Long-term loan facilities Baht	Working capital facilities Baht	Overdraft Baht	Long-term loan facilities Baht	Working capital facilities Baht
Floating rate						
- draw down within 1 year	-	166,629,105	-	-	474,258,728	-
- draw down with no timeframe limitation	93,584,636	-	-	85,000,000	-	-
Fixed rate						
- draw down within 1 year	-	55,504,552	-	-	55,504,552	-
- draw down with no timeframe limitation	-	-	739,049,925	-	-	443,493,495
	<u>93,584,636</u>	<u>222,133,657</u>	<u>739,049,925</u>	<u>85,000,000</u>	<u>529,763,280</u>	<u>443,493,495</u>

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19 Accrued expenses

Accrued expenses as at 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Accrued utility expenses	22,291,846	16,295,298	20,919,475	15,357,509
Accrued commission expenses	17,757,907	16,367,097	17,618,960	16,334,937
Accrued staff cost	17,728,599	15,623,764	15,337,124	13,133,653
Accrued income tax	14,426,595	2,783,213	14,025,821	-
Accrued patent rights	11,359,446	7,320,596	11,359,446	7,320,596
Others	37,086,979	33,079,539	24,290,218	18,527,153
Total other current liabilities	<u>120,651,372</u>	<u>91,469,507</u>	<u>103,551,044</u>	<u>70,673,848</u>

20 Other current liabilities

Other current liabilities as at 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Other payables	45,114,630	27,560,226	32,407,574	27,560,226
Advance receipt from customers	35,320,216	38,733,400	23,905,318	13,964,000
Withholding tax and social security payable	12,899,472	15,040,282	10,869,806	12,557,460
Value Added Tax payable	8,814,771	6,735,295	8,006,574	6,561,702
Current portion of finance lease liabilities	1,213,345	416,979	768,514	-
Others	4,487,208	3,865,618	463,748	688,970
Total other current liabilities	<u>107,849,642</u>	<u>92,351,800</u>	<u>76,421,534</u>	<u>61,332,358</u>

21 Deferred income taxes

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 7.5% to 30.0% (2008: 25.0% and 30.0%).

Deferred tax assets and liabilities presented in the consolidated and company financial statements are not offset. Although there is a legally enforceable right as the income taxes relate to the same fiscal authority, the timing of the offset cannot be precisely defined and the future periods of utilisation of the deferred tax assets and liabilities are not same.

21.1 Deferred tax assets

The movements of the deferred tax assets for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening balance for the year	40,071,823	49,929,412	38,023,823	49,929,412
Statement of income charge				
- increase from recognised deferred tax assets	12,910,422	22,760,789	12,838,222	20,712,789
- decrease from income tax	(30,503,295)	(32,618,378)	(29,019,295)	(32,618,378)
- foreign exchange rate adjustment	(60,200)	-	-	-
Income tax from deferred tax assets	<u>(17,653,073)</u>	<u>(9,857,589)</u>	<u>(16,181,073)</u>	<u>(11,905,589)</u>
Closing balance for the year	<u>22,418,750</u>	<u>40,071,823</u>	<u>21,842,750</u>	<u>38,023,823</u>

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21 Deferred income taxes (Cont'd)

21.1 Deferred tax assets (Cont'd)

The movements in the components of deferred income tax assets during the years is as follows:

	Consolidated				
	1 January 2008 Baht	Credited (Charged) to the statement of income Baht	31 December 2008 Baht	Credited (Charged) to the statement of income Baht	31 December 2009 Baht
Tax loss carry forward	49,929,412	(19,426,117)	30,503,295	(30,503,295)	-
Allowance for impairment of investments	-	9,004,528	9,004,528	10,881,678	19,886,206
Foreign exchange rate adjustment	-	-	-	(60,200)	(60,200)
Others	-	564,000	564,000	2,028,744	2,592,744
	<u>49,929,412</u>	<u>(9,857,589)</u>	<u>40,071,823</u>	<u>(17,653,073)</u>	<u>22,418,750</u>

	Company				
	1 January 2008 Baht	Credited (Charged) to the statement of income Baht	31 December 2008 Baht	Credited (Charged) to the statement of income Baht	31 December 2009 Baht
Tax loss carry forward	49,929,412	(20,910,117)	29,019,295	(29,019,295)	-
Allowance for impairment of investments	-	9,004,528	9,004,528	10,881,678	19,886,206
Others	-	-	-	1,956,544	1,956,544
	<u>49,929,412</u>	<u>(11,905,589)</u>	<u>38,023,823</u>	<u>(16,181,073)</u>	<u>21,842,750</u>

21.2 Deferred tax liabilities

Deferred tax liabilities as at 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Fair value reserves on land and buildings	183,116,032	189,729,791	167,441,689	173,236,883
Fair value reserves on machinery and moulds	38,686,640	53,711,231	36,227,986	50,480,518
Total deferred tax liabilities	<u>221,802,672</u>	<u>243,441,022</u>	<u>203,669,675</u>	<u>223,717,401</u>

The movements of the deferred tax liabilities for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening balance for the year	243,441,022	270,508,247	223,717,401	246,724,879
Change in surplus from depreciation	(21,015,944)	(22,753,074)	(19,425,320)	(20,673,056)
Statement of income (credit)/charge	(622,406)	(2,468,654)	(622,406)	(2,334,422)
Currency translation differences	-	(1,836,257)	-	-
Change in surplus from impairment	-	(9,240)	-	-
Closing balance for the year	<u>221,802,672</u>	<u>243,441,022</u>	<u>203,669,675</u>	<u>223,717,401</u>

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21 Deferred income taxes (Cont'd)

21.2 Deferred tax liabilities (Cont'd)

Deferred tax liabilities, deferred income tax charges/(credit) in the statement of income, and deferred income tax charges/(credit) in the shareholders' equity are attributable to the following items:

Consolidated							
	1 January 2008 Baht	Charged/ (credit) to statement of income Baht	Charged/ (credit) to shareholder's equity Baht	31 December 2008 Baht	Charged/ (credit) to statement of income Baht	Charged/ (credit) to shareholder's equity Baht	31 December 2009 Baht
Fair value reserves on land and buildings	196,524,519	-	(6,794,728)	189,729,791	-	(6,613,759)	183,116,032
Fair value reserves on machinery and moulds	72,147,471	(2,468,654)	(15,967,586)	53,711,231	(622,406)	(14,402,185)	38,686,640
Translation adjustment for investments in overseas subsidiary	1,836,257	-	(1,836,257)	-	-	-	-
Total	270,508,247	(2,468,654)	(24,598,571)	243,441,022	(622,406)	(21,015,944)	221,802,672

Company							
	1 January 2008 Baht	Charged/ (credit) to statement of income Baht	Charged/ (credit) to shareholder's equity Baht	31 December 2008 Baht	Charged/ (credit) to statement of income Baht	Charged/ (credit) to shareholder's equity Baht	31 December 2009 Baht
Fair value reserves on land and buildings	179,032,077	-	(5,795,194)	173,236,883	-	(5,795,194)	167,441,689
Fair value reserves on machinery and moulds	67,692,802	(2,334,422)	(14,877,862)	50,480,518	(622,406)	(13,630,126)	36,227,986
Total	246,724,879	(2,334,422)	(20,673,056)	223,717,401	(622,406)	(19,425,320)	203,669,675

The Group's and the Company's deferred tax liabilities of Baht 21,015,944 and Baht 19,425,320, respectively (2008 : Baht 24,598,571 and Baht 20,673,056, respectively) were transferred within shareholders' equity from fair value reserves (Note 27) to retained earnings. This represents deferred tax on the difference between the actual depreciation on buildings, machinery and moulds and the equivalent depreciation based on the historical cost of fixed assets.

21.3 Income tax expense

Income tax expense for the years ended 31 December comprises the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Current income tax expense	50,899,047	56,932,720	47,906,673	32,618,378
Deferred income tax				
- Deferred tax assets (Note 21.1)	(12,910,422)	(22,760,789)	(12,838,222)	(20,712,789)
- Deferred tax liabilities (Note 21.2)	(622,406)	(2,468,654)	(622,406)	(2,334,422)
	37,366,219	31,703,277	34,446,045	9,571,167

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21 Deferred income taxes (Cont'd)

21.3 Income tax expense (Cont'd)

A reconciliation between current income tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

	Consolidated		Company	
	2009	2008	2009	Restated 2008
	Baht	Baht	Baht	Baht
Profit before tax	85,657,517	166,332,428	141,581,293	108,685,922
Tax rate	25%	25%	25%	25%
The result of the accounting profit multiplied by the income tax rate	21,414,379	41,583,107	35,395,323	27,171,481
Effect of exempted income and extra deduction Expenses	(1,254,618)	(17,457,412)	(13,105,183)	(24,639,519)
Effect from expenses not deductible for tax purpose	20,929,546	32,417,278	25,616,533	30,086,416
Different from discounted tax rate from 30% to 25%	-	8,321,569	-	8,321,569
Deferred income tax	(13,532,828)	(33,551,012)	(13,460,628)	(31,368,780)
Tax losses not recognised as deferred tax assets	7,725,560	216,025	-	-
Share of net (profit)/loss from investments - equity method	7,174,602	(501,908)	-	-
Effect of different tax rates	(4,949,560)	3,772,888	-	-
Effect of elimination - intercompany transactions	(140,862)	(3,097,258)	-	-
Income tax	<u>37,366,219</u>	<u>31,703,277</u>	<u>34,446,045</u>	<u>9,571,167</u>

The Group's and the Company's weighted average applicable tax rate were 44% and 24%, respectively (2551 : 19% and 9% , respectively).

As a listed company, the Company has been granted for a discounted tax rate of 25% of the taxable income not exceeding Baht 300 million for 3 fiscal years from 2008 to 2010. The taxable income that exceeds Baht 300 million is subject to 30% tax rate.

The allocation of taxable profit under BOI privileges between corporate income tax exemption and non corporate income tax exemption.

	Consolidated		Company	
	2009	2008	2009	2008
Corporate income tax exemption	0%	7%	0%	0%
Non corporate income tax exemption	100%	93%	100%	100%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

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22 Contingent liabilities and bank guarantee

22.1 Contingent liabilities

Contingent liabilities as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Million Baht	Million Baht	Million Baht	Million Baht
Guarantee of related parties' loans	107.59	107.39	107.59	107.39

The Company and subsidiaries do not expect any other contingent liabilities to arise.

22.2 Bank guarantee

As at 31 December, the Company's bankers had issued letters of guarantee on behalf of the Company as follows:

	Consolidated		Company	
	2009	2008	2009	2008
	Million Baht	Million Baht	Million Baht	Million Baht
In respect of electricity usage	33.59	33.53	30.47	30.41
Other guarantee	22.01	2.03	22.01	2.03

23 Commitments

Commitments as at 31 December comprise the following:

23.1 Capital commitments

	Consolidated		Company	
	2009	2008	2009	2008
	Million Baht	Million Baht	Million Baht	Million Baht
Commitment for purchase of machinery, moulds and equipment	128.66	98.10	128.60	98.10
Commitment for land and building improvements	4.84	3.83	4.84	3.23
Commitment for purchase of software program	1.71	1.03	1.56	-
Commitment for purchase of vehicle	0.79	-	0.79	-

The Company and subsidiaries do not expect any other contingent liabilities to arise.

23.2 Technical Service commitments

	Consolidated		Company	
	2009	2008	2009	2008
	Million Baht	Million Baht	Million Baht	Million Baht
Commitment for technical service agreement	-	27.08	-	27.08

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23 Commitments (Cont'd)

23.3 Operating lease commitments

The Company and subsidiaries have entered into operating lease agreements for land, buildings, cars, computers, computer servers and computer network services for periods of 1 to 38 years.

As at 31 December, the future minimum lease payments under non-cancellable operating leases comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Million Baht	Million Baht	Million Baht	Million Baht
Not later than 1 year	32.48	35.03	27.57	31.80
Later than 1 year and not later than 2 years	17.68	24.42	13.19	21.63
Later than 2 years and not later than 5 years	10.82	14.11	5.41	9.02
Later than 5 years	21.05	23.92	-	-
	82.03	97.48	46.17	62.45

Land leasehold right of the overseas subsidiary - Srithai (Vietnam) Company Limited

The land leasehold right is for the period of 38 years commencing from 12 July 1997 (the land leasehold right was extended from 20 to 38 years in the year 2007). The payments for the official registration fee for the long-term lease in 1997 amounting to US dollars 705,000 have been recorded as land leasehold rights and the subsidiary has to pay land rental annually. The rental rate is US dollars 36,000 per annum. The company must comply with other conditions and restrictions in respect of the land leasehold right provided for in the agreement.

24 Share capital and premium on treasury shares

Share capital as at 31 December comprises the following:

	Number of shares	Ordinary shares Baht	Premium on treasury shares Baht	Total Baht
As at 31 December 2007	285,714,286	2,857,142,860	-	2,857,142,860
Issue of shares during the year	-	-	-	-
Reduction of shares - treasury shares (Note 26)	(14,723,806)	(147,238,060)	19,928,420	(127,309,640)
As at 31 December 2008	270,990,480	2,709,904,800	19,928,420	2,729,833,220
Issue of shares during the year	-	-	-	-
As at 31 December 2009	270,990,480	2,709,904,800	19,928,420	2,729,833,220

The Company's registered share capital as at 31 December 2009 comprises 270,990,480 ordinary shares (2008 : 270,990,480 ordinary shares) of Baht 10 each (2008 : Baht 10 each). All issued shares are fully paid-up.

During the year 2008, the Company reduced paid-up share capital at par value of Baht 10 per share to offset with the treasury shares of 14,723,806 shares at an average repurchasing price of Baht 8.65 per share. The difference between the paid-up share capital and treasury shares was recorded in premium on treasury shares.

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25 Legal reserve

Legal reserve as at 31 December comprises the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening balance for the year	100,000,000	95,000,000	100,000,000	95,000,000
Appropriation during the year	6,000,000	5,000,000	6,000,000	5,000,000
Closing balance for the year	<u>106,000,000</u>	<u>100,000,000</u>	<u>106,000,000</u>	<u>100,000,000</u>

Under the Public Limited Companies Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is not distributable as dividends.

26 Treasury shares and treasury shares reserve

Treasury shares

According to the Public Limited Companies Act (No.2) B.E. 2544, Treasury Stock Rules, any company that repurchases its shares has to dispose of all of the repurchased shares within a three-year period commencing from the date of share repurchase completion. If the Company does not dispose of the treasury shares within the three-year period, it has to reduce its paid-up share capital for offset with the treasury shares. The Company repurchased 14,723,806 of its ordinary shares during 1 June 2005 to 30 November 2005. However, as at 30 November 2008, the Company has not disposed of any of the treasury stock. In order to comply with the aforementioned regulations, the Company offset its treasury stock with its authorised and paid-up share capital. The Company already registered the reduction in authorised and paid-up share capital with the Ministry of Commerce on 12 December 2008.

Therefore, during the year 2008, the treasury shares reserve of Baht 127,309,640 was reversed in full due to the Company's reduction of share capital against treasury shares. The Office of the Council of State issued an interpretation of Section 66/1 (2) of the Public Limited Companies Act B.E. 2535.

27 Unrealised gain

Unrealised gain consists of fair value reserves on assets as at 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Fair value reserves on fixed assets				
- Land	287,438,900	287,438,900	287,438,900	287,438,900
- Land and buildings	659,216,237	673,979,562	636,247,190	649,769,310
- Machinery and moulds	87,363,738	121,541,027	84,531,967	117,787,876
Total fair value reserves on fixed assets	<u>1,034,018,875</u>	<u>1,082,959,489</u>	<u>1,008,218,057</u>	<u>1,054,996,086</u>
Fair value reserves on available-for-sale investments				
- Short-term investments (Note 8)	431,317	339,462	-	-
- Other long-term investments (Note 13)	(2,060,000)	580,000	(2,060,000)	580,000
Total fair value reserves on available-for-sale investments	<u>(1,628,683)</u>	<u>919,462</u>	<u>(2,060,000)</u>	<u>580,000</u>
Total	<u>1,032,390,192</u>	<u>1,083,878,951</u>	<u>1,006,158,057</u>	<u>1,055,576,086</u>

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27 Unrealised gain (Cont'd)

The movements of fair value reserves on fixed assets for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Land, buildings, machinery and moulds				
Opening balance for the year	1,082,959,489	1,139,587,568	1,054,996,086	1,108,680,200
Increase (decrease) (net from deferred tax liabilities)				
- depreciation	(49,037,203)	(53,090,507)	(45,325,747)	(48,237,130)
- minority interests	1,548,871	2,244,178	-	-
- assets disposal	(1,452,282)	(5,760,190)	(1,452,282)	(5,446,984)
- impairment charge	-	(21,560)	-	-
Closing balance for the year	<u>1,034,018,875</u>	<u>1,082,959,489</u>	<u>1,008,218,057</u>	<u>1,054,996,086</u>

The fair value reserves on fixed assets are not distributable as dividends.

The movements of fair value reserves on available-for-sale investments for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening balance for the year	919,462	3,083,254	580,000	2,980,000
Increase (decrease) from fair value reserves				
- short-term investments	91,855	236,208	-	-
- other long-term investments	(2,640,000)	(2,400,000)	(2,640,000)	(2,400,000)
Closing balance for the year	<u>(1,628,683)</u>	<u>919,462</u>	<u>(2,060,000)</u>	<u>580,000</u>

28 Minority interests

The movements of minority interests for the years ended 31 December comprise the following:

	Consolidated	
	2009 Baht	2008 Baht
Opening balance for the year	263,655,652	248,862,784
Share of profit in subsidiaries	(9,472,688)	36,436,022
Investment in a subsidiary	8,330,000	30
Dividends	(12,921,893)	(18,821,594)
Fair value reserves on fixed assets of subsidiaries	(1,548,871)	(2,244,178)
Translation adjustment in a subsidiary	(314,343)	(335,550)
Change during the year	(156,971)	(241,862)
Closing balance for the year	<u>247,570,886</u>	<u>263,655,652</u>

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29 Expense by nature

The following expenditures, classified by nature, have been charged in arriving at operating profit for the years ended 31 December.

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Staff costs	915,379,384	927,557,037	740,713,555	750,488,690
Depreciation (Note 14)	426,906,956	374,545,292	368,144,488	314,473,983
Advertising and sales promotion	221,744,326	238,799,059	216,047,732	238,167,168
Repair and maintenance	129,180,824	116,110,320	121,836,216	108,332,285
Transportation	58,627,444	63,429,526	47,918,624	49,450,400
Operating lease rentals	51,735,936	46,013,803	41,368,353	39,653,690
Amortisation of assets	32,668,266	31,102,263	24,450,879	23,356,916
Assets written-off	1,423,136	1,981,879	138,949	1,594,669
Loss on impairment of long-term assets	40,000	2,106,000	-	-
Net loss on impairment of investment in subsidiaries and associates (reversal) (Note 12.1)	-	-	10,200,000	(4,900,000)

30 Sales and hire of work, and cost of sales and services

Sales and hire of work, and cost of sales and services for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Sales	5,048,051,397	5,134,663,237	4,793,024,319	4,923,519,778
Hire of work	408,529,951	643,058,590	-	-
Total sales and hire of work	<u>5,456,581,348</u>	<u>5,777,721,827</u>	<u>4,793,024,319</u>	<u>4,923,519,778</u>
Cost of sales	3,961,661,441	4,090,950,983	3,834,639,646	3,983,986,867
Cost of services	352,075,627	472,506,727	-	-
Total cost of sales and services	<u>4,313,737,068</u>	<u>4,563,457,710</u>	<u>3,834,639,646</u>	<u>3,983,986,867</u>

31 Finance costs

Finance costs for the years ended 31 December comprise the following:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Finance costs from bank borrowings	51,927,497	34,676,589	46,852,934	29,760,255
Finance costs from finance leases	112,735	60,561	14,894	-
Total finance costs	<u>52,040,232</u>	<u>34,737,150</u>	<u>46,867,828</u>	<u>29,760,255</u>

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32 Basic earnings per share

The Company presents basic earnings per share in the income statement which is computed by dividing the net profit by the weighted-average number of paid-up ordinary shares outstanding during the year.

	Consolidated		Company	
	2009	2008	2009	2008
Net profit attributable to equity holders of the parent (Baht)	57,763,986	98,193,129	107,135,248	99,114,755
Weighted average number of outstanding ordinary shares (Share)	270,990,480	270,990,480	270,990,480	270,990,480
Basic earnings per share (Baht)	0.21	0.36	0.40	0.37

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2009 and 2008.

33 Dividends per share

2009

At the Annual General Meeting of shareholders on 29 April 2009, a dividend in respect of the Company's net profit for the year 2008 of Baht 0.35 per share totalling Baht 94.83 million was approved by the shareholders and the Company paid during the year ended 31 December 2009.

2008

At the Annual General Meeting of shareholders on 29 April 2008, a dividend in respect of the Company's net profit for the year 2007 of Baht 0.50 per share totalling Baht 135.47 million was approved by the shareholders and the Company paid during the year ended 31 December 2008.

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34 Cash flows from operating activities and supplementary cash flows information

34.1 Cash flows from operating activities

Reconciliation of net profit to cash flows from operating activities comprises the following:

	Notes	Consolidated		Company	
		2009 Baht	2008 Baht	2009 Baht	2008 Baht
Net profit before income tax for the year		85,657,517	166,332,428	141,581,293	108,685,922
Adjustments to reconcile net profit to net cash provided by (paid for) operations:					
Depreciation	14	426,906,956	374,545,292	368,144,488	314,473,983
Amortisation		23,067,447	22,347,518	17,273,592	17,012,068
Amortisation of intangible assets	15	9,600,819	8,754,745	7,177,287	6,344,848
Loss on impairment of intangible assets	15	-	364,803	-	364,803
Assets written off		1,423,136	1,981,879	138,949	1,594,669
Loss on impairment of goodwill		-	4,885,466	-	-
Allowance for doubtful accounts (reversal)		119,700	(953,004)	-	(974,284)
Allowance for inventory obsolescence and for net realisable value		1,368,926	282,934	-	-
Allowance for short-term loans to related party		-	44,080	-	44,080
Allowance for unrecoverable of other assets (reversal)		(301,747)	300,906	(301,747)	300,906
Loss on impairment in value of investments in subsidiary and associates (reversal)	12.1	-	-	10,200,000	(4,900,000)
Loss on impairment of long-term assets		40,000	2,106,000	-	-
Gain on disposal of long-term assets		(3,533,519)	(4,833,747)	(3,924,043)	(4,915,246)
Realised loss on exchange rate of short-term loans to related party and short-term loans from bank		-	682,500	-	-
Unrealised (gain) loss on foreign exchange rate		(3,743,115)	47,470,699	239,715	43,342,376
Interest income		(5,366,401)	(5,451,899)	(1,217,068)	(1,003,943)
Share of net (profit) loss of investments in associates and joint venture	12.1	28,698,408	(2,007,631)	-	-
Dividend income from investments in subsidiaries and associates	35.7	-	-	(38,900,990)	(53,677,467)
Dividend income from other investments		(6,759,700)	(7,218,000)	(6,759,700)	(7,218,000)
Finance costs	31	52,040,232	34,737,150	46,867,828	29,760,255
Carried forward		<u>609,218,659</u>	<u>644,372,119</u>	<u>540,519,604</u>	<u>449,234,970</u>

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34 Cash flows from operating activities and supplementary cash flows information (Cont'd)

34.1 Cash flows from operating activities (Cont'd)

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Brought forward	609,218,659	644,372,119	540,519,604	449,234,970
Changes in operating assets and liabilities				
(Increase) decrease in operating assets:				
Trade accounts and notes receivable and amounts due from related parties	(109,080,800)	107,678,612	(93,037,275)	58,845,313
Inventories	(148,955,295)	(78,417,098)	(66,432,895)	41,463,303
Other current assets	(15,632,376)	(19,872,132)	(7,930,699)	(11,599,139)
Other assets	(11,959,444)	(5,010,226)	(10,794,623)	(4,519,081)
Increase (decrease) in operating liabilities:				
Trade accounts payable	215,527,332	(185,741,917)	115,205,561	(241,891,298)
Amounts due to related parties	(1,237,976)	894,322	334,014	907,146
Accrued expenses	8,066,804	(5,407,449)	14,520,253	(8,783,532)
Other current liabilities	5,538,776	(36,319,837)	13,935,550	(35,978,679)
Cash generated from operations	551,485,680	422,176,394	506,319,490	247,679,003

34.2 Supplementary cash flows information comprises the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Property, plant and equipment				
Additions (Note 14)	542,903,401	972,944,860	481,406,325	854,948,490
Less Decrease (increase) in payable of long-term assets	271,527,488	(268,166,226)	266,764,996	(255,785,754)
Long-term assets increased by finance lease	(2,027,600)	(1,939,299)	(2,027,600)	-
Decrease (increase) in amounts due to related parties of long-term assets	-	-	243,447	97,937
Unrealised (gain) loss on exchange rate	109,771	44,699,320	109,771	44,699,320
Purchase of long-term assets	812,513,060	747,538,655	746,496,939	643,959,993
Intangible assets				
Additions (Note 15)	34,182,792	34,635,177	31,603,431	33,475,177
Less Decrease (increase) in payable of intangible assets	(4,436,890)	(198,708)	(4,436,890)	(198,708)
Unrealised gain on exchange rate	(398,982)	-	(398,982)	-
Purchase of intangible assets	29,346,920	34,436,469	26,767,559	33,276,469
Dividends				
Dividend income from investments in subsidiaries and associates (Note 35.7)	19,822,883	28,499,061	38,900,990	53,677,467
Less Increase in share capital offsetting against dividend income	(3,234,321)	-	(3,234,321)	-
Dividend receivable	(972,580)	-	(972,580)	-
Dividends received from subsidiaries and associates	15,615,982	28,499,061	34,694,089	53,677,467

Non-cash transactions

As at 31 December 2008, the new subsidiary (as described in Note 12.3 (d)) has an outstanding balance of receivable of share-subscription of Baht 8.33 million.

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35 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationships between the Company and subsidiaries, associates and joint venture are described in Note 12.4.

The relationships between the Company and related parties that are transacted with are the following:

Company name	Relationship
Srithai Marketing Co., Ltd.	shares held by relatives of executives of the Company and some of them serve as directors
Siam Melamine Marketing Co., Ltd.	shares held by relatives of executives of the Company
Srithai Stainless Co., Ltd.	shares held by relatives of executives of the Company and some of them serve as directors
Firstpoint Air-Marine Service Co., Ltd.	shares held by executive of the Company and relatives of some executives and executive serves as director
Firstpoint Translogistics Co., Ltd.	shares held by executives of the Company and relatives of some executives and executive serves as director
D M S Tech Co., Ltd.	shares held by subsidiary and executive of the Company and executive serves as director
S. Sahatara (Thailand) Co., Ltd.	shares held by executive of the Company and relatives of some executives; some of them serve as directors
Toho Foam (Thailand) Co., Ltd.	shares held by executive of the Company and relative of some executives; some of them serve as directors

35.1 Group's policy regarding business transactions with related parties comprise the following:

a) Sales/Purchases of goods and services

The Company has made sales/purchases of goods and services to related parties in the normal course of business. The sales/purchases were transacted at prices close to those charged to third parties except for sales of goods to related parties which are the Company's distributors being charged at cost plus gross profit. Credit term for such related parties (distributors) are longer than normal credit terms of accounts receivable which are between 30 to 90 days.

Mould repair and injection work were transacted with related parties at cost plus gross profit.

b) Service income

Rental income was transacted with related parties at the rate in the rental agreement. The rental rate was based on area and relevant space utilisation.

Machinery and mould rental income was transacted with related parties at the rate in the rental agreement.

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35 Related party transactions (Cont'd)

35.1 Group's policy regarding business transactions with related parties comprise the following: (Cont'd)

c) Management fee income

During the year 31 December 2009, the Group received a management fee which was transacted with a joint venture at an agreed rate.

d) Sales of fixed assets

The Company has made sales of fixed assets to related parties. The selling price charge at book value plus profit. The credit term for such related parties is the normal credit term for accounts receivable, which is 60 days.

35.2 Individual with mutual interests

During the years ended 31 December 2009 and 2008, the Group has no significant transactions with shareholders, management and directors of the Group.

35.3 Outstanding balances arising from sales of goods and services

Trade accounts receivable from related parties as at 31 December comprises the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Subsidiaries	-	-	10,825,891	3,346,322
Associates	27,927,822	26,908,930	27,927,822	25,645,260
Joint venture	6,832,766	5,230,763	6,832,766	5,230,763
Other related parties	187,519,807	178,028,030	175,363,212	175,744,602
Total trade accounts receivable - related parties	222,280,395	210,167,723	220,949,691	209,966,947
<u>Less</u> Allowance for doubtful accounts	<u>(3,653,888)</u>	<u>(3,657,796)</u>	<u>(3,653,888)</u>	<u>(3,657,796)</u>
Total trade accounts receivable - related parties, net	<u>218,626,507</u>	<u>206,509,927</u>	<u>217,295,803</u>	<u>206,309,151</u>

Amounts due from related parties as at 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Subsidiaries	-	-	6,344,329	3,053,229
Associates - dividend receivable	972,580	-	972,580	-
- other receivable	346,465	353,123	346,465	353,123
Joint venture	106,207	109,404	106,207	109,404
Other related parties	32,460	129,002	32,460	129,002
Total amounts due from related parties	1,457,712	591,529	7,802,041	3,644,758
<u>Less</u> Allowance for doubtful accounts	<u>(338,628)</u>	<u>(338,628)</u>	<u>(338,628)</u>	<u>(338,628)</u>
Total amounts due from related parties, net	<u>1,119,084</u>	<u>252,901</u>	<u>7,463,413</u>	<u>3,306,130</u>

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35 Related party transactions (Cont'd)

35.4 Short-term loans, accrued interest income to related parties

As at 31 December 2009 and 2008, the Company has a short-term loan and accrued interest income to Srithai WBG Company Limited, an associate, amounting to Baht 0.94 million and Baht 0.10 million, respectively. Currently, the associate submitted a petition for insolvency to the Central Bankruptcy Court. Therefore, the Company recorded allowance for unrecoverable amount in full.

35.5 Investments in subsidiaries, associates and joint venture

Details of investments in subsidiaries, associates and joint venture are set out in Note 12.

35.6 Outstanding balances arising from purchases of goods and services

Trade accounts payable - related parties as at 31 December comprises the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Subsidiaries	-	-	7,999,946	8,914,597
Associates	126,933,184	123,806,715	125,673,164	123,806,715
Joint venture	68,711	44,505	68,711	44,505
Other related parties	10,425,464	8,572,221	9,148,480	8,305,748
Total trade accounts payable - related parties	<u>137,427,359</u>	<u>132,423,441</u>	<u>142,890,301</u>	<u>141,071,565</u>

Amounts due to related parties as at 31 December comprises the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Subsidiaries - other payable	-	-	1,954,676	382,686
- payable of long-term assets	-	-	1,273,246	1,516,693
Associates	163,603	813,842	163,603	813,842
Other related parties	544,771	1,132,508	544,771	1,132,508
Total amounts due to related parties	<u>708,374</u>	<u>1,946,350</u>	<u>3,936,296</u>	<u>3,845,729</u>

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35 Related party transactions (Cont'd)

35.7 Sales of goods and services

For the years ended 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
<u>Sales and hire of work</u>				
Sales				
Subsidiaries	-	-	29,741,759	25,900,932
Associates	50,898,234	89,568,541	50,874,234	81,201,541
Joint venture	35,961,463	39,879,315	35,961,463	39,636,214
Other related parties	434,505,968	492,708,682	397,765,215	454,838,153
Total sales and hire of work	521,365,665	622,156,538	514,342,671	601,576,840
<u>Other income</u>				
Service income				
Subsidiaries	-	-	3,117,449	1,104,126
Associates	643,606	433,573	643,606	433,573
Joint venture	591,675	616,896	591,675	616,896
Other related parties	1,450,282	1,664,003	1,436,037	1,664,003
Total	2,685,563	2,714,472	5,788,767	3,818,598
Interest income				
Associate	-	44,080	-	44,080
Management fee income				
Joint venture	1,000,000	1,000,000	1,000,000	1,000,000
Dividend income				
Subsidiaries	-	-	19,078,107	25,178,406
Associates	19,822,883	28,499,061	19,822,883	28,499,061
Total	19,822,883	28,499,061	38,900,990	53,677,467
Total other income	23,508,446	32,257,613	45,689,757	58,540,145
<u>Sales of fixed assets</u>				
Subsidiaries	-	-	4,791,338	7,294,045
Associates	4,000,000	-	4,000,000	-
Total sales of fixed assets	4,000,000	-	8,791,338	7,294,045

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35 Related party transactions (Cont'd)

35.8 Expenses

For the years ended 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Purchases of goods				
Subsidiaries	-	-	50,833,391	51,823,743
Associates	487,850,677	502,750,241	475,673,204	492,338,134
Joint venture	770,153	748,705	770,153	743,845
Other related parties	33,136,375	34,787,745	31,505,414	33,918,391
Total	<u>521,757,205</u>	<u>538,286,691</u>	<u>558,782,162</u>	<u>578,824,113</u>
Service expenses				
Subsidiaries	-	-	6,605,593	2,840,300
Associates	793,347	1,000,076	793,347	988,089
Other related parties	4,876,023	6,750,286	4,512,082	6,745,767
Total	<u>5,669,370</u>	<u>7,750,362</u>	<u>11,911,022</u>	<u>10,574,156</u>
Purchase of fixed assets				
Subsidiaries	-	-	10,274,468	13,493,494
Associates	-	1,667,582	-	67,142
Total	<u>-</u>	<u>1,667,582</u>	<u>10,274,468</u>	<u>13,560,636</u>

35.9 Directors and managements' remuneration

For the years ended 31 December comprise the following:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Directors' remuneration	1,650,000	1,625,000	1,650,000	1,625,000
Managements' remuneration	70,683,697	74,779,369	40,914,800	42,685,200
Total directors and managements' remuneration	<u>72,333,697</u>	<u>76,404,369</u>	<u>42,564,800</u>	<u>44,310,200</u>

36 Promotional privileges

The Company and its subsidiaries received promotional privileges from the Board of Investment and must comply with the conditions and restrictions provided for in the promotional certificates as follows:

Company	No. of BOI card	Date of approval	Period	Product	Significant privilege
Srithai Superware Public Company Limited	7027/2537	22 June 1994	8 years	melamine products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (3 April 1995) and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for five years from the end of the privilege period (expired on 2 April 2008)
	1083/2539	8 November 1995	8 years	melamine products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (3 October 1997) and the reduction of 50% from regular corporate income tax for five years from the end of the privilege period (expired on 2 October 2010)
	1158/2540	5 February 1997	8 years	melamine products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (1 January 1998) and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of five years from the end of the privilege period (expired on 31 December 2010)
	1764(4)/2548	13 July 2005	8 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (12 January 2007) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 11 January 2020)
	1339(2)/2550	4 April 2007	7 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of seven years totally not exceeding 100% of the investment which excluded land cost and working capital from the date income is first derived (7 December 2007) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 6 December 2019)
Subsidiary : Srithai Moulds Company Limited	1253/2542	27 April 1999	8 years	moulds production and repair	<ul style="list-style-type: none"> Exemption from corporate income tax for the promoted activities from the date income is first derived (1 October 2001 to 2009)
	1684(1)/2546	21 November 2003	8 years	moulds production and repair	<ul style="list-style-type: none"> Exemption from corporate income tax for the promoted activities from the date income is first derived (3 March 2005 to 2013)
Subsidiary : Srithai Nanoplast Company Limited	1838(2)/2547	5 October 2004	7 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of seven years totally not exceeding 100% of the investment which excluded land cost and working capital from the date income is first derived (1 April 2005) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 31 March 2017)

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36 Promotional privileges (Cont'd)

Srithai Superware Public Company Limited

Operating results from promoted and non-promoted activities for the years ended 31 December for the Company can be analysed as follows:

	Company (Million Baht)					
	2009			2008		
	Promoted activity	Non-promoted activity	Total	Promoted activity	Non-promoted activity	Total
Revenue						
Domestic sales	784	2,740	3,524	636	3,264	3,900
Export sales	171	1,098	1,269	53	971	1,024
Other	-	88	88	-	102	102
Total revenue	955	3,926	4,881	689	4,337	5,026

37 Post balance sheet event

Liquidation of an associate - S.K.I. Ceramics Company Limited

S.K.I. Ceramics Company Limited, an associate which the Company holds 42.0% of its shares, is engaged in the manufacturing and selling of ceramic products. It incurred continuous losses resulting in the Company facing financial and liquidity problems. In addition, the current economy and business limitations rendered it uncompetitive when compared with other manufactures, and unable to recover its business.

On 23 December 2009, the Board of Directors of the Company passed a resolution to dissolve the associate. The dissolution to be effective on 31 January 2010.

As at 31 December 2009, the associate's net liabilities exceeded its net assets. The Company recorded allowance for impairment of investments in the associate in the Company statements of income amounting to Baht 19.00 million (2008: Baht 5.50 million) and recorded share of loss amounting to Baht 13.5 million in consolidated financial statements which is equivalent to its remaining amount of investments using equity method of accounting.

On 7 January 2010, the Extraordinary Shareholders' meeting of S.K.I. Ceramics Company Limited approved its dissolution. The dissolution was registered with the Ministry of Commerce on 16 February 2010.