



CONTENTS

HIGHLIGHT OF CONSOLIDATED FINANCIAL STATEMENTS	2
MESSAGE BY THE CHAIRMAN	4
1. GENERAL INFORMATION	6
2. RISK FACTORS	15
3. NATURE OF BUSINESS	19
4. BUSINESS OPERATION BY BUSINESS LINE	24
5. CORE ASSETS	40
6. LEGAL DISPUTE	44
7. STRUCTURE OF CAPITAL	45
8. MANAGEMENT	47
9. INTERNAL CONTROL	85
10. RELATED-PARTY TRANSACTIONS	87
11. FINANCIAL POSITION AND BUSINESS PERFORMANCE	92
12. OTHER INFORMATION	107
Attachment no. 1 Details of Directors and Management Who Have Control over Companies in Srithai Superware Group	111
Attachment no. 2 Directors of Subsidiaries	112
Attachment no. 3 Report by the Board of Directors on its Responsibility to Financial Statements	113
Report of the Audit Committee	114
Auditor's Report and Financial Statements	Attached Sheet

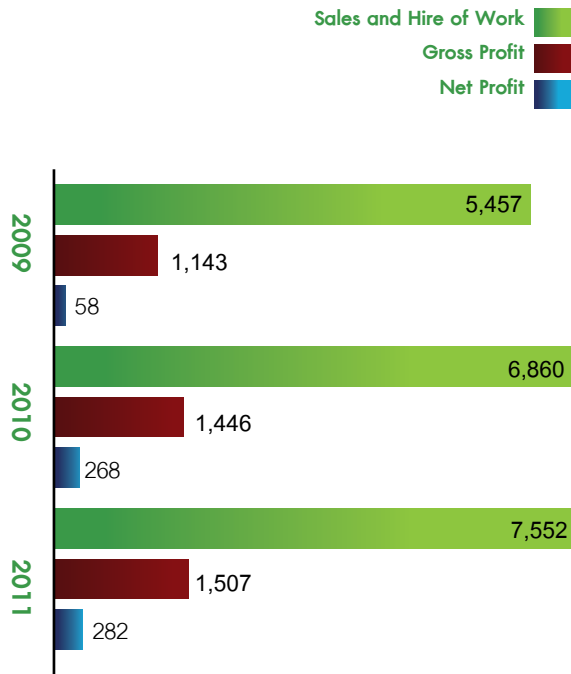
HIGHLIGHT OF CONSOLIDATED FINANCIAL STATEMENTS

Unit : Thousand Baht

	2011	2010	2009
Consolidated Statements of Fiancial Position			
Assets	8,085,351	7,848,265	7,720,503
Shareholders' equity	4,001,839	3,217,844	2,701,541
Shareholders' equity	4,083,512	4,630,421	5,018,962
Consolidated Income Statements of Comprehensive Income			
Sales and hire of work	7,552,237	6,859,757	5,456,581
Gross profit	1,506,904	1,446,323	1,142,844
Selling & Administrative expenses	(1,089,324)	(1,079,625)	(955,218)
Directors and management's remuneration	(103,101)	(89,800)	(72,334)
Other income (Other expenses)	240,207	107,503	22,406
Profit before finance costs and income tax	554,686	384,401	137,698
Net profit for the year (Owners of the parent)	282,008	267,967	57,764
Consolidated Statements Of Cash Flows			
Net cash receipt from operating activities	183,915	624,152	483,132
Net cash payments for investing activities	(905,213)	(799,453)	(748,842)
Net cash receipts from financing activities	563,766	283,139	254,121
Cash and cash equivalents, closing balance	221,942	386,480	279,417
Key Financial Ratios			
Current Ratio (times)	1.23	1.63	1.56
Account Receivable Turnover (days)	69.41	64.52	70.41
Inventory Turnover (days)	26.49	24.95	32.57
Account Payable Turnover (days)	55.07	61.23	61.55
Gross Profit Ratio to Sales (%)	19.95	21.08	20.94
Net Profit Ratio to Total Revenues (%)	3.69	3.87	1.05
Return on Total Assets (%)	3.54	3.44	0.76
Debt to Equity Ratio (time)	0.98	0.69	0.54

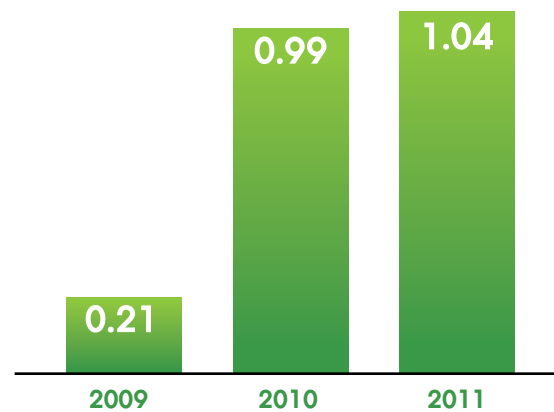
Operation Results

(Unit : Million Baht)



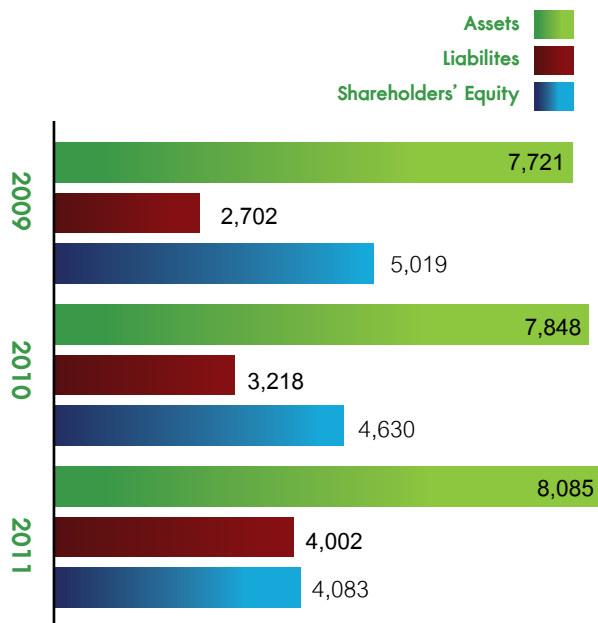
Earning per Share

(Unit : Baht)



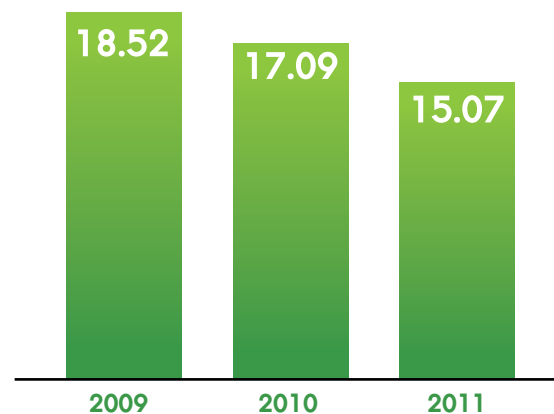
Assets, Liabilities and Shareholders' Equity

(Unit : Million Baht)



Book Value per Share

(Unit : Baht)



MESSAGE BY THE CHAIRMAN



In 2011, Thailand faced the most critical flooding it has experienced in the last 70 years. Thankfully, the Srithai Group of Companies did not suffer any direct damage due to the floods. However, the Thai economy suffered greatly and it had a strong adverse impact on certain sectors of our customers. In response to the crisis, Srithai in collaboration with government institutions and private groups, participated very actively in various flood relief efforts, from producing our own boats and mobile toilets for distribution to the flood victims to donating various important basic necessities to the victims. In the end, despite our challenges, I am indeed proud to report that Srithai achieved its sales target of nearly THB 6,700 million.

In the year 2012, the new government policy increasing the minimum wage, together with the fluctuating prices of raw material, will inevitably result in higher costs of production which will affect our competitive edge in the world market. There is also a prevailing economic crisis in the USA and Europe which will certainly impact our exports. However, Srithai has decided to set a continued sales growth projection.

Srithai has streamlined its business direction by focusing on applying new technology and innovation in the production process that will add value to our products while at the same time reducing costs, especially in terms of energy conservation and maximum usage of natural resources.

Enhancing the capabilities of our personnel at all levels remains a priority at Srithai. Our human resources are our most valuable resource, and we must constantly look for ways whereby they can further develop their expertise through further training. In collaboration with King Mongkut's University of Technology Thonburi, we will be providing our technicians with the opportunity to earn a Bachelor's Degree in Industrial Technology and Management.

In addition, Srithai plans to further support sales expansion by developing production capacity and plants and increasing the number of our distribution centers here and abroad.

Industrial Products

In order to remain competitive in the food and beverage packaging industry, we will be reviewing our products, all of our production processes and moulds. We shall continue to make the necessary changes when and where necessary.

Srithai has introduced a new labeling technology to the food packaging industry called "In-Mould Labeling" (IML). The label is shiny and looks metallic and is used for our 'ready-to-eat' food packaging line, from cups to popcorn buckets. Last year, we invested in machines for the production of packaging products for ready-to-eat frozen and chilled food available in convenience stores. This market segment keeps on growing both in domestic and export markets as per business plan of our customers.

A new innovative technique has been used in producing PET bottle closures which are the lightest in weight at a production rate that is fastest in the world. This new lightweight closure saves energy, raw materials and helps reduce pollution.

We are also planning to invest in machines for the production of closure and preform at our plant in the Socialist Republic of Vietnam ahead of the coming ASEAN Economic Community in 2015. The Company has also set up a new bottle blower company to produce blow-moulded bottles to meet the needs of our domestic customers.

Srithai will also be handing over the production of industrial and electrical parts to a subsidiary company. In so doing, the vacant production capacity will be used to produce other product groups, especially material handling products such as industrial crates and pallets etc., to support the expansion of the logistics industry in the country. Srithai's plastic pallets are strong, durable, safe and 100% recyclable. Srithai will also focus on developing bio-plastic based raw materials for production of various products in the future.

Melamine Household Products

The market for this product is expected to recover in 2012 from the serious impact of last year's flood crisis. Export markets are expected to expand as our melamine products (which are made of 100 % pure melamine) are continuing to be widely recognized for its excellent quality. Despite the serious impact of the minimum wage hike, Srithai plans to increase production capacity by acquiring new modern machines. Srithai is also developing automation in its production process in collaboration with Suranaree University of Technology in order to reduce waste and to increase productivity and efficiency. In addition, Korat Thai Tech Company Limited was also established last year to support our export markets.

The "Superware Manufacturing Model" will be the standard model to be used in melamine manufacturing operations in the future in our plants in the Republic of India and the Republic of the Union of Myanmar in addition to our existing plants in the Republic of Indonesia, the People's Republic of China and the Socialist Republic of Vietnam.

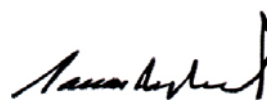
Network Marketing/Multi-level Marketing

SNatur is our direct-sales network offering high quality health and home consumer products and international standard food supplement. We have opened an SNatur Genomic Lab inside our sales office on Ratchadapisek road. The lab provides a fully integrated health check up with the most modern medical equipment in South-East Asia to assure an accurate diagnosis so that suitable food supplement products could be recommended.

Presently, SNatur has 15 distribution centers countrywide and agents in the Lao People's Democratic Republic, the Republic of the Union of Myanmar, the Republic of Indonesia and the Kingdom of Cambodia.

Successes of Srithai Group should be attributed to the continued support of our shareholders, the Board of Directors and stakeholders such as customers, trade partners, financial institutions, and all our personnel who have been striving very hard to overcome all the problems and obstacles.

In my capacity as Chairman of the Board, I wish to express my deepest gratitude to each and every one of you. I strongly believe that our Group of Companies will not only continue to succeed in 2012 but that it can even surpass some of our past achievements.



Mr. Sanan Angubolkul
Chairman of the Board

1. GENERAL INFORMATION

Company Name :	Srithai Superware Public Company Limited
Symbol :	SITHAI
Registration Number :	0107536001516
Nature of Business :	1) Manufacturing and distributing plastic industrial products and melamine household products 2) Trading business by sourcing of products locally and abroad
Registered and Paid up Capital :	THB 2,709,904,800 Comprising 270,990,480 common shares at par value THB 10
Location :	Head Office 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok 10140 Tel. : 66 2427 0088 Fax : 66 2428 9675 URL : www.srithaisuperware.com Factories producing plastic industrial products 1) Suksawat Factory 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok 10140 Tel. : 66 2427 0088 Fax : 66 2874 5010 2) Bangpoo Factory 610, Soi 8A, Bangpoo Industrial Estate, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan Province 10280 Tel. : 66 2324 0922-3 Fax : 66 2324 0924 3) Amata Nakorn Chonburi Factory 700/13 Moo 1, Amata Nakorn Industrial Estate, Tambon Klong Tamru, Amphoe Mueang, Chon Buri Province 20000 Tel. : 66 3821 3250 Fax : 66 3821 3234 Factory producing melamine household products Korat Factory 335, Moo 6, Suranaree Industrial Estate, Ratchasima–Chok Chai Road, Tambon Nongrawiang, Amphoe Mueang, Nakhon Ratchasima Province 30000 Tel. : 66 4421 2100 Fax : 66 4421 2036 Office of Network Marketing Business 9 Pakin Building, 1 st Floor, Room no. 109, Ratchadaphisek Road, Dindaeng, Bangkok 10400 Tel. : 66 2246 1111 Fax : 66 2246 1113 URL : www.snatur.com , www.facebook.com/SNaturlive
Accounting Period :	January 1 – December 31
Company Secretary :	Mr.Prin Bholnivas Srithai Superware Public Company Limited 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok 10140 Tel. : 66 2427 0088, 66 2874 5016 Fax : 66 2428 9675

Share Registrar :	Thailand Securities Depository Company Limited 62 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110 Tel. : 66 2229 2888 Fax : 66 2654 5427
Auditor :	Mr. Vichien Khingmontri Certified Public Accountant (Thailand) No. 3977 PricewaterhouseCoopers ABAS Limited 15 th 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 :	Thanachart Bank Public Company Limited Head Office 1101 New Petchburi Road, Makkasan, Rajthevi, Bangkok 10400 Tel : 66 2208 5000 Fax : 66 2253 5704

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

Subsidiary Companies

- Company Name** : Korat Thai Tech Company Limited ⁽¹⁾

Location : 325-328 Suranaree Industrial Estate Moo 6, Ratchasima–Chok Chai Road,
Tambon Nongrawiang, Amphoe Mueang, Nakhon Ratchasima Province

Type of Business : Manufacturing and distributing melamine household products

Telephone : 0 4421 8766-8 **Fax** : 0 4421 8769

Number of Shares Issued and Paid up : 3,000,000 shares, paid-up per share: Baht 10

Paid-up Capital : Baht 30,000,000

Structure of Shareholders	Shares	%
Srithai Superware Public Company Limited	2,999,997	100.0
Management, 3 persons	3	0.0
Relatives of some Management	0	0.0
Other	0	0.0
Total	3,000,000	100.0

(1) Registered on March 3, 2011 with the Ministry of Commerce

- Company Name** : P.E.T. Blow Company Limited ⁽²⁾

Location : 15 Soi Suksawat 36, Suksawat Rd., Bangpakok, Rasburana, Bangkok

Type of Business : Blow moulding for beverage packaging and/or other packaging

Telephone : 0 2427 0088 **Fax** : 0 2428 9268

Number of Shares Issued and Paid up : 2,000,000 shares, paid-up per share: Baht 2.50

Paid-up Capital : Baht 5,000,000

Structure of Shareholders	Shares	%
Srithai Superware Public Company Limited	1,999,997	100.0
Management, 3 persons	2	0.0
Relatives of some Management	0	0.0
Other	1	0.0
Total	2,000,000	100.0

(2) Registered increase of capital on November 2, 2011 with the Ministry of Commerce from THB 5 Million to THB 20 million.

3. **Company Name** : **Srithai (Vietnam) Company Limited** ⁽³⁾
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 melamine household products
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	100.0
Management	0.0
Relatives of some Management	0.0
Other	0.0
Total	100.0

(3) The Company purchased 4.16% of shares in Srithai (Vietnam) Company Limited from an existing shareholder in the year 2011, resulting total holding of the Company in Srithai (Vietnam) Company Limited being increased from 95.84% to 100%

4. **Company Name** : **Srithai Superware India Limited** ⁽⁴⁾
Location : 507 Udyog Vihar, Phase-V, Gurgaon-122001, Haryana, Republic of India
Type of Business : Trading melamine household products
Telephone : 91 124 411 0404 **Fax** : 91 124 411 0505
Number of Shares Issued and Paid up : 4,250,000 shares, paid-up per share : Rupee 10
Paid-up Capital : Rupee 42,500,000

Structure of Shareholders	Shares	%
Srithai Superware Public Company Limited	3,499,996	82.4
Management, 3 persons	4	0.0
Relatives of some Management	0	0.0
Other	750,000	17.6
Total	4,250,000	100.0

(4) In the year 2011, the Board of Directors resolved approval on increase of shareholding in Srithai Superware India Limited due to two existing shareholders refusing to pay up capital proportionate to their then holding of 30%. As a result, shareholding ratio of the Company increased from 70% to 85%. However, the Company has not yet paid up cost of shares valued Rupee 7.5 million as per the Board's resolution. Consequently, the current shareholding ratio of the Company based on paid - up capital is 82.4%

5. **Company Name** : **Srithai Moulds Company Limited**
Location : 55/1, 55/6 Moo 1, Nong-Samsak, Amphoe Ban Bueng, Chon Buri Province
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, 5 persons	188,060	18.8
Relatives of some Management, 3 persons	102,000	10.2
Other	120	0.0
Total	1,000,000	100.0

6. **Company Name** : **Srithai Nanoplast Company Limited**
Location : 42 Moo 4, Tambon Bualoy, Amphoe Nhong Kae, Saraburi Province
Type of Business : Manufacturing and distributing plastic industrial 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 persons	2	0.0
Relatives of some Management, 2 persons	600,000	15.0
Other	600,001	15.0
Total	4,000,000	100.0

7. **Company Name** : **Srithai Miyagawa Company Limited**
Location : 539 Moo 4, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan Province
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 persons	4	0.0
Relatives of some Management, 1 persons	1	0.0
Other	588,001	49.0
Total	1,200,000	100.0

Associated Companies

1. **Company Name** : **Srithai Sanko Company Limited**
Location : 15 Soi Suksawat 36, Suksawat Rd., Bangpakok, Rasburana, Bangkok
Type of Business : Trading plastic industrial products
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 persons	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 : Manufacturing and distributing 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** : **Sheewamala Company Limited ⁽⁵⁾**
Location : 1/132 Moo 2, Tambon Ta-sai, Amphoe Muang, Samut Sakorn Province
Type of Business : Providing services of hard-chroming, polishing and etching of moulds and manufacturing and distributing plastic product and melamine household 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	0	0.0
Relatives of some Management	0	0.0
Other	360,000	60.0
Total	600,000	100.0

(5) In the year 2011, Sheewamala Company Limited (formerly known as Srithai Shin-Osaka Company Limited) had its structure of shareholding changed by change of other shareholders. The shareholding ratio at 40% of the Company remains unchanged. Moreover, the Company had scaled down proportion of its nominated directors in this company proportionate to its shareholding ratio. As a result, the Company's investment in Sheewamala Company Limited was reclassified from a subsidiary to an associate.

4. **Company Name** : **Beijing Huatai Replica of Porcelain Products Company Limited**
Location : Xi Guan Street No.104, Tongxian, Beijing, People's Republic of China
Type of Business : Manufacturing and distributing melamine household products
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

5. **Company Name** : **Srithai Packaging Company Limited**
Location : 30/27 Moo 2, Tambon Khok Kham, Amphoe Muang Samut Sakhon, Samut Sakhon Province
Type of Business : Manufacturing and distributing 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, 1 person	29,400	4.9
Relatives of some Management, 3 persons	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, Republic of Indonesia
Type of Business : Manufacturing 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

Joint Venture Company

- Company Name** : Srithai-Otto (Thailand) Company Limited
Location : 15 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 persons	2	0.0
Relatives of some Management, 1 person	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 Province
Type of Business : Manufacturing and exporting telephone sets
Telephone : 0 3857 3061-3 **Fax** : 0 3857 3069
Number of Shares Issued and Paid up : 76,000 shares, paid-up per share : Baht 1,000

Structure of Shareholders	Shares	%
Srithai Superware Public Company Limited	15,194	20.0
Management, 2 persons	4	0.0
Relatives of some Management, 1 person	2	0.0
Other	60,800	80.0
Total	76,000	100.0

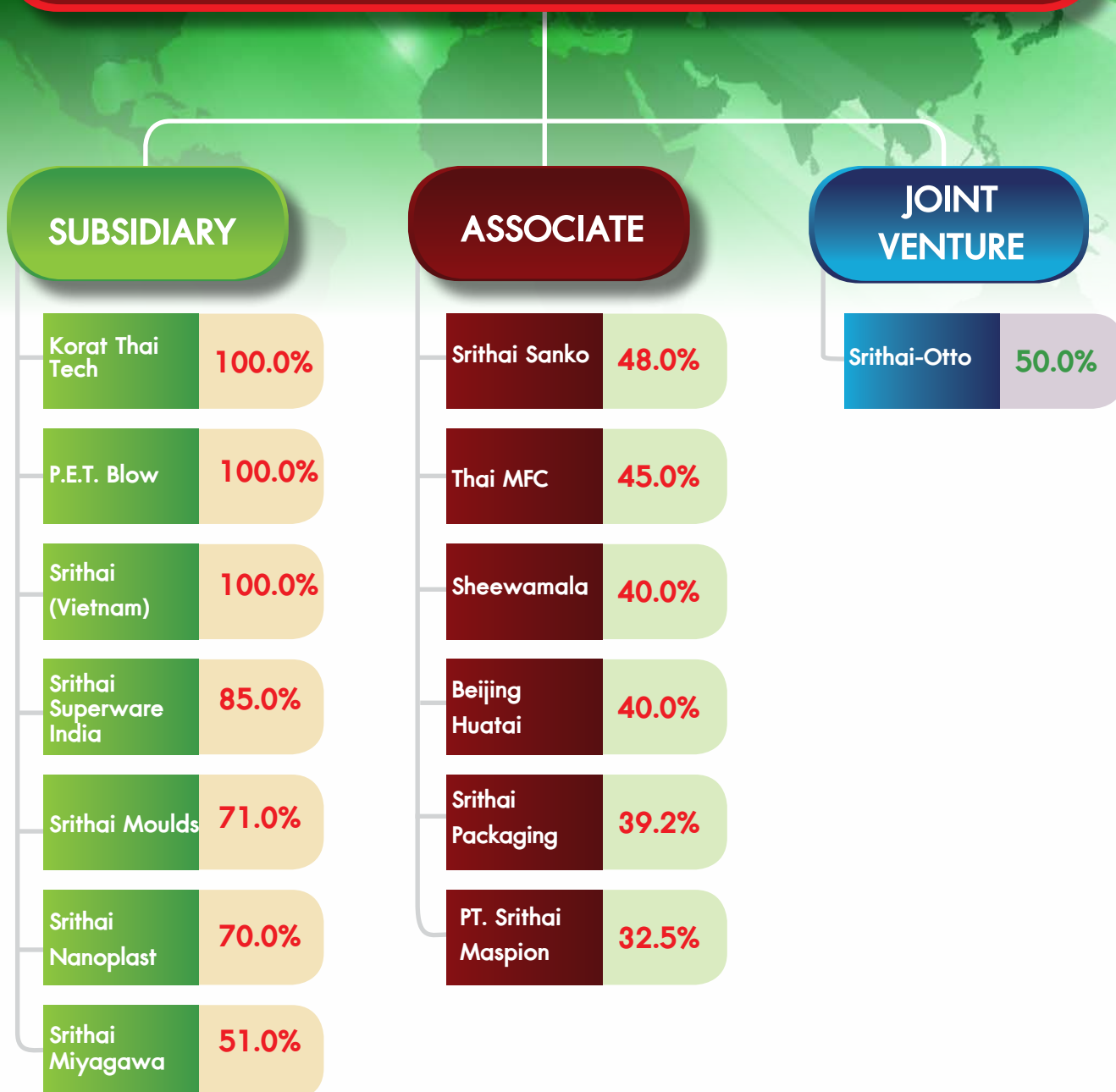
Shareholding Structure of Srithai Superware Group Classified by Business Line

Srithai Superware Public Company Limited



Shareholding Structure of Srithai Superware Group Classified by Status of Investment

Srithai Superware Public Company Limited



2. RISK FACTORS

2.1 Marketing Risk

Export markets for the melamine household products had experienced a high level of competition especially from foreign competitors. Eventhough the overall quality of products from abroad is lower than those of the Company, some entrepreneurs are also improving their production capability and offering products of almost the same grade of melamine as those offered by the Company or simply copying our products but at low quality and low prices. Moreover, minimum wage policy of Thai government to pay wage at least THB 300 per day in 2012 will expose us to more competition and dampen our price competitiveness because our industry is labor intensive. Hence, we may lose our market share in markets that give no concern to quality. The Company had mapped out plan to mitigate this risk as follow:-

- 1 Find out cheaper sources of raw materials at reasonable prices for production of quality melamine products as per standard set up by each country, and collaborate on development of raw materials with its producers to get raw materials that are suitable with our production technology and new innovations applied to our products;
- 2 Improve production efficiency by investing in modern technology, and improve production process to reduce cost of melamine products;
- 3 Introduce Total Productive Maintenance (TPM) to improve efficiency at work and streamline quality control with participation of personnel in all units;
- 4 Focus on energy conservation to slash this expense, and persuade participation and realization of all personnel on the need for energy conservation so as to get their cooperation;
- 5 Train production staffs to enhance their skill in production work and to implant their realization of the need to produce only quality products;
- 6 Expand export markets to include member countries of Free Trade Agreement who impose low customs duty, possesses high purchasing power and give concern for quality;
- 7 Develop and increase variety of product and its shape and make it to orders of customers who may design shape, standard and application of products;
- 8 Establish a market base in Vietnam - a country of continued potential growth in term of economy and number of population, and distribute products through wholesaling, retailing via Hypermarket and Modern Trade, and direct selling to institutions such as hotels, restaurants, food shops, etc, with comparative advantages on low wages and abundant labor forces providing 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;
- 9 Establish a firm market base in India by appointing sales distributors, with a policy to set up a production base in India to serve market expansion and to satisfy demand from South Asian countries and Middle-East countries;
- 10 Launch marketing and sales promotion activities to build up brand awareness continually;
- 11 Make public relations to promote product knowledge and create consumers awareness of the danger of using low quality melamine products made of toxic ingredient;
- 12 Develop and improve product for environmental friendliness.

In domestic market, some competitors in this same business import cheaper products to sell locally. The Company has managed that risk by diversifying its sales distribution channels via direct sales networks, 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 where prices of factors of production of raw materials and raw materials are 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. Consequently, 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:-

- 1 Consistently seek for additional qualified and standardized raw material from local and overseas sources to procure sufficient raw material sources and to be alternative sources for material prices comparison from various suppliers or producers prior to the placing of orders to find the best trade term;
- 2 Examine and monitor quality of raw materials as per predetermined standard regularly by random sampling check of raw material by a private company or any governmental entity who provides quality testing services;
- 3 Monitor price trend of raw materials with suppliers and producers, from both domestic and overseas suppliers, and price trend of crude oil and petrochemical products as well;
- 4 Buy raw material now to support production for a certain period of time if price tends to rise in the future so that goods can be produced and delivered to customers as agreed, or place order more frequently in case of price volatility;
- 5 Import raw materials in case that price in offshore market is lower than that of domestic market;
- 6 Implement Supply Chain Management to jointly determine appropriate size of orders with the customers and to coordinate with the raw material producers to improve efficiency and effectiveness of delivery of raw materials and the Company's production.

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:-

- 1 The Company holds 45% of common shares in Thai MFC Company Limited 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 Company Limited 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 in the future.
- 2 The Company has good relationship with other melamine powder producers who had been our trading partners for a long time. As a result, the Company could procure the raw materials at reasonable prices.
- 3 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.

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 Labor Risks

The improvement of the economy of the World and Thailand and growth of many industries had helped skill laborers in Thailand to have more choices in their occupations, leading to the shortage of skilled labor. This trend is expected to increase every year. The Company's melamine products production process depends mainly on skilled labor at a large number to serve rising orders from customers. The Company has realized the problem of the skilled labor shortage and has prepared measures reduce the impact on the Company's business expansion as follows:-

- 1 Efficient management of production plan to reduce unnecessary working procedures and develop Lean Manufacturing Technique in the work process inside the plant;
- 2 Establishment of a training center to provide production training to workers prior to actual production so as to increase their efficiency;
- 3 Import of foreign labors legally for certain production process;
- 4 Development of automatic machines or semi-automatic machines to reduce dependence on labors;
- 5 Expand production base to countries, of good potential in production, which are not facing labor shortage problem, and level of wage is reasonable.

2.5 Risks of Competition of Direct Sales Business

At present, the direct sales business in Thailand has a high market value with continued growth. There are many competitors whose number tends to increase. The competitors consist of local direct sales business and international business network which may halt growth of the Company's business network and may lose its market share. The Company has planned to handle the risk as follows:-

- 1 Have efficient plan on procurement of goods, so as to increase bargaining power in terms of cost with the material suppliers, especially top sales items or fast moving products which helps decrease the cost of finished products;
- 2 Adopt brand awareness strategy to reinforce customers base and brand loyalty;
- 3 Focus on creating new innovation in terms of working system and products for business differentiation and to be the leader of innovation in the network marketing business;
- 4 Select products by taking into consideration qualification of product distributors in domestic market and abroad, based on the Good Supplier Selection Program which mainly considers distributors' marketing support, product delivery and distribution, and support on trainers/training courses, etc. which can help reduce amount of deadstock and enable just-in-time delivery system.
- 5 Expand product ranges for more variety of products or launch new products demanded by consumers and SNatur networkers, and assure availability of market for the product to mitigate risk on launching new products;
- 6 Expand distribution channels to neighboring countries such as Myanmar, Laos, Cambodia and Indonesia, etc. in order to reduce risks of the local market, increase business opportunity and serve need of members who want to expand market coverage;
- 7 Make available payment windows via counter service of convenience stores who have many branches scattered around the country for sake of convenience of SNatur networkers.

2.6 Financial Risk

2.6.1 Risk of Breaching Financial Covenants

The Company has to comply with financial covenants, as required by the Loan Agreements signed between the Company and creditor banks. The Agreements are 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.

2.6.2 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, cost and cash flow accurately.

Risk Counter-Measures:

The Company's most of the revenue from export is denominated in the US Dollar currency which was 60% of the export revenue in 2011. The revenue from the US Dollar currency will increase with the expansion of export. However, the Company's most of the import is denominated in the US Dollar currency but the expenditure depends mainly on investment in assets each year. With most of the revenue and expenditure denominated in the US Dollar, the Company has reduced foreign exchange risk by netting off cash inflow and cash outflow in foreign currency using a natural hedge together with entering into currency forward contracts depending on the situation to prevent the risk of the fluctuation of the foreign exchange. In so doing, it will help the Company to fix income, cost of products and cash flow, as well as to adopt appropriate strategies for the Company. In addition, negotiation and quotation of goods prices denominated in currencies other than US Dollars is adopted for diversification of foreign exchange risk and lessening of impact on dependence on any particular currency.

2.6.3 Interest Rate Risk

The Company's long-term loans, borrowed from 4 local commercial banks, consisted of :-

- 1 Long-term loans under energy conservation project. The long-term loans carry fixed interest charge throughout the loan duration since it is the low-cost loan supported by the government for energy conservation.
- 2 Long-term loans to finance investments as per business expansion plan each year. Its interest rates float on MLR for the loan duration.
- 3 The long term loan for refurbishment of Amata Nakorn Chonburi with fixed interest rate for the loan duration.

Apart from the aforementioned long-term loans, revolving credit facilities carry floating interest rate. The Company has exposure to risk of fluctuation of interest rates that float with MLR or MOR.

Risk Counter-Measures:

The Company received the special long-term loan with fixed interest rate, representing 30% of the total long-term loan as of December 31, 2011. This would help scale down the Company's rising financial cost during the increasing interest rate situation. The Company implemented risk counter-measures for managing interest rate risk as follow:-

- Draw up investment plans in advance so that the Company has sufficient time to find source of borrowings with appropriate interest rates;

- Prepay principal amount as deemed appropriate. In case of excess liquidity, prepayment is advisable without incurring extra expense and not breaching financial covenants;
- Monitor movement of interest rates and other factors that may effect change in interest rates for purpose of following its trend and consider appropriate interest rates when more long-term loan is needed;
- Use financial tool to mitigate risk on fluctuation of interest rates and ascertain finance cost for the Company.

For working capital credit facilities, the Company's overdraft lines were based on floating interest rate. 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 received additional revolving credit lines from local commercial bank in 2011 which would increase more options on sources of short-term loan with appropriate finance cost for the Company.

2.6.4 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 up criteria for customer credit rating. By trying to find out more information about customers and analyzing credit worthiness before granting credit to them, level of 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, our past experience in collection of accounts receivable and credit control & approval processes. Management believes that no additional provision beyond the amounts provided as allowance for doubtful accounts was necessary in 2011, and there was no significant change as compared with that of last year.

Furthermore, payment terms of new export customers are required to open letters of credit or make partial or full payment before shipment in case of new customers or those whose financial standing is still in doubt.

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. 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 which were later fully redeemed. 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.

In 2005, the Board of Directors unanimously appointed Mr. Sanan Angubolkul as Chairman and President of the Company replacing Mr. Sumit Lertsumitkul, the late Chairman who passed away.

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.

In 2008 the Company decreased its registered and paid-up capital from Baht 2,857 million to Baht 2,709.9 million by writing off repurchased common shares which were not disposed of in 3 years from date of repurchase according to share repurchase scheme for financial management in line with legal requirement.

Regarding development of Plastic Business Line, both industrial products and household products, the Company has focused on investments in technology and new machines, and search for and develop new innovations in order to enhance competitiveness and sustainable growth of business. The Company has entered food & beverage industry. The Company is not merely a supplier of bottlers of water and carbonated soft drink because our technology and products have attributed to cost reduction of our customers due to lesser consumption of raw materials. Besides, it helps conserve environment as well.

The Company has expanded into SNatur network marketing business. Wide range of quality products which are necessities in daily lives are distributed by direct sales forces under Multi-level Marketing System with SNatur brand. Its business objectives are to boost up revenue of Trading Business Line as well as to be another choice to consumers who care their lifestyles and health while moving forward to this prominent network marketing business that incentivise independent business owners and members who are ready to build up networks with ample chances to earn more income. Presently, SNatur network marketing business could expand member-base and customers. The products are exported to neighboring countries such as Myanmar and Laos. It has high potential to grow further.

3.2 Business Overview 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, 2011					
	Plastics Business				Trading and Moulds Business	Total
	Household Products		Industrial Products			
	Domestic Productions	Overseas Productions	Domestic Productions	Overseas Productions		
Sales and hire of work	2,268,429	53,783	4,409,970	209,197	890,060	7,831,439
Revenues from subsidiaries	(172,430)	(5,900)	(20,685)	(2,384)	(77,803)	(279,202)
Total Sales and hire of work	2,095,999	47,883	4,389,285	206,813	812,257	7,552,237

Remark Additional information classified by business lines and geographic segments was disclosed in notes to financial statements for the year ended December 31, 2011, page 24-25

3.4 Structure of Total Sales of Srithai Superware Group

Unit of Total Sales : Million Baht	2011 Sales (%)		2011		2010		2009	
	Domestic	Export	Sales	%	Sales	%	Sales	%
Plastics Business								
Srithai Superware Public Company Limited	72	28	6,173	66.3	5,459	66.5	4,515	69.3
Korat Thai Tech Company Limited ⁽¹⁾	100	-	98	1.1	0	0.0	0	0.0
Srithai (Vietnam) Company Limited (Sales in Vietnam)	77	23	263	2.8	249	3.0	216	3.3
Srithai Nanoplast Company Limited	100	-	18	0.2	16	0.2	6	0.1
Srithai Miyagawa Company Limited	87	13	483	5.2	642	7.8	282	4.3
Thai MFC Company Limited	13	87	721	7.7	683	8.3	636	9.8
Sheewamala Company Limited ⁽²⁾	87	13	70	0.8	14	0.2	2	0.0
Beijing Huatai Replica of Porcelain Products Company Limited (Sales in China)	100	-	128	1.4	138	1.7	76	1.2
PT. Srithai Maspion Indonesia (Sales in Indonesia)	99	1	112	1.2	93	1.1	94	1.4
Total Plastics Business	69	31	8,066	86.7	7,294	88.8	5,827	89.4
Trading Business								
Srithai Superware Public Company Limited	90	10	358	3.8	179	2.2	133	2.0
Srithai Superware India Limited (Sales in India)	100	-	38	0.4	20	0.2	0	0.0
Srithai-Otto (Thailand) Company Limited	100	-	33	0.4	128	1.6	56	0.9
Srithai Sanko Company Limited	100	-	289	3.1	187	2.3	65	1.0
Total Trading Business	95	5	718	7.7	514	6.3	254	3.9

Unit of Total Sales : Million Baht	2011 Sales (%)		2011		2010		2009	
	Domestic	Export	Sales	%	Sales	%	Sales	%
Other Business								
- Mould-Making								
Srithai Superware Public Company Limited	80	20	74	0.8	33	0.4	48	0.7
Srithai Moulds Company Limited	100	-	123	1.3	82	1.0	78	1.2
Srithai Miyagawa Company Limited	100	-	108	1.2	86	1.0	93	1.4
Sheewamala Company Limited ⁽²⁾	100	-	2	0.0	4	0.1	5	0.1
Total Mould-Making	95	5	307	3.3	205	2.5	224	3.4
- Others								
Srithai Superware Public Company Limited	100	-	89	0.9	40	0.5	97	1.5
Srithai Packaging Company Limited	100	-	129	1.4	159	1.9	116	1.8
Total Others	100	-	218	2.3	199	2.4	213	3.3
Grand Total	73	27	9,309	100.0	8,212	100.0	6,518	100.0

(1) Korat Thai Tech Company Limited, a newly established subsidiary, started to operate and earn income in 2011.

(2) Sheewamala Company Limited (formerly known as Srithai Shin-Osaka Company Limited) had registered its new name with the Ministry of Commerce in 2011.

Remarks :

1. Structure of Total Sales of Srithai Superware Group shown comparatively for 3 years during 2009-2011 was derived from financial statements of respective company without eliminating inter-company transactions.
2. Exchange rates used in the translation of currencies for foreign associates were shown below:-

Exchange rate : 1 Baht	2011		2010		2009	
Srithai (Vietnam) Company Limited	666.667	VND	666.667	VND	555.556	VND
Beijing Huatai Replica of Porcelain Products Company Limited	0.202	RMB	0.223	RMB	0.206	RMB
PT. Srithai Maspion Indonesia	303.831	IDR	317.188	IDR	294.403	IDR
Srithai Superware India Limited	1.867	INR	1.602	INR	-	

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 executives and all staffs could share a common understanding and coordinate 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 in 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 at 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 December 24, 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 Plastics 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 Plastics 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 Packaging

Plastic package for containing food and beverage, produced with thin-wall injection technology, categorized as follow:-

- Packaging of beautiful design, produced with In-Mould Labeling technology.



- Packaging with decoration printed by offset technology.



- Packaging for chilled and frozen food, and tamper- evident packaging.



Beverage Packaging such as screw cap and preform of soft drink bottle and PET bottle.



Super Jewel Box DVD and CD containers that could prevent copying of a license-protection product.



Premium Products Products for distribution at no charge for promotional campaign of brand-owners or retail stores. Products are mostly designed by brand owners and printed with their brands.

Other Products

Accessories, decorations, and appliances etc.



(b) Marketing and Competition

Description of Customer

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

Pallets, bottle crates, pails, garbage bins and container crates End-users such as manufacturing plants.

Food packaging products Ready-to-serve food factories, cinema house launching marketing campaign, and convenient stores.

Beverage packaging products Beverage bottlers.

CD and DVD boxes Producers of movies or songs. The Company acts as the manufacturer and distributor in Asian region for a customer in The Netherlands.

Premium product Brand-owners and retailers for their promotional campaigns.

Accessories, decorations, and appliances 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

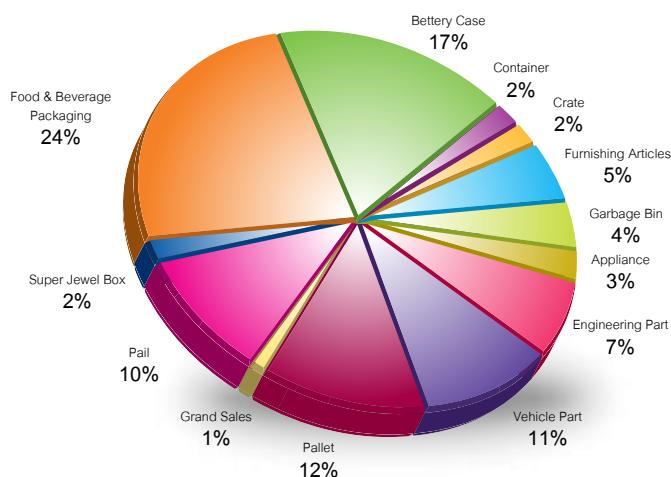
Emphasis is put on high quality products, to differentiate it from products of competitors by using modern technology. Goods are value added by introduction of innovation. Focus is on wide variety of products and completes integration of services. This is due to the fact that certain subsidiaries can produce moulds and produce blow-moulded beverage packaging products for customers. In addition, research & development could be carried out in collaboration with customers to assure that products could fulfill need of customers and/or decrease expenses for customers. Patent protection also help support competitive strategy for the Company.

Distribution Channel

Plastic products are distributed through the following

Export Sales: 18%

Domestic Sales: 82%



Domestic distributors are Srithai Marketing Company Limited, Siam Melamine Marketing Company Limited, Tanasiri Industries Company Limited and S. Sirithai Trading Company Limited. Those companies have long been our trade partners. Other distributors who are related companies are Srithai-Otto (Thailand) Company Limited and Srithai Sanko Company Limited.

(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 quality 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 industrial parts which requires high quality and timeliness of delivery.

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 three modern factories producing industrial products with total production capacity as high as 58,000 tons per annum. The Company has expertise in producing plastic precision parts such as industrial, vehicle parts and food & beverage packaging, 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.

The Company is restless in developing goods to differentiate it and to add value to it. After entering food & beverage packaging industry, the Company has invested in new technology, searched for and developed new innovation, and successfully enhanced beauty and value-added to food packaging products by application of shiny label that looks metallic imprinted with In-Mould Labeling technology. The Company has better expertise over its competitors because we are the first who has introduced IML technology to Thailand for commercial purpose. In addition, the Company can produce lighter closure model 29/25 for water bottles to replace closure

model 30/25. This is new product development in addition to being manufacturer and distributor of closure model 1881 and preform of 42.7 grams which is the lightest in weight. We are the first producer in South-East Asia and one of a few manufacturers in the world who produces light-weight closures at the fastest speed. In consideration of those facts, the Company is confident in its competitiveness and growth potential of its plastic industrial products 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. With our modern technology and production capacity, including product variety, the Company is confident that it is a leader in manufacture and distribution of plastic industrial products in Thailand. It has gained recognition among customers who have confidence in the quality of our products. The Company has gained sizable market shares in products of expertise, e.g. battery case, industrial parts, material handling products and/or opportunities to capture more market shares in the future for its new product lines of competitive potential and market acceptance.

(d) Sourcing of Products or Services

The Company has three plants producing industrial parts, i.e. Suksawat plant, Bangpoo plant and Amata Nakorn plant in Chonburi. The plants are producing different products as follow:-

Suksawat Plant

producing food packaging products



Bangpoo Plant

producing battery cases.



Amata Nakorn Plant 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, battery cases, electrical parts and automotive parts.



Important raw materials are various types of plastic resin which are mainly 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.

Eventhough our production process does not have any impact on environment, the Company still attaches more importance to environmental conservation. The Company has focused continually on the guideline of 3-save : Save Material, Save Energy, Save the World since 2008. This guideline is to give more attention on reduction of material consumption, energy consumption, emission of carbon dioxide in the production process; so as to participate in reduction of pollution and addressing the issue of global warning. In addition, collaboration of research and development with producers of raw materials is another approach to promote environmental friendliness of our products in the future.

(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 such as dish, bowl, rice bowl, ladle, spoon, cup etc.



(b) Marketing and Competition

Description of Customers

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

Credit Term

- 1) Direct sales are mostly made in cash.
- 2) Domestic distributors and foreign distributors receive a credit-term of 30-150 days.
- 3) Export customers buy in cash or receive a credit-term of 30-60 days.
- 4) Sales in grand sales event are in cash.

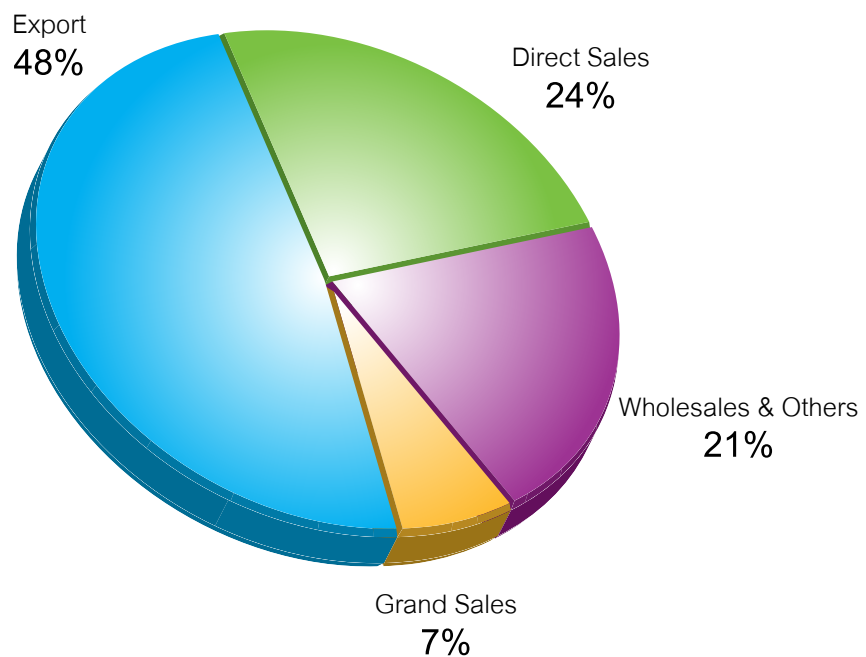
Competitive Strategy

Emphasis is made on high quality product with beautiful decoration, colorful design product shapes suitable for wide applications

Distribution Channel

Household products have the following distribution channels:

Export Sales:	48%
Domestic Sales:	52%



Distributors in Thailand are Siam Melamine Marketing Company Limited and Srithai Marketing Company Limited, who 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 °C is suitable for producing food container because it is safe for consumer. There are only a few producers of this product in the country. Melamine products of the Company become popular in the markets both domestic and abroad due to its durability, beautiful and colorful decoration, and high quality raw material made of 100% melamine powder being used in the production. Hence, quality and safety to consumers can be assured. 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 a producer of 100% pure 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. In addition, the Company has expanded its production base and market coverage for household products into Vietnam. Market coverage in India is penetrated via many distributors.

In 2011, the Company signed an MOU with Truyst Import who is designer and distributor of melamine products for HORECA (Hotel, Restaurant and Catering) market segment. Truyst Import is the largest player in this segment in the Netherlands. Under the MOU, the co-branding 'Truyst Import by Srithai Superware' will be launched to world markets. The cooperation will enhance strength and recognition of the brands of both parties in the world markets.



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

"Ektra" products are made of plastic or melamine. It is designed to look modern and suitable for 2 main groups of customers, i.e.

1. Metro Living Customers. The products are contemporary with new design, suitable for conditions of daily lives of metropolitan living. It is an expansion of customers to a new higher income group.
2. HORECA Customers (Hotel, Restaurant and Catering). Modern Catering products suitable for modern-look dining table are distributed to this group.



Ektra products are popular among customers. Sales volume keeps on growing at a satisfactory rate. The Company distributes this product via direct sales system, department stores, and leading retail outlets, including exporting it abroad.

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 13,500 tons per annum, bigger than those of competitors many times.

(d) Sourcing of Products or Services



The Company produces its household products made of melamine at the plant in Nakorn Rachasrima province, in Suranaree Industrial Estate. Production is focused on made-to-order products as per purchase orders from overseas customers, and to satisfy demand for certain popular designs in the domestic market. Major raw material is melamine powder, almost all purchased from domestic producers. These producers have maintained good relationship with the Company. There are no problems on quality or shortage of raw material, and production process causes no environmental impact.

The Company buys melamine powder from Thai MFC Company Limited about 60% of total purchase of melamine powder in 2011. Due to being an affiliated company, purchase price is reasonable and quality is upto international standard. There is no problem of raw material shortage.

(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.

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 them at reasonable prices. Detail is as shown below:-

(a) Description of Product or Service

Products categorized under trading business line comprise:-

1) Products distributed via SNatur network can be grouped as follow:-

• Health Care Product Group



• Beauty Care Product Group



• Personal Care Product Group



- Family & Home Care Product Group



- 2) Trading Product Group can be categorised by source of production as follow:-

Domestic Products	Bedding, food cooking ware, etc.
Imported Products	Lock & Lock food preservation boxes imported from South Korea with special locking system. Tables, chairs, and sun loungers under brand names “Evolutif” and “Kettal” from France and Spain.



- (b) Marketing and Competition

Description of Customer	End users and HORECA businesses consisting of Hotel, Restaurant, and Catering businesses.
Credit Term	<ol style="list-style-type: none"> 1) For distributors, credit-terms of 90-150 days are granted. 2) For direct sales under Single Level Marketing, sales are mostly in cash. 3) For SNatur networking under Multi-level Marketing sales are made in cash. 4) For grand sales event, sales are made in cash.

Competitive Strategy

Focus is made on offering diversified innovative products and quality products which are safe and popular in both local and foreign markets and yet available at affordable prices. The Company focuses on selling full range of products or product groups that can be offered to the same target customers. This is not to do without sales promotion and membership expansion 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.

Distribution Channel

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

Export Sales : 10%

Domestic Sales : 90%

(c) Competitive Environment

Products distributed by the Company are widely diversified, especially SNatur products distributed via network marketing system. Expansion of membership base due to participations of new members has resulted in wider market coverage. Revenue of the Company was then higher in 2011.

Focus was made on quality and safety of products and its fulfillment of contemporary trend of demand in the markets. Also interested are the products of daily life or innovative products differentiated from others. In the year 2012, the Company will launch two new product groups, i.e. innovative products and agriculture-related products. New products introduced under these two groups are Body Adjustment Suit and innovative plant food respectively. Moreover, the Company has launched marketing activities based on thought of proactive health-care called “knowing before being sick, preventing all diseases”, and the Company has opened an SNatur Genomic Lab which is an integrated health check up center on purpose of being a center of health care for consumers and networkers.

With financial strength that can support network marketing business, wide recognition in society and business world, and efficient resources in hand such as membership base under direct sales system, modern information technology, showrooms scattered in all regions, including flexibility of our business operation synchronizing with changing environment in an attempt to maximize benefits of our members, our SNatur business will be a priority choice of any person who wishes to enter network marketing business. As a result, membership base keeps on expanding rapidly both in domestic and overseas markets. They are pushing forward our products for distribution more widely in the markets. The Company will surely have higher sales volume in the future.

Anyway, the Company will carefully study potential products and markets before launching any product. We shall assure that market size for that product will not be less than certain sales volume 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 the Company could not evaluate market condition of each product, nor 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**

The Company has procured products from many suppliers both locally or internationally. In choosing suppliers, the Company evaluates the quality of the product and the popularity and recognition of the product among customers. The Company also considers the competency of the producer, market information, as well as other qualifications of suppliers according to Good Supplier Selection Program, e.g. marketing support, transportation, distribution, support by providing trainers/ training courses while also valuing good relationship with trade partners. This is to ensure continuity of supply of products for distribution.

(e) **Pending Orders**

The Company has distributed products to various types of customers – i.e. end users, small customers, sales agents and HORECA businesses (Hotel, Restaurant, and Catering). 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 plastics business, and businesses other than plastics 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 Company Limited and Srithai Moulds Company Limited. Both companies make to orders mould for plastic injection for automobile industry, electrical appliance industry and toiletry which require very high precision of injected parts.



As mould is used for producing both industrial and household products, mould is important to the plastics 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 and toys that require simple plastic injection system. These groups 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 parts for sanitaryware that need high technology & long production process. It requires high investment in machines and software to support production. Srithai Miyagawa Company Limited and Srithai Moulds Company Limited are mould-makers under this group.
- 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 customers, including mould repair services.

(b) Marketing and Competition

Demand for injected parts and plastic products by business keeps on increasing every year as manufacturers in many industries always launch new designs of products. They try to save cost by replacing expensive raw materials such as cost metal to low cost plastic, such as 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 not so high. In addition, support and personnel development in the country for advancement and efficiency of this industry result 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.

Mould-making business is wider open presently, 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 Environment

Competency and availability of skilled labors, modern machinery & equipments, and company software have made Srithai Miyagawa Company Limited and Srithai Moulds Company Limited capable in making high precision moulds. They could make and supply moulds to automotive industry, electrical appliance industry, sanitaryware industry, and others at high quantity annually subject to degree of complication of design and size of moulds. Due to price-cutting competition, they tried to cut costs to increase competitiveness and to build up relationship with new customers to increase sales opportunities.

In the year 2011 Srithai Moulds Company Limited has invested in new machines and personnel training for purpose of making and repairing moulds for injection of thinwall packaging for food & beverage. Production of such mould is complicated and requires high technical knowhow. There are only a few companies capable of making and repairing such moulds. This is an important step of Srithai Moulds Company Limited in increasing its production capability which results in its higher competitiveness.

Size of the Company as Compared to Competitors'

Srithai Miyagawa Company Limited 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 Company Limited can make large mould of weight up to 10,000 kgs. Amid higher competition, each mould-maker has specialized skill in different kinds of moulds. Therefore, the two companies do not face high competition in the mould-making industry of their expertise.

(d) Sourcing of Products or Services

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 therefore 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. Besides, different kinds of moulds require different making period of time. As such, if many orders are received of making of complicated mould which require long time of making or many orders are received by year end, there is a chance that pending jobs will be varied subject to number of purchase orders received by year end.

However, as of December 31, 2011, Srithai Miyagawa Company Limited had pending orders not more than 10% of total revenue. Only Srithai Moulds Company Limited had pending orders from 2 clients for the amount over 10% of total revenue. The pending job could be delivered within the year 2012.

(2) Other Line of Business

Only one company in the group was being classified under other line of business, i.e. Srithai Packaging Company Limited. Detail was shown as follow:-

Srithai Packaging Company Limited

(a) Description of Product or Service

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

(b) Marketing and Competition, 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 Products or Services

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. In such case, longer lead time of delivery was required. However, appropriate problem-solving methods and efficient management helped lessen any adverse impact on cost of products to insignificant level.

(d) Pending Orders

Srithai Packaging Company Limited had no pending order valued more than 10% of total revenue.

4.2 Characteristics of Customers and Their Relationships

(a) Customers Characteristics and Relationship in Plastics Business

Customers can be divided into 5 categories:-

1. Overseas importers for own usage or distribution in their own countries such as shopping malls, and distributors. Those importers will decide to order products from the Company from time to time.
2. Institutional customers such as companies or entities which acquire the product for own use e.g. airlines requiring plastic serving sets or carbonated soft drink bottlers requiring bottle containers. Some corporate customers acquire products for further assembly or supporting their business, e.g. car assemblers, household electrical appliances producers, and food & beverage manufacturers etc. Customer in this category has good relationship with the Company. Some of them have long been our customers.
3. Direct sales system which involves representatives or direct sales staffs or freelance sales. These direct sales persons earn discount income from the price-list.
4. Sales agents are juristic persons who have long relationship with the Company and are able to acquire the products through their trade credits. Those sales agents distribute the Company's products to retailers 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 produced more than customer's orders, and slow moving products. Main customers of this channel are housewives and direct consumers.

(b) Customer Characteristics and Relationship in Trading Business

Types of customers can be classified as follow:-

1. Direct sales under Multi-level Marketing System or network marketing business involves independent business owners who are SNatur Business Partner. Those independent business owners earn their income according to our remuneration package.
2. Direct sales under Single-level Marketing System which has sales representatives or direct sellers presenting the products and selling them on a freelance basis. The main source of income for the representatives is discount income from the price-list and other benefits.
3. Direct consumers or entities who demand for the product for their own uses such as housewives, and "HORECA" group of businesses which consist of Hotel, Restaurant, and Catering operators.
4. Sales agents are entities who engage in long-term trading relationship with the Company and are able to acquire products on credits for distribution to retail outlets and department stores.

(c) Customer Characteristics and Relationship in Other Businesses

- Mould-making Business Line

Srithai Miyagawa Company Limited and Srithai Moulds Company Limited had been sending staffs who have expertise in mould making to provide advices to industrial factories who need to produce industrial parts or plastic goods in order to offer mould-making services. Customers under this type of business are often those who have long term relationship with us.

- Other Areas of Businesses

Srithai Packaging Company Limited has maintained relationship with customers who directly use the company's products in their factories. Most customers have long term relationship with the company.

4.3 Investment Promotion Certificates

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

1 Industrial Products

1.1 Srithai Superware Public Company Limited

Promotion Certificate	Products and Production Capacity	Location	Main Benefits Received	Remaining Benefits
7007/2537	Plastic Goods 26,500 tons/year	Amata Nakorn Industrial Estate, Chonburi Province	1) Corporate Income Tax Exemption 7 years from the first day of earning revenue 2) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on Raw Materials
3004/ Wor./2544	Plastic Parts for Electrical Appliances 12,000 tons/year	Suksawat Road, Bangkok Province	1) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on Raw Materials
1764(4)/2548	Plastic Packaging 28,000 tons/year	Amata Nakorn Industrial Estate, Chonburi Province	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption 7 years from the first day of earning revenue 3) Exemption of Import Tariffs on Raw Materials	1) Corporate Income Tax Exemption from the first day of earning revenue 2) Exemption of Import Tariffs on raw materials
1339(2)/2550	Plastic Parts for Industrial Use 40,000 tons/year	Amata Nakorn Industrial Estate, Chonburi Province	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption 7 years from the first day of earning revenue 3) Exemption of Imports Tariffs on Raw Materials	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption from the first day of earning revenue 3) Exemption of Import Tariffs on Raw Materials
1389(2)/2553	Plastic Parts for Industrial Use 5,500 tons/year	Bangpoo Industrial Estate, Samutprakarn Province	1) Lower Import Tariffs on machines 2) Corporate Income Tax Exemption 3 years from the first day of earning revenue	1) Lower Import Tariffs on machines 2) Corporate Income Tax Exemption from the first day of earning revenue (As of December 31, 2011, no revenue was earned)

1.2 P.E.T. Blow Company Limited

Promotion Certificate	Products and Production Capacity	Location	Main Benefits Received	Remaining Benefits
1067(5)2555	Blow-moulded injection of bottles 3,000 tons/year	Suksawat Road, Bangkok Province	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption 8 years from the first day of earning revenue 3) Exemption of Import Tariff on Raw Materials	1) Exemption of Import Tariffs on machines 2) Corporate Income Tax Exemption from the first day of earning revenue (As of December 31, 2011, no revenue was earned) 3) Exemption of Import Tariffs on Raw Materials

1.3 Srithai Nanoplast Company Limited

Promotion Certificate	Products and Production Capacity	Location	Main Benefits Received	Remaining Benefits
1838(2)/2547	Plastic Products such as water treatment tanks 1,000 tons/year	S.I.L. Industrial Estate, Saraburi Province	1) Lower Import Tariffs on machines 2) Corporate Income Tax Exemption 7 years from the first day of earning revenue 3) Exemption of Import Tariff on Raw Materials	1) Corporate Income Tax Exemption from the first day of earning revenue 2) Exemption of Import Tariffs on Raw Materials

2 Household Products

2.1) Srithai Superware Public Company Limited

Promotion Certificate	Products and Production Capacity	Location	Main Benefits Received	Remaining Benefits
1040/Sor.Or../2536	Melamineware 3,400 tons/year	Suranaree Industrial Estate, Nakhonratchasima Province	1) Lower Import Tariffs on machines 2) Exemption and Lower of Corporate Income Tax for 13 years from the first day of earning revenue 3) Exemption of Import Tariff on Raw Materials	1) Exemption of Import Tariffs on Raw Materials
1083/2539	Melamineware 2,000 tons/year	Suranaree Industrial Estate, Nakhonratchasima Province	1) Exemption of Import Tariffs on machine 2) Exemption and Lower of Corporate Income Tax for 13 years in total from the first day of earning revenue 3) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on Raw Materials

Promotion Certificates	Products and Production Capacity	Location	Main Benefits Received	Remaining Benefits
1872(2)/2554	Melamineware 3,600 tons/year	Suranaree Industrial Estate, Nakhonratchasima Province	1) Exemption of Import Tariffs on machine 2) Exemption and Lower of Corporate Income Tax for 13 years in total from the first day of earning revenue 3) Exemption of Import Tariffs on Raw Materials	1) Exemption of Import Tariffs on machines 2) Exemption and Lower of Corporate Income Tax from the first day of earning revenue (As of December 31, 2011, no revenue was earned) 3) Exemption of Import Tariffs on Raw Materials

2.2) Korat Thai Tech Company Limited

Promotion Certificates	Products and Production Capacity	Location	Main Benefits Received	Remaining Benefits
1616(5)/2554	Melamineware 3,600 tons/year	Suranaree Industrial Estate, Nakhonratchasima Province	1) Exemption of Import Tariffs on machine 2) Exemption and Lower of Corporate Income Tax for 13 years in total from the first day of earning revenue 3) Exemption of Import Tariff on Raw Materials	1) Exemption of Import Tariffs on machine 2) Exemption and Lower of Corporate Income Tax from the first day of earning revenue 3) Exemption of Import Tariff on Raw Materials

3) Mould-Making Business - Srithai Moulds Company Limited

Promotion Certificates	Products and Production Capacity	Location	Main Benefits Received	Remaining Benefits
1684(1)/Or/2546	Mould Making & Repairing 150 sets/year	Chonburi-Banbeung Road, Chonburi	1) Corporate Income Tax Exemption 7 years from the first day of earning revenue 2) Exemption of Import Tariff on Raw Materials	1) Corporate Income Tax Exemption from the first day of earning revenue 2) Exemption of Import Tariff on Raw Materials
2458(5)/2554	Mould Making & Repairing 200 sets/year	Chonburi-Banbeung Road, Chonburi Province	1) Exemption of Import Tariffs on machine 2) Exemption of Corporate Income Tax for 8 years from the first day of earning revenue 3) Exemption of Import Tariff on Raw Materials	1) Exemption of Import Tariffs on machine 2) Exemption of Corporate Income Tax from the first day of earning revenue (As of December 31, 2011, no revenue was earned) 3) Exemption of Import Tariff on Raw Materials

5. CORE ASSETS

5.1 Core Assets Of The Company And Its Subsidiaries

1) **Srithai Superware Public Company Limited**

Comprising Head office and 4 plants:

A. Head office and Suksawat Plant	Area 22-3-7 rai
B. Bangpoo Plant	Area 6-3-89 rai
C. Amata Nakorn Plant	Area 49-0-98 rai
D. Korat Plant	Area 48-0-0 rai

Net asset value as of December 31, 2011 of core assets at each location.

Unit : Million Baht

Assets	Land	Building	Machines and equipment	Total
Head office and Suksawat Plant	246.33	1.93	192.04	440.30
Bangpoo Plant	17.63	18.00	150.39	186.02
Amata Nakorn Plant	116.27	179.37	1,980.68	2,276.32
Korat Plant	38.18	103.57	211.54	353.29
Total	418.41	302.87	2,534.65	3,255.93

Net book value of assets decreased from those of 2010 due to adoption of new accounting policy on Property, Plant and Equipment. As a result, accounting records showed costs of those items instead of fair value since January 1, 2011. Consequently, it had resulted in the reversal of fair value reserves on assets and there was no such item in 2011.

However, the Company had many warehouses and distribution centers. The Company showed detail and net book value of Property, Plant and Equipment-net in notes to financial statements for the year ended December 31, 2011, page 43-44 under headline 'Property, Plant and Equipment, net'. In the year 2010, the Company had leased an office space for use as office of SNatur's network marketing business for a period of 3 years. The lease expense in 2011 was at Baht 5.48 million.

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. Mortgaged assets as of December 31, 2011 were as follow:-

1. Mortgaged land parcels in which 3 plants are situated: Bangpoo Plant, Amata Nakorn Chonburi Plant and Korat Plant.
2. Endorsement of relevant insurance policies of mortgaged assets of which two banks are the sole beneficiaries or Sole Loss Payee.

As of December 31, 2011, outstanding balances of long-term loans and working capital facilities collateralized by mortgage of fixed assets were THB 91.90 million and THB 400 million respectively.

Long-term loans and all revolving credit facilities that the Company has received since year 2008, for supporting investment plan, refurbishment of Amata Nakorn Chonburi Plant, and business expansion, 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 creditors 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) **Korat Thai Tech Company Limited**

Korat Thai Tech Company Limited has used an area of the Company's Korat Plant as its office and factory. Size of the area is 4-1-30 rai. It was leased from the Company in 2011 for a period of 3 years at annual rental rate of THB 1.25 million.

3) **P.E.T. Blow Company Limited**

P.E.T. Blow Company Limited uses an area of the head office of the Company as its office and factory. Total area is 1-1-13 rai. It was leased from the Company in 2011 for a period of 3 years at annual rental rate of THB 2.95 million.

4) **Srithai (Vietnam) Company Limited**

Office and factory are located on a land parcel of 18-3-0 rai. The land 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.

5) **Srithai Superware India Limited**

Office and warehouse are located in Gurgaon, Mumbai and Bangalore on lease from lessors with the leasing period of 3-6 years. The lease expenses as per all lease agreements in 2011 were in total Baht of 2.03 million.

6) **Srithai Moulds Company Limited**

Office and factory are located on a land parcel of 14-3-9.4 rai. The land is owned by the company. Some of the following assets were mortgaged to creditor banks:-

6.1) Three rooms in a condominium and some machines were mortgaged to the Bank of Ayudhaya Public Company Limited as collateral for working capital credit line and other credit line under the energy conservation projects.

6.2) A parcel of land area of 8-0-75.4 rai was mortgaged to Siam Commercial Bank Public Company Limited as collateral for working capital credit line.

7) **Srithai Nanoplast Company Limited**

Office and factory are located on a land parcel of 5-2-50 rai. The land is owned by the company on free-hold.

8) **Srithai Miyagawa Company Limited**

Office and factory are located on a land parcel of 11-1-73 rai. The land is owned by the company on free-hold. The collateral for the working capital under energy conservation project granted by Thanachart Bank Public Company Limited was mortgage of machinery and an agreement of negative pledge on 2 plots of land and building for the whole loan agreement period.

5.2 Intangible Asset

The Company's intangible assets consist of copyright and computer program applications for operation, and production license which mainly are the right to be the manufacturer and distributor of closures, and the right to be the manufacturer and distributor of some items of trading business, of which the details and the book value of the intangible assets have been shown in notes to financial statements for the year ended December 31, 2011, page 45-46. In addition, the Company's license periods to be manufacturer and distributor of goods as stated in agreements as well as the economic period of copyright and computer program utilization are from 5-10 years.

5.3 Intellectual Property

The Company has two types of intellectual properties, patents and trademarks. The Company attaches much importance on additional domestic and international registrations to protect the Company's products and trademarks upon design of new shape and decoration of products or business expansion to foreign country. As a result, the Company is the holder of patents and has submitted applications for registration of many new patents such as design patent, invention patent, and petty patent. In addition, the Company holds many trademarks and has submitted applications for registration of new trademarks in the country and abroad for many brands covering a variety of products.

Patent and trademark registration has Characteristics, Conditions, Effect on Business and Protection Period as follows:-

Patents

Important Characteristics

There are three kinds of the 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 invention which is similar to Invention Patent. However, the difference is that an invention applied for a petty patent is a slight improvement of an invention.

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 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 the 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 needs 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 needs 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 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 category.

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 permit owner to use such trademark only, but 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 THB 10 each.
Korat Thai Tech Company Limited	Registered Capital : THB30,000,000, fully paid-up, comprising 3,000,000 common shares at par value THB 10 each.
P.E.T. Blow Company Limited	Registered Capital : THB 20,000,000*, partially paid-up THB 5,000,000, comprising 2,000,000 common shares at par value THB 10 each. * Capital was increased from THB 5,000,000 to THB 20,000,000 and registered with Ministry of Commerce in the year 2011.
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 Superware India Limited	Registered Capital : Rupee 50,000,000, partially paid-up Rupee 42,500,000, comprising 5,000,000 common shares at par value Rupee 10 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.

7.2 List of Top 10 Major Shareholders as of December 30, 2011

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 Lertsumitkul	4	10,929,800	4.03
Mr. Somyod Lertsumitkul	5	10,120,815	3.73
Mr. Somkieat Lertsumitkul	6	9,200,000	3.39
Ms. Bunnapa Lertsumitkul	7	8,687,000	3.21
Mr. Somsak Lertsumitkul	8	6,690,970	2.47
Ms. Mittrada Lertsumitkul	9	5,000,092	1.85
Ms. Orapint Punsak-Udomsin	10	4,458,100	1.64
Total shares of Top 10 major shareholders		130,476,477	48.15
Total common shares		270,990,480	100.00

Remark :

- (1) Some shareholders in the Top 10 major shareholder group have relationship among them as “close relatives” according to notification of the Board of Governors of the Stock Exchange of Thailand. However, the Company opined that each of them wishes to buy or sell shares on own accord, and votes in own direction. In the past several annual general meetings, there was no block-voting to any significant degree in an attempt to control resolution of the shareholders’ meetings. In consideration of independence of each major shareholder, the Company disclosed their names individually without combining them as a group of shareholders of the same family.
- (2) Investors could 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 December 30, 2011, showed that 61,936,971 common shares were held by Directors and spouses, equivalent to 22.85% of total issued common shares. Shareholding in the Company by Directors and their spouses was not changed 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 circumstances 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 not fewer than 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



Remark : In consideration of the organization chart, the Company has considered roles and managerial power of executives in directorial level and deemed it fit to classify those executives in the fourth level of Management in accordance with Notification of the Capital Market Supervisory Board No. TorChor. 23/2551

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. Manit Ativanichayaphong, Mr. Suchat Boonbanjersri

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

1.	Mr. Sanan	Angubolkul	Chairman, President and Nomination and Remuneration Committee Member
2.	Mr. Viroj	Lowhaphandu	Independent Director and Chairman of the Audit Committee
3.	Mr. Enghug	Nontikarn	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member
4.	Mr. Suchat	Boonbanjersri	Independent Director and Audit Committee Member
5.	Mrs. Siriporn	Sailasuta	Independent Director and Chairwoman of the Nomination and Remuneration Committee
6.	Mrs. Srisuda	Lertsumitkul	Director
7.	Mr. Naphol	Lertsumitkul	Director
8.	Mr. Manit	Ativanichayaphong	Director and Risk Management Sub-Committee Member
9.	Mr. Prin	Bholnivas	Director, Nomination 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 Notification of the Capital Market Supervisory Board No. TorChor. 23/2551)

1.	Mr. Sanan	Angubolkul	Chairman and President
2.	Mr. Prin	Bholnivas	Chief Financial Officer
3.	Mr. Banchar	Haemintakun	Chief Operating Officer - Network Marketing
4.	Mr. Naphol	Lertsumitkul	Assistant to the President
5.	Mr. Manit	Ativanichayaphong	Senior Marketing Director - Household Products and Acting Direct Sales Director
6.	Mr. Prayoon	Kajitte	Personnel and Administration Director
7.	Ms. Bunnapa	Lertsumitkul	Human Resource Development Director
8.	Mr. Apisit	Tangsattit	Senior Factory Director - Industrial Products
9.	Mr. Pawat	Chalermpong	Marketing Director - Industrial Products
10.	Ms. Nitaya	Prasertnukulphol	Marketing Director - Household Products
11.	Mr. Pongsak	Kantiratanawong	Marketing Director - Packaging Products
12.	Mr. Jarung	Srisakul	Factory Director - Industrial Products
13.	Mr. Rakesh	Singh ⁽¹⁾	Corporate Strategy and Operation Development Director
14.	Mr. David	Stuart Bull	Beverage Operations Director
15.	Mr. Chaichan	Chareonsuk ⁽²⁾	Export Sales &Marketing Director

Remark :

- (1) Position of Mr. Rakesh Singh had been changed from Factory Director-Household Products to Corporate Strategy and Operation Development Director by resolution of the Nomination and Remuneration Committee meetings no. 1/2554, held on February 25, 2011, and effective on March 1, 2011 onward.
- (2) Mr. Chaichan Chareonsuk has been appointed by resolution of the Nomination and Remuneration Committee meetings no. 1/2554, held on February 25, 2011, and effective on March 1, 2011 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 plans are implemented and policies of the Board are 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	: 66 years
Nationality	: Thai
Present Position	: Chairman, President and Nomination 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 (as of December 30, 2011)
Relationship among Management	: 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 Degree in Business Administration	-
Sripatum University	Honorary Doctorate	Marketing
Rajamangala University of Technology ISAN	Honorary Doctorate Degree in Business Administration	Management
Suranaree University of Technology	Honorary Doctorate Degree in Engineering	Production Engineering
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 Nomination 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 Nomination and Remuneration Committee Member

2) Non-listed Companies:

2.1) Srithai Superware Group : Please see the additional details in Attachment no. 1 (Details of Directors and Management who have control over companies in Srithai Superware Group)

2.2) Other Companies:

Company	Position
S.Sahatara (Thailand) Company Limited	Director
Toho Foam (Thailand) Company Limited	Director
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
• Nomination and Remuneration Committee meetings	No. of meetings held : 2	No. of meetings attended : 2

Being a director for how many years

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

2) Mr. Viroj Lowhaphandu

Age	:	82 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 (as of December 30, 2011)
Relationship among Management	:	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 Degree	Accounting
Sripatum University	Honorary Doctorate Degree in Business Administration	Finance and Banking
Rangsit University	Honorary Doctorate Degree in Philosophy	Politics and Economics
The University of the Thai Chamber of Commerce	Honorary Arts Degree of Doctor of Philosophy	Accounting
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
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
• Meeting among Independent Directors and auditors without attendance of Management	No. of meetings held : 1	No. of meetings attended : 1

Being a director for how many years

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

3) Mr. Enghug Nontikarn

Age	:	56 years
Nationality	:	Thai
Present Position	:	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member
Authority to sign for the Company as per Certification Document	:	None
No. of share	:	5,900 shares or 0.00 percent (as of December 30, 2011)
Relationship among Management	:	None
Illegal acts in the past 10 years	:	None
Training Course Thai Institute of Directors Association (IOD)	:	Director Accreditation Program (DAP)

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
Siam City Bank Public Company Limited	Senior Executive Vice President	A.D. 2005 – 2011

Present Positions in Companies:

1) Listed Companies:

Company	Position
Thanachart Bank Public Company Limited	Executive Vice President Treasury and Debt Capital Markets
Srithai Superware Public Company Limited	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member

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
• Meeting among Independent Directors and auditors without attendance of Management	No. of meetings held : 2	No. of meetings attended : 2

Being a director for how many years

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

4) Mr. Suchat Boonbanjerd Sri

Age	:	53 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 (as of December 30, 2011)
Relationship among Management	:	None
Illegal acts in the past 10 years	:	None
Training Course Thai Institute of Directors Association (IOD)	:	Directors Certification Program (DCP) Audit Committee Program (ACP)

Education:

Institution	Degree	Major
Chulalongkorn University	Bachelor (2nd 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

Experience (Cont'd):

Company	Position	Time Period
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
Thailand Post 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
- Meeting among Independent Directors and
auditors without attendance of Management No. of meetings held : 1 No. of meetings attended : 1

Being a director for how many years : 9 years(since August 2002 till present time)

5) Mrs. Siriporn Sailasuta

Age	: 65 years
Nationality	: Thai
Present Position	: Independent Director and Chairwoman of the Nomination and Remuneration Committee
Authority to sign for the Company as per Certification Document	: None
No. of share	: None (as of December 30, 2011)
Relationship among Management	: None
Illegal acts in the past 10 years	: None
Training Course Thai Institute of Directors Association (IOD)	: Directors 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, Chairwoman of the Nomination and Remuneration Committee

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
• Nomination and Remuneration Committee meetings	No. of meetings held : 2	No. of meetings attended : 2
• Meeting among Independent Directors and auditors without attendance of Management	No. of meetings held : 1	No. of meetings attended : 1

Being a director for how many years : 4 years(since 2008 till present time)

6) Mrs. Srisuda Lertsumitkul

Age : 72 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 (as of December 30, 2011)

Relationship among Management : 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
Srithai Superware Public Company Limited	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

Attendance :

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

Being a director for how many years : 9 years(since the Company was released from the Rehabilitation Plan in July 2002 till present time)

7) Mr. Naphol Lertsumitkul

Age	: 51 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	: 1,500,000 shares or 0.55 percent (as of December 30, 2011)
Relationship among Management	: 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 Attachment no. 1 (Details of Directors and Management who have control over companies in Srithai Superware Group)

2.2) Other Companies:

Company	Position
Firstpoint Translogistics 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

Being a director for how many years : 9 years (since the Company was released from the Rehabilitation Plan in July 2002 till present time)

8) Mr. Mani Ativanichayaphong

Age	: 67 years
Nationality	: Thai
Present Position	: Director, Risk Management Sub-Committee Member, Senior Marketing Director - Household Products 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 (as of December 30, 2011)
Relationship among Management	: 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)

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 and Acting Direct Sales Director

2) Non-listed Companies:

2.1) Srithai Superware Group	: Please see the additional details in Attachment 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 : 10	No. of meetings attended : 9

Being a director for how many years

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

9) Mr. Prin Bholnivas

Age	:	56 years
Nationality	:	Thai
Present Position	:	Director, Nomination 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 (as of December 30, 2011)
Relationship among Management	:	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 Monitoring the Internal Audit Function Director Nomination Best Practices

Education:

Institution	Degree	Major
Thammasat University	B.B.A.	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, Nomination 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 Attachment no. 1
(Details of Directors and Management who have control over companies in Srithai Superware Group)
- 2.2) Other Companies:

Company	Position
Lock & Lock (Thailand) 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
• Nomination and Remuneration Committee meetings	No. of meetings held : 2	No. of meetings attended : 2
• Risk Management Sub-Committee meetings	No. of meetings held : 10	No. of meetings attended : 10

Being a director for how many years : 9 years(since the Company was released from the Rehabilitation Plan in July 2002 till present time)

10) Mr. Banchar Haemintakun

Age : 51 years

Nationality : Thai

Present Position : Chief Operating Officer - Network Marketing

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

No. of share : None (as of December 30, 2011)

Relationship among Management : None

Illegal acts in the past 10 years : None

Education:

Institution	Degree	Major
Assumption University	Bachelor	Business Administration
Ramkamhaeng University	Master Degree	Executive MBA

Experience:

Company	Position	Time Period
Oriflame Cosmetics (Thailand) Company Limited	Managing Director	A.D. 2002 - 2005
Synergy Worldwide Marketing (Thailand) Company Limited	Country Manager	A.D. 2005 – 2007
Agel Enterprises (Thailand) Company Limited	Regional Director of Southeast Asia	A.D. 2007 – 2010

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Chief Operating Officer - Network Marketing

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) Mr. Prayoon Kajitte

Age : 61 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 (as of December 30, 2011)
 Relationship among Management : None
 Illegal acts in the past 10 years : None

Education :

Institution	Degree	Major
Bangkok Technical College	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

12) Ms. Bunnapa Lertsumitkul

Age	: 50 years
Nationality	: Thai
Present Position	: Human Resource Development Director
Authority to sign for the Company as per Certification Document	: None
No. of share	: 8,687,000 Shares or 3.21 percent (as of December 30, 2011)
Relationship among Management	: 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	Diploma	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

13) Mr. Apisit Tangsatit

Age	:	54 years
Nationality	:	Thai
Present Position	:	Risk Management Sub-Committee Member and 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 (as of December 30, 2011)
Relationship among Management	:	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	Risk Management Sub-Committee Member and Senior Factory Director - Industrial Products

2) Non-listed Companies:

- | | |
|------------------------------|--|
| 2.1) Srithai Superware Group | : Please see the additional details in Attachment 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 : 10 No. of meetings attended : 6

14) Mr. Pawat Chalermpong

Age	:	51 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 (as of December 30, 2011)
Relationship among Management	:	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 Attachment 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 : 10 No. of meetings attended : 9

15) Ms. Nitaya Prasertnukulphol

Age	: 52 years
Nationality	: Thai
Present Position	: Marketing Director – Household Products
Authority to sign for the Company as per Certification Document	: None
No. of share	: None (as of December 30, 2011)
Relationship among Management	: None
Illegal acts in the past 10 years	: None

Education :

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

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	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
--	--------

16) Mr. Pongsak Kantiratanawong

Age : 54 years

Nationality : Thai

Present Position : Marketing Director - Packaging Products

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

No. of share : None (as of December 30, 2011)

Relationship among Management : None

Illegal acts in the past 10 years : None

Education:

Institution	Degree	Major
Chulalongkorn University	Bachelor of Science	Biochemistry
Thammasat University	M.B.A.	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

17) Mr. Jarung Srisakul

Age	:	58 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 (as of December 30, 2011)
Relationship among Management	:	None
Illegal acts in the past 10 years	:	None

Education:

Institution	Degree	Major
Saint Louis University	B.Sc. in Engineering	Telecommunication
Saint Louis University	M.Sc. in Engineering	Management Engineering

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 : 10 No. of meetings attended : 10

18) Mr. Rakesh Singh

Age : 48 years

Nationality : Thai

Present Position : Risk Management Sub-Committee Member and
Corporate Strategy and Operation Development Director

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

No. of share : None (as of December 30, 2011)

Relationship among Management : None

Illegal acts in the past 10 years : None

Education :

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

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	Risk Management Sub-Committee Member and Corporate Strategy and Operation Development Director

Remark: His former position was Factory Director-Household Products. He has been appointed Corporate Strategy and Operation Development Director on March 1, 2011.

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

Attendance:

- Risk Management Sub-Committee meetings No. of meetings held : 10 No. of meetings attended : 3

19) Mr. David Stuart Bull

Age : 68 years

Nationality : British

Present Position : Beverage Operations Director

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

No. of share : None (as of December 30, 2011)

Relationship among Management : None

Illegal acts in the past 10 years : None

Education:

Institution	Degree	Major
City and Guilds of London Institute	Bachelor	Electrical and Mechanical Engineering

Experience:

Company	Position	Time Period
Crown Cork and Seal (Thailand) Company Limited	Plastic Division Manager	A.D.1994 – 2003
Crown Bevcan and Closures (Thailand) Company Limited	General Manager	A.D. 2003 – 2005
Obrist (Thailand) Company Limited	General Manager	A.D. 2005 – 2007
Petform (Thailand) Limited	Advisor	A.D. 2007 – 2010

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Beverage Operations 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

20) Mr. Chaichan Chareonsuk

(being executive since March 1, 2011)

Age	:	43 years
Nationality	:	Thai
Present Position	:	Export Sales and Marketing Director
Authority to sign for the Company as per Certification Document	:	None
No. of share	:	None (as of December 30, 2011)
Relationship among Management	:	None
Illegal acts in the past 10 years	:	None

Education:

Institution	Degree	Major
Chulalongkorn University	Bachelor (2 nd honor)	Chemical Technology
Asian Institute of Technology	Master	Industrial Engineering and Management
Shinawatra University	Doctor of Philosophy	Management Science

Experience:

Company	Position	Time Period
Thai Paper Company Limited (SCG Group)	Process Engineer	A.D.1991 – 1994
Cement Thai Chemical Company Limited (SCG Group)	Project Analyst	A.D. 1995 – 1997
Thai MMA Company Limited (SCG Group)	Sales and Logistics Manager	A.D. 1997 – 2002
Srithai Superware Public Company Limited	Export Sales Manager	A.D. 2003 – 2005
Srithai Superware Public Company Limited	Business Development Export Manager	A.D. 2006 – 2011

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Export Sales & Marketing 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

8.5 Attendance of Directors at Meetings

In the year 2011, there were 6 Board Meetings and 4 Audit Committee Meetings and 1 meeting among Independent Directors and Auditors without attendance of Management. Attendance report of Directors and Audit Committee Members was shown hereunder:-

Board of Directors' Name	Number of Meetings Attended		
	Board of Directors' Meetings	Audit Committee's Meetings	Meeting among Independent Directors and auditors without attendance of Management
Mr. Sanan Angubolkul	6	-	-
Mr. Viroj Lowhaphandu	6	4	1
Mr. Enghug Nontikarn	6	4	1
Mr. Suchat Boonbanjerd Sri	6	4	1
Mrs. Siriporn Sailasuta	6	-	1
Mrs. Srisuda Lertsumitkul	4	-	-
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 Nomination and Remuneration Committee, of which an Independent Director has been the Chairman, to perform 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 Nomination and Remuneration Committee will nominate a new senior executive and propose to the Board for approval.

Report of the Nomination and Remuneration Committee

To : Shareholders

Srithai Superware Public Company Limited

The Nomination 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 purposes are to comply with the Company's good corporate governance policies and good corporate governance principles of the Stock Exchange of Thailand, to help the Board of Directors to recruit and nominate transparently potential directors and top executives, to assure fairness to all groups of stakeholders, and to assure efficiency of the businesses.

Structure of the Nomination and Remuneration Committee comprises directors not more than 4 persons, consisting of 2 Independent Directors and 2 Executive Directors. Chairman of the Nomination and Remuneration Committee will be an Independent Director. The present Nomination and Remuneration Committee's term in office will be completed by the end of the year 2012.

Performance of the Nomination and Remuneration Committee

In 2011, the Nomination and Remuneration Committee held 2 meetings. The number of times each member of the Nomination and Remuneration Committee attending the meeting was as follows:

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

Mrs. Siriporn Sailasuta has been appointed Chairwoman of the Nomination and Remuneration Committee since January 1, 2011 replacing Mr. Enghun Nontikarn by rotation.

1. Performances of the Nomination and Remuneration Committee during the year 2011 could be summarized as follow.
2. Considered nomination of Directors to replace the Company's Directors whose terms have been completed, and determined their remuneration for consideration by the Board of Directors of the Company for further proposing to the Annual General Meeting of Shareholders no. 30 (of the year 2011),
3. Considered adjustment of salaries of executives for the year 2011,
4. Reviewed Charter of the Nomination and Remuneration Committee,
5. Appointed 1 executive, and changed position of 1 executive,
6. Considered payment of bonus to Company's executives for performance of the year 2011,
7. Prepared and extended Business Consultancy Servised Agreement in order to retian 2 retired executives.

On Behalf of the Nomination and Remuneration Committee



Mrs. Siriporn Sailasuta

Chairwoman of the Nomination and Remuneration Committee

8.7 Remuneration for Directors, Executives and Management

(Definitions as set by Notification of the Capital Market Supervisory Board No. TorChor. 23/2551)

(1) Financial Remuneration

- Directors

Name	Position	2011 Amount (million baht)	2010 Amount (million baht)
Meeting Allowance			
Mr. Sanan Angubolkul	Chairman, President and Nomination and Remuneration Committee Member	0.20	0.20
Mr. Viroj Lowhaphandu	Chairman of the Audit Committee	0.45	0.45
Mr. Enghug Nontikarn	Audit Committee Member and Nomination and Remuneration Committee	0.25	0.25
Mr. Suchat Boonbanjerd Sri	Audit Committee Member	0.25	0.25
Mrs. Siriporn Sailasuta	Independent Director and Chairwoman of the Nomination and Remuneration Committee	0.10	0.10
Mrs. Srisuda Lertsumitkul	Director	0.08	0.10
Mr. Naphol Lertsumitkul	Director	0.10	0.10
Mr. Mani Ativanichayaphong	Director and Risk Management Sub-Committee Member	0.10	0.10
Mr. Prin Bholnivas	Director, Nomination and Remuneration Committee Member and Chairman of the Risk Management Sub-Committee	0.10	0.10
Total		1.63	1.65

Remarks :

- 1 In 2011, the meeting allowance the Company paid to each Director was in accordance with the approval of the Annual General Meeting of Shareholders no. 30 (of the year 2011) as follows:-
 - 1.1 Meeting allowance for Board of Directors

Chairman	at Baht 200,000	per annum
Directors	at Baht 100,000	per annum /per person
 - 1.2 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
2. The Company had no remuneration payment to the Nomination and Remuneration Committee and other Sub-Committees.

- Management

Remuneration	2011		2010	
	Number	Amount (million baht)	Number	Amount (million baht)
Salary	15	54.91	14	45.55
Bonus	15	8.62	14	8.02
Total	15	63.53	14	53.57

Remarks :

1. The number of executives increased from that of last year due to appointments of Mr. Chaichan Chareonsuk as executives during the year 2011.
- 2.. List of Executives who received remuneration in 2011 was shown as follows:
 - 2.1 Mr. Sanan Angubolkul
 - 2.2 Mr. Prin Bholnivas
 - 2.3 Mr. Banchar Haemintakun
 - 2.4 Mr. Naphol Lertsumitkul
 - 2.5 Mr. Manit Ativanichayaphong
 - 2.6 Mr. Prayoon Kajitte
 - 2.7 Ms. Bunnapa Lertsumitkul
 - 2.8 Mr. Apisit Tangsatit
 - 2.9 Mr. Pawat Chalermpong
 - 2.10 Ms. Nitaya Prasertnukulphol
 - 2.11 Mr. Pongsak Kantiratanawong
 - 2.12 Mr. Jarung Srisakul
 - 2.13 Mr. Rakesh Singh
 - 2.14 Mr. David Stuart Bull
 - 2.15 Mr. Chaichan Chareonsuk
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. Therefore the Board had set up good corporate governance policies which had been adopted since 2004. The policies were reviewed and updated from time to time. Compliance to good corporate governance policies in the year 2011 could be summarized as follows:-

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

Equitable Treatment of Shareholders

The Company had arranged for equitable treatment of shareholders in observing their right under the laws including their basic right such as right to receive share profit/dividend, equitable treatment in purchasing of treasury stocks by the Company and right to consider proposals made by the Company to every meeting of shareholders; for example, appointment of directors and fixing remuneration for directors. Also, the Company has made available at its website a channel of communication that shareholders can propose agenda of meeting, names of candidate for directorship, including raising questions, so that their proposals would be considered by the Board of Directors for including in agenda of annual general meeting of shareholders.

Structure of Shareholding of the Company

Structure of shareholding of the Company, its subsidiaries and affiliates, detail of which as shown under general information section of Annual Report, was not complicated; and there was no cross-holding of shares inside the group of companies. Number of free float shares over 40% has complied with criteria set up by the Stock Exchange of Thailand. Therefore, it was a support of capital market since this was not a mechanism to shield Management or controlling party from take-over effort in case of inefficiency or non-transparency of management.

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 proposal 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. 30 (of the year 2011), there was no shareholder exercising such rights.

The Company has a policy to submit relevant information of meeting agenda to all shareholders in both Thai & English versions for 14-21 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 proposed by the Nomination and Remuneration Committee with background information such as educational background, work experience, number of companies he has been appointed as director and number of times of attending Board Meeting in the past year. 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 Nomination 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. The Company proposed 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. The Company furnished the meeting with dividend policy and comparing proposed amount of payment with the dividend policy.

In the shareholders' meeting, the Board of Directors consisting of Chairman / President, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, Independent Directors, Executive Directors and concerned high-level executives always paid attention to attend the meeting together. The Chairman of the Board of Directors acted as the Chairman of the Meeting. He allocated sufficient time to shareholders for answering 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 with 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

The Company is serious in preventing manipulation of insiders' information for personal benefit. In the year 2010, the Company has revised its regulation on prevention of insiders' trading to bar Directors or Executives to use internal information for ones' own benefit, including for stock trading. They are prohibited from stock trading for 30 days prior to the Company's announcement of operating results or important information being disclosed to the public. They are also required to submit a report on their trading of security issued by the Company to Chairman of the Board or President. Offenders will face punishment according to regulation of the Company and penalty as prescribed under the Securities and Exchange Act (version 4) B.E. 2551. During the year 2011, Directors and Executives of the Company have strictly observed this regulation.

Connected Transactions

The Company has realized the importance of observing regulation of The Stock Exchange of Thailand regarding connected transactions. In the year 2011, the Company had executed a number of connected transactions mostly for its normal business operation, or support of normal business operation and/or short-term letting of immovable assets. Price and term & conditions of transactions and other conditions were taken into consideration for those transactions same as our normal business transactions in accordance with criteria laid down by the Board of Directors.

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

The Company requires that Directors and Executives of the Company shall provide their conflict of interest report and those 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.

Since the year 2011, the Company had required Directors and Executives to update their reports on vested interest of themselves and of those related persons for submission to the Company Secretary at least once a year.

Acquisition or Disposal of Assets

The Board of Directors had carefully and strictly considered transactions on acquisition or disposal of assets in accordance with Notification of Capital Market Supervisory Board no. Tor Chor 20/2551, Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and Notification of the Board of Governors of the Stock Exchange of Thailand, regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E.2547. During the year 2011, the Board of Directors had strictly observed those notifications.

2. The Roles of Stakeholders

Since the year 2006, the Board of Directors had notified the code of ethics in doing business 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

In addition to fringe benefits eligible to all employees, such as welfare and general benefits of employees as disclosed in the handbook for employees, the Company has attached much importance on compliance to policy on Thai Labor Standard and continued development of human resources to support sustainable growth of the organization. Therefore, human resource development plan has been included in the Company's Business Direction for the year 2010-2012. Human Resource Development Division has been assigned to be responsible for this plan. It has organized and developed training courses and seminars according to human resource development plan.

In addition, the Company has realized the importance of utmost efficiency in utilization of resources by launching energy conservation program in line with Energy Conservation Promotion Act (No.2) B.E.2550. The Company invested in changes or modification of machines and equipments for purpose of maximising benefits of energy consumption. The Company received technical cooperation from King Mongkut's University of Technology-Thonburi and a governmental agency i.e Bureau of Alternative Energy Development attached to Department of Alternative Energy Development and Efficiency under Ministry of Energy. The Company had provided training on this topic to its employees to assure their regular participation.

3. Disclosure of Information and Transparency

The Company deemed it important in disclosing critical information about the Company accurately, completely and timely. The information included financial circumstance, operation result, and structure of shareholding as follows:-

Structure of Shareholding and Management

The Company has disclosed in its website and annual report the structure of shareholding of the whole group of companies, including names and stake of holding of top 10 shareholders who have and have not participated in the formulation of policies of the Company. This information will be updated after any change occurred or at time of closure of share registration book in certain occasions such as compiling of shareholder names for determining right to attend a meeting and/or right to receive dividend, etc. Hence, the Company has disclosed personal detail about its directors and executives such as educational background, attendance of training courses on roles, duty and skill of directors, work experiences, percentage of shareholding, number of companies under his directorship, etc.

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 Stock Exchange of Thailand such as Opportunity Day or Company Visit, including broadcasting via the Company's website (www.srithaisuperware.com) which acts as the center for gathering information disseminated via other channels, the website also provides business news and marketing activities, financial information, structure of organization, structure of business entities, annual report, and other information of the Company such as accomplishment of the Company or social responsibility activities, etc, including message by the Chairman (In Touch.... From Chairman's Desk) which has been posted in the website from time to time in both Thai and English versions. In addition, the Company had made a column in its website called Investor Relations (IR) for purpose of easy access to information by shareholders, investors, or other persons who are interested in the Company's business. It acts as a channel of communication with the Board of Directors or the Executives of the Company. The Office of Company Secretary has been assigned to collect questions, suggestions, or complaints through the channel for submission to concerned Executives for their further actions and follow-up.

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
- Nature of business and competition
- Financial circumstance and 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; and 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, Securities Act, and regulations of the Stock Exchange of Thailand and relevant laws, appointment of auditors, and other matters as prescribed by the Stock Exchange of Thailand.
- Report on performance of the Nomination and Remuneration Committee

The Office of Company Secretary also acts as the Investor Relation Office and is responsible for providing news and information to the shareholders or investors who are interested in the Company's businesses.

In the year 2011, the Company in collaboration with the Stock Exchange of Thailand and Thai Investors Association organized a Company Visit at Amata Nakorn Chonburi plant to enhance better understanding about the Company's businesses among shareholders, investors and security analysts.

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 the person who has the qualifications as stipulated by the Securities and Exchange Commission according to the Notification of the Capital Market Supervisory Board No. TorChor. 4/2552 Re : The Request for Approval and the Approval of Initial Public Offering (No. 2), as follows :-

- (a) The person who holds voting shares of no more than 1% of total number of shares in the Company, parent company, subsidiaries, associated companies, major shareholder or controlling person, and the shares held by the related parties of such independent director will also be counted.
- (b) The person shall not be or did not use to be the director participating in the management of the Company, worker, employee, salaried consultant, or controlling person of the Company, parent company, subsidiaries, associated companies, subsidiary of the same echelon, major shareholder or controlling person of the Company, except that he has been free from such qualifications for at least 2 years before the date of submitting application to the office. Such qualifications do not apply to Independent Director who once served as governmental official or advisor of governmental entity who is a major shareholder or controlling person of the Company.

- (c) The person shall not have blood relationship with or shall not legally register to be father, mother, spouse, siblings, and children, including spouse of children or the management, or major shareholder, or controlling person or person who is proposed to be the management or controlling person of the Company/ subsidiaries.
- (d) The person shall not have or did not use to have business relationship with the Company, parent company, subsidiaries, associated companies, major shareholder, or controlling person of the Company and such relationship may impede his own freedom of judgment, and shall not be or did not use to be the significant shareholder or controlling person of the person who have business relationship with the Company, parent company, subsidiaries, associated companies, major shareholder or controlling person of the Company, except that he has been free from such qualifications for at least 2 years before the date of submitting application to the Office.

The business relationship mentioned above includes normal business transactions for conducting the businesses of renting or letting immovable properties, the transactions relevant to assets or services or the grant or acceptance of financial assistance by borrowing or lending, guaranteeing, offering assets as debt collateral, including similar behaviors, and such actions may affect the Company or its partner to be obligated to debts owed to another party at the lower of at least 3% of the net tangible assets of the Company or at least 20 million bahts. The calculation of such debts shall comply with the calculation methods of the value of related transactions according to the notification of the Capital Market Supervisory Board on related transactions mutatis mutandis. By considering such debts, it shall include the debts incurred within 1 year before the date of business relationship with the same person.

- (e) The person shall not be or did not use to be external auditor of the Company, parent company, subsidiaries, associated companies, major shareholder or controlling person of the Company, and shall not be the significant shareholder, controlling person or partner of the audit office who is employer of auditor of the Company, parent company, subsidiaries, associated companies, major shareholder or controlling person of the Company, except that he has been free from such qualifications for at least 2 years before the date of submitting an application to the Office.
- (f) The person shall not be or did not use to be any professional service provider, including legal service or financial advisory service obtaining the service fee more than 2,000,000 bahts per year from the Company, parent company, subsidiaries, associated companies, major shareholder or controlling person of the Company, and he shall not be significant shareholder, controlling person, or partner of such professional service providers, except that he has been free from such qualifications for at least 2 years before the date of submitting an application to the Office.
- (g) The person is not the director who is appointed to be the representative of the Company's director, major shareholder, or shareholder who is related to major shareholder of the Company.
- (h) The person shall not conduct business of the same nature which competes significantly with the Company or subsidiaries or not be significant partner in any partnership or be executive director, worker, employee, salaried advisor, or hold shares more than 1% of total number of voting shares of other company who conducts business of the same nature which competes significantly with the Company or subsidiaries.
- (i) The person does not have any other characteristics that prohibit him from freely expressing opinions regarding the Company's operations.

After being appointed to be independent director who has the characteristic in accordance with the criteria mentioned above, such independent director 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 echelon, major shareholder, or controlling person of the Company by making collective decision.

Nominating and Appointing of Directors

Board of Director appointed a Nomination 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. Each shareholder shall have one voting right for one share he/she holds;
2. Each shareholder shall exercise all vote he/she has under (1) to elect one or several persons as director or directors but he/she may not allot his/her vote any persons differentially;
3. The candidates shall be ranked in descending order from the highest number of votes in his favour to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. When 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.

In the shareholders’ meeting under this agenda, the Company shall request the meeting to vote for each candidate one by one.

Doubling of Positions

The two positions, Chairman and President, are held by the same person who represents a group of major shareholders. Presently, 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.

In doubling of the two positions at the same time, the Chairman and President has realized and segregated duties and responsibility of each position clearly. It includes day-to-day management, Board meeting, meeting of shareholders, etc. He could clearly perform his duties and make decisions under the scope of authority of each position. Doubling of positions by one person could enhance managerial efficiency as follow:-

- In his capacity as Chairman of the Board, he could closely get most updated information regarding business operation from Management. It supports his close monitoring of business operation within policy framework laid down by the Board of Directors. In his capacity as President, he could manage businesses compliant to policies of the Board of Directors.
- In his capacity as Chairman, he has to chair the meeting of shareholders and Board of Directors. He has to supervise the meeting to assure that each meeting proceeds as per its agenda legitimately, and attendants are allowed to express opinion freely. He can answer questions raised in the meeting in his role as Top Management and representative of the Board of Directors at the same time.

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. Review of Management's performance could be made efficiently.

Remuneration for Directors and Executives

The Company had appointed a Nomination 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 Nomination and Remuneration Committee has a policy to determine the remuneration for directors by considering the information obtained from the survey of Thai Institute of Directors regarding the directors' remuneration of listed companies. 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 in an agenda for approval by the shareholders' meeting as required by the 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 year ended December 31, 2011 under Statements of Comprehensive 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 including connected transactions or transactions on acquisition or disposal of assets (if any), and acknowledgement of performance of committees and a subcommittee set up by the Board for specific assignments, i.e. the Audit Committee, the Nomination 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 during such agenda being considered as informed by the Company Secretary.

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 or examined by the Board of Directors and concerned parties.

In the year 2011, the Company had arranged for a meeting among the 4 Independent Directors and the Certified Public Accountant without attendance by executives to assure that Independent Directors could discuss with and raise questions to Certified Public Accountant freely. This has been in practice since the year 2010.

Holding of Directorial Positions 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 the year 2010, all directors had conformed to the requirement.

In holding a directorial position in other listed company, the director must comply strictly with Section 86 of the Public Limited Company Act B.E. 2535. The director is prohibited to run business of the same nature directly competing with the Company.

Performance Evaluation of the Board

The Company has arranged for performance evaluation of the Board of Directors every year in 6 areas comprising:-

1. Structure and Qualifications of the Board
2. Role, duty and responsibility of the Board
3. Board meeting
4. Performance of directors
5. Relationship with Management
6. Self development of directors and development of executives

Since the year 2010, the Board of Directors has arranged for performance evaluation of the President every year as suggested by the Nomination and Remuneration Committee. Evaluation is based on the following areas:-

1. Leadership
2. Strategic planning
3. Transaction management and supervision
4. Financial management
5. Human resource management
6. Communication
7. Relationship with the Board of Directors
8. Performance evaluation

In the Board Meeting No. 6/2554, held on December 23, 2011, the Board of Directors evaluated its own performance and performance of the President under the said criteria.

In order to support directors in carrying out their duties efficiently as directors of a listed company, the Company has provided its directors with 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 number of directors of the Company. The Company has a plan to arrange for review courses for its directors to attend every year. The Company will encourage at least 1 director to attend a training course or a seminar program to enrich his/her knowledge to carry out his/her assignment.

Committees and Sub-Committee

The Board of Directors has appointed 2 committees and 1 sub-committee to study in details relevant matters and to verify data in order to relieve burden of the Board of Directors, i.e. Audit Committee, Nomination and Remuneration Committee and Risk Management Sub-Committee. The Board of Directors has laid down policies and frame-work of assignments of the 3 committees and sub-Committee clearly pertaining to their duties and responsibility, meeting procedure and reporting to the Board of Directors as follow:-

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:

- | | | |
|-------------------------------|----------------------------------|--|
| 1. Mr. Viroj Lowhaphandu | Chairman of the Audit Committee. | He is knowledgeable and experienced in accounting, auditing, finance and taxation. |
| 2. Mr. Enghug Nontikarn | Member of Audit Committee | } They are knowledgeable and experienced in finance, banking and accounting. |
| 3. Mr. Suchat Boonbanjerd Sri | Member of Audit Committee | |

The Audit Committee has duties and responsibility as specified in its Charter which is compliant to Notification of the Stock Exchange of Thailand, RE: Qualifications and Scope of Work of the Audit Committee, 2008.

Duties and Responsibility of the Audit Committee

The Audit Committee is a specific committee. The Board of Directors has assigned it with duties and responsibility as follow:-

- **Authority and Duties of the Audit Committee**

The Audit Committee has the following duties:-

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 performance of the internal auditor;

- 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 when required as deemed appropriate.

• **Responsibility of the Audit Committee**

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

2) Nomination and Remuneration Committee

The Board of Directors has appointed the Nomination 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. Chairman of the Nomination and Remuneration Committee is an Independent Director. Members of the Committee are named as follows:-

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

Authority and Responsibility of the Nomination and Remuneration Committee:

- 1. Consider organization chart, qualification of directors and executives of the Company;
- 2. Consider and approve organization chart that is suitable to the businesses;
- 3. Select qualified person for nomination as a candidate to directorial position in case of vacancy or any director having completed his term in office;
- 4. Consider and approve appointment of executives as recruited and proposed by the Company in case of vacancy or addition of new position;
- 5. 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;

6. Evaluate performance of the Nomination and Remuneration Committee annually, and report to the Board of Directors;
7. Other assignments relevant to nominating and remunerating directors and executives as assigned by the Board of Directors.

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. Apisit Tangsatit | Member |
| 4. Mr. Pawat Chalermpong | Member |
| 5. Mr. Jarung Srisakul | Member |
| 6. Mr. Rakesh Singh | Member |
| 7. Mr. Pramual Pinyo | Member |
| 8. 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 for consideration and approval by the Board of Directors for use as basis of operation in various situations of each risk area;
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 the year 2011, the Risk Management Sub-Committee's performance could be summarized as follows:

1. Formulated risk management plan according to business plan and product groups of the Company, i.e.
 - Supply Chain Management
 - Risk management on fraud;
2. Made available/improved work procedure of the Company to assure that it is updated and practical;
3. Evaluated performance of Risk Management Sub-Committee for improving its performance more efficiently.

Company Secretary

The Company has appointed a Director who is Chief Financial Officer as the Company Secretary with duties and responsibility as prescribed in the Securities and Exchange Act (No.4) B.E.2551 as follow:-

Duties 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 documents 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 operations follow the stipulation of the Memorandum of Association and the Articles of Association 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 Office 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 matters of Good Corporate Governance, and the Codes of Best Practice for Directors and Executives.

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 reports to the shareholders and concerned parties such as debtors, creditors, staffs, related agencies such as the Revenue Department, the Stock Exchange of Thailand, Office of 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, including 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 outsiders 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 has followed the criteria, procedures, and disclosure of 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

(Unit : person)	2011					
	Office	Plant				Total
		Suksawat	Korat	Bangpoo	Amata Nakorn Chonburi	
Management	12	0	0	1	2	15
Support Line	188	0	0	0	0	188
Sales and Marketing Line	497	0	0	0	0	497
Production Line	0	258	1,886	419	998	3,561
Total	697	258	1,886	420	1,000	4,261

(Unit : person)	2010					
	Office	Plant				Total
		Suksawat	Korat	Bangpoo	Amata Nakorn Chonburi	
Management	10	0	1	1	2	14
Support Line	183	0	0	0	0	183
Sales and Marketing Line	536	0	0	0	0	536
Production Line	0	148	2,137	302	1,317	3,904
Total	729	148	2,138	303	1,319	4,637

(Unit : person)	2009					
	Office	Plant				Total
		Suksawat	Korat	Bangpoo	Amata Nakorn Chonburi	
Management	9	0	0	1	1	11
Support Line	182	0	0	0	0	182
Sales and 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

Remarks:

1. In the year 2011, the Company appointed 1 new executive who has been in charge of export markets expansion.
2. In the year 2011, number of manpower of Production Line of Suksawat plant increased from that in 2010 because the Company increased production line to serve businesses and sales growth.
3. In the year 2011, number of manpower of Production Line of Korat and Amata Nakorn Chonburi plants decreased from those in 2010. That was due to transfer of manpower to a new subsidiary as well as an improvement of production process and investment in new machines resulting in lesser manpower requirement.

2) Summary of Salary and Wage of the Years 2009-2011

Unit : Million Baht						
Year	Salary	Wage	O.T.	Employee Welfare	Bonus	Total
2011	367.9	185.1	180.5	57.1	42.3	832.9
2010	323.9	170.4	171.1	54.0	42.2	761.6
2009	294.0	154.9	138.7	43.3	33.5	664.4

The Company has been studying and considering setting up a provident fund as 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.

The Office of Human Resource Development has set up its direction based on 4 main missions:-

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

In the year 2011, the Office of Human Resource Development had made available training courses and activities to personnel of the Company continually in order to promote and develop their skills and leadership. In addition, the Company in collaboration with King Mongkut's University of Technology Thonburi had launched a "Training Course in Technology and Management for Personnel" for purpose of enhancing capability of the Company's personnel who were knowledgeable, skillful, and experienced in many fields of work in the areas of technology and management by providing standard academic courses systematically. Personnel who had achieved Certificate of Completion in Advanced Vocational Studies in Production will be encouraged to further their studies at Bachelor's level at Faculty of Industrial Education and Technology in Technology Program in Industrial Technology (Cooperative Education). The program was beneficial to our personnel and the Company. It also provided an opportunity to the university's personnel to learn and to work with business sector in personnel development to satisfy demand of business sector.

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 impressive.

SYSTEM : To work systematically and traceably

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

The year 2011 was the year of the fourth S activity of the Company i.e. Syetem, a carry-on activity from 2010 which was the year of the third S i.e. Speed. The Office of Human Resource 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 fourth S of System, “To work systematically and traceably” by focusing on determination of :

1. working step by step;
2. thinking and deciding systematically;
3. applying technology appropriately;
4. linking work together.

In the year 2012, the Company will provide training courses and activities for rehearsal of the 4 principles of management (4S) with an aim to implant 4S continually as a corporate culture.

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. 6/2554, held on December 23, 2011, 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 is 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 2011	Necessity / Reasonableness
Srithai Moulds Company Limited			
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 27.82 million 2. Dividend income amounted THB 7.10 million	1. 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. 2. Pay out of dividend to all shareholders of Srithai Moulds Company Limited at the same rate proportionate to the number of shares held by each shareholder.
Srithai Nanoplast Company Limited			
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 2.07 million 2. Dividend income amounted THB 1.40 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. Pay out of dividend to all shareholders of Srithai Nanoplast Company Limited at the same rate proportionate to the number of shares held by each shareholder.
Srithai Packaging Company Limited			
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	1. Normal business transactions amounted THB 19.59 million 2. Dividend income amounted THB 3.53 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. Pay out of dividend to all shareholders of Srithai Packaging Company Limited at the same rate proportionate to the number of shares held by each shareholder.

Company Name / Related	Nature of Business	Type / Value of Transactions in 2011	Necessity / Reasonableness
Srithai Marketing Company Limited			
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 and trade partner for the Company for a very long time	Distributor of houseware products	1. Normal business transactions amounted THB 339.83 million 2. Supporting normal business transactions amounted THB 0.14 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 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. The rental rate was the same as those charged to other tenants. In addition, some transactions were supporting of sales promotional expenses to the distributor.
Siam Melamine Marketing Company Limited			
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 and trade partner for the Company for a very long time.	Distributor of plastic products and melamine products	1. Normal business transactions amounted THB 207.01 million 2. Supporting normal business transactions amounted THB 3.82 million 3. A short-term property rent amounted THB 1.41 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. The rental rate was the same as those charged to 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 was reasonable as its location, market rental rate and economic condition were taken into consideration

Company Name / Related	Nature of Business	Type / Value of Transactions in 2011	Necessity / Reasonableness
Srithai Stainless Company Limited			
1. A related company. 2. 60.0% of shares held by relatives of some executives of the Company, who also serve as directors of Srithai Stainless Company Limited.	Manufacture and Distributor of kitchenware and furniture	1. Normal business transactions amounted THB 8.95 million 2. Supporting normal business transactions amounted THB 0.06 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. The rental rate was the same as those charged to other tenants.
Firstpoint Translogistics Company Limited			
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 2011	
S.Sahatara (Thailand) Company Limited			
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 7.25 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.
Toho Foam (Thailand) Company Limited			
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 2011	

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. However, 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 2011 in the note to financial statements for the year ended December 31, 2011, Pages 63-67.

Related-party transactions in the form of financial support existed before 2011 and transaction incurred in 2011 are as follow:-

1. Providing corporate guarantee on credit facilities granted to Srithai (Vietnam) Company Limited, a subsidiary whose 100% of shares being held by the Company, for guarantee limit of USD 3.061 million in order to support its business operations.
2. Providing corporate guarantee on credit facilities granted to Korat Thai Tech Company Limited, a subsidiary whose 100% of shares being held by the Company, for guarantee limit of THB 50 million in order to support its business operation and working capital.

These financial supports were approved by resolutions of the Board of Directors. The Company has no other financial support transaction with any other subsidiary or associate 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 group have similar businesses and products or have been supporting arms of main businesses of the Company. Therefore, related-party transactions 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 and/or give financial support necessary for business operations of subsidiary in order to support those subsidiaries' competitiveness.

In addition, the connected transactions executed with connected persons not under the structure of the 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 with 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 granting financial support to 100% owned subsidiary, the Company will present to the Board of Directors limit and nature of financial support, reasons and need for such transaction on a case by case basis. The Company will evaluate business environment and need for financial support of each subsidiary in order to provide suitable kind of financial support for sake of maximizing benefit for subsidiary.

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 in the Securities and Exchange Act (No.4) B.E.2551 and the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551, dated August 31, 2008, and granted the power to the Management to approve connected transactions within the scope stipulated by the Board of Directors.

However, if nature or size of any connected transaction is beyond the scope approved by the Board of Directors, the Company will submit it to the Board of Directors for its consideration to submit the proposed transaction to the Shareholders' meeting for approval in line with the Notification of the Capital Market Supervisory Board No. Tor Chor 21/2551, RE: Rules on Connected Transactions.

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.

Future trend of granting financial support by the Company may be rising, subject to need, business expansion policy and growth of companies in Srithai Group, especially subsidiaries.

11. FINANCIAL POSITION AND BUSINESS PERFORMANCE

11.1 Financial Statements

11.1.1 Summary of Auditor's Report

The Company has appointed PricewaterhouseCoopers ABAS Limited, "PwC", as its auditor. The auditor has audited Consolidated and Company Financial Statements for the year ended December 31, 2011 and issued an auditor's report expressing unqualified opinion. Detail appeared in the Auditor's Report on financial statements for the year ended December 31, 2011 as shown in the Attached Sheet.

11.1.2 Consolidated Financial Statements Table

Consolidated Statements of Financial Position For the years ended December 31

Unit : Million Baht

	2011	2010 Restated	2009
Assets			
Current assets			
Cash and cash equivalents	221.9	386.5	279.4
Short-term investments	13.3	18.4	18.2
Trade accounts and notes receivable, net	1,566.8	1,332.7	1,115.7
Inventories, net	1,154.7	1,007.6	948.3
Other current assets	148.1	97.3	65.1
Total current assets	3,104.8	2,842.5	2,426.7
Non-current assets			
Long-term investments	456.5	454.2	444.6
Investments properties, net	147.5	156.4	0.0
Property, plant and equipment, net	4,158.7	4,224.1	4,693.2
Intangible assets, net	64.1	68.9	70.2
Deferred tax assets	73.6	22.4	22.4
Other non-current assets, net	80.2	79.8	63.4
Total non-current assets	4,980.6	5,005.8	5,293.8
Total assets	8,085.4	7,848.3	7,720.5

Consolidated Statements of Financial Position (Cont'd)

For the years ended December 31

Unit : Million Baht

	2011	2010 Restated	2009
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans	735.0	0.0	181.3
Trade accounts payable	850.8	998.8	842.6
Long-term loans (maturing within one year)	474.8	335.9	258.7
Accrued expenses	196.8	144.8	120.7
Other current liabilities	259.1	267.0	152.6
Total current liabilities	2,516.5	1,746.5	1,555.9
Non-current liabilities			
Long-term loans	1,224.0	1,352.2	921.7
Employee benefit obligations	249.5	0.0	0.0
Other non-current liabilities	11.9	119.2	223.9
Total non-current liabilities	1,485.4	1,471.4	1,145.6
Total liabilities	4,001.9	3,217.9	2,701.5
Shareholders' equity			
Share capital	2,709.9	2,709.9	2,709.9
Premium on treasury shares	19.9	19.9	19.9
Retained earnings	1,198.4	1,283.1	1,050.0
Other components of equity	(48.4)	362.5	991.6
Total parent's shareholders' equity	3,879.8	4,375.4	4,771.4
Non-controlling interests	203.7	255.0	247.6
Total shareholders' equity	4,083.5	4,630.4	5,019.0
Total liabilities and shareholders' equity	8,085.4	7,848.3	7,720.5

Remark: Figures of the year 2010 as shown in the above table were restated for reason of comparison to figures of the year 2011 due to impact of changes in accounting standards and new accounting policies being effective since January 1, 2011. However, no reinstatement was made to financial statements of the year 2009 after introduction of the following accounting standards:-

1. TAS 16 (Revised 2009) Property, Plant and Equipment
2. TAS 19 Employee Benefits
3. TAS 40 (Revised 2009) Investment Property

Consolidated Statements of Comprehensive Income

For the years ended December 31

Unit : Million Baht

	2011	2010	2009
Sales and hire of work	7,552.2	6,859.7	5,456.6
Cost of sales and services	(6,045.3)	(5,413.4)	(4,313.7)
Gross profit	1,506.9	1,446.3	1,142.9
Other income	96.6	58.0	44.9
Selling and administrative expenses	(1,089.3)	(1,079.6)	(955.2)
Transactions incurred in relation to fire incident	103.3	44.8	0.0
Transactions incurred from change in employee benefit policy	40.7	0.0	0.0
Directors and managements' remuneration	(103.1)	(89.8)	(72.3)
Gain (Loss) on foreign exchange rate, net	(3.7)	(7.1)	9.0
Other expenses	(19.6)	(5.7)	(2.9)
Operating profit	531.8	366.9	166.4
Share of profit of investments in associates and joint venture	22.9	17.5	(28.7)
Profit before finance costs and income tax	554.7	384.4	137.7
Finance costs – interest expense	(99.4)	(65.8)	(52.0)
Profit before income tax	455.3	318.6	85.7
Income tax	(171.5)	(58.1)	(37.4)
Net profit for the year	283.8	260.5	48.3
Other comprehensive income:			
Exchange rate differences on translating financial statements	(2.0)	(31.2)	(6.9)
Gain (Loss) on remeasuring available-for-sale investments	10.0	12.8	(2.5)
Depreciation of fair value reserves on assets	0.0	(44.6)	(50.6)
Other changes of fair value reserves on assets	0.0	3.1	(0.1)
Other comprehensive income (expense) for the year	8.0	(59.9)	(60.1)
Total comprehensive income (expense) for the year	291.8	200.6	(11.8)

Consolidated Statements of Comprehensive Income (Cont'd)

For the years ended December 31

Unit : Million Baht

	2011	2010	2009
Profit attributable to:			
Owners of the parent	282.0	268.0	57.8
Non-controlling interests	1.8	(7.5)	(9.5)
Net profit for the year	283.8	260.5	48.3
Total comprehensive income (expense)			
Owners of the parent	291.6	212.4	(0.3)
Non-controlling interest	0.2	(11.8)	(11.5)
Total comprehensive income for the year	291.8	200.6	(11.8)
Earnings per share			
Basic earnings per share (Baht)	1.04	0.99	0.21

Consolidated Statements of Cash Flows

For the years ended December 31

Unit : Million Baht

	2011	2010	2009
Profit before income tax for the year	455.3	318.6	85.7
Adjustments to reconcile net profit to net cash provided by (paid for) operations :			
Depreciation & Amortisation	498.8	506.1	459.6
Assets written off from fire incident	5.3	196.7	0.0
(Gain) Loss on impairment and disposal of long-term assets	(2.6)	(5.6)	(3.5)
(Gain) Loss on foreign exchange rate	(1.9)	5.3	(3.7)
Interest income	(2.6)	(2.2)	(5.4)
Share of net (profit) loss of investments in associates and joint venture	(22.9)	(17.5)	28.7
Transactions incurred from change in employee benefit policy	(40.7)	0.0	0.0
Dividend income from other investments	(7.5)	(5.2)	(6.8)
Finance costs	99.4	65.8	52.0
Others	10.0	(1.7)	2.7
Changes in operating assets and liabilities			
(Increase) decrease in operating assets			
Trade accounts and notes receivable and amounts due from related parties	(239.6)	(276.2)	(109.1)
Inventories	(155.6)	(287.3)	(149.0)
Others	(85.6)	(73.4)	(27.6)
Increase (decrease) in operating liabilities			
Trade accounts payable and amounts due to related parties	(141.5)	251.5	214.3
Others	41.0	83.3	13.6
Cash generated from operations	409.3	758.2	551.5
Interest paid	(98.1)	(63.9)	(51.7)
Income tax paid	(127.3)	(70.1)	(16.7)
Net cash receipt from operating activities	183.9	624.2	483.1

Consolidated Statements of Cash Flows (Cont'd)

For the years ended December 31

Unit : Million Baht

	2011	2010	2009
Cash flows from investing activities			
Cash payment for short-term investments	(12.7)	(2.1)	(5.1)
Cash payment for investments in subsidiaries	(4.7)	0.0	0.0
Purchase of long-term assets and intangible assets	(1,029.1)	(854.8)	(841.9)
Cash receipt from short-term investments	10.6	2.0	56.5
Cash receipt from disposal of investments in an associate	36.5	0.5	0.0
Proceeds from disposal of long-term assets and leasehold right	68.7	24.8	14.4
Interest receipts	2.7	3.2	4.9
Dividends receipts from investments in subsidiaries and associates and other investments	22.8	26.9	22.4
Net cash payments for investing activities	(905.2)	(799.5)	(748.8)
Cash flows from financing activities			
Increase (decrease) in short-term loans from banks	735.0	(123.8)	(23.9)
Receipt from long-term loans	347.1	768.0	532.6
Repayment of long-term loans	(336.0)	(259.9)	(154.6)
Dividend payment	(177.9)	(103.7)	(107.8)
Other	(4.5)	2.6	7.8
Net cash receipt from financing activities	563.7	283.2	254.1
Net increase (decrease) in cash and cash equivalents	(157.6)	107.9	(11.6)
Decrease in cash from changing status of investments in a subsidiary to an associate and other long-term investment	(7.0)	(0.8)	0.0
Cash and cash equivalents, opening balance	386.5	279.4	291.0
Cash and cash equivalents, closing balance	221.9	386.5	279.4

11.1.3 Significant Financial Ratios of Consolidated Financial Statements

Ratio	Unit	2011	2010	2009
Liquidity Ratio				
Current Ratio	Times	1.23	1.63	1.56
Quick Ratio	Times	0.72	1.00	0.91
Operating Cash Flows Ratio	Times	0.09	0.38	0.32
Account Receivable Turnover	Times	5.19	5.58	5.11
Average Collection Period	Days	69.41	64.52	70.41
Inventory Turnover*	Times	13.59	14.43	11.05
Inventory Turnover Days	Days	26.49	24.95	32.57
Account Payable Turnover	Times	6.54	5.88	5.85
Average Payment Period	Days	55.07	61.23	61.55
Cash Cycle**	Days	40.83	28.25	41.42
Profitability Ratio				
Gross Profit to Sales	%	19.95	21.08	20.94
Operating Margin to Sales	%	4.16	4.04	2.11
Non-operating Margin to Total Revenues	%	1.26	0.84	0.82
Operating Cash Flows Margin	%	58.48	225.41	419.05
Net Profit Ratio to Total Revenues	%	3.69	3.87	1.05
Return on Equity	%	6.47	5.55	1.15
Efficiency Ratio				
Return on Total Assets	%	3.54	3.44	0.76
Return on Net Fixed Assets	%	17.32	16.56	10.43
Total Assets Turnover	Times	0.96	0.89	0.73
Financial Policy Ratio				
Debt to Equity Ratio	Times	0.98	0.69	0.54
Interest Coverage Ratio	Times	4.17	11.86	10.67
Operating Cash Flows Coverage (cash basis)	Times	0.12	0.51	0.44
Dividend Payout Ratio	%	63.07	38.69	186.53

* 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

In the year 2011, financial liquidity of the Group of companies was decreased from that of previous year due to increase of current assets less than that of current liabilities. Increase of current assets was mostly due to increase of trade accounts and notes receivable and inventories, whereas increase of current liabilities was mostly from short-term loans and current portion of long-term loans maturing within one year. As a result, current ratio of the Group decreased from 1.63 times in 2010 to 1.23 times in 2011. Due to changes in operating assets and liabilities and increases of interest paid and income tax paid over those of previous year, operating cash flows ratio of the group decreased from 0.38 time in 2010 to 0.09 time in 2011.

Cash cycle increased from 28.25 days in 2010 to 40.83 days in 2011 due to:-

- 1) Average Collection Period increased from 64.52 days in 2010 to 69.41 days in 2011 due to expansion of sales of the group and gradual settlements of particular customers abroad.
- 2) Inventory Turnover Days increased from 24.95 days in 2010 to 26.49 days in 2011 due to increase of production and increase of inventories resulting from rising cost of raw materials and increase of inventories of a new subsidiary set up in 2011.
- 3) Average Payment Period decreased from 61.23 days in 2010 to 55.07 days in 2011 due to sizes of purchase orders for raw materials of the group being optimized to the level just sufficient for production line, coupled with earlier settlements of bills from time to time so as to get proper prices of raw materials.

Taking into consideration the above-mentioned financial ratios, it was found that the Group's financial liquidity was sound. Its generated cash flows were sufficient for operation and support of its businesses without causing any trouble.

Profitability

The Group's Gross Profit to Sales ratio decreased from 21.08% in 2010 to 19.95% in 2011 due to increase of production cost, especially rising prices of raw materials. Sales and hire of work increased over that of previous year in line with sales growth and increase of selling prices, as well as increase in other income. In addition, there were transactions incurred in relation to fire incident, transactions incurred from change in employee benefit policy, and higher share of profit of investments in associates and joint venture due to improved business performances of many associates. As a result, the Group had higher net profit than that of previous year. However, increase of interest expenses and income tax expenses had caused decrease of Net Profit Ratio to Total Revenues from 3.87% in 2010 to 3.69% in 2011.

In the year 2011, shareholders' equity was decreased as a result of adoption of new accounting policy on Property, Plant and Equipment which were recorded at cost instead of fair value since January 1, 2011. Consequently, the Group had reversed fair value reserves on assets and there was no such item in 2011 any longer. Due to above factors and improved business performance, Return on Equity ratio of the Group increased from 5.55% in 2010 to 6.47% in 2011.

Efficiency

Property, Plant and Equipment and depreciation expense had significantly decreased following adoption of new accounting policy on Property, Plant and Equipment. However, the effect of acquisition of assets during the year 2011 of the Group to support normal business operation had resulted in a slight decrease of Property, Plant and Equipment in total as of December 31, 2011 as compared to that of previous year. The increase of net profit in 2011 had resulted in an increase of Return on Net Fixed Assets from 16.56% in 2010 to 17.32% in 2011.

Financial Policy

Debt to Equity ratio of the Group increased from 0.69 time in 2010 to 0.98 time in 2011 was from draw-downs of short-term loans and long-term loans, recognition of employee benefit obligations due to a change of accounting standard resulting in higher liabilities. A change of accounting policy on Property, Plant and Equipment, by recording its value at cost instead of fair value also had resulted in the reversal of fair value reserves on assets.

The increase of interest expense following additional draw-downs of long-term loans for purpose of investments, draw-downs of short-term loans to support working capital and business expansion, rising interest rates, obligations to repay long-term loans and other rising obligations of the group in 2011 had resulted in decrease of Interest Coverage Ratio from 11.86 times in 2010 to 4.17 times in 2011 and decrease of Operating Cash Flows Coverage (cash basis) from 0.51 time in 2010 to 0.12 time in 2011.

Anyhow, formula used in calculation of Operating Cash Flows Coverage ratio (cash basis) was as suggested by Office of the Securities and Exchange Commission, and it was different from the formula used in calculation of the ratio as a financial covenant the Company had agreed with its creditor banks. Hence, results of the two calculations should not then be compared. The Company had disclosed detail of financial covenants as per loan agreements under section 11.2.1 (d).

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: Plastics Business and Trading Business with Mould Business as an important support of Plastics Business. In 2011, the Group of Companies' main revenue still came from Plastics Business-Industrial Products and Household Products whereas the Trading Business volume had gradually improved as direct sales business under Multi-level Marketing expanded. Revenue from the sales and the hire of work of the Group classified by business lines in 2011 and 2010 was shown below:-

Consolidated Financial Statements	2011		2010	
	Million Baht	%	Million Baht	%
Plastics Business *	6,740	89	6,179	90
Trading and Mould Businesses	812	11	681	10
Total	7,552	100	6,860	100
* Main products classification :				
- Industrial Products	4,596	68	4,107	66
- Household Products	2,144	32	2,072	34
Total of Plastic business line	6,740	100	6,179	100

The Group's 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. Regarding the economic recovery and the increase in sales volume of Food & Beverage Packaging products, it has resulted in higher sales amount of the two products under Plastics Business Line in 2011 as compared to that of 2010.

For the Trading Business, in 2011, there was an increase of growth and sales volume as compared with that of the previous year. It was because products of the Group, especially health-care and beauty-care products are outstanding and warmly welcomed by consumers. Expansion of network marketing business and membership base, advertising and sales promotion had made the products be aware and popular among consumers quickly. In addition, development of quality, marketing activities focusing proactively on health care, and expansion of membership base in the country and abroad have been pushing up growth of Trading Business Line continually. It helps significantly generate income for the Company.

Despite the revenue from the Mould Making Business being quite small as compared with the total revenue of the Group, the revenue growth of the Mould Making Business is closely related to the revenue growth of Plastics Business. That is because it plays an important role to support the Plastics Business. In 2011, the Group revenue from Mould Making Business increased from that of the previous year due to the increase of orders. Nonetheless, the investment requirement of customers and the ability to solicit trading partners, including technology and ability to produce high precision moulds are also important factors which help support the growth of the revenue of the Mould Making Business of the Group and, in turn, increase revenue of the Company.

B. Marketing and Trend

1) Plastics Business Line

1.1) Domestic Market for Industrial Products

Thailand faced a flood crisis and its strong repercussion had impact to many industries, especially automobile industry previously hit by Tsunami event in Japan, which resulted in slow down of sales volume of automotive parts and battery cases. However, due to economic recovery and availability of wide ranges of our industrial products applicable in so many industries, growth of food & beverage packaging products, and escape from the flood of all our plants which can produce goods as usual, sales growth of industrial products in domestic market rose up sharply in 2011 as compared to that of previous year.

The Company expects sales value of industrial products to rise further in 2012 as a result of having differentiated and value-adding our products whereas conserving the environment. These stemmed from development of industrial products for quality assurance purpose and compliance to standard level set by customers, expansion of production line of beverage packaging to satisfy demand of carbonated soft drink and drinking water industries which are of very high market value, selection and development of new innovation e.g. In-Mould Labeling technology having advanced by another step in its new technique of labeling that looks metallic, and production of new lightweighted closure model for drinking water bottle.

1.2) Export Market for Industrial Products

In 2011, the Company's revenue from export of industrial products had dramatically increased, especially in beverage packaging products which the Company exported to carbonated soft drink and drinking water bottlers and distributors in Laos, the Philippines, Cambodia, Vietnam, Papua New Guinea, Malaysia, Indonesia, and Australia. Besides, sales of garbage bin and bottle crate also increased. Hence, sales of those products could make up for decreased sales value of CD and DVD containers resulting from change of behavior of consumers who like to download entertainment from websites because it is more convenient and save. As a result, the Company's total revenue from export of industrial products in 2011 increased as compared with that of previous year.

For 2012, the Company has planned to increase its sales volume of export of industrial products by maintaining the market of Indochina and aimed to expand the market by focusing on the export to the Asia Pacific countries and the Middle East. Investment was made for increase of production capacity of the food and beverage packaging products in order to better serve need of customers, including to encourage and drive the new products of the Company to be better known in the World's market.

1.3) Domestic Market for Household Products

The economic recovery in 2011 had resulted in the increase of household consumption. Under such circumstance, the Company had launched new designs of decoration and new shapes of products and many sales promotion activities. As a result, sales growth of household products was satisfactory. Despite strong impact by heavy flood in Bangkok and many provinces in the central part of the country by end of 2011, sales value of the Company was affected insignificantly because all our plants were not flooded and it could produce goods as usual. On the contrary, a big group of consumers bought our household products to replace their old tableware damaged by the flood. Sales of household products in 2011 then rose up as compared to that of previous year.

Melamine household products of the Company could substitute household products made of other materials such as porcelain or glass. However, growth of domestic market of melamine household products is still limited because the Company's products are durable and not easily broken. It slows down purchase for replacement. Besides, labor shortage situation restricts expansion of production to satisfy high demand for our products. However, the Company is confident that quality of our products, launching of new decoration and shapes of products, product development, new applications of products in trend with contemporary fashion of consumers, efficient sales promotion activities and expansion of production base to any country where there is no labor shortage problem and where wage rate is reasonable will make our domestic production capacity sufficient to satisfy domestic demand for our products, and will push forward our household products to attract more attention of consumer groups. This will result in domestic sales growth of our household products.

1.4) Export Market for the Household Products

In 2011, economic conditions of many countries started to recover, especially Asian countries and the USA. As a result, the Company got more purchase orders. In addition, the Company had adjusted up its selling prices. It helped generate more foreign exchange earning over that of previous year. However, continual appreciation of Thai Baht against the US Dollar throughout the year 2011 and its trend to continue so in the year 2012 had an adverse impact to our export earning which was mostly denominated in US Dollar. Sales value on export of household products in 2011 after translated into Thai Baht remained nearly the same with that of previous year. Anyhow, the Company is confident that export sales of household products can grow further due to the following reasons:-

- The export market of the Company is not concentrated in any group of countries in any particular continent, but diversified to many countries. In addition, by expanding to new markets in Africa and Eastern Europe, the Company has succeeded in market expansion and has exported to more than 100 countries around the world.
- Presently, consumers have realized the importance of quality and safety of household products as evidenced by passing of rules and setting up standard of products to prevent import of poor quality household products, made of urea or melamine mixed with urea, which may adversely affect health. Strict quality control in many countries have been tightened, especially European countries where new standard of quality of household products has been set up resulting in inferior goods being barred from European market. Thus, it is such a good opportunity for the Company's household products made of 100% pure melamine. The Company always focuses on the importance of quality and brand image.
- The Company in collaboration with Thai MFC Company Limited, a producer of melamine powder, and Truys Import, a big player of The Netherlands in designing and distributing of melamine products for HORECA segment (Hotel, Restaurant and Catering), has developed a new innovation for household products so that it could be microwaveable. This new innovation will lead its way to satisfy demand for our products by operators of catering businesses in European countries which is a new market segment of the Company under co-branding 'Truys Import by Srithai Superware'.

- The Company has envisaged better standard on production process continually, including development of fully automatic or semi-automatic machines for replacing labor in production work, and laying down internationally accepted production procedure to get prepared for change of standard in the production work of customers, especially in Europe.
- Gaining confidence of a large and famous household product retailer in Europe, the Company manufactures and exports household products to the customer's many branches in many countries.
- The Company co-develops decoration and shapes of products with customers to serve their needs and market trend in each country. It differentiates the Company's products from those of 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 becomes well-known across the world.
- In lessening foreign exchange risk, the Company negotiate 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 customers in catering business and new markets in Eastern Europe, Africa, and South America, the Company is confident that it can export its products to a wider market coverage for sustainable growth of export markets in the future.

2) Trading Business Line

Tourism and hotel business had improved in 2011 following the economic recovery. In addition, growth of SNatur network marketing business attributable to the increase of product groups and number of networkers, including expansion of this business to neighboring countries, had resulted in high increase of sales revenue of Trading Business Line in 2011.

The Company places an importance upon the distributed products under network marketing business with a focus on variety and quality of the products which have been proven of their safety since they are products concerning consumers' health. Thus, the followings are the criteria of the Company to select the products for distribution:-

- Serve need of customers according to market trend;
- Produced under international standard of production process.
- Be safe with noticeable results within appropriate period, outstanding and explainable to the customers;
- Disposable or need replacement from time to time in order to get repeating orders;
- Be innovative or differentiated;
- Market size of any product not less than an amount specified by the Company.

With large number of members under the Company's direct sales business, outlets in major cities of Thailand, continual marketing and sales promotion campaigns to support the network marketing business of SNatur so that it becomes outstanding in marketing with innovative products and wide variety of quality consumer products used in daily life, including the ability to attract interest and provide opportunity to independent business owners and members who want to build up their own network, the Company is confident that the network marketing business will continue to grow and it will be another key generator of revenue of the Company.

C. Operation Results and Financial Position (from Consolidated Financial Statements)

For the year 2011, the Group had net profit attributable to owners of the parent as shown in consolidated statements of comprehensive income amounting THB 282.01 million, an increase of THB 14.04 million over that of previous year or 5.24%. After other comprehensive income being added to this figure, total comprehensive income attributable to owners of the parent amounting THB 291.58 million, an increase of THB 79.18 million over that of previous year or 37.28%. Operation results and financial position of the Group as of 31 December 2011 can be summarized as shown below:-

- Consolidated Statements of Comprehensive Income for the year ended December 31, 2011 as compared to those of the year 2010. (Details were shown in Consolidated Statements of Comprehensive Income and Statements of Comprehensive Income for the year 2011)
- 1 Sales and hire of work amounting THB 7,552.24 million was increased by THB 692.48 million over that of previous year, or 10.09% due to :-
 - 1.1 Plastics Business Line
 - 1) Domestic and overseas sales of Household Products under Plastics Business Line amounted THB 2,143.88 million, or 28.39% of total sales, an increase of THB 72.36 million from that of the previous year or 3.49%. Improved domestic economy and sales promotion campaigns have pushed up domestic sales, especially through direct sales and distributors. In addition, sales of overseas subsidiary and sales of a new local subsidiary established in 2011 were also increased.
 - 2) Domestic and overseas sales of Industrial Products under Plastics Business Line amounted THB 4,596.10 million, or 60.86% of total sales, an increase of THB 489.26 million from that of the previous year or 11.91%. That was due to soaring of sales of food & beverage packaging products, paint pail, and pallets resulting from increasing purchase orders following the flood event in the previous year, business expansion, selling price adjustments following rise of raw material price, and netted with a decrease of sales of garbage bin due to no big special orders being received in 2011 unlike that of the year 2010.
 - 1.2 Trading Business Line and Mould Business Line

Sales of Trading Business Line and Mould Business Line amounting THB 812.26 million, or 10.76% of total sales, was increased by THB 130.86 million from that of previous year or 19.20%. That was due to soaring of sales of SNatur network marketing business, especially cosmetics and food supplement and the support of new Management team since the 3rd quarter of the year 2010.
 - 2 Gross profit was THB 1,506.90 million, an increase of THB 60.58 million. Gross profit on sales ratio of the year 2011 was 19.95%, lower than the ratio 21.08% of the same period of previous year due to the increase of production cost resulting from rise of raw material price, wages and overhead as well as strength of Baht currency against US Dollar.
 - 3 Selling and administrative expenses amounting THB 1,089.32 million was increased by THB 9.70 million, or 0.90% over that of the previous year. Selling and administrative expenses on sales ratio of the year 2011 was 14.42%, lower than the ratio 15.74% of the previous year. The increase of expenses was due to increase in sales promotion expenses, transportation and sea freight expenses resulting from sales expansion, annual salary and wages increment, increase in new headcounts of Trading Business Line, and recognition of employee benefit in accordance with the new accounting standards "Accounting for Employee Benefit" effective in the year 2011, and netted with decrease of a subsidiary's expenses as a result of change of classification of investment from a subsidiary to other investments during the 3rd quarter of the year 2010.
 - 4 Transactions incurred in relation to fire incident amounting THB 103.29 million, increased by THB 58.53 million, which represented difference between claim compensation receipt and expenses incurred from fire incident as described under headline No.11.2.2 Significant Events.

- 5 Transactions incurred from changes in employee benefit policy was THB 40.71 million. The Company has scheme to award gold to employees who have provided services to the Company for specified periods. However, on November 11, 2011, the Board of Directors has resolved to change the scheme by fixing the gold value at a fixed price per 1 baht weight of gold whereas in the past market price was used. As a result, it decreased employee benefit obligation and decreased expenses of the year 2011.
 - 6 Share of profit from associates and joint venture amounting THB 22.92 million, an increase of THB 5.38 million over that of the previous year, or 30.69%. That was due to better performance of associates as a result of economic recovery.
 - 7 Finance costs – interest expense amounting THB 99.37 million, an increase of THB 33.58 million, due to additional borrowing of long-term loan for acquisition of fixed assets and credit facilities to support working capital as well as rising interest rate in the market.
 - 8 Income tax expenses amounting THB 171.52 million, an increase of THB 113.36 million from THB 58.15 million of the previous year. That was due to :-
 - 8.1 The year 2010 was the last year the Group enjoyed tax privilege of an investment promotion certificate for the reduction of 50% on regular corporate income tax rate on a portion of profit.
 - 8.2 Corporate income tax rate was increased from 25% according to promotional measure of the government in 2010, to normal rate 30% in 2011.
 - 8.3 The Company recognised difference between claim compensation receipt and expenses incurred from fire incident amounting THB 44.76 million and THB 103.29 million in the year 2010 and 2011 respectively, which was collectively being taxable income of THB 148.05 million in the year 2011 since the Company had already received payment for claim compensation from the insurance company.
 - 8.4 The Group recognised increased income tax expenses as a result of decrease in past deferred income tax benefit as follow:-
 - 1) reduction of tax rate from 30% to 23% for the fiscal year 2012 and 20% for the fiscal year 2013 onwards;
 - 2) change in employee benefit policy as described under paragraph No. 5. This resulted in decrease in liabilities of employee benefit obligation. That was due to decrease in temporary difference between tax accounting and financial accounting in recognition of employee benefit obligation. Financial accounting recognised this expense promptly but tax accounting recognised it at time of actual payment. Therefore, deferred income tax was decreased.
 - 9 Basic earning per share was THB 1.04 as compared to that of the previous year THB 0.99 per share in line with the increase of the Group's net profit, increase of difference between claim compensation income and expenses incurred from fire incident in the year 2011, and transactions incurred from changes in employee benefit policy in the year 2011 as a result of change in the Company's gold award scheme policy.
 - 10 Other comprehensive income amounting THB 8.04 million, an increase as compared to the comprehensive loss of the previous year THB 59.85 million. That was due to a decrease in loss on exchange rate differences on translating financial statements and decrease in depreciation expenses of appraised assets due to the change in accounting policy on Property, Plant and Equipment from revaluation method to cost method in 2011.
- Consolidated Statement of Financial Position as of December 31, 2011 comparing to that as of December 31, 2010 (restated) (Detail was shown in Consolidated Financial Statements and Financial Statements of the Company for the year 2011 in Statements of Financial Position)
 1. Total assets amounting THB 8,085.35 million were increased by THB 237.09 million over that as of December 31, 2010 or 3.02% due to the significant changes as follows :-

- 1.1 Net trade accounts and notes receivable amounting THB 1,566.79 million were increased by THB 234.07 million over the previous year due to soaring sales, outstanding debts of particular overseas accounts receivable who made gradual settlements, and additional receivable of a new local subsidiary being established in 2011.
- 1.2 Inventories amounting THB 1,154.68 million were increased by THB 147.09 million from that of previous year. Inventory level was increased in line with soaring sales as well as higher cost of inventories from rising raw material price, an increase of inventories of a new local subsidiary established in 2011, netted with decrease in inventory as a result of change in status of investment from a subsidiary to an associate during the 1st quarter of the year 2011.
- 1.3 Long-term investment amounting THB 456.48 million, an increase of THB 2.27 million over that of previous year, resulted from investments in associates and joint venture amounting THB 282.27 million, a decrease by THB 8.29 million from that of the previous year due to dividends received under equity method of accounting and disposal of investments in an associate, netted with increased profit due to better performance of associates and change in status of investment from a subsidiary to an associate.
- 1.4 Investment properties amounting THB 147.47 million are the property which is not utilised by the Group for core business; comprising land and building held for rental yields, and land of which future use is currently undetermined. The Group did not intend whether to use for operation or to dispose of in short-term. A decrease in book value by THB 8.94 million from that of the previous year was due to depreciation expenses during the year.
- 1.5 Property, plant and equipment amounting THB 4,158.68 million were decreased by THB 65.39 million as follows:
 - 1) Decrease by THB 549.61 million from a change in accounting policy on Property, Plant and Equipment from the revaluation method to the cost method effective from January 1, 2011;
 - 2) Decrease of subsidiary's fixed assets amounting THB 20.19 million due to reclassification of investment from a subsidiary to an associate;
 - 3) Increase by acquisitions of new assets, netted with decrease due to disposals of assets and depreciation expenses during the year.
- 1.6 Deferred tax assets amounting THB 73.55 million was increased by THB 51.19 million from that of the previous year. That was due to temporary difference between tax accounting and financial accounting basis of employee benefit expenses recognition on January 1, 2011 amounting THB 86.35 million as a result of change in an accounting policy, which are taxable expense when actually paid, netted with decrease in tax rate with the effect of THB 25.51 million resulting from tax rate reduction from 30% to 23% and 20% for the fiscal year 2012 and 2013 respectively, and other changes during the year.
2. Total liabilities amounting THB 4,001.84 million were increased by THB 783.99 million over that as of December 31, 2010 or 24.36% due to the following significant changes :-
 - 2.1 Short-term loans amounting THB 735.00 million were raised to support working capital.
 - 2.2 Trade accounts payable amounting THB 850.79 million were decreased by THB 147.96 million from that of the previous year because of shorter payment to supplier in order to get better price and gradual purchases of raw material to be in line with production plan, as well as a decrease in subsidiary's trade accounts payable due to change in status of investment from a subsidiary to an associate.
 - 2.3 Current portion of long-term loans and long-term loans amounting THB 1,698.74 million were increased by THB 10.65 million due to additional drawdown of long-term loans amounting THB 347.09 million, netted with repayment of principal THB 336.03 million.

- 2.4 Accrued expenses amounting THB 196.78 million were increased by THB 51.97 million over that of the previous year due to increase in accrued income tax amounting THB 26.29 million. This is in line with increase in taxable profit for the year 2011 partly due to difference between claim compensation receipt and expenses incurred from fire incident, increase in tax rate from 25% in the year 2010 to 30% in the year 2011, as well as the Group utilization of BOI privilege for the reduction of 50% from regular corporate income tax rate in the year 2010.
- 2.5 Other non-current liabilities amounting THB 11.86 million were decreased from THB 107.31 million of previous year due to deferred tax liabilities being reduced by THB 114.92 from that of the previous year resulting from change in accounting policy on Property, Plant and Equipment from the revaluation method to the cost method effective from January 1, 2011.
- 2.6 Employee benefit obligations as of December 31, 2011 were increased by THB 249.54 million being in accordance with change in accounting policy on Employee Benefit obligation. The increased amount was the cumulative effect of the previous years' liabilities being THB 287.83 million which was adjusted against the retained earnings as of January 1, 2011. The current year's obligations were recognised as expenses during the year 2011, netted with a decrease from change in employee benefit policy.
3. Total shareholders' equity amounting THB 4,083.51 million was decreased by THB 546.91 million from that as of December 31, 2010 or 11.81% due to the following significant changes :-
- 3.1 Retained earnings amounting THB 1,198.36 million was decreased by THB 84.69 million from that of previous year. It comprised unappropriated retained earnings amounting THB 1,062.36 million which was decreased by THB 100.69 from that of the previous year due to increase of net profit attributable to the parent company of the year ended December 31, 2011 amounting THB 282.01 million, netted with dividend payment from operating result of the year 2010 amounting THB 162.59 million being paid in May 2011, additional legal reserve amounting THB 16.00 million, and the effect of change in accounting policies as of January 1, 2011 amounting 201.48 million for the following:-
- Property, plant and equipment
 - Employee benefit obligation
 - Investment property
- Details appeared under headline no.11.2.2 Important Changes and Significant Events over the Past Year.
- 3.2 Other components of shareholders' equity were decreased by THB 410.89 million, or 113.35%. This was due to removing in full fair value reserves on assets as of December 31, 2010 amounting THB 420.47 million as a result of the change in accounting policy on Property, Plant and Equipment from revaluation method to cost method effective from January 1, 2011.
- 3.3 Non-controlling interests amounting THB 203.71 million was decreased by THB 51.32 million from that of previous year due to:-

1. Comprehensive income for year ended		
December 31, 2011	0.26	Million Baht
2. Dividends	(15.26)	Million Baht
3. Investment in subsidiary	(2.20)	Million Baht
4. Change in status of investment		
in a subsidiary to associate	(19.70)	Million Baht
5. Effects from changes in accounting policies	(14.34)	Million Baht

- Consolidated Statements of Cash Flows for the year ended December 31, 2011 comparing to that of previous year ended December 31, 2010, the Group had cash and cash equivalent amounting THB 157.53 million, (Details were shown in Consolidated and Company Financial Statements of the year 2011 under Statements of Cash Flows) comprising:-

1. Net cash receipts from operating activities amounting THB 183.91 million were from operations of the year 2011, changes in trade accounts receivable, inventories, trade accounts payable, and increase in payment of interest expense and income tax.
2. Net cash payments for investing activities amounting THB 905.21 million were for acquisition of fixed assets amounting THB 1,020.01 million and intangible assets amounting THB 9.11 million in order to get prepared for business expansion, and additional investment in a subsidiary amounting THB 4.70 million; netted with cash received from fixed assets and leasehold right disposal amounting THB 68.75 million, dividends received from investments amounting THB 22.80 million, and cash received from disposal of investments in an associate amounting THB 36.55 million.
3. Net cash receipts from financing activities amounting THB 563.77 million were from the Group's withdrawal of short-term bank loans amounting THB 735.00 million and receipts of long-term loans amounting THB 347.09 million; netted with repayment of long-term loan principal amounting THB 336.03 million and dividends payment amounting THB 177.86 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 for the whole life of loan agreements are as follow:-

1. Debt to Equity Ratio not more than 2 times.
2. 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	Year 2011
Debt to Equity Ratio	Not more than 2.0	0.86
Debt Service Coverage Ratio	Not less than 1.1	2.21

In consideration of strong financial position and good operating result 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 2011, the Company faced series of major events. Some events were disclosed to the public after the Board of Directors having passed resolutions 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) Establishment of Three New Subsidiaries

- Korat Thai Tech Company Limited was registered with the Ministry of Commerce on March 3, 2011, with a registered capital of Baht 30 million, fully paid up and wholly owned by the Company, for engagement in manufacturing and distribution of melamine products. The purposes are for supporting export to customers abroad, especially those customers who give much attention to production process and strict compliance to their standards of the factory, and increasing production capacity.

- The Company will invest in a new subsidiary to be incorporated in the Lao People's Democratic Republic for engagement in trading and distribution of products under a multi-level network marketing system. Registered capital will be 1 billion kip, equivalent to USD 125,000. The Company will hold 80% of shares. It will help increase distribution channels and expand overseas customer base of trading business line. Presently, it is under the process of incorporation.
- In the first quarter of 2012, the Board of Directors passed a resolution to invest in a new subsidiary for engagement in providing blow-moulding service for beverage packaging products and /or other packaging products with initial registered capital of THB 25 million. The Company will hold 100% shares. Purpose of a new subsidiary is expansion of production capacity on top of the current production capacity of P.E.T. Blow Company Limited, an existing subsidiary, to fulfill increasing purchase orders placed by customers

1.2) Capital Increase of a Subsidiary

On October 28, 2011, the Extraordinary Meeting of Shareholders of P.E.T. Blow Company Limited, a subsidiary, passed a resolution to increase the registered capital from THB 5 million to THB 20 million for purposes of capital expenditure and supporting working capital of the subsidiary. P.E.T. Blow Company Limited registered its increase of capital with the Ministry of Commerce on November 2, 2011, and called for partial pay up of the incremental share capital amounting THB 3.75 million. The Company paid in full the called portion of the share capital for all the 100% of shares held by the Company.

1.3) Investments in Two Subsidiaries Abroad

- The Company paid THB 4.7 million for cost of shares after the Company's Board of Directors passed its resolution approving the Company to purchase shares of Srithai (Vietnam) Company Limited, a subsidiary, from an existing shareholder, for the stake of 4.16% of the paid-up capital of the subsidiary. This investment has resulted in the increase of the Company's shareholding in the subsidiary from 95.84% to 100%. The source of fund for the investment is from cash flow from operation of the Company. Srithai (Vietnam) Company Limited had registered the change in shareholding structure on April 22, 2011.
- The Company's Board of Directors passed a resolution approving the increase of the Company's stake of shareholding in Srithai Superware India Limited, ("SSI"), following the other two shareholders having no intention to invest further in additional call for pay up of share capital according to their 30% shareholding portion. As a result, the Company's shareholding in SSI will increase from 70% to 85%. The new stake of shareholding will enhance more flexibility and freedom in the management and business expansion of SSI for the Company in line with business policies of the Company. The source of funds for this investment comes from the Company's operating cash flow. The Company is currently under the legal process of increasing its shareholding in SSI. Additionally, pay up of the afore-mentioned portion of shares will be made as deemed appropriate, subject to financial position of SSI and its need of cash.

1.4) Change in Status of Investments in Subsidiaries

Srithai Shin-Osaka Company Limited, a subsidiary of which the Company holds shares in a stake of 40.0%, engaging in services of laminating of moulds and manufacturing plastics and melamine household products, is considered a subsidiary of the Company despite the Company holds shares less than half of the total shares. This is because the directors and related persons of the Company aggregately hold shares in a stake of 15% in such company, causing the Company to have a direct and indirect voting rights in aggregate of more than half of total voting rights. In addition, the Company has power to control financial and business policies of the subsidiary since the number of the subsidiary's directors who are representatives of the Company is significant.

During the first quarter of 2011, the shareholding structure of the Company in the subsidiary has changed due to the sale of shares by the directors and related persons of the Company in a stake of 15% to third party. Although the Company's direct shareholding ratio has not changed, the shareholding ratio of the Company has decreased to be less than half of the total shares and the Company's voting right is no longer considered having significant influence. Since the Company had to reduce the number of directors in the subsidiary who were its representatives proportionately with its shareholding ratio, the Company can no longer control the management in the subsidiary. Lastly, the investment status of the Company in Srithai Shin-Osaka Company Limited shall not be considered an investment in a subsidiary but an affiliated company. The subsidiary's name has subsequently been changed to Sheewamala Company Limited. The change of name was registered with the Ministry of Commerce on March 16, 2011.

1.5) Sale of Investment in an Associate and Other Investment

On June 15, 2011, the Board of Directors of the Company had passed a resolution to dispose of its investments in Takahashi Korat (1995) Company Limited and Takahashi Plastics Company Limited, an associate and other investment respectively, to a former shareholder of the two companies, for the total amount of Baht 36.55 million. The purposes of the disposal of investments are to reduce its responsibilities and exposure to future risk. Furthermore, the Company can utilize cash receipt from these disposals for the Company's core business. The Company recognized gain from disposals of investments amounting to Baht 8.30 million and Baht 8.05 million, which were presented under other income in the consolidated and company statements of comprehensive income, respectively.

On June 28, 2011, the Company had already received the proceeds from shares disposals.

2) Borrowings

2.1) Long-term Loans

During the 4th quarter of 2010 and 2011, the Company had signed 3 loan agreements covering long-term loans for supporting investment plan for the year 2010 and refurbishment of Amata Nakorn Chonburi with local commercial banks for the amount of THB 700 million. Duration of loans were 3 years and 7 years. The loans beared fixed interest rate and floating rates for the duration of loan. The Company had partially drawn down the loans.

The Board of Directors and Management are very careful in borrowing more loans as source of fund to support business operation. The Company has focused on appropriate cost of fund and term & conditions of the loans so as to avoid difficulty in making repayments or breaching of any financial covenant obligation as required by loan agreements. However, financial liquidity of the Company is at appropriate level and sufficient for supporting business operation. There is no difficulty in making repayment. Details of long-term loans as of December 31, 2011 amounting THB 1,622.95 million are shown in the notes to financial statements for the year ended December 31, 2011 Pages 49-53.

2.2) Revolving Credit Facilities

In the year 2011, the Company had received additional revolving credit facilities from local commercial banks for total amount not less than THB 500 million. The Company is currently enjoying total revolving credit facilities from all financial institutions at no less than THB 2 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) Financial Support to a Subsidiary

Korat Thai Tech Company Limited, ("Korat Thai Tech"), a subsidiary whose 100% of shares being held by the Company, needed financial support from financial institutions in the form of long-term loans and revolving credit facilities for purpose of acquisition of assets and supporting its working capital. However, Korat Thai Tech is a small company with limited capital base. Its assets that may be used as collateral may not be sufficient as such. In order to support Korat Thai Tech in asking for credit lines from financial institutions and so as to get appropriate interest rate and term & conditions of loans, the Board of Directors resolved approval on giving financial support to Korat Thai Tech by providing corporate guarantee for a limit of THB 100 million to financial institutions against all kinds of credit facilities and/or other form of financial support under such limit as deemed fit to the source of fund and financing cost.

In the 4th quarter of 2011, the Company signed a guarantee agreement for a limit of THB 50 million to guarantee long-term loan and revolving credit facilities granted to Korat Thai Tech by a local commercial bank. The Company expects to provide corporate guarantee for the remainder limit of THB 50 million in the 1st quarter of 2012 after such credit facilities being obtained.

During the course of negotiation for additional credit facilities, the Company has granted short-term loan of duration less than 1 year for the limit not exceeding THB 50 million to support its business and working capital.

3 Others

3.1) New Accounting Policies

The Group has adopted new accounting policies, new standard of financial reporting, interpretation of new standard of financial reporting and revised accounting policies (called as a whole 'accounting policies'), effective for the accounting period starting on January 1, 2011 or thereafter. Adoption of accounting policies has no significant impact on presentation of financial statements, except the following accounting standards:-

1.	TAS 1	(Revised 2009)	Presentation of Financial Statements
2.	TAS 16	(Revised 2009)	Property, Plant and Equipment
3.	TAS 19		Employee Benefits
4.	TAS 24	(Revised 2009)	Related Party Disclosures
5.	TAS 40	(Revised 2009)	Investment Property

Furthermore, the Group has changed accounting policy to determine the value of property, plant and equipment from the revaluation method to the cost method. The Group's management considered that this policy would provide the Group's financial information that are comparable to other companies in the same industry. However, the Group could not determine the cumulative effect, incurred in previous periods, to adjust the use of this new accounting policy retrospectively. This is because those assets had been revalued for several times, which the Group had disposed the original cost then accounted for the new appraisal value as the new cost of the assets immediately. The original cost was not available for re-determination. Furthermore, in each revaluation, the Group had also changed the remaining useful lives of each asset item. Consequently, the Group could not re-determine the original purchased cost. Therefore, the Group had applied the new accounting policy prospectively by adjusting the net revaluation surplus to the net asset value as of December 31, 2010, and applied these net amounts as the new cost of assets as of January 1, 2011.

3.2) Fire Incident

On June 15, 2010 a fire incident broke out at our Amata Nakorn Chonburi plant which is a plant producing plastic industrial products. The fire broke out in the areas of warehouse and a part of production area.

The Company had insured assets against all risks with Muang Thai Insurance Public Company Limited. The insurance policy has covered building, inventory, and machines. The Company had completed repair works and replacement of damaged assets, including received claim compensation.

3.3) Change of an Executive Position and a New Appointment

In 2011 the Company has changed an executive position and appointed one executive so that business management will be conducted more appropriately. They are:-

- Mr. Rakesh Singh being changed from Factory Director – Household Products to Corporate Strategy and Operation Development Director, effective on March 1, 2011
- Mr. Chaichan Chareonsuk being appointed as Export Sales & Marketing Director, on March 1, 2011

3.4) Appropriation of Net Profit and Dividend Payment

The Company set as legal reserve the sum of THB 14,000,000 for the year 2010 and paid dividend to shareholders at the rate of THB 0.60 per share in 2011 amounted THB 162,594,288, equivalent to 58.13% of net profit as per the Company's financial statements.

3.5) Evaluation of Corporate Governance and Annual General Meeting of Shareholders Assessment for the Year 2011

In year 2011, the Company received an average score of 85% on its corporate governance assessed by the Thai Institute of Directors which was in the average score of SET 100 group. The Company also received an "Excellence" rating with the score in the range of 90-99 on quality of its Annual General Meeting of Shareholders assessed by the Thai Investors Association. The Company could maintain these ratings continually.

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 2.13 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 1.12 million and USD 19,500.

2) Non-audit Fee

The Company and subsidiaries paid non-audit fee for cost of review of computer software after upgrading a new version, review of impact resulting from changes of new accounting standards, review of quarterly financial statements and preparation of information package for annual financial statements of an associate to:-

- auditors in the past accounting year the sum of THB 0.74 million, and the Company is obligated to pay to them in the future the sum of THB -nil- 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 0.30 million, and the Company is obligated to pay to them in the future the sum of THB -nil- million.

12. OTHER INFORMATION

12.1 Information Technology System

Advancement and development of information technology play an important role in the ways we do business, and more significantly to supporting businesses. The Company has set up system development plans including providing training to our personnel to enhance their skill, knowledge, capability in usage of modern computer technology and adaptability to changes as follow:-

1. Develop infrastructure for Management Information System, e.g. data base and communication system, for purpose of tightening safety and increasing efficiency;
2. Develop technology for gathering of information for further analysis and supporting decision-making, which will be useful in formulating strategic plans;
3. Improve business process on main work procedure of the organization;
4. Develop barcode system to support supply chain / logistics;
5. Develop information technology to support growth of network marketing business in the country and abroad;
6. Develop information technology personnel to assure their capability of future technological development so that they can develop new systems for application in the organization to maximize its benefit;
7. Train personnel on computer skill to enhance their skill, knowledge and understanding in work system and information technology within the organization.

12.2 Policy and Energy Conservation Measure

The Company has strong determination in energy conservation, and introduced many measures continually in factories and offices by launching many campaigns to arouse awareness of all levels of employees on importance of energy conservation in the Company. In addition to energy conservation measures, the Company is open for employees to share ideas or make suggestions on improvement to reduce waste of energy for further remedial actions, as well as to jointly implement activities on energy saving so as to get participating energy conservation effort from all units within the organization. Such program is not only good to the Company in terms of cost reduction, but also good to the society and the nation as a whole.

In the area 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 it 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 participated in energy conservation activities with outsiders 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 reflected importance of energy conservation to the Company and to the society, but also it was aimed at exchanging knowledge and experience.

In the year 2011, the Company has set up a policy for every factory to implement the project "Srithai Energy Conservation 2011" to develop and improve energy management. The Company will arrange to have evaluation made by a committee of experts from King Mongkut's University of Technology Thonburi, Ministry of Energy, and Ministry of Industry to arouse participation in efficient consumption of energy according to Thailand's energy saving policy. The Company will also take part in the energy saving contest of the country in the future.

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 plant in Korat had been certified for the Safety, Health and Working Environment standards OHSAS 18001:2007 and industrial standard or TIS 18001:1999. This serves 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 it as part of its key tasks assigned to all staffs. The Company has set up an environmental policy to serve as a guideline to all. Presently, Bangpoo plant and Korat plant 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 realisation of effective environmental protection given by the Company. Additionally, the Company's Amata Nakorn Chonburi plant is as well preparing to get certification on environmental management standard ISO 14001:2004 in the year 2012.

12.5 Standard on Quality Management System for Automobile Industry

The Amata Nakorn Chonburi plant and the Bangpoo plant are certified with the quality management system for automobile industry ISO/TS 16949:2009 which is technical specifications for automobiles and is accepted world-wide, in terms of design, development, production, installation, and services of products/services relating to the automobile industry.

12.6 Standard of Food Safety Management System (ISO 22000:2005)

Presently, the Company has been engaged in the production and distribution of food & beverage packaging products. Hence, the Company realizes the importance of production process, and is improving basic environmental management of the production process of the plant in order to submit application for Certificate of Food Safety Management Standard ISO 22000:2005 in the year 2012. If the Company is certified as such, confidence will be built up among our customers who are operators in food & beverage industry. Also the consumers will be assured of international safety standard of our products.

12.7 Standard of Labor Management System and Quality of Work Life

Korat plant received a certificate of labor management and quality of life management standard as follows:

1. Certificate of Thai Labor Standard 8001-2003 of Complete Level-Initial Stage from Department of Labor Protection and Welfare, Ministry of Labor, awarded to business enterprise with good labor management according to system of labor standard of Ministry of Labor. The purposes are to promote and develop good labor management system for business enterprise, and protection of labor with fairness and improved quality of life.
2. Certificate of the Management System of Quality of Work Life or MS - QWL 1: 2008 being certified and renewed by the Management System Certification Institute (MASCI) reflects the Company's standardized management and best practices for staff's quality of life development inside business enterprise, including care-taking of health, emotion, society, and spirit.

12.8 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 of both public and private sectors to promote and improve various areas of society developments such as education, society, culture, environment, energy, trade, and international 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.

In the year 2011 Thailand faced a big flood event. The Company in collaboration with King Mongkut's University of Technology Thonburi and strategic trade partners donated money, necessities for daily lives and environmental friendly mobile toilets, and plastic boats etc. to flood victims through public entity, mass communication media, organizations and other units. Rescue team was set up to rescue customers and employees who were victims of the flood by removing them to safe places.



Furthermore, the Company provides products supportive of CSR practices for carbonated soft drink 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. In the year 2011, the Company produced closure model 29/25 for drinking water bottles. This model of closure is lighter and it replaces the old model 30/25. As a result, consumption of raw materials can be reduced in the production process. It helps save expense in transportation and consumption of energy. The Company continues to develop the products restlessly in response to awareness on energy conservation.



The Company sets up a 3-save guideline: Save Material, Save Energy, Save the World, since 2008 to attach an importance on the reduction of consumption of raw material, energy, and carbon dioxide emission in the production process in order to take part in the decrease of pollution and the global warming. The Company has continually followed the guideline and it became materialized in 2010, i.e., the reduction of raw material used in the production and the reduction of work process with efficiency being maintained. Those operations were compliant to the principles of Carbon Foot Print which is also a starting point of the Carbon Label project, an international standard for environmental conservation products, which leads to Carbon Credit program. Nonetheless, the aforementioned guideline of the Company will serve an objective of reducing carbon dioxide emission in the whole production process and focus on standard of the Company's products contributing to environmental conservation and global warming reduction.



12.9 Other Activities

In 2011, the Company had pursued the following projects:-

- | | |
|--|---|
| 1) You Dee Mee Suk Project | The campaign and training for staff on life sufficiency according to the King's Sufficiency Economic Philosophy. |
| 2) Long-term Training for Students Project | The students of vocational level and higher vocational level from the North Eastern region of Thailand have a long-term training and the Company pays incentive and welfare as if they were our staffs. |
| 3) School inside Factory Activity | It is a cooperation among the Company, the Ministry of Labor and the Ministry of Education, in providing educational services inside factory to staffs and interested persons who live nearby for sake of their chance to be educated by setting up three outside-school educational centers in Bangpoo, Amata Nakorn Chonburi and Korat plants. |
| 4) Labor Safety and Good Health Program | The Company had joined activities on safety, occupational health, and work environment under the Labor Safety, and Good Health program with the collaboration of Industrial Estate Authority of Thailand and Department of Labor Protection and Welfare, Ministry of Labor to promote and campaign on safety and good health for the Company' labors. |
| 5) Srithai Training Center Project (Training Center) | The Company has established Srithai Training Center at Korat plant to promote learning and skill development to the staff, particularly, production staffs. The Company has already prepared the training area according to its functions which can be divided into lecture room, computer room, pre-skill shop, and skill shop. |
| 6) Company Visit | Shareholders and investors from the Stock Exchange of Thailand visited Amata Nakorn Chonburi plant, whereby Mr. Sanan Angubolkul, Chairman & President, welcomed them and gave briefing and plant tour. |

12.10 Awards Received in 2011

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

On June 23, 2011, the Company's Korat plant had received To-Be-Number-One Award under the category the 2nd year of Silver award for Large Enterprise from HRH Princess Ubolrat Ratchakalya Siritwattana Pannawadi. The award signifies the Company's continual campaign on anti-drug activities inside the Company and the nearby communities. The Company has received the award for many consecutive years

2) Environment Good Governance Award 2011

On August 17, 2011, Korat plant was awarded a Certificate on Environment Good Governance Award 2011 by the Ministry of Industry. Purposes of this program is to campaign and promote the philosophy of environment good governance by focusing on industrial development and environment conservation at the same time by supervising, monitoring and supporting manufacturing plants to refrain from polluting communities and environment. It includes enhancing better understanding in such philosophy among the people and communities. In the year 2011, there were 300 enterprises being certified under this program by the Ministry of Industry.

3) Drug Free Workplace Award

On September 12, 2011, Korat plant was awarded Drug Free Workplace Award for successfully preventing drug addiction and solving drug problems in business enterprise. The award was given by Nakorn Rachasima Province and Labor Welfare and Protection Department.

4) Award of Honour for Outstanding Enterprise in Labor Relations and Labor Welfare for 5 Consecutive Years

On September 14, 2011, the Company received an Award of Honour for Outstanding Enterprise in Labor Relations and Labor Welfare for 5 Consecutive Years. The award was based on criteria of operation of business enterprise in 3 parts, i.e. information about work place, information about labor relation, and information about labor welfare.

5) The Logistics Management Award

On December 23, 2011, the Company was awarded 'The Logistics Management Award' by Department of Primary Industries and Mines under the Ministry of Industry because the Company was successful in logistics management. There were 10 business enterprises receiving the awards.

6) Outstanding Company and Outstanding Businessman Award

On December 31, 2011, Srithai (Vietnam) Company Limited, ("SVN"), a subsidiary whose shares are 100% owned by the Company and operating business in the Socialist Republic of Vietnam, and its Management were awarded Outstanding Company and Outstanding Businessman Award by the President of Vietnam on the 15th anniversary of establishment of Binh Duong Province. SVN is one among 135 companies who have won the award out of total candidates of 15,000 companies. The award was given to companies who have observed the following conditions for 3 consecutive years:-

- strictly comply to labor law and provide good welfare to employees;
- have good working environment-hygienic and safe work place with no employee protest or stop working;
- be sustainable and continually growing business;
- cooperate with public sector, especially on safety of employees at work;
- pay tax correctly;
- submit business performance report to responsible unit of Binh Duong Province strictly.

Attachment no. 1

Details of Directors and Management Who Have Control over Companies in Srithai Superware Group

Company	Mr. Sanan Angubolkul	Mr. Prin Bholnivas	Mr. Naphol Lertsumitkul	Mr. Manit Ativanichaya phong	Mr. Apisit Tangsatit	Mr. Pawat Chalermpong	Mr. Rakesh Singh
Subsidiaries							
Korat Thai Tech Company Limited	DR	DR	-	DR	-	-	-
P.E.T. Blow Company Limited	DR	DR	-	-	-	-	-
Srithai (Vietnam) Company Limited	CM	DR	-	-	-	-	-
Srithai Superware India Limited	-	DR	-	DR	-	-	ED
Srithai Moulds Company Limited	CM	DR	-	-	-	-	-
Srithai Nanoplast Company Limited	ED	DR	-	-	-	DR	-
Srithai Miyagawa Company Limited	CM	DR	DR	-	DR	-	-
Associated Companies							
Srithai Sanko Company Limited	ED	DR	-	-	DR	-	-
Thai MFC Company Limited	DR	DR	-	DR	-	-	-
Sheewamala Company Limited*	-	-	-	-	-	-	-
Beijing Huatai Replica of Porcelain Products Company Limited	DR	-	-	-	-	-	-
Srithai Packaging Company Limited	DR	DR	-	-	-	-	-
PT. Srithai Maspion Indonesia	DR	-	-	DR	-	-	-
Joint Venture Company							
Srithai-Otto (Thailand) Company Limited	ED	DR	-	-	-	ED	-
Other Company							
LN Srithai Comm Company Limited	DR	-	-	-	-	-	-

Remarks: 1) Background Information about Directors and Executives

(Detail in Clause 8.4)

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

In the year 2011, structure of shareholders of Sheewamala Company Limited (formerly known as Srithai Shin-Osaka Company Limited) was changed due to change of other shareholders. Percentage of shareholding of the Company still remains at 40%. The Company has reduced number of its nominated directors in Sheewamala Company Limited proportionately to the number of shares held. As a result, classification of the Company's investment in Sheewamala Company Limited has been changed from a subsidiary to an associated company. There is no director or executive of the Company in the four levels of Management, as described in the Notification of the Capital Market Supervisory Board No. TorChor. 23/2551, being a director of Sheewamala Company Limited.

Attachment no.2

Directors of Subsidiaries

Abbreviation :

1) Subsidiaries

KTT = Korat Thai Tech Company Limited

PET = P.E.T. Blow Company Limited

SVN = Srithai (Vietnam) Company Limited

SSI = Srithai Superware India Limited

SMO = Srithai Moulds Company Limited

SNP = Srithai Nanoplast Company Limited

SMW = Srithai Miyagawa Company Limited

2) CM = Chairman, DR = Director, ED = Executive Director

	Name	KTT	PET	SVN	SSI	SMO	SNP	SMW
Mr. Sanan	Angubolkul	DR	DR	CM	-	CM	ED	CM
Mr. Prin	Bholnivas	DR	DR	DR	DR	DR	DR	DR
Mr. Naphol	Lertsumitkul	-	-	-	-	-	-	DR
Mr. Manit	Ativanichayaphong	DR	-	-	DR	-	-	-
Mr. Apisit	Tangsattit	-	-	-	-	-	-	DR
Mr. Pawat	Chalermpong	-	-	-	-	-	DR	-
Mr. Rakesh	Singh	-	-	-	ED	-	-	-
Miss Ladda	Namjarusathienchai	-	DR	-	-	-	-	-
Mr. Santi	Sakgumjorn	-	-	ED	-	-	-	-
Mr. Alok Kumar Gupta		-	-	-	DR	-	-	-
Mr. Atul Kumar Jayantilal Jogani		-	-	-	DR	-	-	-
Mr. Praon	Siripanich	-	-	-	-	ED	-	-
Mr. Michio	Nakai	-	-	-	-	DR	-	-
Mr. Somyod	Lertsumitkul	-	-	-	-	-	DR	-
Mr. Seishiro	Miuyagawa	-	-	-	-	-	-	DR
Mr. Shingo	Miyagawa	-	-	-	-	-	-	DR
Mr. Masanobu	Terakura	-	-	-	-	-	-	ED

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 into financial statements of the parent company.

Attachment no. 3

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

To: Shareholders

Srithai Superware Public Company Limited

The Board of Directors of Srithai Superware Public Company Limited deemed it very important to have good corporate governance in the management of the Company. 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 prepared in accordance with generally accepted accounting standard under the Accounting Act B.E 2543, and regulation of the Securities and Exchange Commission on preparation and presentation of financial reports under Securities and Exchange Act. The Company has adopted appropriate accounting policies consistently applied, including sufficient disclosure of significant information in notes to financial statements for sake of proper benefits to shareholders, investors, and stakeholders.

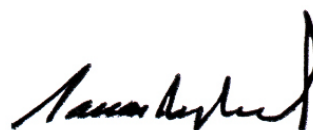
Financial statements of the Company and consolidated financial statements of the Company and its subsidiaries have been audited by PricewaterhouseCoopers ABAS Limited, an auditor of the Company. The Board of Directors and executives supported the auditor with all necessary information and documents so 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 made available risk management system and suitable internal control systems to assure reasonably the correctness, completeness, timeliness and sufficiency of financial reports, 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 who are Independent Directors 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 efficiently and effectively. 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. Taking into consideration audit results of the Company's auditor who has expressed unqualified opinion on financial statements, we are reasonably confident that financial statements of Srithai Superware Public Company Limited and consolidated financial statements of Srithai Superware Public Company Limited and its subsidiaries for the year ended December 31, 2011 present fairly in all material respects the financial position, performance, and cash flows in accordance with generally accepted accounting principles and are in line with 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 comprises 3 Independent Directors who are knowledgeable, capable, well experienced in particular fields, and well qualified as required by regulations of The Stock Exchange of Thailand. They are independent to perform their duties according to the Charter of Audit Committee. Professor Viroj Lowhaphandu is Chairman of the Audit Committee. Mr.Enghug Nontikarn and Mr.Suchat Boonbanjerd Sri are members.

In the year 2011 the Audit Committee held 5 meetings, 4 of which were attended by Chief Financial Officer, Manager of Internal Audit Department and Certified Public Accountant. Purposes of the 4 meetings were to report facts and audit results and relevant evidences in each quarter for all the 4 quarters. All members of the Audit Committee attended all meetings. Another meeting was attended by the 4 Independent Directors and Certified Public Accountant without presence of executive of the Company.

Meetings of the Audit Committee were strictly adhered to the Charter of Audit Committee as approved by the Company, and in compliance with Notification of the Stock Exchange of Thailand Re: Qualifications and Scope of Work of the Audit Committee, 2008. Results of each meeting were summarized and reported to the Board of Directors of the Company. It could be summarized as follow:-

1. Quarterly and Annual Financial Statements for the year 2011

The Audit Committee has reviewed quarterly and annual financial statements for the year 2011, which were prepared in accordance with new International Financial Reporting Standards (IFRS) as amended by the Federation of Accounting Profession, and enforceable since the year 2011. Five new accounting standards which had impact on the Company's financial statements comprising :-

- | | | |
|-----------|----------------|--------------------------------------|
| 1. TAS 1 | (Revised 2009) | Presentation of Financial Statements |
| 2. TAS 16 | (Revised 2009) | Property, Plant and Equipment |
| 3. TAS 19 | | Employee Benefits |
| 4. TAS 24 | (Revised 2009) | Related Party Disclosures |
| 5. TAS 40 | (Revised 2009) | Investment Property |

In addition, questions were raised to the Certified Public Accountant, Chief Financial Officer and Internal Auditors for explanations concerning correctness and completeness of financial statements in accordance with new accounting standards, and adjustments of accounting records effecting quarterly or annual financial statements of the Company.

The Audit Committee opined that financial statements for the year 2011 of the Company were fairly accurate according to the generally accepted accounting principles, with adequate disclosure of important information in accordance with standards set up by the Federation of Accounting Profession under Royal Patronage. 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 have reviewed internal control system and good corporate governance of the Company. They all opined that there was no material deficiency in the internal control system. Suggestion of Certified Public Accountant or Internal Auditor, if any, were referred to Management for taking action.

Regarding good corporate governance policy, the Company has kept on improving it when deficiency was found so as to improve result of assessment rating by taking into consideration roles of stakeholders. As a result, rating of corporate governance of listed companies conducted by the Thai Institute of Directors Association showed the Company's score at 85% same as those listed companies in the SET 100 group.

3. Risk Management Review

The Audit Committee has reviewed performance of the Risk Management Sub-committee quarterly. It was found that the Sub-committee has properly monitored and improved efficiency of operation in both business risk and operational risk in light of the changing of business situation and environment.

4. Compliance with the Securities and Exchange Act and Relevant Laws

The Audit Committee has reviewed compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand and relevant laws. It was concluded as follow:-

- 4.1 There was no instance of any significant non-compliance.
- 4.2 There was no conflict of interest on transactions of the Company.
- 4.3 Related party transactions of the Company complied with criteria set up by the Board of Directors and general business practice.

5. Appointment of Certified Public Accountant for the Year 2012

The Audit Committee has reviewed the performance of the External Auditor during the past fiscal year in various aspects namely reputation, reliabilities, competency, and timeliness of completing the audit assignment of financial statements. The review results were satisfactory up to a certain level. The Audit Committee therefore recommended the Board of Directors to propose to the Shareholders' Meeting to appoint either Mr. Vichien Khingmontri CPA No. 3977, or Ms. Anutai Poomsurakul CPA No. 3873, or Mr. Chanchai Chaiprasit CPA No. 3760 from PricewaterhouseCoopers ABAS Limited to be the Company's auditor for the fiscal year 2012 with the total audit fee of Baht 2,027,000 (Two Million and Twenty Seven Thousand Bahts only)

On Behalf of the Audit Committee

Srithai Superware Public Company Limited



(Prof. Viroj Lowhaphandu)

Chairman of the Audit Committee

Bangkok

February 1, 2012



AUDITOR'S REPORT

To the Shareholders of Srithai Superware Public Company Limited

I have audited the accompanying consolidated and company statements of financial position as at 31 December 2011, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year 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 audit. The consolidated and company financial statements for the year ended 31 December 2010 of Srithai Superware Public Company Limited and its subsidiaries, and of Srithai Superware Public Company Limited, respectively, were audited by another auditor in the same firm as myself, whose report dated 25 February 2011 expressed an unqualified opinion on those statements.

I conducted my audit 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 audit provides 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 2011, and the consolidated and company results of operations, and cash flows for the year 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.



Vichien Khingmontri
Certified Public Accountant (Thailand) No. 3977
PricewaterhouseCoopers ABAS Ltd.

Bangkok
24 February 2012

PricewaterhouseCoopers ABAS Ltd.
15th Floor Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120, Thailand
T: +66 (0) 2344 1000, +66 (0) 2286 9999 F: +66 (0) 2286 5050, www.pwc.com/th

Srithai Superware Public Company Limited
Statements of Financial Position
As at 31 December 2011 and 2010

		Consolidated		Company	
		2011	Restated	2011	Restated
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	221,942,295	386,479,738	93,095,087	270,137,753
Short-term investments	8	13,276,312	18,403,407	-	-
Trade accounts and notes receivable, net	9	1,566,794,735	1,332,726,578	1,492,596,321	1,244,225,874
Amounts due from related parties, net	37.2	7,631,444	510,349	12,805,433	8,207,569
Short-term loans and accrued interest income to related parties, net	37.2	-	-	-	-
Inventories, net	10	1,154,683,029	1,007,588,887	948,167,918	827,061,229
Other current assets	11	140,491,515	96,832,262	109,895,987	64,725,597
Total current assets		3,104,819,330	2,842,541,221	2,656,560,746	2,414,358,022
Non-current assets					
Investments in subsidiaries, net	12.1	-	-	369,437,316	332,892,346
Investments in associates, net	12.1	273,828,807	282,004,884	204,178,123	195,058,123
Interest in joint venture	12.1	8,437,857	8,550,450	4,999,800	4,999,800
Other long-term investments, net	13	174,216,354	163,656,354	108,369,970	97,809,970
Investment properties, net	14	147,471,282	156,412,259	510,545,804	518,806,374
Property, plant and equipment, net	15	4,158,677,230	4,224,064,470	3,739,038,756	3,692,247,285
Intangible assets, net	16	64,118,603	68,863,539	58,808,457	65,302,200
Deferred tax assets	17.1	73,545,826	22,351,250	63,369,562	21,842,750
Other non-current assets, net	18	80,235,407	79,820,637	87,630,860	81,986,399
Total non-current assets		4,980,531,366	5,005,723,843	5,146,378,648	5,010,945,247
Total assets		8,085,350,696	7,848,265,064	7,802,939,394	7,425,303,269

The notes to the consolidated and company financial statements on pages 8 to 69 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 December 2011 and 2010

	Notes	Consolidated		Company	
		2011	Restated 2010	2011	Restated 2010
		Baht	Baht	Baht	Baht
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans	19	735,000,000	-	695,000,000	
Trade accounts payable - third parties		704,686,635	851,961,726	582,152,877	760,720,502
- related parties	37.2	146,103,298	146,797,241	149,574,223	153,010,012
Long-term loans (maturing within one year)	20	474,758,338	335,880,115	458,643,055	315,516,000
Amounts due to related parties	37.2	1,877,406	915,665	4,744,708	17,817,471
Accrued expenses	21	196,782,254	144,808,635	172,585,259	116,218,270
Other current liabilities	22	257,244,007	266,097,740	156,729,977	189,500,405
Total current liabilities		<u>2,516,451,938</u>	<u>1,746,461,122</u>	<u>2,219,430,099</u>	<u>1,552,782,660</u>
Non-current liabilities					
Long-term loans	20	1,223,983,466	1,352,208,944	1,164,311,045	1,322,954,100
Finance lease liabilities		11,860,357	4,250,455	-	708,684
Deferred tax liabilities	17.2	-	114,923,868	-	99,410,452
Employee benefit obligations	26	249,542,875	-	221,653,598	-
Total non-current liabilities		<u>1,485,386,698</u>	<u>1,471,383,267</u>	<u>1,385,964,643</u>	<u>1,423,073,236</u>
Total liabilities		<u>4,001,838,636</u>	<u>3,217,844,389</u>	<u>3,605,394,742</u>	<u>2,975,855,896</u>
Shareholders' equity					
Share capital	27				
Authorised share capital					
Ordinary shares 270,990,480 shares of par Baht 10 each		<u>2,709,904,800</u>	<u>2,709,904,800</u>	<u>2,709,904,800</u>	<u>2,709,904,800</u>
Issued and paid-up share capital					
Ordinary shares 270,990,480 shares of par Baht 10 each		2,709,904,800	2,709,904,800	2,709,904,800	2,709,904,800
Premium on treasury shares	27	19,928,420	19,928,420	19,928,420	19,928,420
Retained earnings					
Appropriated - legal reserve	28	136,000,000	120,000,000	136,000,000	120,000,000
Unappropriated		1,062,363,812	1,163,058,446	1,310,491,432	1,190,348,461
Other components of equity	29	(48,393,444)	362,500,250	21,220,000	409,265,692
Total parent's shareholders' equity		<u>3,879,803,588</u>	<u>4,375,391,916</u>	<u>4,197,544,652</u>	<u>4,449,447,373</u>
Non-controlling interests		203,708,472	255,028,759	-	-
Total shareholders' equity		<u>4,083,512,060</u>	<u>4,630,420,675</u>	<u>4,197,544,652</u>	<u>4,449,447,373</u>
Total liabilities and shareholders' equity		<u>8,085,350,696</u>	<u>7,848,265,064</u>	<u>7,802,939,394</u>	<u>7,425,303,269</u>

The notes to the consolidated and company financial statements on pages 8 to 69 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statements of Comprehensive Income
For the years ended 31 December 2011 and 2010

	Notes	Consolidated		Company	
		2011 Baht	2010 Baht	2011 Baht	2010 Baht
Sales and hire of work	30	7,552,236,899	6,859,757,414	6,694,340,142	5,710,866,198
Cost of sales and services	30	(6,045,332,757)	(5,413,434,727)	(5,364,861,667)	(4,539,552,294)
Gross profit		1,506,904,142	1,446,322,687	1,329,478,475	1,171,313,904
Other income	37.3	96,589,219	57,993,747	154,461,751	114,492,252
Selling expenses	33	(795,571,136)	(739,018,450)	(751,237,085)	(632,370,015)
Administrative expenses	33	(293,753,489)	(340,606,161)	(222,221,125)	(231,188,713)
Transactions incurred in relation to fire incident	31	103,294,647	44,759,713	103,294,647	44,759,713
Transactions incurred from change in employee benefit policy	26	40,710,309	-	40,710,309	-
Directors and managements' remuneration	37.4	(103,100,599)	(89,800,148)	(66,820,587)	(55,216,606)
Gain (Loss) on foreign exchange rate, net		(3,738,645)	(7,137,857)	7,445,950	(20,777,906)
Other expenses		(19,571,768)	(5,652,810)	(17,067,919)	(5,524,982)
Operating profit		531,762,680	366,860,721	578,044,416	385,487,647
Share of profit of investments in associates and joint venture	12.1	22,923,310	17,540,525	-	-
Profit before finance costs and income tax		554,685,990	384,401,246	578,044,416	385,487,647
Finance costs - interest expense	32	(99,369,977)	(65,785,661)	(95,775,063)	(61,011,990)
Profit before income tax		455,316,013	318,615,585	482,269,353	324,475,657
Income tax	17.3	(171,518,815)	(58,156,208)	(166,492,864)	(44,776,412)
Net profit for the year		283,797,198	260,459,377	315,776,489	279,699,245
Other comprehensive income:					
Exchange rate differences on translating financial statements		(2,013,051)	(31,167,013)	-	-
Gain (Loss) on remeasuring available-for-sale investments		10,057,897	12,797,684	10,560,000	12,720,000
Depreciation of fair value reserves on assets		-	(44,561,674)	-	(39,688,063)
Other changes of fair value reserves on assets		-	3,078,847	-	1,703,004
Other comprehensive income (expense) for the year		8,044,846	(59,852,156)	10,560,000	(25,265,059)
Total comprehensive income (expense) for the year		291,842,044	200,607,221	326,336,489	254,434,186
Profit attributable to:					
Owners of the parent		282,008,198	267,966,757	315,776,489	279,699,245
Non-controlling interests		1,789,000	(7,507,380)	-	-
Net profit for the year		283,797,198	260,459,377	315,776,489	279,699,245
Total comprehensive income (expense) attributable to:					
Owners of the parent		291,581,520	212,400,537	326,336,489	254,434,186
Non-controlling interest		260,524	(11,793,316)	-	-
Total comprehensive income for the year		291,842,044	200,607,221	326,336,489	254,434,186
Earnings per share	34				
Basic earnings per share		1.04	0.99	1.17	1.03

The notes to the consolidated and company financial statements on pages 8 to 69 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 2011 and 2010

Consolidated (Baht)												
Attributable to owners of the parent												
Other components of equity												
Translation												
adjustment for												
investments in												
overseas												
subsidiaries												
and associates												
(Note 29)												
Fair value												
reserves												
on assets												
(Note 29)												
Total other												
components												
of equity												
Total												
owners of												
the parent												
Non-controlling												
interests												
Total												
shareholders' equity												
4,630,420,675												
(636,283,396)												
3,994,137,279												
291,842,044												
(177,856,210)												
(2,195,108)												
(2,195,108)												
(19,699,520)												
(87,615)												
4,083,512,060												
203,708,472												
5,018,962,361												
(574,271,964)												
4,444,690,397												
(11,793,316)												
(8,820,090)												
(103,663,258)												
59,948,085												
-												
-												
4,417,123												
24,421,107												
255,028,759												
4,630,420,675												
Closing balance as at 31 December 2010												

The notes to the consolidated and company financial statements on pages 8 to 69 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statements of Cash Flows
For the years ended 31 December 2011 and 2010

		Consolidated		Company	
		2011	2010	2011	2010
	Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities					
Cash generated from operations	36.1	409,276,568	758,187,475	274,000,756	685,368,084
Interest paid		(98,099,918)	(63,947,743)	(94,846,827)	(60,988,120)
Income tax paid		(127,261,826)	(70,087,898)	(108,223,911)	(48,003,093)
Net cash receipts from operating activities		183,914,824	624,151,834	70,930,018	576,376,871
Cash flows from investing activities					
Cash payment for short-term investments	8	(12,746,184)	(2,118,697)	-	-
Cash payment for investments in subsidiaries	12.1	(4,700,000)	-	(50,664,970)	(14,125,493)
Purchase of long-term assets	36.2	(1,020,011,380)	(834,737,079)	(840,436,808)	(745,900,871)
Purchase of intangible assets	36.2	(9,111,628)	(20,078,370)	(5,800,896)	(18,729,591)
Cash payment for short-term loans to related party		-	-	(10,000,000)	-
Cash receipt from short-term investments	8	10,609,780	2,035,389	-	-
Cash receipt from disposal of investments in an associate	12.3 (c)	36,549,091	-	36,549,091	-
Cash receipt from associate's liquidation		-	490,354	-	490,354
Proceeds from disposals of long-term assets		62,748,257	24,807,089	45,839,371	20,136,871
Proceeds from disposal of leasehold right		6,000,000	-	6,000,000	-
Cash receipt from repayment of short-term loans to related party		-	-	10,000,000	-
Interest receipt		2,649,811	3,241,851	835,011	339,917
Dividends receipts from investments in subsidiaries and associates	36.2	15,338,441	21,704,665	36,076,520	30,884,575
Dividends receipts from other investments		7,460,506	5,202,000	7,460,506	5,202,000
Net cash payments for investing activities		(905,213,306)	(799,452,798)	(764,142,175)	(721,702,238)
Cash flows from financing activities					
Increase (decrease) in short-term loans from banks		735,000,000	(123,821,560)	695,000,000	(150,000,000)
Receipt from long-term loans	20	347,091,060	767,960,872	300,000,000	749,961,751
Repayment of long-term loans	20	(336,031,315)	(259,866,332)	(315,516,000)	(240,665,532)
Repayment of finance lease liabilities		(4,437,718)	(1,887,972)	(720,221)	(720,221)
Dividend payment	35	(162,594,288)	(94,843,168)	(162,594,288)	(94,843,168)
Dividends paid to non-controlling interests		(15,261,922)	(8,820,090)	-	-
Receipt from investment of non-controlling interests		30	4,417,123	-	-
Net cash receipts from financing activities		563,765,847	283,138,873	516,169,491	263,732,830
Net increase (decrease) in cash and cash equivalents		(157,532,635)	107,837,909	(177,042,666)	118,407,463
Decrease in cash from changing status of investments in a subsidiary to an associate and other long-term investment		(7,004,808)	(775,109)	-	-
Cash and cash equivalents, opening balance		386,479,738	279,416,938	270,137,753	151,730,290
Cash and cash equivalents, closing balance	7	221,942,295	386,479,738	93,095,087	270,137,753

The notes to the consolidated and company financial statements on pages 8 to 69 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 2011 and 2010

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 referred to as the “Group”.

The Group’s main business operation is 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 24 February 2012.

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 Financial Reporting 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.

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 the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

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.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, new interpretation, and amendments to accounting standards and accounting framework

- a) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards effective for the accounting periods beginning on or after 1 January 2011 and adopted by the Group:

TAS 1	(Revised 2009)	Presentation of Financial Statements
TAS 2	(Revised 2009)	Inventories
TAS 7	(Revised 2009)	Statement of Cash Flows
TAS 8	(Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10	(Revised 2009)	Events after the Reporting Period
TAS 11	(Revised 2009)	Construction Contracts
TAS 16	(Revised 2009)	Property, Plant and Equipment
TAS 17	(Revised 2009)	Leases
TAS 18	(Revised 2009)	Revenue
TAS 19		Employee Benefits
TAS 23	(Revised 2009)	Borrowing Costs
TAS 24	(Revised 2009)	Related Party Disclosures
TAS 26		Accounting and Reporting by Retirement Benefit Plans
TAS 27	(Revised 2009)	Consolidated and Separate Financial Statements
TAS 28	(Revised 2009)	Investments in Associates
TAS 29		Financial Reporting in Hyperinflationary Economies
TAS 31	(Revised 2009)	Interests in Joint Ventures
TAS 33	(Revised 2009)	Earnings per Share
TAS 34	(Revised 2009)	Interim Financial Reporting
TAS 36	(Revised 2009)	Impairment of Assets
TAS 37	(Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38	(Revised 2009)	Intangible Assets
TAS 40	(Revised 2009)	Investment Property
TFRS 2		Share-based Payment
TFRS 3	(Revised 2009)	Business Combinations
TFRS 5	(Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6		Exploration for and Evaluation of Mineral Resources
TFRIC 15		Agreements for the Construction of Real Estate
TSTC 31		Revenue - Barter Transactions Involving Advertising Services

Commencing on 1 January 2011, The Group has applied the aforementioned accounting standards. However, the application of those accounting standards will not significant impacts to the financial statements being presented, except the following accounting standards.

- TAS 1 (Revised 2009) states that an entity shall present all income and expense items recognised in a period in a single statement (the statement of comprehensive income) or in two statements (the statement of income and statement of comprehensive income). In addition, this revised standard requires an entity to present a statement of financial position as at the beginning of the earliest comparative period in a complete set of financial statements when the entity makes a retrospective restatement or reclassifies items in the financial statements. However, for the financial statements which period begins on or after 1 January 2011 and are the first period apply this revised standard, an entity can present the statement of financial position only two statements without the statement of financial position as at the beginning of the comparative period. The Group's management has decided to present the income statement and statement of comprehensive income as one statement. Therefore, statement of income for the year ended 31 December 2010 was represented in the new format and changed to called statement of comprehensive income.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, new interpretation, and amendments to accounting standards (Cont'd)

- a) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards effective for the accounting periods beginning on or after 1 January 2011 and adopted by the Group: (Cont'd)
- TAS 19 deal with accounting for employee benefits. The standard classifies employee benefits into 4 categories: a) short-term employee benefits b) post-employment benefits (including defined contribution plan and defined benefit plan) c) other long-term employee benefits and d) termination benefits. The standard requires the entity to measure the defined benefit plan and other long-term employee benefits by using the Projected Unit Credit method (PUC). An entity can choose to recognise actuarial gain or loss for defined benefit plan either in comprehensive income or profit and loss. Actuarial gain or loss for other long-term employee benefits shall recognise in profit and loss. Furthermore on first adopting this standard, an entity shall determine its transitional liabilities and shall make an irrevocable choice to recognise the increases of defined benefit liability and other long-term employee benefits liability under 4 methods; i) restated; ii) immediately effect; iii) recognise as an expense on a straight-line basis over up to five years; or iv) adjusted to the opening balance of retained earnings. The Group's management has assessed the impact of applying this standard and has decided to recognise additional liabilities by making an adjustment to the opening balance of retained earnings as at 1 January 2011.
 - TAS 24 (Revised 2009), the definition of related party has been expanded to include parties with joint control over the entity, joint venture in which the entity is a venturer and post-employment benefit plan for the benefit of employees of an entity. This revised accounting standard may impact only to the disclosure of related parties information in the notes to financial statements.
 - TAS 40 (Revised 2009) prescribed the accounting and disclosure for investment property. An entity is required to present an investment property separately in the statement of financial position. The entity may choose to measure the investment property either using the cost model or the fair value model. Under fair value model, any changes in fair value are recognised in profit or loss. The Group's management has decided to apply the cost model for the measurement of investment property. However, the Group has been using the revaluation method for property, plant and equipment. Therefore, the Group had adjusted the value of property, plant and equipment that are reclassified as investment property to the cost method retrospectively and had also reclassified revaluation surplus for investment property.
 - TAS 16 (Revised 2009), the revised standard requires the entity to include in cost of property, plant and equipment, an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, when the entity has obligation to do. An entity requires that an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The revised accounting standard also requires the entity to review useful-life, residual value and depreciation method at least at each financial year-end. The Group's management has assessed the impact of applying this revised standard that the Group has no commitment for dismantling, removing and restoring. The effect from separation of significant components and revision of useful-life have been reconsidered and the standard has been chosen to apply prospectively.

Furthermore, the Group has changed accounting policy to determine the value of property, plant and equipment from the revaluation method to the cost method. The Group's management considered that this policy would provide the Group's financial information that are comparable to other companies in the same industry. However, the Group could not determine the cumulative effect, incurred in previous periods, to adjust the use of this new accounting policy retrospectively. This is because those assets had been revalued for several times, which the Group had disposed the original cost then accounted for the new appraisal value as the new cost of those assets immediately. Furthermore, in each revaluation, the Group had also changed the remaining useful lives of each asset item. Consequently, the Group could not re-determine the original purchased cost. Therefore, the Group had applied the new accounting policy prospectively by adjusting the net revaluation surplus to the net asset value as of 31 December 2010, and applied these net amounts as the new cost of assets as of 1 January 2011.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, new interpretation, and amendments to accounting standards (Cont'd)

- a) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards effective for the accounting periods beginning on or after 1 January 2011 and adopted by the Group: (Cont'd)

The effect from changes of the above mentioned accounting policies to the consolidated and company financial statements are as follows:

	Consolidated Million Baht	Company Million Baht
As at 1 January 2010		
- Decrease in property, plant and equipment	(831.4)	(822.0)
- Increase in investment properties	168.0	528.7
- Decrease in deferred tax liabilities	(89.1)	(88.0)
- Decrease in fair value reserves on assets	(573.5)	(571.6)
- Increase in unappropriated retained earnings	-	366.3
- Decrease in non-controlling interests	(0.8)	-
As at 1 January 2011		
- Decrease in property, plant and equipment	(549.6)	(331.5)
- Increase in employee benefit obligations	287.8	262.2
- Increase in deferred tax assets	86.3	78.7
- Decrease in deferred tax liabilities	(114.9)	(99.4)
- Decrease in fair value reserves on assets	(420.4)	(398.6)
- Decrease in unappropriated retained earnings	(201.5)	(17.0)
- Decrease in non-controlling interests	(14.3)	-

- b) New and revised accounting standards and new interpretations effective for the accounting periods beginning on or after 1 January 2013.

TAS 12	Income Taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Group early adopted TAS 12 since 1999. Furthermore, the Groups' management has assessed that the application of TAS 20 (revised 2009), TAS 21 (revised 2009), TSIC 10, 21 and 25 will not have significant impacts to the financial statements being presented.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.3 Group accounting - investments in subsidiaries and associates and interests in joint venture

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 fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

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

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.3 Group accounting - investments in subsidiaries and associates and interests in joint venture (Cont'd)

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 and are initially recognised at cost 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 (note 2.15 for the impairment of assets including goodwill). The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. 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.

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. Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

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

2.3.3 Interests in joint venture

The Group's interests in jointly controlled entity 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 statement of financial position 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 profit or loss.

The statements of comprehensive income and cash flows of foreign entities are translated into Thai Baht at the weighted average exchange rates for the year and statement of financial position are translated at the exchange rates ruling on the end of reporting period. 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 comprehensive income as part of the gain or loss on sale.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.5 Cash and cash equivalents

In the consolidated and Company statement of cash flows, cash and cash equivalents comprise cash on hand, cheque on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Deposits pledged at banks are not included in cash and cash equivalents balance.

In the consolidated and Company statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

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 profit or loss within administrative expenses.

2.7 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost of inventories 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 statement of financial position 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.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.8 Investments (Cont'd)

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction costs.

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

Available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. Unrealised gains and losses incurred when its fair value changed are credited/charged against gain (loss) on remeasuring available-for-sale investments in other comprehensive income.

General investments are carried at cost less impairment loss.

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 comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. 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.

2.9 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

The investment property of the Group comprises land and building held for long-term rental yields and land whose future use is currently undetermined.

Investment property is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at cost less accumulated depreciation and accumulated impairment losses (if any).

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20 years
-----------	----------

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.10 Property, plant and equipment and depreciation

As at 31 December 2010, the majority of property, plant and equipment is stated at fair value, based on valuations by external professional independent valuers, less accumulated depreciation. Fair value reserves on assets are credited in shareholders' equity. The minority of equipment is recorded at cost less accumulated depreciation.

Since 1 January 2011, property, plant and equipment is 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. Except for the property, plant and equipment that had been revalued in 2006, cost is measured from the net book value less the remaining fair value reserves as at 31 December 2010, which is treated as new cost of assets at 1 January 2011.

Subsequent costs are included in the asset's carrying amount or recognised as a separate assets, as appropriated, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

Property, plant and equipment, except for land which is considered to have an indefinite life, is presented at cost or appraisal value less accumulated depreciation.

Depreciation is calculated on the straight line basis to write off the cost or of each asset to its residual value over the estimated useful life as follows:

	New depreciation rate 2011 Year	Previous depreciation rate 2010 Year
Buildings	20	20
Land improvements	5	5
Building improvements	5	5
Machinery and equipment	5 to 20	10 to 20
Furniture and office equipment	5 to 8	5 to 8
Motor vehicles	7 to 15	5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with the carrying amount and are recognised as other gains/(losses), net in profit or loss.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.11 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 undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is reported in the consolidated statement of financial position.

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, identified according to operating segment.

2.12 Intangible assets

2.12.1 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 a period of five years.

2.12.2 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 5 to 10 years. Intangible assets are not revalued.

2.13 Deferred income taxes and income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, 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. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.14 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.

2.15 Impairment of assets

Assets that have an indefinite useful life such as goodwill are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment 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 fair value less costs to sell 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 for possible reversal of the impairment at each reporting date.

2.16 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 profit or loss 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 profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each 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.

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 statement of financial position. 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.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.17 Employee benefits

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

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period and adjusted with unrecognised past-service costs. The defined benefit obligation is calculated using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for defined benefit plans are charged or credited to equity in other comprehensive income in the period in which they arise. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for other long-term employee benefits are recognised in profit and loss.

Past-service costs are recognised immediately in profit or loss, unless the changes to the benefit plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

Other long-term employee benefits

The Group has schemes to award gold and money to employees who have provided services to the Group at every 5 years anniversary, for a maximum of 8 times. However, on 11 November 2011, the Board of Director has approved to change the scheme by fixed the gold value at the certain amount, which is effective from 1 January 2012 onwards.

Post-employment benefits

- Defined benefit plans

Under the Labour Law applicable in Thailand and the Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement at age 60. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at rate of 300 days of final salary and may be supplemented based on management's judgement.

- Defined contribution plans

The Group operates a provident fund, being a defined contribution plan, the assets for which are held in a separate trust fund. The provident fund is funded by payments from employees and by the Group. The Group's contributions to the provident fund are charged to profit and loss in the years to which they relate.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

2 Accounting policies (Cont'd)

2.18 Provisions

Provisions, 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.

2.19 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.

According to the Public Limited Companies Act. (No.2) B.E. 2544, Treasury Stock Rules, the Company that repurchase its shares has to dispose all of the repurchased shares within a specified period. If the Company does not dispose all treasury shares within the specified period, it has to reduce its paid-up share capital for offsetting with the treasury shares and the difference between the lower of the repurchase value and the par value should be recognised as premium on treasury shares.

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown 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:

- 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.
- Income from selling scrap is recognised when the scrap is actually sold.

2.21 Dividends

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

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

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 Baht currency, except for loans of a foreign subsidiary, which are in foreign currency (as described in Note 19 and 20). 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. 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.

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.

The Group borrows money for investments and business operation at both fixed and floating rates. However, the Group implemented risk counter-measures for managing interest rate risk by setting investment plans in advance so that the Group 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.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

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.

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.

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.

3.3 Fair value estimation

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

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 by similar financial instruments.

Information on the fair values of borrowings is set out in Note 20.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

4 Critical accounting estimates, assumption and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a) Impairment of investments in a subsidiary and associate

The investments in a subsidiary and associate 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 investments in a subsidiary and associate exceeded the recoverable amount. Following a combination of restructuring of management team of the subsidiary and an improving long-term outlook of the subsidiary and associate, 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. Therefore, the impairment reversals were made as presented in Note 12.

b) Deferred tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes 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 estimation on a conservative basis.

c) Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employee benefit include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit obligations.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 26.

d) Buildings and equipment, and intangible assets

The Group's management has estimated useful-life and residual value of building and equipment, and intangible assets based on technical information of those assets. Assets written-off would be considered when assets deteriorated and unutilised.

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.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

6 Reported financial information by business and geographic segments

The Group's main businesses are manufacturing and selling of plastics, comprising household products and industrial products, and the trading and moulds business line. Intercompany sales were already eliminated. Profit (loss) from sales was determined by subtracting cost of sales and services, selling expenses, administrative expenses and other expenses from net sale. Other income was unallocated. Fixed assets, trade accounts payable, 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 2011 (Baht'000)					
	Plastics business line					Total
	Household products		Industrial products		Trading and moulds business line	
	Domestic Production	Overseas Production	Domestic Production	Overseas Production		
Sales and hire of work	2,268,429	53,783	4,409,970	209,197	890,060	7,831,439
Revenue from subsidiaries	(172,430)	(5,900)	(20,685)	(2,384)	(77,803)	(279,202)
Total sales and hire of work	<u>2,095,999</u>	<u>47,883</u>	<u>4,389,285</u>	<u>206,813</u>	<u>812,257</u>	<u>7,552,237</u>
Profit (loss) from sales	<u>227,072</u>	<u>3,931</u>	<u>71,772</u>	<u>25,455</u>	<u>69,779</u>	398,009
Other income						96,589
Transactions incurred in relation to fire incident						103,295
Transactions incurred from changes in employee benefit policy						40,710
Directors and managements' remuneration						(103,101)
Gain (loss) on foreign exchange rate, net						(3,739)
Share of profit of investments in associates and joint venture						22,923
Profit before finance costs and income tax						554,686
Finance costs - interest expense						(99,370)
Profit before income tax						455,316
Income tax						(171,519)
Net profit for the year						<u>283,797</u>
Fixed assets	<u>606,294</u>		<u>3,358,828</u>		<u>154,930</u>	4,120,052
Other unallocated fixed assets						38,625
Other unallocated assets						3,926,674
Consolidated total assets						<u>8,085,351</u>
Depreciation and amortisation						<u>498,796</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

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

	Consolidated				
	For the year ended 31 December 2010 (Baht'000)				
	Plastics business line				
	Household products		Industrial products		Trading and moulds business line
	Domestic Production	Overseas Production	Domestic Production	Overseas Production	
Sales and hire of work	2,053,504	51,017	3,898,774	231,640	745,372
Revenue from subsidiaries	(32,449)	(551)	(19,940)	(3,639)	(63,971)
Total sales and hire of work	2,021,055	50,466	3,878,834	228,001	681,401
Profit (loss) from sales	275,250	9,871	63,762	47,961	(35,800)
Other income					
Transactions incurred in relation to fire incident					
Directors and managements' remuneration					
Gain (loss) on foreign exchange rate, net					
Share of profit of investments in associates and joint venture					
Profit before finance costs and income tax					
Finance costs - interest expense					
Profit before income tax					
Income tax					
Net profit for the year					
Fixed assets	703,968		3,290,418		186,767
Other unallocated fixed assets					
Other unallocated assets					
Consolidated total assets					
Depreciation and amortisation					

7 Cash and cash equivalents

Cash and cash equivalents as at 31 December comprise the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Cash on hand	4,422,723	5,285,408	4,119,344	4,716,024
Cheque on hand	16,014,326	7,100,132	16,014,326	5,850,139
Deposits with banks				
- current accounts	19,336,266	33,276,214	105,079	7,327,609
- saving accounts	144,265,829	291,537,985	72,507,317	251,998,167
- fixed deposits	37,903,151	49,279,999	349,021	245,814
Total cash and cash equivalents	221,942,295	386,479,738	93,095,087	270,137,753

As at 31 December 2011, the average interest rate of saving deposits at banks is between 0.05% to 1.50% per annum (2010 : 0.05% to 1.25% per annum).

As at 31 December 2011, fixed deposits at banks represent 1-month to 3-month fixed deposits carrying interest at the rate of 0.50% to 9.25% per annum (2010 : 0.50% to 14.00% per annum).

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

8 Short-term investments

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

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Fixed deposits pledged at bank	107,100	4,062,410	-	-
Fixed deposits	13,083,479	5,753,160	-	-
Local mutual fund units which are classified as available-for-sale investments	78,836	8,078,836	-	-
Add Fair value reserves	6,897	509,001	-	-
Total short-term investments	<u>13,276,312</u>	<u>18,403,407</u>	<u>-</u>	<u>-</u>

As at 31 December 2011, fixed deposits of subsidiaries amounting to Baht 0.11 million (2010 : Baht 4.06 million) are pledged as collateral for bank overdrafts and tax guarantee.

As at 31 December 2011, fixed deposits of subsidiaries represent 3-month to 6-month fixed deposits at banks carrying interest at the rate of 2.30% to 9.25% per annum (2010 : 1.00% to 2.00% per annum).

As at 31 December 2011, short-term investments of subsidiaries amounting to Baht 0.08 million (2010 : Baht 8.08 million) represent local mutual fund units at banks classified as available-for-sale investments which may be sold if the subsidiaries need to raise operating capital.

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

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Opening book value	18,403,407	18,242,415	-	-
Increase in short-term investments	12,746,184	2,118,697	-	-
Disposals	(10,609,780)	(2,035,389)	-	-
Change in status of investment in subsidiary to associate (Note 12.3 (b))	(7,362,315)	-	-	-
Fair value changes of available-for-sale investments	107,676	77,684	-	-
Currency translation differences	(8,860)	-	-	-
Closing book value	<u>13,276,312</u>	<u>18,403,407</u>	<u>-</u>	<u>-</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

9 Trade accounts and notes receivable, net

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

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Trade accounts receivable - third parties	1,265,196,188	990,837,731	1,101,839,407	861,644,552
Trade notes receivable - third parties	-	200,556	-	200,556
Total	1,265,196,188	991,038,287	1,101,839,407	861,845,108
<u>Less</u> Allowance for doubtful accounts	(4,355,500)	(1,016,432)	(4,239,410)	(968,153)
Trade accounts and notes receivable - third parties, net	1,260,840,688	990,021,855	1,097,599,997	860,876,955
Trade accounts receivable - related parties	309,526,007	346,350,684	398,568,284	386,994,880
<u>Less</u> Allowance for doubtful accounts	(3,571,960)	(3,645,961)	(3,571,960)	(3,645,961)
Trade accounts receivable - related parties, net (Note 37.2)	305,954,047	342,704,723	394,996,324	383,348,919
Trade accounts and notes receivable, net	1,566,794,735	1,332,726,578	1,492,596,321	1,244,225,874

Trade accounts and notes receivable can be aged as follows:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Not yet due	1,170,286,579	971,128,048	1,060,225,706	904,232,078
Overdue not exceeding 3 months	349,246,735	320,977,812	348,747,696	304,934,305
Overdue 3 to 6 months	27,972,360	30,012,262	34,788,004	26,986,169
Overdue 6 to 12 months	12,464,883	8,706,748	32,927,628	6,848,514
Overdue 12 months	14,751,638	6,564,101	23,718,657	5,838,922
Total	1,574,722,195	1,337,388,971	1,500,407,691	1,248,839,988
<u>Less</u> Allowance for doubtful accounts	(7,927,460)	(4,662,393)	(7,811,370)	(4,614,114)
Trade accounts and notes receivable, net	1,566,794,735	1,332,726,578	1,492,596,321	1,244,225,874

10 Inventories, net

Inventories as at 31 December comprise the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Finished goods	505,294,455	384,344,525	461,136,946	344,184,293
Work in process	239,135,687	169,497,248	121,714,799	90,475,983
Raw materials	298,951,548	384,615,060	258,913,803	348,565,389
Supplies	97,917,300	51,248,054	89,331,264	42,968,887
Moulds for sales	23,414,194	29,753,758	31,319,945	10,870,342
	1,164,713,184	1,019,458,645	962,416,757	837,064,894
<u>Less</u> Allowance for obsolescence	(13,930,826)	(15,390,707)	(11,000,000)	(11,000,000)
Allowance for net realisable value	(6,952,750)	(1,926,667)	(6,000,000)	(1,000,000)
	1,143,829,608	1,002,141,271	945,416,757	825,064,894
Goods in transit	10,853,421	5,447,616	2,751,161	1,996,335
Total inventories, net	1,154,683,029	1,007,588,887	948,167,918	827,061,229

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

10 Inventories, net (Cont'd)

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

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Allowance for obsolescence				
Finished goods	3,360,005	7,885,882	2,500,000	5,805,000
Work in process	396,100	411,100	200,000	215,000
Raw materials	6,062,419	6,195,598	4,800,000	4,980,000
Supplies	4,112,302	898,127	3,500,000	-
Total allowance for obsolescence	13,930,826	15,390,707	11,000,000	11,000,000
Allowance for net realisable value				
Finished goods	5,452,750	1,926,667	4,500,000	1,000,000
Moulds for resales	1,500,000	-	1,500,000	-
Total allowance for net realisable value	6,952,750	1,926,667	6,000,000	1,000,000
Total allowance for obsolescence and allowance for net realisable value	20,883,576	17,317,374	17,000,000	12,000,000

11 Other current assets

Other current assets as at 31 December comprise the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Prepaid expenses	40,030,300	16,552,832	37,760,566	14,400,728
Withholding income tax	16,873,469	27,666,989	-	-
Value Added Tax receivable	49,250,662	28,295,151	42,383,413	26,787,683
Undued Value Added Tax	13,349,179	10,357,906	12,537,668	9,128,828
Advance payment for moulds	2,238,000	3,870,400	3,580,000	6,903,400
Accrued income, net	2,395,308	821,229	198,308	261,229
Others	16,354,597	9,267,755	13,436,032	7,243,729
Total other current assets	140,491,515	96,832,262	109,895,987	64,725,597

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

	Company Cost method	
	2011 Baht	2010 Baht
Opening net book amount	332,892,346	297,436,823
Investment in subsidiaries (Note 12.3 (a))	50,664,970	14,125,493
Reversal of loss on impairment of investment in subsidiary (Note 12.3 (d))	-	30,000,000
Change in status of investment in subsidiary to an associate and other long-term investment (Note 12.3 (b))	(14,120,000)	(8,669,970)
Closing net book amount	369,437,316	332,892,346

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

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	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Opening net book amount	282,004,884	291,218,952	195,058,123	195,058,123
Share of profit of investments in associates	23,035,903	16,612,232	-	-
Dividends received	(15,191,590)	(21,465,564)	-	-
Reversal of loss on impairment of investment in associate (Note 12.3 (d))	-	-	23,500,000	-
Change in status of investment in subsidiary to an associate (Note 12.3 (b))	10,874,193	-	14,120,000	-
Disposal of investment in an associate (Note 12.3 (c))	(28,251,812)	-	(28,500,000)	-
Liquidation of an associate	-	(490,403)	-	-
Currency translation differences	1,357,229	(3,870,333)	-	-
Closing net book amount	<u>273,828,807</u>	<u>282,004,884</u>	<u>204,178,123</u>	<u>195,058,123</u>

Joint venture

	Consolidated Equity method		Company Cost method	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Opening net book amount	8,550,450	7,622,157	4,999,800	4,999,800
Share of profit (loss) from interest in joint venture	(112,593)	928,293	-	-
Closing net book amount	<u>8,437,857</u>	<u>8,550,450</u>	<u>4,999,800</u>	<u>4,999,800</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

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 2011						
	Country of incorporation	Assets Baht	Liabilities Baht	Revenues Baht	Profit (Loss) Baht	Percentage of share holding
Associates						
Local						
	Thailand	70,643,327	51,191,168	138,904,927	8,659,309	48.0
	Thailand	190,961,565	30,558,350	324,658,790	9,245,745	45.0
	Thailand	66,501,343	21,577,689	50,652,805	246,549	39.2
	Thailand	22,135,855	8,064,598	28,788,094	261,112	40.0
	Thailand	43,519,195	10,783,772	192,427	(2,183,992)	19.0
		393,761,285	122,175,577	543,197,043	16,228,723	
Foreign						
	China	73,528,337	52,891,886	48,544,656	50,612	40.0
	Indonesia	25,818,572	6,832,852	38,125,226	6,756,568	32.5
		99,346,909	59,724,738	86,669,882	6,807,180	
		493,108,194	181,900,315	629,866,925	23,035,903	
	Total associates					
Joint venture						
Local						
	Thailand	12,780,424	3,858,826	16,361,616	(112,593)	50.0
		12,780,424	3,858,826	16,361,616	(112,593)	
	Total joint venture					
		505,888,618	185,759,141	646,228,541	22,923,310	
	Total associates and joint venture					

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 2010						
Country of incorporation	Assets Baht	Liabilities Baht	Revenues Baht	Profit (Loss) Baht	Percentage of share holding	
Associates						
Local						
Thailand	46,847,584	33,756,618	90,011,538	2,631,188	48.0	
Thailand	214,128,502	55,739,361	307,622,353	9,652,359	45.0	
Thailand	68,011,884	19,806,646	60,769,739	3,550,069	39.2	
Thailand	-	-	5,895	359	25.0	
Thailand	45,539,862	34,919,415	803,486	1,348,714	19.0	
Thailand	-	-	16,100,354	-	3.0	
	374,527,832	144,222,040	475,313,365	17,182,689		
Foreign						
China	8,660,448	22,338,901	57,439,885	(3,661,504)	40.0	
Indonesia	20,371,979	4,502,832	33,442,899	3,091,047	32.5	
	29,032,427	26,841,733	90,882,784	(570,457)		
	403,560,259	171,063,773	566,196,149	16,612,232		
Total associates						
Joint venture						
Local						
Thailand	63,729,769	55,071,684	64,096,435	928,293	50.0	
	63,729,769	55,071,684	64,096,435	928,293		
Total Joint venture						
	467,290,028	226,135,457	630,292,584	17,540,525		
Total associates and joint venture						

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

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

12.3 Significant events

a) Investment in subsidiaries

Korat Thai Tech Company Limited

On 3 March 2011, the Company registered to incorporate a subsidiary, Korat Thai Tech Company Limited, which is engaged in the manufacturing and distribution of melamine products to serve overseas customers and to support increasing production capacity. The subsidiary has registered share capital of Baht 30.00 million and the Company holds 100.00% shareholding. During the year 2011, the subsidiary called for paid-up full amount of its share capital, and the Company already paid up in full.

P.E.T. Blow Company Limited

On 28 October 2011, the Extraordinary Shareholders' meeting of P.E.T. Blow Company Limited, a subsidiary, passed a resolution to increase the authorised share capital of Baht 15.00 million by increasing ordinary shares from 500,000 shares with a par value of Baht 10.00 per share to 2,000,000 shares with a par value of Baht 10.00 per share. The subsidiary called for 25% paid-up of the increased share capital, equivalent to Baht 3.75 million and registered its increase of share capital with the Ministry of Commerce on 2 November 2011. The Company paid for the additional paid-up share capital in full amount, according to its 100% shareholding.

Srithai Superware India Limited

During the year 2011, Srithai Superware India Limited, a subsidiary called for additional paid-up share capital of Rupee 25.00 million. The Company paid for the additional call, at the amount of Rupee 17.50 million or equivalent to Baht 12.22 million, according to its 70.00% shareholding.

On 15 June 2011, the Board of Directors of the Company had passed a resolution to increase the Company's shareholding in a subsidiary. This is due to the other two shareholders having no intention for further investment in additional call for paid-up shares of Rupee 7.50 million, according to theirs 30.00% shareholding. As a result, the Company's shareholdings in the subsidiary increased from 70.00% to 85.00%. The increase of investment portion would enable the Company to enhance management capability and business expansion. The source of funds for this investment comes from the Company's operating cash flow. The Company is currently under the legal process of changing the subsidiary's shareholding structure. Additional investment of the above portion will be made when necessary for the subsidiary.

Srithai (Vietnam) Company Limited

During the year of 2011, the Company paid Baht 4.70 million for acquisition of 4.16% shares of Srithai (Vietnam) Company Limited, a subsidiary, from a former shareholder, in accordance with the resolution of the Board of Directors. After the acquisition of the shares, the Company's shareholding in the subsidiary increased from 95.84% to 100.00%. The subsidiary had registered the amendment of shareholding structure on 22 April 2011.

Newly established subsidiary

During the year 2011, the Board of Directors of the Company had passed a resolution to invest in a new subsidiary, which will be incorporated in the Lao People's Democratic Republic. The new subsidiary will engage in the trading and distribution of products under a multi-level marketing network system in order to increase distribution channels and expand overseas customers base of trading business line, with a registered share capital of Lao Kip 1,000 million or equivalent to US dollars 125,000. The Company will hold 80.00% shareholding in the subsidiary. The subsidiary is currently registered process.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

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

12.3 Significant events (Cont'd)

b) Change in status of investments in subsidiaries

Sheewamala Company Limited (Formerly named “Srithai Shin-Osaka Company Limited”)

During the 2011, the Directors and related persons of the Company had disposed their 15.00% investments in Srithai Shin-Osaka Company Limited to a third party, whereas the Company’s 40.00% direct shareholding remained unchanged. Furthermore, the Company had reduced the number of its representative directors to be in line with its percentage of shareholding. Consequently, the Company no longer has power to govern operation and does not have significant influence voting rights. Therefore, the status of the Company’s investment in Srithai Shin-Osaka Company Limited had been changed from that of investor in a subsidiary to that of an associate.

On 8 March 2011, the Extraordinary Shareholders’ meeting of Srithai Shin-Osaka Company Limited approved the change of its name to Sheewamala Company Limited. The change was registered with the Ministry of Commerce on 16 March 2011.

c) Disposal of investments in an associate and an other investment

On 15 June 2011, the Board of Directors of the Company had passed a resolution to dispose altogether its investments in Takahashi Korat (1995) Company Limited and Takahashi Plastics Company Limited, an associate and other investment respectively, to a former shareholder of the two companies, with the total amount of Baht 36.55 million. The purposes of the disposal of investments are to reduce its responsibilities and exposure to future risk. Furthermore, the Company can utilise cash receipt from these disposals in the Company’s core business. The Company recognised gain from disposals of investments amounting to Baht 8.30 million and Baht 8.05 million, which were presented under other income in the consolidated and company statements of comprehensive income, respectively.

On 28 June 2011, the Company had already received the proceeds from shares disposals.

d) Reversal of loss on impairment of investments in subsidiary and associate

Subsidiary - Srithai (Vietnam) Company Limited

In 2010, following a review of an impairment provision previously booked in respect of an investment in Srithai (Vietnam) Company Limited, a subsidiary, management concluded that it was appropriate to reverse this provision in the Company financial statement, at the amount of Baht 30.00 million based on an assessment of projected future cash flows (Note 4 (a)).

Associate - PT. Srithai Maspion Indonesia

In 2011, following a review of an impairment provision previously booked in respect of an investment in PT. Srithai Maspion Indonesia, an associate, management concluded that it was appropriate to reverse this provision in the Company financial statement, at the amount of Baht 23.50 million based on an assessment of projected future cash flows (Note 4 (a)).

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

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

12.3 Significant events (Cont'd)

e) Dividend payment of a subsidiary

Srithai Moulds Company Limited

On 29 March 2011, the Annual General Shareholders' meeting of Srithai Moulds Company Limited passed a resolution to pay dividend in respect of the subsidiary's retained earnings at Baht 10.00 per share, totalling Baht 10.00 million. The Company received a dividend of Baht 7.10 million according to its 71.00% shareholding.

Srithai Nanoplast Company Limited

On 31 March 2011, the Annual General Shareholders' meeting of Srithai Nanoplast Company Limited passed a resolution to pay dividend in respect of the subsidiary's retained earnings at Baht 0.50 per share, totalling Baht 2.00 million. The Company received a dividend of Baht 1.40 million according to its 70.00% shareholding.

Srithai Miyagawa Company Limited

On 23 April 2011, the Annual General Shareholders' meeting of Srithai Miyagawa Company Limited passed a resolution to pay dividend in respect of the subsidiary's net profit for the year 2010 of Baht 20.00 per share, totalling Baht 24.00 million. The Company received a dividend of Baht 12.24 million according to its 51.00% shareholding.

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

Total investments in subsidiaries

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

36

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)

	Consolidated (Unit : Baht)				Company (Unit : Baht)						
	Percentage of shareholding		Equity method		Cost method		Cost method				
	31 December 2011	31 December 2010	31 December 2011	31 December 2010	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	16,839,765	11,540,247	9,599,400	-	9,599,400	9,599,400
Srithai WBG Co., Ltd.*	Direct Sales	Thailand	Shareholder	8,000,000	47.0	-	-	3,759,940	(3,759,940)	-	3,759,940
Thai MFC Co., Ltd.	Manufacture of melamine powder	Thailand	Shareholder	200,000,000	45.0	161,257,199	156,511,454	90,000,000	-	90,000,000	-
S.K.I. Ceramics Co., Ltd.*	Manufacture of ceramics	Thailand	Shareholder	125,000,000	42.0	-	-	52,500,000	(52,500,000)	-	90,000,000
Sheewamala Co., Ltd. (formerly "Srithai Shin-Osaka Co., Ltd.")	Mould laminating and manufacture of plastic and melamine	Thailand	Shareholder	49,800,000	40.0	11,135,306	-	19,920,000	(5,800,000)	-	-
Srithai Packaging Co., Ltd.	Manufacture of packaging	Thailand	Shareholder	60,000,000	39.2	45,585,677	48,867,128	27,156,000	-	27,156,000	27,156,000
Soko Srithai Co., Ltd.*	Manufacture of plastic	Thailand	Shareholder	250,000,000	24.0	-	-	48,384,880	(48,384,880)	-	-
Takahashi Korat (1995) Co., Ltd.	Manufacture of plastic	Thailand	Shareholder	150,000,000	-	-	30,435,804	-	-	-	28,500,000
						234,817,947	247,354,633	251,320,220	(110,444,820)	140,875,400	259,900,220
											155,255,400
Foreign											
Beijing Huatai Replica of Porcelain Products Co., Ltd.	Manufacture of melamine	China	Shareholder	10.6 Mil. Yuan	40.0	20,025,140	18,781,104	25,864,865	-	25,864,865	25,864,865
PT. Srithai Maspion Indonesia	Manufacture of melamine	Indonesia	Shareholder	Mil. Rupiah	32.5	18,985,720	15,869,147	37,437,858	-	37,437,858	13,937,858
						39,010,860	34,650,251	63,302,723	-	63,302,723	39,802,723
						273,828,807	282,004,884	314,622,943	(110,444,820)	204,178,123	195,058,123
Total investments in associates											
Joint venture											
Local											
Srithai-Otto (Thailand) Co., Ltd.	Trading	Thailand	Shareholder	10,000,000	50.0	8,437,857	8,550,450	4,999,800	-	4,999,800	4,999,800
Total investments in joint venture						8,437,857	8,550,450	4,999,800	-	4,999,800	4,999,800
Total investments in associates and joint venture						282,266,664	290,555,334	319,622,743	(110,444,820)	209,177,923	200,057,923

* Associates were dissolved and are under the process of liquidation. As at 31 December 2011 and 2010, the Group has not recognised share of accumulated losses in associates which exceed the Group's interest totalling of Baht 9.64 million.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

13 Other long-term investments, net

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

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
<u>Listed company</u> (Available-for-sale investments)				
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	21,220,000	10,660,000	21,220,000	10,660,000
	<u>61,200,000</u>	<u>50,640,000</u>	<u>61,200,000</u>	<u>50,640,000</u>
<u>Non-listed companies</u>				
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	11,000,000	-	-
Lock&Lock (Thailand) Co., Ltd.	5,169,970	5,169,970	8,669,970	8,669,970
Takahashi Plastics Co., Ltd.	-	-	-	6,600,000
Others (less than 5% holding)	9,800,000	9,800,000	9,800,000	9,800,000
	<u>116,516,354</u>	<u>116,516,354</u>	<u>50,669,970</u>	<u>57,269,970</u>
<u>Less</u> Allowance for impairment loss of investments	<u>(3,500,000)</u>	<u>(3,500,000)</u>	<u>(3,500,000)</u>	<u>(10,100,000)</u>
	<u>113,016,354</u>	<u>113,016,354</u>	<u>47,169,970</u>	<u>47,169,970</u>
Total other long-term investments, net	<u>174,216,354</u>	<u>163,656,354</u>	<u>108,369,970</u>	<u>97,809,970</u>

Lock & Lock (Thailand) Company Limited

On 19 October 2011, the Extraordinary Shareholders' meeting of Lock&Lock (Thailand) Company Limited passed a resolution to increase the authorised share capital of Baht 154.36 million. The purpose of the increase in share capital is to increase liquidity in operations. However, the Company has no intention to invest in additional share capital. After the capital increase, the Company's holdings in Lock&Lock (Thailand) Company Limited decreased from 7.88% to 3.28%.

13.2 The movements in book value of other long-term investments for the years ended 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Opening net book amount	163,656,354	145,766,384	97,809,970	76,420,000
Change in status of investment in a subsidiary and an associate to other long-term investments	-	5,169,970	-	15,269,970
Fair value reserves on available-for-sale investments increase (decrease) during the year	10,560,000	12,720,000	10,560,000	12,720,000
Impairment in value of investment in an associate change status to other long-term investments	-	-	-	(6,600,000)
Closing net book amount	<u>174,216,354</u>	<u>163,656,354</u>	<u>108,369,970</u>	<u>97,809,970</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

14 Investment property, net

The movements of investment property for the year ended 31 December comprise the following:

	Consolidated		
	Land Baht	Land and building Baht	Total Baht
As at 1 January 2010 - as restated			
Cost	27,250,000	181,233,237	208,483,237
<u>Less</u> Accumulated depreciation	-	(40,503,229)	(40,503,229)
Net book value	<u>27,250,000</u>	<u>140,730,008</u>	<u>167,980,008</u>
For the year ended 31 December 2010			
Opening net book value - as restated	27,250,000	140,730,008	167,980,008
Depreciation charge (Note 33)	-	(11,567,749)	(11,567,749)
Closing net book value	<u>27,250,000</u>	<u>129,162,259</u>	<u>156,412,259</u>
As at 31 December 2010			
Cost	27,250,000	181,233,237	208,483,237
<u>Less</u> Accumulated depreciation	-	(52,070,978)	(52,070,978)
Net book value	<u>27,250,000</u>	<u>129,162,259</u>	<u>156,412,259</u>
For the year ended 31 December 2011			
Opening net book value	27,250,000	129,162,259	156,412,259
Reclassification - cost	-	(3,304,747)	(3,304,747)
- accumulated depreciation	-	709,854	709,854
Depreciation charge (Note 33)	-	(6,346,084)	(6,346,084)
Closing net book value	<u>27,250,000</u>	<u>120,221,282</u>	<u>147,471,282</u>
As at 31 December 2011			
Cost	27,250,000	177,928,490	205,178,490
<u>Less</u> Accumulated depreciation	-	(57,707,208)	(57,707,208)
Net book value	<u>27,250,000</u>	<u>120,221,282</u>	<u>147,471,282</u>
Fair value as at 31 December 2010	363,180,000	465,251,802	828,431,802
Fair value as at 31 December 2011	363,180,000	504,233,271	867,413,271

Investment property of a subsidiary were stated in the consolidated financial statement at cost of Baht 10.45 million (2010 : Baht 10.45 million) has been pledged as a security for borrowings.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

14 Investment property, net (Cont'd)

The movements of investment property for the year ended 31 December comprise the following: (Cont'd)

	Company		
	Land Baht	Land and building Baht	Total Baht
As at 1 January 2010 - as restated			
Cost	201,543,000	362,834,645	564,377,645
<u>Less</u> Accumulated depreciation	-	(35,628,449)	(35,628,449)
Net book value	<u>201,543,000</u>	<u>327,206,196</u>	<u>528,749,196</u>
For the year ended 31 December 2010			
Opening net book value - as restated	201,543,000	327,206,196	528,749,196
Depreciation charge (Note 33)	-	(9,942,822)	(9,942,822)
Closing net book value	<u>201,543,000</u>	<u>317,263,374</u>	<u>518,806,374</u>
As at 31 December 2010			
Cost	201,543,000	362,834,645	564,377,645
<u>Less</u> Accumulated depreciation	-	(45,571,271)	(45,571,271)
Net book value	<u>201,543,000</u>	<u>317,263,374</u>	<u>518,806,374</u>
For the year ended 31 December 2011			
Opening net book value	201,543,000	317,263,374	518,806,374
Reclassification - cost	-	(3,304,747)	(3,304,747)
- accumulated depreciation	-	709,854	709,854
Depreciation charge (Note 33)	-	(5,665,677)	(5,665,677)
Closing net book value	<u>201,543,000</u>	<u>309,002,804</u>	<u>510,545,804</u>
As at 31 December 2011			
Cost	201,543,000	359,529,898	561,072,898
<u>Less</u> Accumulated depreciation	-	(50,527,094)	(50,527,094)
Net book value	<u>201,543,000</u>	<u>309,002,804</u>	<u>510,545,804</u>
Fair value as at 31 December 2010	363,180,000	458,471,509	821,651,509
Fair value as at 31 December 2011	363,180,000	486,520,000	849,700,000

Amounts recognised in profit and loss that are related to investment property are as follows:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Rental income	6,710,171	5,250,212	5,988,825	5,132,567

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

15 Property, plant and equipment, net

The movements of property, plant and equipment for the years ended 31 December comprise the following:

	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
As at 1 January 2010 - as restated									
Cost or appraisal value	-	1,521,646,898	15,948,813	309,849,663	3,289,254,001	252,418,477	136,918,555	140,538,792	5,666,575,199
Less: Accumulated depreciation	-	(209,634,969)	(15,923,469)	(210,370,566)	(1,057,143,808)	(194,633,412)	(107,243,193)	-	(1,794,949,417)
Provision for impairment	-	-	-	-	(9,776,405)	-	-	(40,000)	(9,816,405)
Net book value	-	1,312,011,929	25,344	99,479,097	2,222,333,788	57,785,065	29,675,362	140,498,792	3,861,809,377
For the year ended 31 December 2010									
Opening net book value - as restated	-	1,312,011,929	25,344	99,479,097	2,222,333,788	57,785,065	29,675,362	140,498,792	3,861,809,377
Additions	-	175,094	160,100	25,047,412	326,363,973	56,214,315	19,241,341	484,365,823	911,568,058
Depreciation charge (Note 33)	-	(55,686,702)	(28,001)	(28,992,849)	(337,468,731)	(23,087,519)	(13,767,908)	-	(459,031,710)
Disposals - cost	-	(8,000,000)	-	(3,395,675)	(28,461,869)	(9,058,279)	(3,323,767)	-	(52,239,590)
- accumulated depreciation	-	1,516,370	-	2,094,270	14,221,205	8,958,831	3,268,605	-	30,059,281
Assets written off from a fire	-	(35,741,601)	-	(12,137,694)	(37,077,514)	(3,832,997)	-	-	(88,789,806)
- accumulated depreciation	-	8,624,217	-	4,034,984	27,044,345	3,376,997	-	-	43,080,543
Assets written off - cost	-	-	-	(9,204,171)	(1,068,260)	(11,704,076)	-	-	(21,976,507)
- accumulated depreciation	-	-	-	9,204,126	985,077	11,518,202	-	-	21,707,405
Transfer within account	-	-	-	9,605,184	323,500,596	5,592,486	-	(338,698,266)	-
Change in status of investment in a subsidiary	-	-	-	-	-	(14,448,119)	-	(138,956)	(14,587,075)
Reversal of impairment	-	-	-	-	2,876,027	-	-	-	2,876,027
Foreign exchange rate adjustment	-	(4,183,700)	-	-	(6,040,900)	(69,466)	(117,467)	-	(10,411,533)
Closing net book value	-	1,218,715,607	157,443	95,734,684	2,507,207,737	81,245,440	34,976,166	286,027,393	4,224,064,470
As at 31 December 2010									
Cost or appraisal value	-	1,472,051,397	16,108,913	319,370,635	3,861,652,415	272,085,490	152,590,878	286,067,393	6,379,927,121
Less: Accumulated depreciation	-	(253,335,790)	(15,951,470)	(223,635,951)	(1,347,863,500)	(190,840,050)	(117,614,712)	-	(2,149,241,473)
Provision for impairment	-	-	-	-	(6,581,178)	-	-	(40,000)	(6,621,178)
Net book value	-	1,218,715,607	157,443	95,734,684	2,507,207,737	81,245,440	34,976,166	286,027,393	4,224,064,470

15 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
As at 1 January 2011 - as restated									
Cost	-	1,017,562,385	16,108,913	319,370,635	3,764,931,998	272,085,490	152,590,878	286,067,393	5,828,717,692
Less Accumulated depreciation	-	(253,335,790)	(15,951,470)	(223,635,951)	(1,347,863,500)	(190,840,050)	(117,614,712)	-	(2,149,241,473)
Provision for impairment	-	-	-	-	(4,985,178)	-	-	(40,000)	(5,025,178)
Net book value	-	764,226,595	157,443	95,734,684	2,412,083,320	81,245,440	34,976,166	286,027,393	3,674,451,041
For the year ended 31 December 2011									
Opening net book value - as restated	-	764,226,595	157,443	95,734,684	2,412,083,320	81,245,440	34,976,166	286,027,393	3,674,451,041
Additions	-	29,577,942	-	37,356,931	617,470,923	35,631,762	9,669,065	290,568,418	1,020,275,041
Depreciation charge (Note 33)	-	(36,487,405)	(32,020)	(32,988,115)	(331,287,540)	(24,348,601)	(12,381,285)	-	(437,524,966)
Disposals - cost	-	-	-	-	(88,432,267)	(8,113,294)	(6,827,087)	-	(103,372,648)
- accumulated depreciation	-	-	-	-	29,750,078	7,023,074	6,441,490	-	43,214,642
Assets written off from a fire	-	-	-	-	(7,921,273)	-	-	-	(7,921,273)
- cost	-	-	-	-	2,609,538	-	-	-	2,609,538
- accumulated depreciation	-	-	-	-	(25,952,538)	(130,191)	-	-	(32,688,190)
Assets written off - cost	-	-	-	(6,605,461)	18,895,874	130,065	-	-	23,811,770
- accumulated depreciation	-	-	-	4,785,831	(8,582,340)	231,820	-	(60,000)	(5,405,253)
Reclassification - cost	-	3,304,747	-	(299,480)	2,379,189	(40,555)	9,833	-	1,669,334
- accumulated depreciation	-	(709,854)	-	30,721	267,288,342	(9,130,500)	-	(334,049,490)	-
Transfer within account	-	65,114,665	-	10,776,983	-	-	-	-	-
Change in status of investment in a subsidiary	-	(15,728,979)	-	(1,591,546)	(2,791,909)	(82,016)	(4)	-	(20,194,454)
to other long-term investment	-	-	-	-	-	(158,165)	(89,187)	-	(247,352)
Foreign exchange rate adjustment	-	-	-	-	-	-	-	-	-
Closing net book value	-	809,297,711	125,423	107,200,548	2,885,509,397	82,258,839	31,798,991	242,486,321	4,158,677,230
As at 31 December 2011									
Cost	-	1,095,689,170	16,108,913	358,866,029	4,510,669,443	288,544,044	155,148,130	242,526,321	6,667,552,050
Less Accumulated depreciation	-	(286,391,459)	(15,983,490)	(251,665,481)	(1,620,174,868)	(206,285,205)	(123,349,139)	-	(2,503,849,642)
Provision for impairment	-	-	-	-	(4,985,178)	-	-	(40,000)	(5,025,178)
Net book value	-	809,297,711	125,423	107,200,548	2,885,509,397	82,258,839	31,798,991	242,486,321	4,158,677,230

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

15 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 1 January 2010 - as restated									
Cost or appraisal value	-	1,224,321,644	15,948,813	288,368,731	2,915,072,601	195,150,364	119,565,422	140,498,791	4,898,926,366
Less Accumulated depreciation	-	(165,578,706)	(15,923,469)	(194,564,503)	(914,591,420)	(160,758,482)	(94,151,221)	-	(1,545,567,801)
Provision for impairment	-	-	-	-	(6,576,027)	-	-	-	(6,576,027)
Net book value	-	1,058,742,938	25,344	93,804,228	1,993,905,154	34,391,882	25,414,201	140,498,791	3,346,782,538
For the year ended 31 December 2010									
Opening net book value - as restated	-	1,058,742,938	25,344	93,804,228	1,993,905,154	34,391,882	25,414,201	140,498,791	3,346,782,538
Additions	-	-	160,100	19,830,071	278,949,684	19,718,148	11,633,099	478,634,382	808,925,484
Depreciation charge (Note 33)	-	(41,634,440)	(28,001)	(26,833,194)	(306,809,460)	(11,852,555)	(11,432,292)	-	(398,589,942)
Disposals - cost	-	(8,000,000)	-	(3,395,675)	(26,683,340)	(8,647,502)	-	-	(46,726,517)
- accumulated depreciation	-	1,516,370	-	2,094,270	12,730,953	8,548,068	-	-	24,889,661
Assets written off from a fire	-	(35,741,601)	-	(12,137,694)	(37,077,514)	(3,832,997)	-	-	(88,789,806)
- cost	-	8,624,217	-	4,034,984	27,044,345	3,376,997	-	-	43,080,543
- accumulated depreciation	-	-	-	(197,766)	(19,587)	(524,441)	-	-	(741,794)
Assets written off - cost	-	-	-	197,764	4,414	338,913	-	-	541,091
- accumulated depreciation	-	-	-	9,605,184	323,500,596	-	-	(333,105,780)	-
Transfer within account	-	-	-	-	2,876,027	-	-	-	2,876,027
Reversal of impairment	-	-	-	-	-	-	-	-	-
Closing net book value	-	983,507,484	157,443	87,002,172	2,268,421,272	41,516,513	25,615,008	286,027,393	3,692,247,285
As at 31 December 2010									
Cost or appraisal value	-	1,180,580,043	16,108,913	302,072,851	3,453,742,440	201,863,572	131,198,521	286,027,393	5,571,593,733
Less Accumulated depreciation	-	(197,072,559)	(15,951,470)	(215,070,679)	(1,181,621,168)	(160,347,059)	(105,583,513)	-	(1,875,646,448)
Provision for impairment	-	-	-	-	(3,700,000)	-	-	-	(3,700,000)
Net book value	-	983,507,484	157,443	87,002,172	2,268,421,272	41,516,513	25,615,008	286,027,393	3,692,247,285

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

15 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 1 January 2011 - as restated									
Cost	-	938,189,793	16,108,913	302,072,851	3,364,633,664	201,863,572	131,198,521	286,027,393	5,240,094,707
Less Accumulated depreciation	-	(197,072,559)	(15,951,470)	(215,070,679)	(1,181,621,168)	(160,347,059)	(105,583,513)	-	(1,875,646,448)
Provision for impairment	-	-	-	-	(3,700,000)	-	-	-	(3,700,000)
Net book value	-	741,117,234	157,443	87,002,172	2,179,312,496	41,516,513	25,615,008	286,027,393	3,360,748,259
For the year ended 31 December 2011									
Opening net book value - as restated	-	741,117,234	157,443	87,002,172	2,179,312,496	41,516,513	25,615,008	286,027,393	3,360,748,259
Additions	-	20,583,943	-	31,430,314	452,443,885	21,638,712	9,669,065	280,686,055	816,451,974
Depreciation charge (Note 33)	-	(25,282,143)	(32,020)	(30,250,937)	(302,018,652)	(13,276,703)	(9,790,138)	-	(380,650,593)
Disposals - cost	-	-	-	-	(60,523,134)	(8,113,293)	(5,758,631)	-	(74,395,058)
- accumulated depreciation	-	-	-	-	22,400,384	7,023,074	5,384,790	-	34,808,248
Assets written off from a fire	-	-	-	-	(7,921,273)	-	-	-	(7,921,273)
- cost	-	-	-	-	2,609,538	-	-	-	2,609,538
- accumulated depreciation	-	-	-	-	(25,952,538)	(130,191)	-	-	(32,688,190)
Assets written off - cost	-	-	-	(6,605,461)	18,895,874	130,065	-	-	23,811,770
- accumulated depreciation	-	-	-	4,785,831	(8,582,340)	231,820	-	(60,000)	(5,405,253)
Reclassification - cost	-	3,304,747	-	(299,480)	2,379,189	(40,555)	9,833	-	1,669,334
- accumulated depreciation	-	(709,854)	-	30,721	261,601,842	-	-	(334,049,490)	-
Transfer within account	-	61,670,665	-	10,776,983	-	-	-	-	-
Closing net book value	-	800,684,592	125,423	96,870,143	2,534,645,271	48,979,442	25,129,927	232,603,958	3,739,038,756
As at 31 December 2011									
Cost	-	1,023,749,148	16,108,913	337,375,207	3,975,700,106	215,490,620	135,108,955	232,603,958	5,936,136,907
Less Accumulated depreciation	-	(223,064,556)	(15,983,490)	(240,505,064)	(1,437,354,835)	(166,511,178)	(109,979,028)	-	(2,193,398,151)
Provision for impairment	-	-	-	-	(3,700,000)	-	-	-	(3,700,000)
Net book value	-	800,684,592	125,423	96,870,143	2,534,645,271	48,979,442	25,129,927	232,603,958	3,739,038,756

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

15 Property, plant and equipment, net (Cont'd)

Addition in the consolidated financial statements includes assets leased under finance leases where the Group is the lessee of Baht 21.04 million (2010 : Baht 4.92 million).

As at 31 December 2011, the Group's and the Company's fully depreciated fixed assets which are presented in cost before accumulated depreciation amounting, to Baht 1,006.60 million and Baht 792.91 million, respectively (2010 : Baht 866.16 million and Baht 684.13 million, respectively), are still in use.

Recent revaluation

The majority of property, plant and equipment as at 31 December 2010 were stated at appraisal value. 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", net of deferred tax liabilities, 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

However, since 1 January 2011, the Group has changed accounting policy to determine the value of property, plant and equipment from the revaluation method to the cost method as described in Note 2.

Commitments

The Group has mortgaged part of the land, buildings and machineries to banks as collateral for overdrafts, long-term loans and working capital facilities. As at 31 December 2011, the mortgage assets were stated in the consolidated and Company financial statements at cost. As at 31 December 2010, the mortgaged assets were stated in the consolidated and company financial statements at appraisal value, except for assets acquired after the latest appraisal in 2006, which were stated at cost as follows:

	Consolidated		Company	
	Cost	Appraisal	Cost	Appraisal
	2011	value and cost	2011	value and cost
	Million Baht	2010	Million Baht	2010
		Million Baht		Million Baht
Srithai Superware Public Company Limited				
- Land and buildings	619.0	703.2	619.0	703.2
Subsidiaries:				
Srithai Moulds Company Limited				
- Land, buildings and machinery	37.3	54.7	-	-
Srithai Miyagawa Company Limited				
- Machinery	133.5	147.0	-	-

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

16 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
As at 1 January 2010					
Cost	104,049,108	9,156,390	37,971,572	6,293,564	157,470,634
<u>Less</u> Accumulated amortisation	(76,493,010)	-	(4,137,255)	(2,674,765)	(83,305,030)
Provision for impairment	(364,803)	-	-	(3,618,799)	(3,983,602)
Net book value	27,191,295	9,156,390	33,834,317	-	70,182,002
For the year ended 31 December 2010					
Opening net book value	27,191,295	9,156,390	33,834,317	-	70,182,002
Additions	3,108,621	6,239,964	1,318,283	-	10,666,868
Amortisation charge	(7,348,316)	-	(4,131,378)	-	(11,479,694)
Transfer within account	13,399,554	(13,399,554)	-	-	-
Assets written off					
- cost	(5,651,402)	-	-	-	(5,651,402)
- accumulated amortisation	5,651,392	-	-	-	5,651,392
Change in status of investment in a subsidiary to other long-term investment	(371,143)	(71,300)	-	-	(442,443)
Foreign exchange rate adjustment	(63,184)	-	-	-	(63,184)
Closing net book value	35,916,817	1,925,500	31,021,222	-	68,863,539
As at 31 December 2010					
Cost	114,134,744	1,925,500	39,289,855	6,293,564	161,643,663
<u>Less</u> Accumulated amortisation	(77,853,124)	-	(8,268,633)	(2,674,765)	(88,796,522)
Provision for impairment	(364,803)	-	-	(3,618,799)	(3,983,602)
Net book value	35,916,817	1,925,500	31,021,222	-	68,863,539
For the year ended 31 December 2011					
Opening net book value	35,916,817	1,925,500	31,021,222	-	68,863,539
Additions	6,802,434	1,933,600	-	-	8,736,034
Amortisation charge	(9,441,624)	-	(4,048,985)	-	(13,490,609)
Transfer within account	3,537,500	(3,537,500)	-	-	-
Foreign exchange rate adjustment	9,639	-	-	-	9,639
Closing net book value	36,824,766	321,600	26,972,237	-	64,118,603
As at 31 December 2011					
Cost	124,467,331	321,600	39,289,855	-	164,078,786
<u>Less</u> Accumulated amortisation	(87,277,762)	-	(12,317,618)	-	(99,595,380)
Provision for impairment	(364,803)	-	-	-	(364,803)
Net book value	36,824,766	321,600	26,972,237	-	64,118,603

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

16 Intangible assets, net (Cont'd)

Intangible assets as at 31 December comprise the following: (Cont'd)

	Company			Total Baht
	Software copyright and operational computer software Baht	Work under installation- computer software Baht	Production Technique Patents Baht	
As at 1 January 2010				
Cost	80,500,447	8,751,390	37,971,572	127,223,409
<u>Less</u> Accumulated amortisation	(57,145,573)	-	(4,137,255)	(61,282,828)
Provision for impairment	(364,803)	-	-	(364,803)
Net book value	22,990,071	8,751,390	33,834,317	65,575,778
For the year ended 31 December 2010				
Opening net book value	22,990,071	8,751,390	33,834,317	65,575,778
Additions	1,917,142	6,039,664	1,318,283	9,275,089
Amortisation charge	(5,417,289)	-	(4,131,378)	(9,548,667)
Transfer within account	12,865,554	(12,865,554)	-	-
Assets written off				
- cost	(1,231,702)	-	-	(1,231,702)
- accumulated amortisation	1,231,702	-	-	1,231,702
Closing net book value	32,355,478	1,925,500	31,021,222	65,302,200
As at 31 December 2010				
Cost	94,051,441	1,925,500	39,289,855	135,266,796
<u>Less</u> Accumulated amortisation	(61,331,160)	-	(8,268,633)	(69,599,793)
Provision for impairment	(364,803)	-	-	(364,803)
Net book value	32,355,478	1,925,500	31,021,222	65,302,200
For the year ended 31 December 2011				
Opening net book value	32,355,478	1,925,500	31,021,222	65,302,200
Additions	3,491,702	1,933,600	-	5,425,302
Amortisation charge	(7,870,060)	-	(4,048,985)	(11,919,045)
Transfer within account	3,537,500	(3,537,500)	-	-
Closing net book value	31,514,620	321,600	26,972,237	58,808,457
As at 31 December 2011				
Cost	101,080,643	321,600	39,289,855	140,692,098
<u>Less</u> Accumulated amortisation	(69,201,220)	-	(12,317,618)	(81,518,838)
Provision for impairment	(364,803)	-	-	(364,803)
Net book value	31,514,620	321,600	26,972,237	58,808,457

17 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 33.99% (2010 : 7.50% to 30.00%).

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

17 Deferred income taxes (Cont'd)

17.1 Deferred tax assets

The movements in the components of deferred income tax assets during the years is as follows:

	Consolidated						
	1 January 2010 Baht	Transaction recorded in profit and loss Baht	31 December 2010 Baht	Effect from change in accounting policy (Note 2) Baht	Transaction recorded in profit and loss		31 December 2011 Baht
					Change in tax rate Baht	Transactions during the year Baht	
Tax loss carry forward	-	-	-	-	-	4,356,898	4,356,898
Allowance for impairment of investments	19,886,206	-	19,886,206	-	(2,505,896)	520,000	17,900,310
Employee benefit obligations	-	-	-	86,348,457	(22,905,264)	(13,534,619)	49,908,574
Foreign exchange rate adjustment	(60,200)	(99,800)	(160,000)	-	-	(726,110)	(886,110)
Others	2,592,744	32,300	2,625,044	-	(99,003)	(259,887)	2,266,154
	<u>22,418,750</u>	<u>(67,500)</u>	<u>22,351,250</u>	<u>86,348,457</u>	<u>(25,510,163)</u>	<u>(9,643,718)</u>	<u>73,545,826</u>

	Company						
	1 January 2010 Baht	Transaction recorded in Profit and loss Baht	31 December 2010 Baht	Effect from change in accounting policy (Note 2) Baht	Transaction recorded in profit and loss		31 December 2011 Baht
					Change in tax rate Baht	Transactions during the year Baht	
Allowance for impairment of investments	19,886,206	-	19,886,206	-	(2,505,896)	520,000	17,900,310
Employee benefit obligations	-	-	-	78,667,006	(20,445,877)	(13,890,411)	44,330,718
Others	1,956,544	-	1,956,544	-	(99,003)	(719,007)	1,138,534
	<u>21,842,750</u>	<u>-</u>	<u>21,842,750</u>	<u>78,667,006</u>	<u>(23,050,776)</u>	<u>(14,089,418)</u>	<u>63,369,562</u>

17.2 Deferred tax liabilities

The movements in the components of deferred tax liabilities during the years is as follows:

	Consolidated							
	1 January 2010 Baht	Effect from Change in accounting policy (Note 2) Baht	1 January 2010 - as restated Baht	Transaction recorded in Profit and loss Baht	Transaction recorded in shareholder's equity Baht	31 December 2010 Baht	Effect from Change in accounting policy (Note 2) Baht	31 December 2011 Baht
Fair value reserves on land and buildings	183,116,032	(89,113,336)	94,002,696	1,119,528	(6,638,891)	88,483,333	(88,483,333)	-
Fair value reserves on machinery and moulds	38,686,640	-	38,686,640	(389,669)	(11,856,436)	26,440,535	(26,440,535)	-
Total	<u>221,802,672</u>	<u>(89,113,336)</u>	<u>132,689,336</u>	<u>729,859</u>	<u>(18,495,327)</u>	<u>114,923,868</u>	<u>(114,923,868)</u>	<u>-</u>

	Company							
	1 January 2010 Baht	Effect from Change in accounting policy (Note 2) Baht	1 January 2010 - as restated Baht	Transaction recorded in Profit and loss Baht	Transaction recorded in shareholder's equity Baht	31 December 2010 Baht	Effect from Change in accounting policy (Note 2) Baht	31 December 2011 Baht
Fair value reserves on land and buildings	167,441,689	(87,979,912)	79,461,777	1,119,528	(5,795,567)	74,785,738	(74,785,738)	-
Fair value reserves on machinery and moulds	36,227,986	-	36,227,986	(389,669)	(11,213,603)	24,624,714	(24,624,714)	-
Total	<u>203,669,675</u>	<u>(87,979,912)</u>	<u>115,689,763</u>	<u>729,859</u>	<u>(17,009,170)</u>	<u>99,410,452</u>	<u>(99,410,452)</u>	<u>-</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

17 Deferred income taxes (Cont'd)

17.3 Income tax expense

Income tax expense for the years ended 31 December comprises the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Current income tax expense	137,091,044	57,458,649	129,352,670	44,046,553
Deferred income tax				
- Deferred tax assets (Note 17.1)	34,427,771	(32,300)	37,140,194	-
- Deferred tax liabilities (Note 17.2)	-	729,859	-	729,859
	<u>171,518,815</u>	<u>58,156,208</u>	<u>166,492,864</u>	<u>44,776,412</u>

A reconciliation between current income tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Profit before tax	455,316,013	318,615,585	482,269,353	324,475,657
Tax rate	30%	25%	30%	25%
The result of the accounting profit multiplied by the income tax rate	136,594,804	79,653,896	144,680,806	81,118,914
Effect of exempted income and extra deduction expenses	(23,768,421)	(15,120,624)	(41,597,321)	(30,227,487)
Effect from expenses not deductible for tax purpose	35,704,937	19,530,611	26,269,185	19,119,252
Deferred income tax	34,427,771	697,559	37,140,194	729,859
Tax losses not recognised as deferred tax assets	(7,396,841)	7,872,423	-	-
The reduction of 50% from regular income tax rate	-	(25,964,126)	-	(25,964,126)
Share of net (profit)/loss from investments				
- equity method	(6,876,993)	(4,385,131)	-	-
Effect of different tax rates	(813,847)	(2,081,119)	-	-
Effect of elimination - intercompany transactions	3,647,403	(2,047,281)	-	-
Income tax	<u>171,518,815</u>	<u>58,156,208</u>	<u>166,492,864</u>	<u>44,776,412</u>

The Group's and the Company's weighted average applicable tax rate were 31.46% and 29.04%, respectively (2010 : 18.25% and 13.80%, 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.

There was the announcement of the Royal Decree Regarding the Reduction of Corporate Income Tax Rate in the Government Gazette on 21 December 2011. The Group has, consequently, re-measured the relevant deferred tax balances using tax rates of 23% for the fiscal year 2012 and 20% for the fiscal year 2013 onwards.

The allocation of taxable profit under BOI privileges between corporate income tax exemption and non corporate income tax exemption.

	Consolidated		Company	
	2011	2010	2011	2010
Corporate income tax exemption	4%	-	-	-
Corporate income tax reduction of 50%	-	37%	-	37%
Non corporate income tax exemption	96%	63%	100%	63%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

18 Other non-current assets, net

Other non-current assets as at 31 December comprise the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Deferred moulds	67,373,231	63,182,004	82,735,475	74,458,455
<u>Less</u> Allowance for unrecoverable of assets	-	(1,100,000)	-	(1,100,000)
Deferred moulds, net	67,373,231	62,082,004	82,735,475	73,358,455
Leasehold right, net	5,874,883	12,188,931	-	4,945,972
Deposit	5,894,655	4,447,618	4,516,229	3,172,814
Others	1,092,638	1,102,084	379,156	509,158
Total other non-current assets, net	<u>80,235,407</u>	<u>79,820,637</u>	<u>87,630,860</u>	<u>81,986,399</u>

19 Short-term loans

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

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
<u>Short-term loans from banks</u>				
- Baht	735,000,000	-	695,000,000	-
Total short-term loans	<u>735,000,000</u>	<u>-</u>	<u>695,000,000</u>	<u>-</u>

As at 31 December 2011, short-term loans from banks represent promissory notes amounting with a period due at call and not exceeding three months, bear interest at rates of 3.40% to 4.26% per annum.

20 Long-term loans

Long-term loans as at 31 December comprise the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
<u>Long-term loans</u>				
- Baht	1,688,655,804	1,681,361,059	1,622,954,100	1,638,470,100
- Vietnam Dong - Vietnam Dong 3,324 million (2010 : Vietnam Dong 4,205 million)	4,986,000	6,728,000	-	-
- US dollars - US dollars 163,259.05 (2010 : Nil)	5,100,000	-	-	-
Total long-term loans	<u>1,698,741,804</u>	<u>1,688,089,059</u>	<u>1,622,954,100</u>	<u>1,638,470,100</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

20 Long-term loans (Cont'd)

Long-term loans are due for repayments as follows:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Current portion of long-term loans	474,758,338	335,880,115	458,643,055	315,516,000
Loans due later than 1 year and not later than 3 years	753,533,905	849,543,265	723,187,165	830,378,282
Loans due later than 3 years and not later than 5 years	353,894,221	415,552,199	333,386,600	406,057,538
Loans due later than 5 years	116,555,340	87,113,480	107,737,280	86,518,280
	<u>1,223,983,466</u>	<u>1,352,208,944</u>	<u>1,164,311,045</u>	<u>1,322,954,100</u>
Total long-term loans	<u>1,698,741,804</u>	<u>1,688,089,059</u>	<u>1,622,954,100</u>	<u>1,638,470,100</u>

The movements of long-term loans for the years ended 31 December comprise the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Opening balance	1,688,089,059	1,180,410,319	1,638,470,100	1,129,173,881
Additions	347,091,060	767,960,872	300,000,000	749,961,751
Repayment	(336,031,315)	(259,866,332)	(315,516,000)	(240,665,532)
Foreign exchange rate adjustment	(407,000)	(415,800)	-	-
Closing balance	<u>1,698,741,804</u>	<u>1,688,089,059</u>	<u>1,622,954,100</u>	<u>1,638,470,100</u>

20 Long-term loans (Cont'd)

20.1 The requirements and conditions for long-term loans comprise the following:

Contract No.	Consolidated Long-term loans as of		Company	Loan Purpose	Loan limit	Interest rate and repayment terms	Guarantees and collaterals
	31 December 2011 (Million Baht)	31 December 2010 (Million Baht)					
1	91.9	150.9	Parent company Srithai Superware Public Company Limited	The energy preservation project	Baht 452.4 million	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 15). b) the lenders will be nominated as the first beneficiary of all risk insurance covering the Company's collateral assets.
2	1,268.6	1,187.6	Srithai Superware Public Company Limited	To invest in machinery, moulds and factory equipment	Baht 1,734.6 million (13 agreements)	4 agreements bear fixed interest rate at 4.00% per annum. 9 agreements bear floating interest rate at the MLR less 1.525% to MLR less 0.50% and prime rate less 1.50% to prime rate less 1.00% per annum of local banks. Repayment is due every three months from June 2009 to 2018.	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.
3	262.5	300.0	Srithai superware Public Company Limited	To restore the Amata Nakorn Chonburi plant	Baht 300.0 million	Fixed interest rate at 4.50% per annum Repayment is due every three months from December 2011 to 2013.	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.

20 Long-term loans (Cont'd)

20.1 The requirements and conditions for long-term loans comprise the following: (Cont'd)

Contract No.	Consolidated Long-term loans as of		Company	Loan Purpose	Loan limit	Interest rate and repayment terms	Guarantees and collaterals
	31 December 2011 (Million Baht)	31 December 2010 (Million Baht)					
4	4.1	6.6	Local subsidiaries Srithai Moulds Company Limited	The energy preservation project	Baht 15.0 million	Fixed interest rate at 4.00% per annum (2010 : fixed interest rate at 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 Notes 14 and 15).
5	36.6	36.3	Srithai Miyagawa Company Limited	The energy preservation project	Baht 109.5 million	Fixed interest rate at 3.00% and 4.00% per annum. Repayment is due every month from July 2006 to 2017.	The subsidiary has mortgaged its machinery (as described in Note 15) 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.
6	25.0	-	Korat Thai Tech Company Limited	To invest in machinery and factory equipment	Baht 25.0 million	Floating rate at MLR less 1.75% of local bank. Repayment is due every three months from December 2012 to 2018.	Guaranteed by Srithai Superware Public Company Limited.
7	10.0 (Vietnam Dong 3,324 million and US dollars 163,259.05)	6.7 (Vietnam Dong 4,205 million)	Overseas subsidiary Srithai (Vietnam) Company Limited	To invest in machinery and factory equipment	Equivalent to US dollars 730,000 (6 agreements) (2010 : US dollars 1,378,000)	Interest rate at Cost of Fund plus 2.00% to Cost of Fund plus 2.25% per annum of a bank in Vietnam. (2010 : Cost of Fund plus 2.00% and Cost of Fund plus 2.50% per annum of a bank in Vietnam). Repayment will be due for a period of 6 years from the date of the first draw down with 6 months and 12 months grace period for principal repayment.	a) Guaranteed by Srithai Superware Public Company Limited. b) The subsidiary will not mortgage, pledge or assign in whole or part of land leasehold right, factory building, and machinery and equipment without the lending bank's consent.
Total	1,698.7	1,688.1					

The Company and subsidiaries must comply with other conditions and restrictions for long-term loans provided for in the agreements.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

20 Long-term loans (Cont'd)

20.2 The interest rate exposure on the borrowings of the Group and the Company comprises the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Total borrowings:				
at fixed rates	571,423,295	705,728,550	530,721,591	662,837,591
at floating rates	1,127,318,509	982,360,509	1,092,232,509	975,632,509
	<u>1,698,741,804</u>	<u>1,688,089,059</u>	<u>1,622,954,100</u>	<u>1,638,470,100</u>
Weighted average effective interest rates:				
bank borrowings	3.00% to 22.00%	3.00% to 17.50%	3.00% to 7.63%	3.00% to 6.50%

The carrying values and fair value of long-term loans are as follow:

	Consolidated		Company	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
Long-term loans - carrying value	1,698.7	1,688.1	1,623.0	1,638.5
Long-term loans - fair value	1,618.1	1,640.6	1,569.9	1,588.9

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 statement of financial position date. The carrying amounts of short-term loans are shown at an approximate fair value.

20.3 Unutilised credit facilities

Unutilised credit facilities as at 31 December comprise the following:

	Consolidated					
	31 December 2011			31 December 2010		
	Overdraft	Long-term loan facilities	Working capital facilities	Overdraft	Long-term loan facilities	Working capital facilities
	Baht	Baht	Baht	Baht	Baht	Baht
Floating rate						
- draw down within 1 year	-	108,794,560	-	-	-	-
- draw down with no timeframe limitation	180,178,580	-	99,263,800	154,197,951	-	96,872,600
Fixed rate						
- draw down with no timeframe limitation	-	-	1,304,470,841	-	-	1,474,213,269
	<u>180,178,580</u>	<u>108,794,560</u>	<u>1,403,734,641</u>	<u>154,197,951</u>	<u>-</u>	<u>1,571,085,869</u>
	Company					
	31 December 2011			31 December 2010		
	Overdraft	Long-term loan facilities	Working capital facilities	Overdraft	Long-term loan facilities	Working capital facilities
	Baht	Baht	Baht	Baht	Baht	Baht
Floating rate						
- draw down within 1 year	-	100,000,000	-	-	-	-
- draw down with no timeframe limitation	145,000,000	-	-	120,000,000	-	-
Fixed rate						
- draw down with no timeframe limitation	-	-	1,304,470,841	-	-	1,474,213,269
	<u>145,000,000</u>	<u>100,000,000</u>	<u>1,304,470,841</u>	<u>120,000,000</u>	<u>-</u>	<u>1,474,213,269</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

21 Accrued expenses

Accrued expenses as at 31 December comprise the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Accrued commission expenses	36,350,023	29,805,841	35,429,023	29,606,470
Accrued utility expenses	30,283,392	26,473,475	28,392,282	24,943,655
Accrued staff cost	19,600,652	20,221,566	15,435,797	19,720,103
Accrued income tax	47,760,948	21,475,542	43,998,435	10,242,845
Others	62,787,239	46,832,211	49,329,722	31,705,197
Total accrued expenses	196,782,254	144,808,635	172,585,259	116,218,270

22 Other current liabilities

Other current liabilities as at 31 December comprise the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Payable of long-term assets	96,349,734	116,626,586	76,023,347	99,160,609
Other payables	33,551,098	50,905,784	32,443,939	49,901,241
Advance receipt from customers	90,269,543	72,245,089	33,898,143	25,175,692
Withholding tax and social security payable	13,545,529	16,732,461	9,642,653	13,234,981
Value added tax payable	1,417,519	1,262,609	91,168	324,322
Current portion of finance lease liabilities	13,301,410	2,445,433	708,684	678,685
Forward foreign exchange contract payable, net	3,039,393	426,951	3,039,393	426,951
Others	5,769,781	5,452,827	882,650	597,924
Total other current liabilities	257,244,007	266,097,740	156,729,977	189,500,405

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

23 Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability of another enterprise.

Fair values

Financial assets carried on the statement of financial position include cash and cash equivalents, short-term investments, trade accounts receivable, amounts due from related parties, short-term loans to related parties, and investments. Financial liabilities carried on the statement of financial position include short-term and long-term loans from banks and financial institutions, trade accounts payable, amounts due to related parties, and accrued expenses.

The accounting policies are disclosed in the individual policy statements associated with each items.

Objectives and significant terms and conditions

In order to manage the risks arising from fluctuations in currency exchange rates, the Company makes use of the following derivative financial instruments:

Forward foreign exchange contracts

Forward foreign exchange contracts have been entered into to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Forward foreign exchange contracts receivable - Sold				
US dollars				
(2010 : US dollars 1,501,391.46 at rate of Baht 30.01 : US dollars 1)	-	45,059,655	-	45,059,655
Forward foreign exchange contracts payable - Bought				
US dollars 752,590 at rate of Baht 30.96 :				
US dollars 1	23,301,089	-	23,301,089	-
Euro 978,003.80 at rate of Baht 43.46 : Euro 1	42,503,532	-	42,503,532	-
Swiss franc 148,958 at rate of Baht 38.76 :				
Swiss franc 1	5,773,433	-	5,773,433	-
Total	71,578,054	-	71,578,054	-

Net fair values

The net fair values of derivative financial instruments as at 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Favourable (unfavourable) forward foreign exchange contracts - sold	(2,343,875)	(18,508)	(2,343,875)	(18,508)

The fair values of forward foreign exchange contracts have been calculated (using rates quoted by the Group's bankers) as if the contracts were terminated at the statement of financial position date.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

24 Contingent liabilities and bank guarantee

24.1 Contingent liabilities

Contingent liabilities as at 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
Guarantee of related parties' loans	147.44	92.74	147.44	92.74

The Company and subsidiaries do not expect any other contingent liabilities to arise.

24.2 Bank guarantee

As at 31 December, the Group's bankers had issued letters of guarantee on behalf of the Group as follows:

	Consolidated		Company	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
In respect of electricity usage	50.32	38.98	47.52	35.86
Other guarantee	1.63	29.29	1.50	29.22

25 Commitments

Commitments as at 31 December comprise the following:

25.1 Capital commitments

	Consolidated		Company	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
Commitment for purchase of machinery, moulds and equipment	113.97	73.60	113.97	55.77
Commitment for land and building improvements	3.09	25.68	3.09	23.36
Commitment for purchase of software program	0.51	1.70	0.51	1.70
Commitment for purchase of vehicle	-	2.62	-	2.62

The Company and subsidiaries do not expect any other significant contingent liabilities to arise.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

25 Commitments (Cont'd)

25.2 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	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
Not later than 1 year	34.64	32.45	30.54	29.78
Later than 1 year and not later than 2 years	24.15	21.88	21.57	19.44
Later than 2 years and not later than 5 years	11.48	15.22	7.44	12.18
Later than 5 years	18.32	18.75	-	-
	88.59	88.30	59.55	61.40

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 subsidiary must comply with other conditions and restrictions in respect of the land leasehold right provided for in the agreement.

26 Employee benefit obligations

Employee benefit obligations as at 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Statement of financial position				
Post-employment benefits	143,046,854	-	125,700,094	-
Other long-term employment benefits	106,496,021	-	95,953,504	-
	249,542,875	-	221,653,598	-
(Profit) or loss				
Post-employment benefits	9,053,079	-	7,422,961	-
Other long-term employment benefits	(29,273,144)	-	(30,938,439)	-
	(20,220,065)	-	(23,515,478)	-

The movement in the defined benefit obligations during the year is as follows:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Opening balance - as previously report	-	-	-	-
Effect from change in accounting policy (Note 2)	287,828,191	-	262,223,353	-
Opening balance	287,828,191	-	262,223,353	-
Current service cost	20,490,244	-	17,194,831	-
Negative past service cost	(40,710,309)	-	(40,710,309)	-
Benefits paid	(18,065,251)	-	(17,054,277)	-
Closing balance	249,542,875	-	221,653,598	-

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

26 Employee benefit obligations (Cont'd)

During 2011, the Group had changed policy for other long-term employee benefits and recalculated the present value of employee benefits obligation. This change resulted in decreased in the obligation, therefore, the Group has recognised negative past service cost of Baht 40.71 million in current year.

The principal actuarial assumptions used were as follows:

	Consolidated		Company	
	2011	2010	2011	2010
Discount rates	1.94% - 4.48%	-	1.94% - 4.48%	-
Future salary increase rates	2.00% - 8.00%	-	4.00% - 5.00%	-
Staff turnover rates	4.00% - 73.00%	-	4.00% - 73.00%	-

27 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 2009	270,990,480	2,709,904,800	19,928,420	2,729,833,220
Issue of shares during the year	-	-	-	-
As at 31 December 2010	270,990,480	2,709,904,800	19,928,420	2,729,833,220
Issue of shares during the year	-	-	-	-
As at 31 December 2011	270,990,480	2,709,904,800	19,928,420	2,729,833,220

The Company's registered share capital as at 31 December 2011 comprises 270,990,480 ordinary shares (2010 : 270,990,480 ordinary shares) of Baht 10 each (2010 : Baht 10 each). All issued shares are fully paid-up.

28 Legal reserve

Legal reserve as at 31 December comprises the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Opening balance	120,000,000	106,000,000	120,000,000	106,000,000
Appropriation during the year	16,000,000	14,000,000	16,000,000	14,000,000
Closing balance	136,000,000	120,000,000	136,000,000	120,000,000

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.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

29 Other components of equity

Other components of equity as at 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Fair value reserves on fixed assets				
- Land and buildings	-	360,929,482	-	341,148,025
- Machinery and moulds	-	59,537,534	-	57,457,667
Total fair value reserves on fixed assets	-	420,467,016	-	398,605,692
Fair value reserves on available-for-sale investments				
- Short-term investments	6,898	509,001	-	-
- Other long-term investments	21,220,000	10,660,000	21,220,000	10,660,000
Total fair value reserves on available-for-sale investments	21,226,898	11,169,001	21,220,000	10,660,000
Translation adjustment for investment in overseas subsidiaries and associates	(69,620,342)	(69,135,767)	-	-
Total	(48,393,444)	362,500,250	21,220,000	409,265,692

The movements of fair value reserves on fixed assets for the years ended 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Land, buildings, machinery and moulds				
Opening balance - as previously report	420,467,016	1,034,018,875	398,605,692	1,008,218,057
Effect from change in accounting policy (Note 2)	(420,467,016)	(573,505,013)	(398,605,692)	(571,627,306)
Opening balance - as restated	-	460,513,862	-	436,590,751
Increase (decrease) (net from deferred tax liabilities)				
- Depreciation	-	(43,155,762)	-	(39,688,063)
- Non-controlling interests	-	1,405,912	-	-
- Assets disposal	-	1,703,004	-	1,703,004
Closing balance	-	420,467,016	-	398,605,692

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	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Opening balance	11,169,001	(1,628,683)	10,660,000	(2,060,000)
Increase (decrease) from fair value reserves				
- Short-term investments	(502,103)	77,684	-	-
- Other long-term investments	10,560,000	12,720,000	10,560,000	12,720,000
Closing balance	21,226,898	11,169,001	21,220,000	10,660,000

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

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	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Sales	6,910,289,707	6,095,046,191	6,694,340,142	5,710,866,198
Hire of work	641,947,192	764,711,223	-	-
Total sales and hire of work	<u>7,552,236,899</u>	<u>6,859,757,414</u>	<u>6,694,340,142</u>	<u>5,710,866,198</u>
Cost of sales	5,462,639,159	4,754,217,803	5,364,861,667	4,539,552,294
Cost of services	582,693,598	659,216,924	-	-
Total cost of sales and services	<u>6,045,332,757</u>	<u>5,413,434,727</u>	<u>5,364,861,667</u>	<u>4,539,552,294</u>

31 Transactions incurred in relation to fire incident

On 15 June 2010 there was an outbreak of fire at the Amata Nakorn Chonburi plant, which is a plant producing plastic industrial products. The fire occurred at a warehouse and in some parts of the production area.

During the year 2011, the Company received additional compensation from an insurance company in the amount of Baht 159.99 million (2010 : Baht 300.00 million). Also the Company had recognised expenses for renewal parts of the plant building, plant equipment and tools, and other expenses amounting to Baht 56.70 million (2010 : Baht 255.24 million). Therefore, the net difference of Baht 103.29 million (2010 : Baht 44.76 million) has been presented separately as transactions incurred in relation to fire incident in the consolidated and company statements of comprehensive income.

The Company is insured on all risks to its properties with Muang Thai Insurance Public Company Limited. The insurance policy covers buildings, inventories, and machinery. Currently, the Company has completed the process of repairing and acquiring new assets to replace the damaged assets and all compensations has already been claimed from the insurance company.

32 Finance costs

Finance costs for the years ended 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Finance costs from bank borrowings	99,006,873	65,545,700	95,733,527	60,940,246
Finance costs from finance leases	363,104	239,961	41,536	71,744
Total finance costs	<u>99,369,977</u>	<u>65,785,661</u>	<u>95,775,063</u>	<u>61,011,990</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

33 Expenses by nature

The following expenditures, classified by nature, have been charged in arriving at operating profit for the years ended 31 December.

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Staff costs	1,058,928,312	979,784,270	855,149,026	784,167,694
Depreciation (Note 14,15)	443,871,050	470,599,459	386,316,270	408,532,764
Advertising and sales promotion	369,619,949	268,318,544	361,736,350	267,582,314
Repair and maintenance	137,648,497	191,522,920	122,935,931	178,072,983
Transportation	106,939,914	89,159,420	91,415,202	75,402,972
Operating lease rentals	43,890,462	43,187,032	34,792,600	35,664,956
Amortisation of assets	54,925,101	35,506,389	47,423,146	27,920,991
Assets written-off	10,689,100	2,005,410	10,657,601	1,908,896
Loss on impairment of long-term assets (reversal)	-	(2,876,027)	-	(2,876,027)
Loss on impairment of investment in subsidiary and associate (reversal) (Note 12.1)	-	-	(23,500,000)	(30,000,000)

34 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	
	2011	2010	2011	2010
Net profit attributable to equity holders of the parent (Baht)	282,008,198	267,966,757	315,776,489	279,699,245
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)	1.04	0.99	1.17	1.03

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2011 and 2010.

35 Dividend per share

2011

At the Annual General Meeting of shareholders on 27 April 2011, a dividend in respect of the Company's net profit for the year 2010 of Baht 0.60 per share totalling of Baht 162.59 million was approved by the shareholders and the Company paid during the year ended 31 December 2011.

2010

At the Annual General Meeting of shareholders on 28 April 2010, a dividend in respect of the Company's net profit for the year 2009 of Baht 0.35 per share totalling of Baht 94.84 million was approved by the shareholders and the Company paid during the year ended 31 December 2010.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

36 Cash flows from operating activities and supplementary cash flows information

36.1 Cash flows from operating activities

Reconciliation of net profit to cash flows from operating activities comprises the following:

	Notes	Consolidated		Company	
		2011 Baht	2010 Baht	2011 Baht	2010 Baht
Profit before income tax for the year		455,316,013	318,615,585	482,269,353	324,475,657
Adjustments to reconcile net profit to net cash provided by (paid for) operations:					
Depreciation	14,15	443,871,050	470,599,459	386,316,270	408,532,764
Amortisation		41,434,492	24,026,695	35,504,101	18,372,324
Amortisation of intangible assets	16	13,490,609	11,479,694	11,919,045	9,548,667
Assets written off		10,689,100	2,005,410	10,657,601	1,908,896
Assets written off from fire incident		5,311,735	196,655,995	5,311,735	196,655,995
Allowance for doubtful accounts (reversal)		3,680,500	896,080	3,700,000	972,580
Allowance for inventory obsolescence and for net realisable value (reversal)		4,431,370	637,395	5,000,000	-
Allowance for unrecoverable of other assets (reversal)		(1,100,000)	-	(1,100,000)	-
Loss on impairment in value of investments in subsidiary and associates (reversal)	12.1	-	-	(23,500,000)	(30,000,000)
Loss on impairment of long-term assets (reversal)	15	-	(2,876,027)	-	(2,876,027)
(Gain) loss on disposal of long-term assets		(2,590,251)	(2,715,137)	(2,783,023)	(4,475,342)
(Gain) on disposal of leasehold right		(1,355,615)	-	(1,355,615)	-
Unrealised (gain) loss on foreign exchange rate		(1,720,119)	5,524,635	(6,123,076)	5,132,333
Realised (gain) loss on foreign exchange rate of dividend		(146,851)	(239,101)	(146,851)	(239,101)
(Gain) on disposal of available-for-sale investments		(609,780)	-	-	-
Interest income		(2,625,060)	(2,229,008)	(816,775)	(348,891)
Share of net (profit) loss of investments in associates and joint venture	12.1	(22,923,310)	(17,540,525)	-	-
Loss from acquisition of investments in subsidiary		2,504,862	-	-	-
(Gain) loss on disposal of investments in an associate		(8,297,279)	-	(8,049,091)	-
(Gain) from change in status of investments in subsidiary to other long-term investments		-	(5,169,970)	-	-
(Gain) from associate's liquidation		-	50	-	(490,354)
Transaction incurred from changes in policy for employee benefit	26	(40,710,309)	-	(40,710,309)	-
Dividend income from investments in subsidiaries and associates	37.3	-	-	(35,929,669)	(30,645,474)
Dividend income from other investments		(7,460,506)	(5,202,000)	(7,460,506)	(5,202,000)
Finance costs-interest expense	32	99,369,977	65,785,661	95,775,063	61,011,990
		<u>990,560,628</u>	<u>1,060,254,891</u>	<u>908,478,253</u>	<u>952,334,017</u>
Changes in operating assets and liabilities					
(Increase) decrease in operating assets:					
Trade accounts and notes receivable and amounts due from related parties		(239,647,582)	(276,184,717)	(250,821,703)	(238,875,522)
Inventories		(155,552,595)	(287,298,980)	(121,527,066)	(312,962,708)
Other current assets		(79,093,446)	(51,339,539)	(80,291,130)	(45,621,652)
Other assets		(6,458,885)	(22,083,732)	(9,620,435)	(15,822,711)
Increase (decrease) in operating liabilities:					
Trade accounts payable		(146,724,595)	251,271,395	(182,385,096)	292,247,346
Amounts due to related parties		5,185,890	207,291	(12,721,711)	13,930,389
Accrued expenses		40,223,537	27,200,940	34,698,392	27,462,842
Other current liabilities		(1,641,378)	56,159,926	(11,949,302)	12,676,083
Employee benefit obligations		2,424,994	-	140,554	-
Cash generated from operations		<u>409,276,568</u>	<u>758,187,475</u>	<u>274,000,756</u>	<u>685,368,084</u>

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

36 Cash flows from operating activities and supplementary cash flows information (Cont'd)

36.2 Supplementary cash flows information comprises the following:

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Property, plant and equipment				
Additions (Note 15)	1,020,275,041	911,568,058	816,451,974	808,925,484
<u>Less</u> (Increase) decrease in payable of long-term assets	20,276,852	(72,567,535)	23,488,314	(63,733,988)
Long-term assets increased by finance lease	(21,037,033)	(4,923,605)	-	-
(Increase) decrease in amounts due to related parties of long-term assets	-	-	-	49,214
Unrealised (gain) loss on exchange rate	496,520	660,161	496,520	660,161
Purchase of long-term assets	<u>1,020,011,380</u>	<u>834,737,079</u>	<u>840,436,808</u>	<u>745,900,871</u>
Intangible assets				
Additions (Note 16)	8,736,034	10,666,868	5,425,302	9,275,089
<u>Less</u> (Increase) decrease in payable of intangible assets	375,594	9,411,502	375,594	9,454,502
Unrealised (gain) loss on exchange rate	-	-	-	-
Purchase of intangible assets	<u>9,111,628</u>	<u>20,078,370</u>	<u>5,800,896</u>	<u>18,729,591</u>
Dividends				
Dividends of investments in subsidiaries and associates (Note 37.3)	15,191,590	21,465,564	35,929,669	30,645,474
<u>Add</u> Realised gain on exchange rate	146,851	239,101	146,851	239,101
Dividends received from subsidiaries and associates	<u>15,338,441</u>	<u>21,704,665</u>	<u>36,076,520</u>	<u>30,884,575</u>

37 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 as 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
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

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

37 Related party transactions (Cont'd)

37.1 Group's policy regarding business transactions with related parties comprises 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 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

Office and factory rental income was transacted with related parties at the rate determined in the rental agreement. The rental rate was based on area and relevant space utilisation.

Machinery and mould rental was transacted with related parties at the agreed rate determined in the rental agreements.

c) Management fee income

The Group received a management fee which was transacted with a joint venture at an agreed rate.

d) Sales of fixed assets

The selling price of fixed assets charges at net book value plus profit. The credit term for related parties is the normal credit term which is 60 days.

37.2 Outstanding balances as at the years ended

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Trade accounts receivable				
Subsidiaries	-	-	89,049,930	41,795,866
Associates	92,353,205	66,811,567	92,353,205	66,811,567
Joint venture	6,057,601	101,779,228	6,049,948	101,761,038
Other related parties	211,115,201	177,759,889	211,115,201	176,626,409
Total trade accounts receivable - related parties	309,526,007	346,350,684	398,568,284	386,994,880
<u>Less</u> Allowance for doubtful accounts	(3,571,960)	(3,645,961)	(3,571,960)	(3,645,961)
Total trade accounts receivable				
- related parties, net	305,954,047	342,704,723	394,996,324	383,348,919
Amounts due from related parties				
Subsidiaries - other receivable	-	-	5,173,989	7,697,220
Associates - dividend receivable	972,580	972,580	972,580	972,580
- other receivable	7,808,609	435,246	7,808,609	435,246
Joint venture	146,277	319,913	146,277	319,913
Other related parties	15,186	99,144	15,186	99,144
Total amounts due from related parties	8,942,652	1,826,883	14,116,641	9,524,103
<u>Less</u> Allowance for doubtful accounts	(1,311,208)	(1,316,534)	(1,311,208)	(1,316,534)
Total amounts due from related parties, net	7,631,444	510,349	12,805,433	8,207,569

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

37 Related party transactions (Cont'd)

37.2 Outstanding balances as at the years ended (Cont'd)

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Short-term loan and accrued interest income				
An associate	1,039,566	1,039,566	1,039,566	1,039,566
<u>Less</u> Allowance for doubtful accounts	(1,039,566)	(1,039,566)	(1,039,566)	(1,039,566)
Total short-term loan and accrued interest income to a related party, net	-	-	-	-

Subsidiary

The Company has granted a short-term loan facility to Korat Thai Tech Company Limited, a subsidiary charging interest at the fixed rate of 7.00% per annum. The purpose of the short-term loan is to support subsidiary's working capital. During the year 2011, the Company provided a short-term loan of Baht 10.00 million to a subsidiary and had received the repayment in full.

Associate

As at 31 December 2011 and 2010, the Company has a short-term loan, amounting to Baht 0.94 million, and accrued interest income, amounting to Baht 0.10 million, to Srithai WBG Company Limited, an associate. Currently, the associate submitted a petition for insolvency to the Central Bankruptcy Court. Therefore, the Company recorded allowance for unrecoverable in full amount.

	Consolidated		Company	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Trade accounts payable				
Subsidiaries	-	-	30,022,359	8,153,294
Associates	133,185,175	135,574,086	107,478,454	134,898,649
Joint venture	11,544	111,825	5,544	111,825
Other related parties	12,906,579	11,111,330	12,067,866	9,846,244
Total trade accounts payable - related parties	146,103,298	146,797,241	149,574,223	153,010,012
Amounts due to related parties				
Subsidiaries - other payable	-	-	1,994,322	15,677,774
- payable of long-term assets	-	-	872,980	1,224,032
Associates - other payable	1,249,939	829,277	1,249,939	829,277
Other related parties	627,467	86,388	627,467	86,388
Total amounts due to related parties	1,877,406	915,665	4,744,708	17,817,471

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

37 Related party transactions (Cont'd)

37.3 Transactions during the years

Revenues for the years ended 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
<u>Sales and hire of work</u>				
Sales				
Subsidiaries	-	-	101,062,960	59,170,976
Associates	252,454,789	147,727,965	252,454,789	147,727,965
Joint venture	20,708,568	107,418,369	20,624,701	107,324,869
Other related parties	530,159,384	452,586,138	530,155,926	427,199,067
Total sales and hire of work	803,322,741	707,732,472	904,298,376	741,422,877
<u>Other income</u>				
Service income				
Subsidiaries	-	-	4,413,639	2,644,491
Associates	722,340	429,010	722,340	429,010
Joint venture	648,055	763,016	648,055	763,016
Other related parties	1,606,081	1,381,025	1,557,201	1,381,025
Total	2,976,476	2,573,051	7,341,235	5,217,542
Management fee income				
Subsidiaries	-	-	1,375,000	-
Joint venture	1,000,000	1,000,000	1,000,000	1,000,000
Total	1,000,000	1,000,000	2,375,000	1,000,000
Dividend income				
Subsidiaries	-	-	20,738,079	9,179,910
Associates	15,191,590	21,465,564	15,191,590	21,465,564
Total	15,191,590	21,465,564	35,929,669	30,645,474
Interest income				
Subsidiary	-	-	140,000	-
Total	-	-	140,000	-
Total other income	19,168,066	25,038,615	45,785,904	36,863,016
<u>Sales of fixed assets</u>				
Subsidiaries	-	-	28,468,099	7,334,016
Associates	930,000	-	930,000	-
Total sales of fixed assets	930,000	-	29,398,099	7,334,016

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

37 Related party transactions (Cont'd)

37.3 Transactions during the years (Cont'd)

Expenses for the years ended 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
<u>Cost of sales and hire of work</u>				
<u>Purchases of goods</u>				
Subsidiaries	-	-	161,833,774	32,182,354
Associates	572,608,231	516,860,934	524,999,212	500,636,530
Joint venture	47,237	260,931	47,237	260,931
Other related parties	36,879,100	34,779,126	32,063,278	31,399,464
Total	<u>609,534,568</u>	<u>551,900,991</u>	<u>718,943,501</u>	<u>564,479,279</u>
<u>Expenses</u>				
<u>Service expenses</u>				
Subsidiaries	-	-	9,830,100	20,311,167
Associates	4,747,309	1,418,500	4,747,309	1,418,500
Other related parties	3,896,139	4,674,827	3,893,869	4,035,853
Total	<u>8,643,448</u>	<u>6,093,327</u>	<u>18,471,278</u>	<u>25,765,520</u>
<u>Purchase of fixed assets</u>				
Subsidiaries	-	-	8,578,000	8,394,500
Associates	402,400	520,000	402,400	520,000
Other related parties	788,340	-	788,340	-
Total	<u>1,190,740</u>	<u>520,000</u>	<u>9,768,740</u>	<u>8,914,500</u>

37.4 Directors and managements' remuneration

Directors and managements' remuneration for the years ended 31 December comprise the following:

	Consolidated		Company	
	2011	2010	2011	2010
	Baht	Baht	Baht	Baht
Directors' remuneration	1,630,000	1,650,000	1,630,000	1,650,000
Managements' remuneration				
Short-term employee benefits	99,450,480	88,150,148	63,525,227	53,566,606
Post-employee benefits	1,988,061	-	1,638,875	-
Other long-term employee benefits	32,058	-	26,485	-
Total directors and managements' remuneration	<u>103,100,599</u>	<u>89,800,148</u>	<u>66,820,587</u>	<u>55,216,606</u>

37.5 Individual with mutual interests

During the years ended 31 December 2011 and 2010, the Group has no significant transaction with shareholders, management and directors of the Group.

38 Promotional privileges

The Company and its subsidiaries received promotional privileges from the Board of Investment and must comply with the conditions and restrictions provided in the promotional certificates as follows:

Company	No. of BOI card	Date of approval	Period	Product	Significant privilege
Srithai Superware Public Company Limited	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)
	1389(2)/2553	9 February 2010	3 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of three years totally not exceeding 100% of the investment from the date income is first derived (not yet start) and loss incurred within the privilege period can be carried forward for five years from the end of the privilege period.
	1872 (2)/2554	18 January 2011	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 totally not exceeding 100% of the investment which excluded land cost and working capital from the date income is first derived (not yet start) 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.
Subsidiary : Srithai Moulds Company Limited	1684(1)/a/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)
	2458(5)/2554	19 July 2011	8 years	moulds production and repair	<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 (not yet start) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period.
Subsidiary : Srithai Nanoplast Company Limited	1838(2)/2547	18 August 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)
Subsidiary : Korat Thai Tech Company Limited	1616(5)/2554	18 April 2011	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 (19 July 2011) 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 18 July 2024)
Subsidiary : P.E.T. Blow Company Limited	1067(5)/2555	14 March 2011	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 (not yet start) 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.
Subsidiary (as of 2010) : Sheewamala Company Limited (formerly "Srithai Shin-Osaka Company Limited")	1080 (5)/2554	22 November 2010	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 and loss incurred within the privilege period can be carried forward for five years from the end of the privilege period.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

38 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)					
	2011			2010		
	Promoted activity	Non-promoted activity	Total	Promoted activity	Non-promoted activity	Total
Revenue						
Domestic sales	1,182	4,010	5,192	1,064	3,213	4,277
Export sales	408	1,094	1,502	304	1,130	1,434
Total revenue	1,590	5,104	6,694	1,368	4,343	5,711

39 Post-balance-sheet event

Newly-established subsidiary

On 24 February 2012, the Board of Directors of the Company passed a resolution to invest in a new subsidiary engaging in manufacturing of blowing beverage packaging and/or other packaging, with a registered share capital of Baht 25.00 million. The Company has 100% shareholding in the subsidiary.

Approval of dividends

On 24 February 2012, the Board of Directors of the Company passed a resolution to propose the dividend payment from the operating results of 2011 at Baht 0.75 per share, totalling Baht 203.24 million. However, the approval for the dividend payment shall be proposed to the Annual Shareholders' Meeting for the year 2012 for the further consideration and approval.