



SriThai

ANNUAL REPORT 2017



SriThai Superware Public Company Limited

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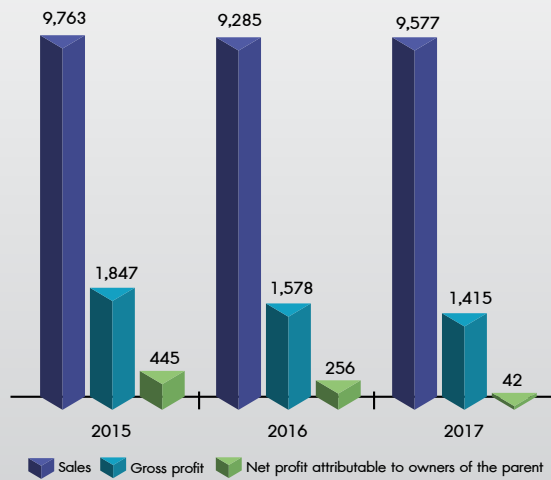
Highlight of Consolidated Financial Statements

Unit : Million Baht

	2017	2016	2015
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION			
Assets	10,726	11,304	11,107
Liabilities	6,178	6,371	6,150
Equity	4,548	4,933	4,957
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME			
Sales	9,577	9,285	9,763
Gross profit	1,415	1,578	1,848
Selling & Administrative expenses	(1,295)	(1,288)	(1,316)
Other income	113	163	189
Finance costs	(181)	(169)	(163)
Profit before income tax	52	284	558
Profit for the year attributable to owners of the parent	42	256	445
CONSOLIDATED STATEMENTS OF CASH FLOWS			
Net cash receipts from operating activities	946	548	1,197
Net cash payments from investing activities	(439)	(1,013)	(1,098)
Net cash receipts (payments) from financing activities	(461)	87	79
Cash and cash equivalents, closing balance	290	272	621
KEY FINANCIAL RATIOS			
Current Ratio (times)	1.07	1.20	1.17
Account Receivable Turnover (days)	79.79	77.15	72.95
Inventory Turnover (days)	40.48	42.74	39.37
Account Payable Turnover (days)	41.03	42.27	43.84
Gross Profit Ratio to Sales (%)	14.77	17.00	18.92
Net Profit Ratio to Total Revenues (%)	0.76	2.82	4.84
Return on Total Assets (%)	0.66	2.36	4.42
Debt to Equity Ratio (times)	1.36	1.29	1.24

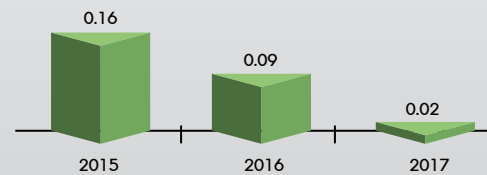
Operating Results

(Unit : Million Baht)



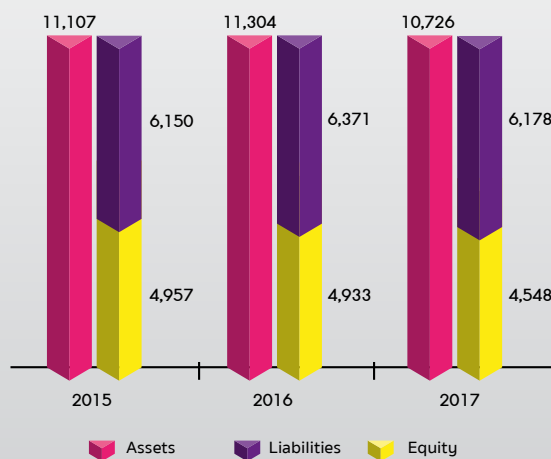
Earnings per Share

(Unit : Baht)



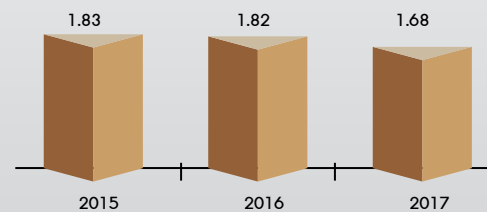
Assets, Liabilities and Equity

(Unit : Million Baht)



Book Value per Share

(Unit : Baht)



MESSAGE FROM THE CHAIRMAN



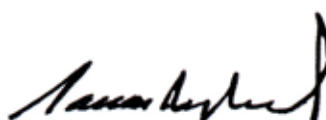
Year 2017 ends with positive news that the economies of the world's leading countries have recovered by the increase in Gross Domestic Products, which is an indicator of the global economic growth. For Thailand's economy, although the macro-level has improved, however, the foundation level has not yet rebounded and the purchasing power of most people has remained low. This has affected the demand for the Company's core products, which are consumer products such as melamineware products. In addition, food and beverage packaging products have also faced a price competition from small entrepreneurs while the prices of certain plastic resins, the main raw materials, have increased. As a result, the Company has been unable to adjust its selling price in response to the changes in raw material prices, which affects the profitability of the Original Equipment Manufacturer ("OEM") product groups, the core products of the Company. Furthermore, the business of Srithai Network has shrunk due to the reorganization of the management structure, the turnover of the sales leaders as well as the economic situation affecting the retail sector.

For overseas businesses, the sales volume has surged from the previous year due to the enlarged customer base of the subsidiaries in Vietnam, namely Srithai (Vietnam) Co., Ltd. and Srithai (Hanoi) Co., Ltd., and in India - Srithai Superware Manufacturing Private Ltd. However, the subsidiaries in Hanoi and India are still under utilization as the operation commenced less than 2 years, resulting in high production costs.

The Board of Directors and Management have not refrained from action but planned and established the strategies for the year 2018 to create the foundation and elements to push Srithai Group to grow steadily and sustainably in the future. These include increasing sales and expanding domestic and foreign markets, introducing new products, augmenting online product distribution channel, managing cost reduction and under-utilized assets, merging businesses within the Group to increase management efficiency, adopting new technologies for production processes and office work, as well as exploring merger & acquisition opportunities with business outside the Group to broaden the business base.

The Board of Directors recognizes that business must be operated concurrently with being good corporate citizen contributing to the society. Srithai Group therefore has set its mission to operate the business on the basis of good ethics and governance in addition to its corporate social responsibility activities. Srithai Group is actively involved in the fight against all corruptions and has been certified as a member of Thailand's Private Sector Collective Action Coalition Against Corruption in March 2017. We also have consistently attained excellent level of recognition in corporate governance scoring. It is the pride of the Srithai people that the regulators acknowledged the Group's concrete corporate governance practice.

I would like to thank the shareholders, Board of Directors, management and employees of Srithai Group for providing their ongoing support to us over the past 54 years. I do hope you will continue your support to Srithai Group's businesses to prosper and become one of Thailand's leading companies in the future.



Mr. Sanan Angubolkul

Chairman of the Board

Srithai Superware Public Company Limited

Part 1 BUSINESS

1. POLICY AND BUSINESS OUTLOOK

1.1 Vision and Mission of the Company

The Company has announced its Vision and Mission for all executives and staff members. It is to share a common understanding and coordinate among themselves to push the Company forward to achieve the desired goals, and move together in the same designated direction steadily. Additionally, its Vision and Mission have been communicated to the general public and all stakeholders of the Company in order that they gain acknowledgement of the direction and future of the Company and do business with the Company in a confident manner.

The Company has established its strategies and business direction that are appropriately aligned with its stated Vision and Mission. The Company reviews its ongoing 'Vision and Mission' annually so that they properly correspond with the changes in business situation affected by both the current internal and external factors. The latest review has been approved from the Board of Directors in 2017 as follows :

Vision

To be the world's largest manufacturer of melamine household products and ASEAN's leading manufacturer in the plastic injection business.

Mission

1. To create a learning and knowledge-sharing environment for the beneficial development of our human capital.
2. To develop and enhance work skills, competency, and competitiveness to accommodate Srithai's value chain.
3. To conduct business with ethical standards and principles of good corporate governance.
4. To develop our organization's efficiency and extend long-term contributions to society to create social capital.

1.2 Changes and Developments

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 executive team was reorganized with the appointment of Mr. Sanan Angubolkul as Factory Manager. A new product line, melamine tableware, was added.

In 1979, the limited partnership was transformed into a limited company 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 limited company on December 13, 1993. Subsequent to the debt restructuring, due to the significant negative impacts from the economic crisis throughout the Asia Pacific Region, the Company's paid up capital has been increased from Baht 400 million to Baht 2,857 million.

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

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 the Company's share repurchase scheme in 2005 for the purpose of financial management being in line with legal requirement.

The Company implemented a major 'rebranding' campaign in 2015, and started to use the newly designed logos so as to accommodate a more modern and international corporate image that will better support the businesses of the Company as well as be more easily recognized by our clients and customers as follows :



On July 2, 2015, the Stock Exchange of Thailand (SET) reclassified the Company from the "Home & Office Products" sector under the "Consumer Products" industry group to the "Packaging" sector under the "Industrial Products" industry group. The purpose is for better clarity for investors as well as to be appropriate to the Company's core businesses, products and revenues.

In conducting our current businesses, the Company attaches much importance and is also committed to continuously expanding overall business operations as well as the customer base for the household and industrial plastics products businesses, our core businesses, together with expanding both the production and customer bases overseas - especially in the ASEAN countries. The Company has achieved much success in investing in Vietnam through our subsidiaries which have grown in terms of business activities and sales revenues and also have future potential growth in line with the expected economic growth of Vietnam. Apart from Vietnam, the Company has invested in India, with an aim to explore new business opportunities, increase the Company's competitiveness and expand into the Indian market.

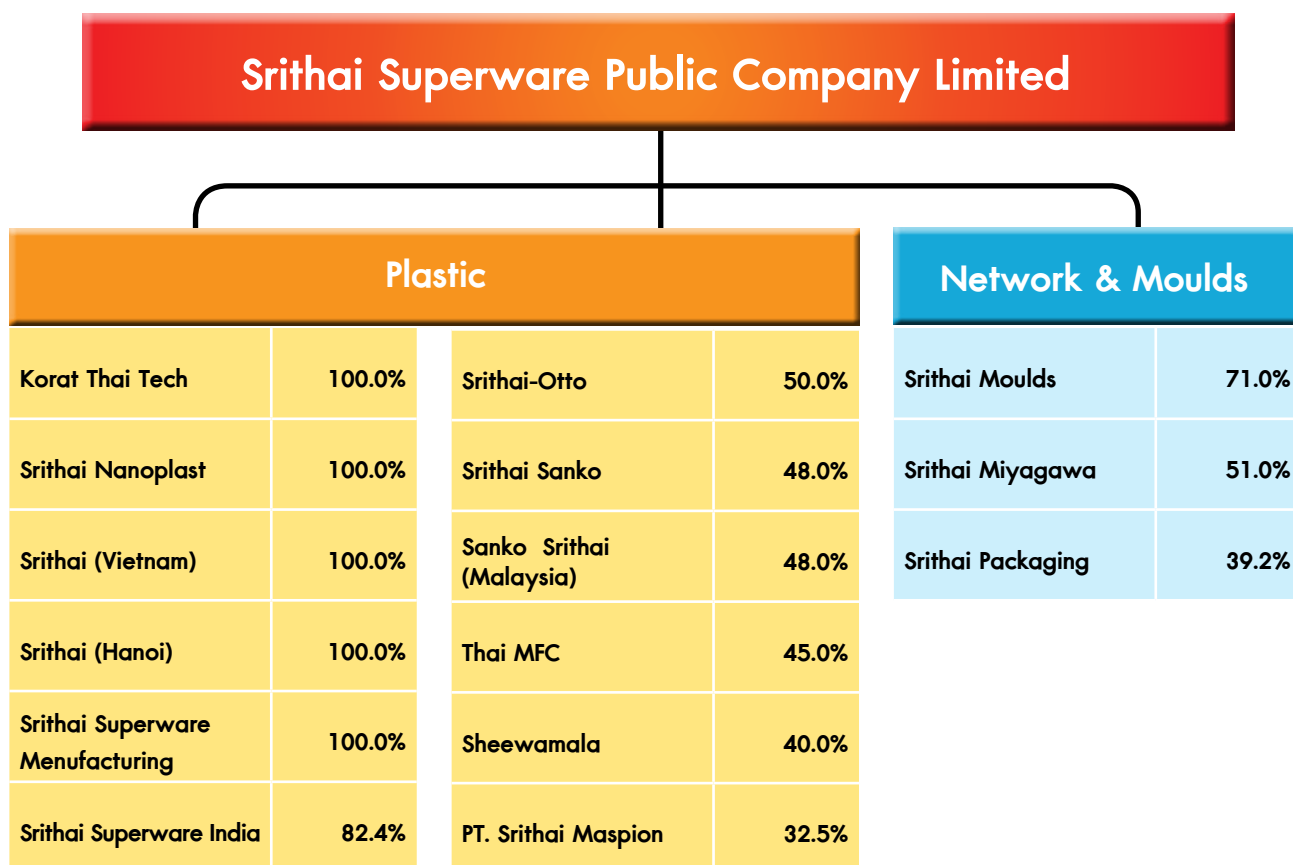
There are various strategic plans in place to drive our business operations forward; such as: acquiring other businesses, reorganizing our corporate structure, searching new technology and innovation applications from domestic and overseas sources to develop raw materials so as to expand our e-commerce market base on a continuing basis, together with adapting our business model to correspond with the new social environment in this digital era. Such strategies will play a part in enabling the Group's businesses to become competitive and achieve continuous growth in a stable and sustainable manner. This can be undertaken based on a framework of conducting and managing our businesses in an effective manner together with good corporate governance practices and corporate social responsibility.

For the Network Marketing Business, under the name of "Srithai Network" which is a business unit under the Network and Moulds business lines, the Company focuses on offering a wide range of quality products which are necessary in daily lives or products of daily use with sizeable market. They are distributed by sales forces under Multi-level Marketing System. In addition to generating more income for the Company, the Company provides another option for consumers to access and make use of quality products, coupled with entering a predominant network marketing business that could provide income opportunities for independent business members who are ready to build up networks. Presently, the Company gives importance to carefully choosing and investing in new technology applications, in order to support and develop the Network Marketing Business to easily and quickly attract a wider customer base with purchase and payment applications.

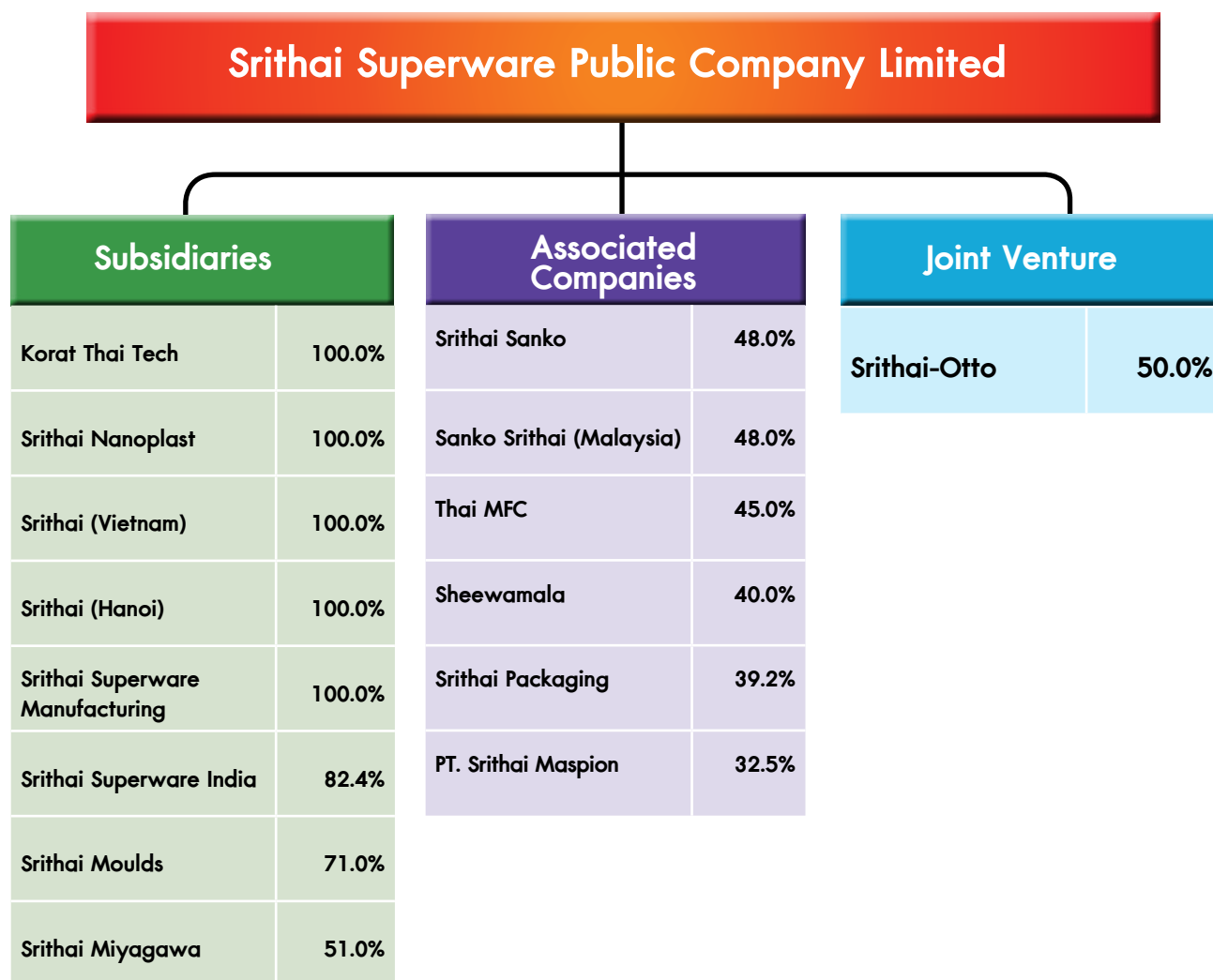
1.3 Structure of Shareholders of Srithai Superware Group

Overall business outlook of Srithai Superware Group is mostly under the same structure as that of our core businesses, which consist of Plastics Business Line dividing into industrial products and household products; and the Network Marketing Business and Moulds Business Line including subsidiaries making the moulds which are an important component of the plastics business line. There are also certain companies undertaking businesses other than those 2 core businesses of the Group. The Company has set its strategy of doing integrated businesses to reduce dependency on outsiders and enhance competitiveness of the Group.

SHAREHOLDING STRUCTURE OF SRITHAI SUPERWARE GROUP CLASSIFIED BY BUSINESS LINE



**SHAREHOLDING STRUCTURE OF
SRITHAI SUPERWARE GROUP – CLASSIFIED BY STATUS OF INVESTMENT**



Remarks:

The 100% equity shareholding in Srithai (Hanoi) Company Limited and 48.0% equity shareholding in Sanko Srithai (Malaysia) SDN. BHD. are indirect shareholdings of the Company via Srithai (Vietnam) Company Limited in Vietnam and Srithai Sanko Co. Ltd. in Thailand, respectively.

2. NATURE OF BUSINESS

2.1 Structure of Revenue

The revenue structure of the Group comprises revenue from sales and dividends income and other income which can be categorized as follows :

Consolidated Revenue	%	2017		2016		2015	
	Shareholding of Company	Million Baht	%	Million Baht	%	Million Baht	%
Sales and Service Income							
Plastics Business							
Household Products							
Srithai Superware Public Company Limited	-	1,480	15.3	1,541	16.3	1,605	16.1
Korat Thai Tech Company Limited	100.0	212	2.2	250	2.6	276	2.8
Srithai (Vietnam) Company Limited	100.0	192	2.0	345	3.7	147	1.5
Srithai Superware Manufacturing Private Limited	100.0	97	1.0	66	0.7	3	0.0
Srithai Superware India Limited	82.4	43	0.4	55	0.6	73	0.7
Total Household Products	-	2,024	20.9	2,257	23.9	2,104	21.1
Industrial Products							
Srithai Superware Public Company Limited	-	4,561	47.1	4,500	47.6	4,724	47.5
P.E.T. Blow Company Limited	100.0	-	-	7	0.1	16	0.2
Srithai Nanoplast Company Limited	100.0	23	0.2	17	0.2	15	0.2
Srithai (Vietnam) Company Limited	100.0	1,526	15.7	1,236	13.1	1,387	13.9
Srithai (Hanoi) Company Limited	100.0	204	2.1	98	1.0	1	0.0
Srithai Miyagawa Company Limited	51.0	989	10.2	861	9.1	1,076	10.8
Total Industrial Products	-	7,303	75.3	6,719	71.1	7,219	72.6
Network and Moulds Business Lines							
Srithai Superware Public Company Limited	-	84	0.9	200	2.1	223	2.2
Srithai (Vietnam) Company Limited	100.0	11	0.1	-	-	-	-
Srithai Moulds Company Limited	71.0	67	0.7	49	0.5	98	1.0
Srithai Miyagawa Company Limited	51.0	88	0.9	60	0.7	119	1.2
Total Network and Moulds Business Lines	-	250	2.6	309	3.3	440	4.4
Total Sales	-	9,577	98.8	9,285	98.3	9,763	98.1
Dividend income and Other income	-	75	0.8	80	0.8	109	1.1
Share of profit of investment in associates and joint venture	-	38	0.4	84	0.9	79	0.8
Total income	-	9,690	100.0	9,449	100.0	9,951	100.0

Remark

- 1) P.E.T. Blow Company Limited deregistered the company in Q4 2016 and liquidation has been completed in Q1 of 2018.
- 2) Additional information is disclosed in the Notes to Financial Statements for the year ended December 31, 2017 No. 6: Segment information, pages 29 - 31.

2.2 Business Operation by Business Line

1. Plastics Business Line

The Company's plastics business line has 2 categories by its main products i.e. industrial business unit and household business unit. The categorization was made according to the function of the products as shown hereunder:-

1.1 Industrial Business Unit

(a) Description of Product or Service

Categorized into 5 groups :

Group 1 Food and Beverage Packaging

Food Packaging : Plastic package for containing food and beverage, produced with thin-wall injection technology, comprising :-

- 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 : Screw cap and preform of soft drink bottle and PET bottle including beverage bottles using the 'blowing' process



Group 2 Rigid Packaging

Container : Pail for paint, chemical, lubricant and grease



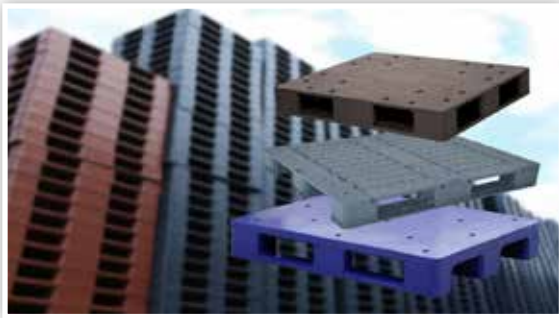
Group 3 Material Handling



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

Container : Fish container, spare part box, milk-pack container and container for fruits & vegetables





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

Garbage Bin : Large bin with wheels for sidewalk or public places



Group 4 Furniture and Houseware



Furniture : Tables, chairs

Household Product : Accessories, decorations, and appliances etc.





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

Group 5 Automotive Industry Products and Parts

Battery Case : Exterior plastic case, lid and anode & cathode of batteries for cars and motorcycles



Automotive Component Parts : Used in the assembly of various automobiles and motor cycles

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

(b) Marketing and Competition

Description of Customer

Group 1

- | | |
|----------------------|---|
| - Food Packaging | Ready-to-serve food factories, cinema house launching marketing campaign, and convenient stores |
| - Beverage Packaging | Beverage bottlers |

Group 2

- | | |
|-------------|---|
| - Packaging | Color and chemical manufacturing factory that requires packaging for products |
|-------------|---|

Group 3

- | | |
|---------------------|--|
| - Material Handling | Bottle crates, pails, pallet and garbage bins to be used by manufacturing plants, warehouses, logistics businesses or services operators and government agencies |
|---------------------|--|

Group 4

- Furniture and Houseware

Retailers who distribute the products to consumers and HORECA businesses being Hotel, Restaurant, and Catering business operators

- Premium Product

Directly sold to products brand-owners or retailers, for use in their marketing promotional campaigns

Group 5

- Automotive Industry Products and Parts

Automobiles component parts, battery case and industrial parts for manufacturers who use the products for further assembly in their production process before putting on sale

Credit Term

Usually a credit term of 30-120 days is granted to customers of plastic products. Sales in grand sale 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 and development for environmental friendliness.
- Focuses are made on wide variety of products and complete integration of services including blowing. Facilities of the subsidiaries are also available to produce moulds for customers.
- Research & development could be carried out in collaboration with customers, raw material suppliers, and mould makers to assure that products could fulfill need of customers and/or decrease expenses for customers.
- Large-scale manufacturing base in Vietnam together with products patents will strengthen customers' confidence as well as enhance the overall competitiveness of the Company's products.
- Varieties of products, apart from those manufactured by the Company, are added by sourcing quality products from domestic and overseas suppliers.

Distribution Channel

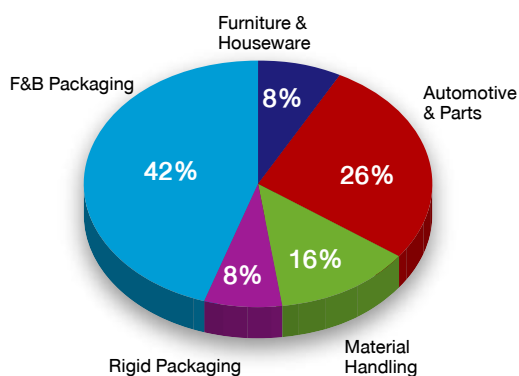
Plastic products are distributed through the following markets :

Export Sales: 8%

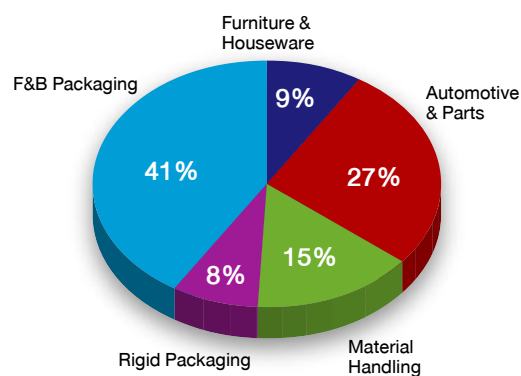
Domestic Sales: 92%

Classified by product group as follows:

Sales Proportion 2017



Sales Proportion 2016



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 Environment

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 others. There are a lot 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 punctuality of delivery.

The Group is a leader in plastic industry having potential and ability to compete with other business operators in this industry sector as well as being among the first choice for customers due to the following strengths and reasons:

- Continuous business operations for more than 50 years with sustainability.
- Various product brands those are memorable and acceptable domestically and internationally.
- Having 3 plants for industrial products with combined capacity as being one of the company in Thailand with highest capacity.
- Highly efficient production processes that are environmental friendly through using modern machinery and the latest technology.
- Owning the products' patents.
- High quality and modern design products with eco-friendliness that meet the requirements of our varied customers.
- Extensive experience in the manufacturing of industrial products that require precise specifications of outputs - such as food and beverage packaging, having high caliber of design and highly specialized production technologies.
- One of very few producers in the world to produce closures that are light-weighted with the shortest production cycle time.
- Certified for many quality standards being accredited for products and production processes. Recipient of various awards in international competitions are a testimony to the increasing well-acceptance and popularity among our international consumers.
- Adoption of 3 Save Guidelines : Save Material, Save Energy, Save the World which increases productivity as well as reduces usage of raw materials, labour and energy costs in the manufacturing process, leading to a participation in environmental preservation and CSR activities of the Company and customers.
- Good business relationship and cooperation with raw materials suppliers, overseas business allies and customers in researching and developing raw materials, production processes and the products themselves to be modernized and innovative, continuously developed, differentiate from rivals as well as to meet the requirements of customers.
- Ability to support wide range of customer's needs, or being a solution provider for the customers, such as providing holistic service including blowing package molding for beverage packaging customer, or providing products and services that help increase the efficiency of inventory and logistic system management for logistics and warehouse operators.
- Focus on large industry market that requires high quality product and volumes. The Group does not compete with small plastic manufacturers that produce general consumer goods in price competitiveness and low-quality markets.

- Strong production base with successful operations of our subsidiaries in Vietnam, including the ability to mutually support and strengthen each other in doing business and production process between the Company and our subsidiaries.
- Strong financial circumstance and enough funding for business expansion.
- Aim to continue investment in overseas, especially the ASEAN countries, along with investment in technology that will help improve raw materials or acquiring new business to further our success and to drive the business and revenues.

With these reasons and the combination of external factors whether it be the growth of Thailand and Vietnam's industry and economy coupled with the new lifestyle, the Company is confident of its potential to compete especially in the Industrial Plastic Unit that will sustainably grow along with other industries sustainably in the future.

Size of the Company as Compared to Competitors'

The Company cannot 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 deemed being 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. In 2017, the Company assessed its market share of each product group as follow:

Type of product	%
Battery Case	70
Bottle Crate	70
Container Crates	50
Rigid Packaging	60
Pallet	40
Garbage Bin	30
Furniture	30
Food & Beverage Packaging	20

(d) Sourcing of Products or Services

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

Suksawat Plant

Producing food packaging products and pails





Bangpoo Plant

Producing battery cases

Amata Nakorn Plant in Chonburi

It produces almost all industrial products, small and large sizes. These include pallets, bottle crates, pails, garbage bins, food & beverage packaging, CD&DVD boxes, decoration accessories, battery cases, electrical parts and automotive parts.



Additionally, the Company has 2 plants for industrial products in Vietnam, operating under 2 subsidiaries in which the Company has a 100% equity shareholding, namely, Srithai (Vietnam) Company Limited and its subsidiary - Srithai (Hanoi) Company Limited.



Srithai (Vietnam) Company Limited

Producing beverage packaging, crates, pails, household products, plastic helmets, and industrial component parts.

Srithai (Hanoi) Company Limited

Producing beverage packaging products and material handling products.



Major raw materials are various grades of plastic resin which are mainly purchased domestically from dealers of many producers. Hence, there is no problem of raw material quality or shortage. Nevertheless, the prices of plastic resins fluctuate along with the prices of crude oil in the global market. To reduce risk on fluctuation of resin prices, the Company places orders frequently, and negotiates for better trade terms with suppliers on occasional basis to get reasonable raw material prices under consideration of the Raw Material Purchasing Committee of the Company. The Committee is in charge of monitoring and evaluating the movement of raw material prices, required volume and price negotiation with distributors. In case of rising raw material prices, the Company sometimes can pass on rising cost to customers since the selling price of some products are calculated on a 'cost plus' basis, or based on an agreement. The Company tries to avoid accepting orders of long-term delivery.

The Company's production process does not have any impact on environment as it has received various certifications of accepted environmental safety standards. The Company also places importance to protecting and preserving the environment. The Company focuses on reduction of pollution and addressing the issue of global warming. Meanwhile, the overall efficiency of the production process as well as of the useful life cycle of the products themselves are maintained so as to make the most valuable use of the limited available natural resources. The Company also emphasizes on research and development for development of biodegradable plastic products in collaboration with leading educational institutions and organizations for eventual commercialization among a specific group of consumers in the future.

(e) Pending Orders

Customer-base of the Company is extensive; varied by types of products. With efficient production process and delivery following ordering plan of the customers, the Company did not have undelivered orders with big customers as at December 31, 2017 worth more than 10% of total revenue.

1.2 Household Business Unit

(a) Description of Product or Service

Household Business Unit consists of 2 product lines, one of which being the melamine household product made from melamine powder in various shapes and designs such as dish, bowl, rice bowl, ladle, spoon, cup etc. The other line is product that the Company sources from domestic or overseas suppliers in order to better support holistic customer's needs for daily use.

1) Melamine household product

The Company categorized the household products made of melamine powder into various groups, based on its marketing strategies i.e. high-end market, mass market, and new segments. By so doing, its products development and production planning activities can be carried out to meet the specific requirements of each market segment relating to products quality, design, and pricing. The products groups are classified as follows:

Group 1 Niche Market

The Niche Market is for products with high quality, well-designed shapes and beautiful decorative, and in trend for customers who have high purchasing power. Focuses are also put on new products designed to look like ceramic ware but are durable for extensive use - such as those in the hotels, restaurant and catering (HORECA) businesses.

- Customers with high purchasing power



- Hotels, Restaurant and Catering (HORECA) businesses



Group 2 Mass Market

The Mass Market is for products available for general use, with beautiful design and varied decorative patterns, suitable for everyday use, and pricing not too high. As well, it covers the premium products which are for retail business operators being used as premium or promotion items during the period of sales promotions campaigns.



Group 3 New Emerging Market

New Emerging Market is for customers who do not care much on designs and decorative patterns, but concern over durability and inexpensive prices.



2) Other Household Products

These include products that the Company are supplied from domestic and overseas suppliers such as mattress, cooking tools, plastic containers from South Korea, etc.



(b) Marketing and Competition

Description of Customers

Distributed by wholesale and direct sales channels, HORECA businesses operators i.e. Hotel, Restaurant, and Catering businesses, and exporting abroad.

Credit Term

- 1) Direct sales as single-level marketing are mostly traded 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.

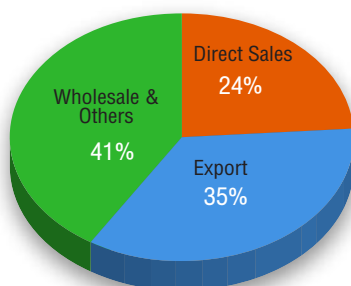
Competitive Strategy

- Focus on good quality, safe, and aesthetically appealing products that suit the lifestyle and taste of the customers in each sector of each country.
- Product development with new innovation and cost effectiveness to keep the price competitive and suit the customer's sector.
- Use of advance technology to help extend the distribution channels and payment methods.
- Increase of the variety of products, apart from those manufactured by the Company, by sourcing good quality products from domestic and overseas suppliers.

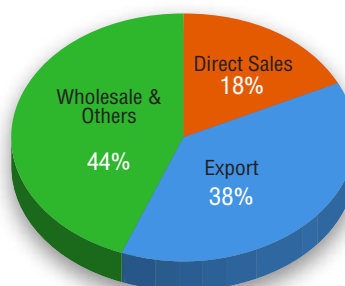
Distribution Channel

Sales proportion of household products via various channels of distribution in 2017 against 2016 are as follows :

Sales Proportion 2017



Sales Proportion 2016



Distributors in Thailand are Siam Melamine Marketing Company Limited and Srithai Marketing Company Limited, who have been trade partners for a very long time.

(c) Competitive Environment

Household products made of melamine powder, which is heat resistant up to 100 oC, is suitable for using as 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, colorful decoration, high quality of raw material made of 100% melamine powder and continuing product development. Hence, quality and safety to consumers can be assured. The Company has been doing export to more than 100 countries and market could be expanded further.

The Company possesses 7 brands of household products made of melamine, i.e. Superware, Vanda, Flowerware, Melamineware, Unica, Ektra and The Potters. In Thailand, the Company is the only melamine product distributor who deploys a team force of direct sales.



The latest product of the Company is under 'The Potters' brand. Great importance is placed not only on product quality but also on design so as to upgrade this brand that showcases innovative and design and decorative patterns to be a lively product for everyday use. It is aimed at reflecting the personal characteristics of the owner or user, who tend to be the new generation. The unique attractive designs are based on various inspiring themes or stories using characters from plays and cartoon. These designs are made specifically for 'The Potters' brand of tableware so as to give this product range a value addition under the 18th century European Classics theme subtly combined with some contemporary elements. 'The Potters' branded products encompass the Company's melamine plate and dishes products, including other houseware and kitchenware products that are made from fabric materials, such as: aprons, place mats/ dining table settings, heat resistant gloves for use in handling hot dishes/plates, and small side pillows. These products are sold as a complete set of houseware or kitchenware in the form of a uniform designed 'collection set'. Currently, 'The Potters' brand is distributed and sold in the houseware and kitchenware sections of leading department stores in Bangkok and upcountry.



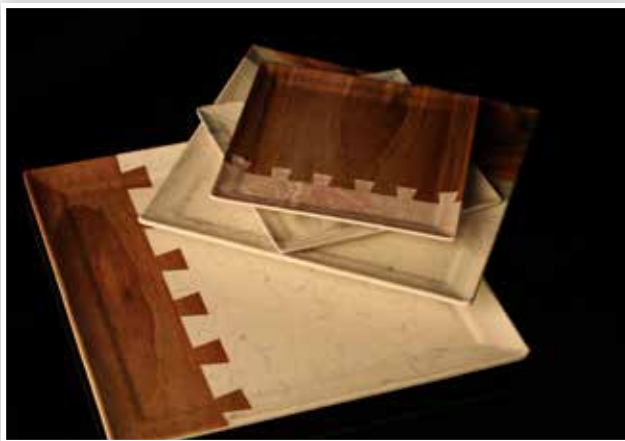
Current competition in the household products market is intense because of poor quality products being imported from overseas, increased capabilities in production techniques from overseas manufacturers and the sluggish economic environment in Thailand and other countries tapering consumer demands. However, the Company has still managed to remain the market leader for melamine products. It is confident to be able to maintain its present market share in Thailand and overseas markets. This will result in the growth of the Company's overall household products through the strengths of strategies and business operations of the Group as follows:

- The Group is the largest 100% melamine products manufacturer in the world, with a total production capacity of more than 18,000 tons per year from the Company's large manufacturing facilities located in Thailand as well as of its subsidiaries located in Vietnam and India that can meet the current customers' demand.
- The quality and safety of the products are accepted and accredited under international standard.
- The Company joins hands with institutions to find ways to improve manufacturing system aiming for higher quality and being automatic.
- The Company has an experienced Knowledge Management Team that records, documents and disseminates or transfers technical knowhow acquired by the Company to its next generation of employees. This is so as to maintain the standards of operations, create positive 'role model' teams to be prepared for as well as to support the ongoing business expansion by the Company - especially in expanding its manufacturing bases overseas.
- The use of Total Innovation Management or TIM is in searching for new innovation and improvement of product for the benefit of all stakeholders whether internally or externally in the form of Value Chain Creation throughout every process. The process starts with finding information from various sources in order to forecast the trend in design, taste, and demand from customers. It is then followed by the development process in order that the products meet the customer's needs at competitive price. This is to give the identity to the Company's Superware products and brand and to deviate our products from competitors.
- Both marketing base and production base are expanded to Vietnam and India that have a large working age population, with an appropriate and affordable local wage structure. The positive factors for Vietnam are the economic growth trend and the high consumer purchasing power, both of which have resulted in the prosperous sales growth of household products in the Vietnam market. While in the Indian market, having multiple sales channels, the factory of Srithai Superware Manufacturing Private Limited will facilitate further business expansion in India with a more price-oriented competition, as well as will be a solid manufacturing base for future exports to other neighboring markets or to the Middle East countries.
- The retail stores of Srithai Super Outlet is located in Chonburi Province. It is the first and only combined and comprehensive sales outlet of a full line of various brands of household products manufactured by the Company, products of other leading manufacturers, and imported products with reasonable prices and quality. The Srithai Super Outlet offers the Company the opportunity to have a direct access to consumers.



- Further product development activities are undertaken and aimed at achieving product differentiation to meet the needs of all customer groups - both in the domestic and overseas export markets - as well as to correspond, in a timely manner, to the current changing market situation. This will be carried out in collaboration with raw materials producers, mould makers and decal producers in regards to product innovation. The Company seeks out new color designs and production techniques so as to add value to the respective products on an continuous basis, and focus on using more natural raw materials to be mixed with the melamine powder that will help preserve the environment. Currently, the Company offers special melamine products as outcome from new innovative processes, namely: 'Porceline' houseware products that are plates and bowls with the look, shiny appearance and feel as if they were made from ceramics, and being easy to clean. However, the product's strengths, compared to those made from ceramics, are that they do not break easily, have shining colorful appearance, and have distinct decorative designs and appearance like tableware made with various natural raw materials: metal, stone, wood, ceramic and enamel.

- Porceline Product



- Products with tree-like color and pattern

- Products with metallic-like designs motifs and colors





- Products with texture and pattern imitating pottery



- Products with texture and pattern imitating pottery

- Ongoing improvements have been made to working styles of the members, group leaders, and the sales management of Direct Sales teams in Thailand. The purpose is to adapt to the changing trends in overall social environment of the new generation by stressing on the Human Capital. This includes enhanced business model that is based on a digital platform, and introduction of new technology applications used in sales and payments for the E-commerce. The mechanism has been deployed through learning support, implanting a consciousness or mindset of being an entrepreneur in own business, revising compensation scheme. It also covers providing support for sales promotions campaigns and increase in sales opportunities for the sales members. These are aimed at creating greater confidence, on their part, and motivation in jointly driving business and sales growth.

Size of the Company as Compared to Competitors'

The Company has the highest production capacity in Thailand with 80% of market share of melamine household products in Thailand, much higher than its rivals in the same industry.



The Company produces its household products made of melamine at the plant in Suranaree Industrial Estate, Nakorn Rachasima province both for domestic sales and overseas export. Major raw material is melamine powder, mainly 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 also has 3 other plants operating under its subsidiaries in which it has a 100% equity shareholding, namely: Korat Thai Tech Company Limited; Srithai (Vietnam) Company Limited in Vietnam; and Srithai Superware Manufacturing Private Limited in India.

Srithai (Vietnam) Company Limited



Srithai Superware Manufacturing Private Limited

The Company buys melamine powder from Thai MFC Company Limited more than 50% of the total annual purchase of melamine powder. Thanks to being an associate company, purchase price is reasonable and quality is up to international standard, having no problem of raw material shortage.

(e) Pending Orders

The Company sells to many of customers in domestic and export markets, both consumers and distributors. There was no pending order amounted more than 10% of total revenue as of December 31, 2017.

2. Network and Moulds Business Lines

1. Network Business Line

Network Business Line is another revenue generator for the Company in addition to the Plastics Business Line. This involves searching of high quality, modern and in-trend, and popular products, both domestically and internationally, to be distributed via a network marketing system.

(a) Description of Product or Service

Products distributed via Srithai Network business can be grouped as follow:-

- Health Care Product Group
(Healthnovation)



- Beauty Care Product Group
(Beautnovation)

- Family & Home Care Product Group (Homenovation)



- Agriculture-related Product Group (Agrinovation)

(b) Marketing and Competition

Description of Customer

Credit Term

Competitive Strategy

Distribution Channel

End users

Sales in cash via Srithai Network system under Multi-level Marketing.

- Focus is made on offering diversified innovative and quality products which are safe and popular or with large market accommodation in local and foreign markets.
- Membership base is expanded in the network of multi-level marketing systems.
- Information technology systems are developed and used for on-line ordering via smart mobile devices, that help enhance direct access to the targeted consumer and other groups, as well as that are convenient, speedy and modern. This also facilitates the achievement of a competitive edge for the Company and enables the products to reach fast traction in the market, and widespread awareness and recognition to consumers.

Sale via network under Multi-level Marketing (MLM) system in domestic market covering more than 90 per cent of revenue.

(c) Competitive Environment

Products sold through the network business are widely diversified. The Company stresses on quality and safety of products in response to trend of demand in the markets. Also included are the products of daily life being differentiated from others or products for sizable market. The Company is confident that our network business line can offer goods of high quality as another option to consumers. It could be new products or a substitute of product with declining life cycle. The Company has launched sales campaign activities to motivate members in driving up sales volume and business expansion by holding conferences and trade exhibitions which received good response from attending people.

In year 2017, Srithai Network Business has been effected by the sluggish domestic economy, high household debts and low consumer confidence that drove down consumer demand and purchasing power. Aggressive competition among network marketing operators, internal change in management team, change in leaders and members led to sales disruption and declining sales of srithai network business against those of 2016. As such, the Company changes the strategy for network business as follows:

- Moved office of the network business to head quarter on Suksawat road, and downsized the business to save cost.
- Appointed Director Sales Director to be the Direct Sales and Network Marketing Director so that the two businesses become more cohesive and synergy toward each other.
- Used resources in hand more efficiently such as membership base under direct sales system, modern information technology, and showrooms in all regions.
- Adopted marketing plans that are transparent and accountable backed by strong corporate financial circumstance.
- Sourced new products in variety and in trend or with well acceptance among consumers and network business teams.
- Continued to improve information technology to offer fast service and access to the Company's products for network partners and interested persons that made products available all the time to order. This helps increase sales potential and keeps pace with the new trend, which attracted new generation to join the network.
- Deployed proactive strategies in regards to launching new products and holding various training sessions together with associated seminars and activities to attract new members. Passive strategies are also undertaken – such as, conducting surveys among members to learn, firsthand, of their requirements and to obtain relevant inputs. These inputs will then be used to improve the business plans that will better correspond to the prevailing economic situation as well as consumer behaviors.

Network business line does not require large investment. If any product are not lucrative or not welcome by consumers, the Company could discontinue those products with very little impact, which is a good point of this type of business.

Size of the Company as Compared to Competitors'

The Company cannot clearly assess the overall market size for each type of product or the associated market share of the Company or to compare size of network business with its competitors because there are many types of products and of different applications. Many competitors come in 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 be imitated and become another choice of consumers.

(d) Sourcing of Products or Services

The Company has procured products from many suppliers both locally and abroad. In selecting 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 the Good Supplier Selection Program. The Program covers marketing support, transportation, distribution, support by providing trainers/training courses while also valuing good relationship with trade partners. This is to ensure continuity of the supply of products for the Company.

(e) Pending Orders

As the portion of revenue from the network business line is very little, having less than 5% of the Group's income, along with the products being directly sold to many customers, the Company has no pending orders to be delivered as of December 31, 2017 exceeding 10% of the total revenue.

2. Mould Business Line

The Company does not itself make moulds for sale to outsiders. Mould-making business has been operated by the 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, toiletry and food & beverage packaging products (Thin Wall) which require very high precision of injected parts.



As mould is used for producing both industrial and household products under the plastic business line, mould is an important factor. 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 produce products of simple design like household products and toys that require simple plastic injection system. These groups of moulds are not expensive and many small mould-makers are involved in this business.
- Group 2** Mould to produce products like electrical parts, automotive parts and parts for sanitaryware that need high technology & long production process. The mould-makers under this group require large investments for machinery and equipments as well as software systems in order to accommodate the production.
- Group 3** Mould of round shape or square and smooth surface like mould to produce buckets or glass or food & beverage packaging products (Thin Wall) 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.

Srithai Miyagawa Company Limited and Srithai Moulds Company Limited are classified under Group 2 and Group 3 in the mould-making industry.

(a) Description of Product or Service

The business is for making and supply moulds for plastic injection or melamine compression as per designs and sizes described by customers, including mould repair services.

(b) Markets and Competition

Demand for parts and plastic products keep 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 metal to low cost plastic, such as in automotive industry; electrical appliance industry; sanitaryware industry; etc. Mould is an important part and a starting 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. Thanks to the ongoing positive support for and the development of human resources within the local mould-making industry, it has resulted in an increase in mould production capacity with no labor shortage. Production capacity of moulds could fulfill demand in the country. Only moulds of complicated shape and requiring high production technology are imported.

As mould-making business is open more widely at present, plastic product manufacturers could hire local or overseas mould-makers 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 software have made Srithai Miyagawa Company Limited and Srithai Moulds Company Limited to be capable of making high precision moulds. As well, they can produce and repair mould for automotive and electrical component parts, sanitary ware, packaging products, and thin-wall products for beverage containers etc., with an increase in annual outputs subject to sizes and complexity of moulds. Our moulds produced are of the same high quality and pricing is on par with moulds produced by international mould makers that are imported into Thailand, it gives another choice for domestic firms and customers to choose. However, as a result of intense pricing competition and the slowdown in the local automotive industry, electronic industry from the stagnant economy and consumer spending, both companies have endeavored to reduce its production costs, in order to increase its price competitiveness while seeking new customers for revenues increase.

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 15,000 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.

(d) Sourcing of Products or Services

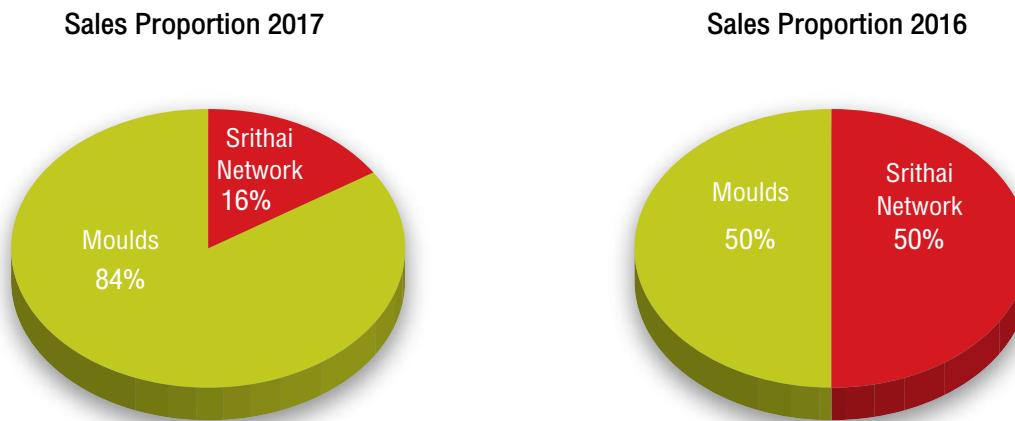
Iron ingot is the raw material of mould-making. There are many import agents for iron ingots in Thailand. As competition among those import agents is tense, our mould-making companies can procure iron ingots easily without shortage of supply.

(e) Pending Orders

Not only time consuming is needed on design, production and testing when making mould, different kinds of moulds also require different time frame. As such, if many orders are received by year end or for complicated mould which requires time consuming, there is a chance that pending jobs will be varied subject to number of purchase orders received by year end.

Srithai Miyagawa Company Limited and Srithai Moulds Company Limited have none of the work yet to be delivered to customers exceeding 10% of overall revenue of the Group as of December 31, 2017.

Proportion of sales of the Network and Moulds Business Lines - for year 2017 as compared to 2016:



2.3 Characteristics of Customers and Relationships

(a) Customers Characteristics and Relationships in Plastics Business Line

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 order products from the Company from time to time.
2. Institutional customers such as companies or entities both in local and foreign markets which acquire the products for own use e.g. carbonated soft drink bottlers or HORECA group of businesses which consist of Hotel, Restaurant, and Catering operators. Some corporate customers acquire products for further assembly or supporting their business, e.g. car assemblers, household electrical appliances producers, food & beverage producers, and movie industry, etc. Customers in this category have good relationship with the Company, some having long been our customers.
3. Direct sales system which involves sales representatives or freelance sales persons. These persons earn discount income from the price-list and commission.
4. Sales agents who are juristic persons having long relationship with the Company and being able to acquire the products on trade credits. Those sales agents redistribute the Company's products to retailers and department stores.
5. Cash sales in Grand Sale fair where sales discount and seasonal promotions are held, taking place approximately 5-6 times a year at the Company's premises. Products sold in these events are defective goods, goods in excess of customer's orders, and slow moving items. Main customers of this channel are housewives and end consumers.

(b) Customer Characteristics and Relationships in Network and Moulds Business Lines

Types of customers can be classified as follow:-

1. Multi-level marketing system or network marketing business which involves independent business owners who are Srithai Network Business Partner. Those independent business owners earn their income according to our commission package.

2. Srithai Miyagawa Company Limited and Srithai Moulds Company Limited whose staffs have expertise in mould making. Those staffs could give advice and offer services to factories producing industrial parts or plastic goods. Customers under this type of business are often those who have long term relationship.

2.4 Investment Promotion Certificates

The Company and its subsidiaries have been approved of investment promotion certificates for several products by the Board of Investment. The main privileges include corporate income tax exemption and reduction during promotion period. The Company has disclosed the details in the Notes to Financial Statements for the year ended December 31, 2017, No. 31 Promotional privileges, pages 72 - 74.

3. RISK FACTORS

3.1 Business Risks

3.1.1 Risk from Over-Reliance on a Few Major Customers

In 2017, the Group has the proportion of income from the food and beverage packaging products close to the total amount achieved last year or accounting for approximately one-third of the total core income of the Group; whereby there is an opportunity for this proportion to increase due to continuing high market demand for these products, of which the sales growth rate is higher than that of other products – especially in Vietnam.

At present, sales from the food and beverage packaging products are generated from 3 to 4 major customers in the food and cinema industries and 4 to 5 customers in the beverage industry, who have contracts with the Group. This is not a large number of customers. There are many competitors in the food and beverage packaging industries, and some of the products are not complicated to produce. Therefore, it is likely that these customers may switch to competitors or even invest in producing some of the products themselves. In case the Group loses its current customers and cannot immediately replace them with new ones, it will affect the consistent and continuing income generation, or result in declining income for a while.

Risk Counter-Measures

The Group's products have their strength in patent and quality as they are produced with modern and efficient technology, such as the in-mould labeling technology that consumes less raw materials but produces durable and beautiful products, and the patent on closure which also consumes less raw materials, making it light-weighted. This helps reduce costs and promote CSR activities for customers. The Company has received the rights to produce and sell closures under the patent in 14 countries. As the Company has a stable financial position, it is ready to invest in the food and beverage packaging business that requires high-value machinery and production equipment. Moreover, having a large manufacturing base for these same products located in both Thailand and Vietnam is a unique strength in complementary production of the Group. That creates greater confidence, on the part of the major soft drinks and beverages producers, in terms of the Group's product quality, continuity of production operations and ability to deliver the products as required by our major clients. With these reasons, the Company is confident that its food and beverage packaging products can compete in the market very well, and it is difficult for any new comers to keep pace with. However, the Company is not complacent and has laid out approaches to handle risks as follow:

1. Maintain good relationship with current and potential customers from whom the Company is not able to take orders due to limited production capacity. This is one of the reasons why the Group only takes large orders from a few major customers. The Company keeps its customer relations by providing the knowledge and production assistance when there is an opportunity or when necessary;
2. Increase production output by investing both domestically and abroad and/or by improving the production process to increase its production capacity;
3. Consider extension of sale contracts when there is an opportunity, and carry out negotiations with customers;
4. Jointly research and develop products with customers, raw material producers and mould-makers in order to have products that meet the needs of customers;
5. Organize regular marketing campaigns to promote the strengths of the products particularly by encouraging participation in environmental preservation activities in order to further enhance the brand's reputation in the public;

6. Focus on providing a comprehensive service together with quality products by investing in integrated businesses such as bottle blowing service. This not only helps lessen the investment burden or the chances of customers switching to the competitors, but also transportation costs. As such, the Group has successfully received more consistent and certain orders of closures and preforms, as well as additional income from the blowing service;
7. Adjust the overall customer base together with the production bases for food and beverage packaging products. It can be done through relocating machinery and equipment to those countries where demand for such products is high or where there is ongoing economic growth such as Vietnam. This is in accordance with its objective to expand the production bases and market base to overseas and in order to utilize the production assets to its maximum capacity and to achieve maximum value.
8. Keep a close watch on the trend and direction of production technologies, particularly new patents or technologies that might replace the current ones. The Company then can appropriately adapt its strategies to suit these changes in advance even though they do not happen easily or often since these changes will have impact on the production line of packaging and beverage producers. Moreover, with the expertise in plastic injection technology, regular research and development of production techniques and products, and good relationship with business operators in this supply chain, the Company will be enhanced with ability to stay informed with the changing trend.
9. Be committed and giving importance to making new investment and expanding the customer base for the industrial products that have good potential in line with the country's overall economy and industrial sectors. These include materials handling sector, paint packaging sectors, and battery case sector, so as to mitigate the possible contraction of orders for food and beverage packaging products.

3.1.2 Risk of Raw Material Price

The core income of the Group comes from industrial products that account for not less than 70% of the total income. As such, this products group uses various types of plastic resins as the core raw material that account for 60% of the raw materials costs. At present, the Company sources and purchases raw materials mostly from domestic producers, since these plastic resins are a by-product of the oil refinery industry; hence the price of this raw material always changes with the price of global crude oil and the volatility of the Baht/US Dollar exchange rate in the currency market, together with the level of production supply and consumer demand - both locally and overseas. As such, if the price of plastic resins fluctuates upwards greatly, this results in the Company having a risk of fluctuations in the cost price of its products together with the resultant risk of not being able to adjust selling prices that are appropriate and correspond with the fluctuation in cost prices.

Risk Counter-Measures

1. Arrange to have a regular meeting of a Raw Material Purchasing Committee, which will monitor movement of raw material prices, consider consumption volume, and negotiate prices with the suppliers inside and outside the country;
2. Consistently seek for additional qualified and standardized raw materials from local and overseas sources to secure sufficient raw material supply and to be alternative sources by comparing material prices from various suppliers or producers prior to the placing of orders to meet the best trade term;
3. Examine and monitor quality of raw materials regularly according to predetermined standard by random sampling check of raw material by an external company or any governmental entity which provides quality testing services;
4. Buy raw material 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 volume 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;
7. Negotiate with customers to sign agreements in accepting price adjustments as appropriate, subject to result of negotiation;
8. Determine selling prices for some product groups under a 'cost plus' framework as well as on changes in the prices of raw materials for a specific period as mutually agreed with the customers. This will enable the Company to maintain its profit margins at an appropriate level without much fluctuation due to changing raw materials prices;
9. Regularly negotiate the credit terms with suppliers in order to receive discounts on raw materials prices, appropriately matched with cost of funds.

3.1.3 Risk of Competition of Direct Sale Business and Network Marketing Business

The direct sales and network marketing business sectors in Thailand have a high market value with continued growth. There are many competitors whose number tends to increase. The competitors consist of local direct sales and network marketing business and international business network. The competition may halt growth of the Company's businesses and the Company may lose its market share, business partner and members to its rivals.

Risk Counter-Measures

1. Have efficient plans for the procurement of goods that are appropriate for the respective volume of sales for each type of products so as to increase bargaining power in terms of cost with the suppliers, especially top sales items or fast moving products, which helps decrease the cost of finished products or problems regarding obsolete products;
2. Adopt brand awareness strategy to reinforce customers base and brand loyalty (Customer Royalty Program) together with giving importance to customer satisfaction with regard to the Company's products and services;
3. Create confidence and trust on the part of business partners and network members, through having clearly defined compensation schemes that are transparent and traceable, together with company's solid financial base;
4. Focus on creating new innovation in terms of working system and products for business differentiation and being the leader of innovation in the network marketing business;
5. Select products by taking into consideration qualification of suppliers in domestic market and abroad, based on the Good Supplier Selection Program which mainly considers suppliers' 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. Additionally, manufacturers and suppliers who possess the operational standards in accordance with government regulations relating to the products manufactured are also taken into account. Agreements are to be in place to safeguard and maintain complete confidentiality of the production process and products components which will assure confidence in the products quality, enhance the good brand image of Company, and prevent the counterfeit and imitation of our products;
6. Focus on products that are popular or gain well recognition among consumers. Product ranges are also expanded for more variety by launching new products demanded by Srithai Direct Sales and Network members, and assure availability of market for the product to mitigate risk on launching new products;

7. Expand distribution channels to neighboring countries in order to reduce risks of the local market, increase business opportunity and serve need of members who want to expand market coverage under the business concept of one I.D. code for networking business in all corners of the world or One Code One World;
8. Intercept and bond with leading banks in the country and in Asean so as to become alliance. This will support and develop payment system for goods and services and payments of commission to be accurate, speedy, modern, and dominant with new technology;
9. Develop information technology continually in response to business growth and to satisfy demand from Srithai Direct Sales and Network Marketing Business members by offering fast and convenient access to products via every channel as well as being able to buy online at any time. This corresponds with the modern social trends to boost sales and enables to attract new generation to join the direct sales business or the network business.

3.2 Risks Associated with Production

3.2.1 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. Meanwhile, the Group's demand for melamine powder has increased along with the business growth and the expansion of our manufacturing bases in India and Vietnam. Therefore, the Group may have risk exposure on shortage of raw materials, causing lower growth of household products' sales than its forecast.

Risk Counter-Measures

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. Apart from a joint research and development scheme on raw materials, production capacity of Thai MFC Company Limited is also 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 have been our trading partners for a long time. We have established good relationship with producers of good quality raw materials in foreign countries and ensured the availability of sufficient volume of raw materials to supply our expanding production lines, which could serve enhancement of production facilities in the country and abroad.

For plastic products, the Company has no risk of shortage of plastic resin which is an important raw-material of all industrial parts as there are many suppliers. The Company is able to procure it from local and overseas suppliers.

3.2.2 Labour Risks

Increase in minimum wages nationwide, growth of various industries and opening of ASEAN Economic Community helped skilled labour in Thailand to have chances and more choices in their occupations. Apart from those factors, as Thailand is starting to become an aging society with a declining labour force, this will lead to the shortage of skilled labour and increase in labour costs so as to attract workers to work with. These impacts tend to increase every year. The Company's production process of melamine products requires a large number of skilled labour to serve market expansion.

Risk Counter-Measures

1. Manage production plan efficiently to reduce unnecessary working procedures, and develop Lean Manufacturing Technique in the work process;

2. Establish a training center to provide production training to workers prior to actual work, so as to increase their efficiency and productivity;
3. Determine training programs on succession plan under the DNA Connect project, in order to achieve transfer of knowledge and development of the next generation of workers to have solid knowhow and good understanding of specialized techniques, to improve their thinking process relating to problem solving, as well as to gain more varied and all round knowledges - such as, marketing, production, finance, transport and logistics. As such, over the past 4 years, training programs have been undertaken to educate and transfer on knowledge management applied in the daily life of workers, together with assist them to understand the business issues and conditions. This is to create and develop the organization to be Srithai 4.0, which means that staff and workers must possess overall abilities with regard to Smart Technology, Smart Marketing and Smart People;
4. Import foreign labours legally for certain production process;
5. Provide welfare to satisfy basic needs suitably in addition to wages as required by law, support their right to receive training to develop knowledge and skill, enhance advancement opportunity in their occupation, as well as develop quality of lives by promoting and implanting feeling of affinity as a part of the organization so as to encourage staffs to stay with the Company for a long time;
6. Collaborate with leading educational institutes to develop automatic machines or semi-automatic machines to reduce dependence on labours. At present, the Company has achieved success in making use of such machines in certain part of the production line, which helps reduce a number of workers.;
7. Adjust the staff's working hours, with the objective of cost management as well as achieving an efficient work but without reducing the overall output;
8. Expand production base to countries of good potential in labour, which are not facing labour shortage problem whereas level of wage is reasonable. As a result, production costs continue the downward trend.

3.3 Financial Risk

3.3.1 Risk of Breaching Financial Covenants

The Company has to comply with financial covenants, as required by the loan agreements between the Company and financial institutions. The agreements are still effective until outstanding loans being fully repaid. In case the Company is unable to comply with the terms and conditions, this may risk the Company being in breach of those financial covenants.

Risk Counter-Measures

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

3.3.2 Risk of Foreign Exchange Rates

The Group's exports of products and imports of raw materials, finished goods and machines & equipment are also exposed to risk of foreign exchange fluctuation. In such case, the Group cannot forecast income, cost, financial expenses and cash flow accurately.

Risk Counter-Measures

In 2017, the Company's export sales account for 20% of total income. The most of the Company's revenue from export is denominated in the US Dollar currency which represents 60% of total export revenue each year and increase with the growth of export. Meanwhile, most of the Company's import is denominated in the US Dollar currency and largely

depends on an annual investment budget. As such, the Company has reduced foreign exchange risk by netting off cash inflow and cash outflow in foreign currency as a natural hedge together with entering into currency forward contracts to appropriately prevent the risk of foreign exchange fluctuation. This will help the Company project cash flow as well as adopt appropriate strategies for the Company.

In addition, negotiation and quotation of goods prices denominated in currencies other than US Dollar - such as in Thai Baht to some customers and in some countries; while imports transactions are already in various currencies. Currently, export sales transactions in Thai Baht account for approximately 30% of total exports revenues. The purpose of having a variety of foreign exchange currencies is for the sake of having a diversification of foreign exchange risk and lessening the impact on being dependent on any particular currency. Furthermore, negotiations are also made with major customers to allow adjustments of selling prices in the event of any significant foreign currency fluctuations.

With regard to overseas subsidiaries, their revenues are recorded in the respective local currencies as 90% of their total sales were made to local customers. At the same time, they import raw materials, production machinery and equipment in US Dollar based on the demand for raw materials, annual investment budget. The subsidiaries manage their foreign exchange related risks in line with the Company's guidelines depending on their respective situations. As such, their customer bases are extended to include overseas customers that will derive revenues in foreign currencies, while some raw materials are sourced locally in order to reduce the import quantity, or negotiations are made with some suppliers/distributors to transact in currencies other than the US Dollar. The purpose is to mitigate their foreign exchange risks as well as to reduce the possible impact of being too dependent on any particular currency. Effective planning of required investment as well as entering into the appropriate forward foreign exchange contracts are additional means to minimize the foreign exchange rates risks.

3.3.3 Interest Rate Risk

As of December 31, 2017 the Company's borrowing from local commercial banks, consisted of :-

1. Working capital facilities which are based on MOR or Money Market Rate, a floating rate.
2. Long-term loans to finance investments according to business expansion plan each year which are quoted by fixed interest rates and/or floating rates based on the prevailing MLR, THBFIX, fixed deposit rates, and BIBOR.

The Company therefore, has risk exposure to movements of interest rates, particularly those floating rates when market interest rates fluctuate.

Risk Counter-Measures

The Company implemented risk counter-measures for managing interest rate risk as follow:-

- Prepare cash flow projections and investment plans in advance so that the Company has sufficient time to find source of funds with appropriate finance costs, terms and conditions;
- Source additional revolving credit facilities from various financial institutions, in order to have more options in choosing the most appropriate source of short term funds;
- Prepay principal amount as deemed appropriate based on the Company's excess liquidity and the types of applicable interest rates of the respective credit facilities. Some credit facilities can be prepaid without incurring extra expense nor breaching financial covenants;
- Monitor the movement of market interest rates and other factors that may affect the change in interest rates in order to evaluate its trend, and consider appropriate interest rates when more long-term loan is needed. Comparison of the overall costs of financing from other alternatives than loan from commercial banks are taken into account;

- Consider an option of using fixed interest rate or floating rate which is based on various parameters for future borrowing of long-term loans in order to balance or diversify the risk of fluctuation of interest rate in the market;
- Use financial tools to mitigate risk on fluctuation of interest rates and ascertain financing cost for the Company.

3.3.4 Credit Risk

Most of the sales – both domestic and export are on credit for existing and new customers, and expansion of customer base are under different credit terms, the Company therefore has exposure to credit risk that customers might not be able to pay when due.

Risk Counter-Measures

The Company has determined criteria for customer credit rating, sought information about customers, and analyzed their respective credit worthiness before granting credit lines, resulting in credit risk being insignificant. The concentration of credit risk is at an acceptable level. Even though there are a small number of customers in some business line, they have sizable business, and good financial standing. Nevertheless, the Company also diversifies the risk by having many other smaller and varied categories of customers in the portfolio. Given our past experience in collection of accounts receivable, credit control & approval processes, the Company also analyses as well as closely monitor customers' ability to pay on a regular basis. There may be a review and adjustment of the credit line and terms offered depending on customers' payment behavior. Strict measure is in place to chase up those customers with slow or overdue payments. Management believes that there is no significant credit risk or need for additional provision beyond the amounts provided as allowance for doubtful accounts and there is no significant change as compared with that of last year.

With respect to overseas customers, export customers are required to open letter of credit or make partial or full payment before shipment if they are new customers or their financial circumstances are still in doubt.

4. CORE ASSETS

4.1 Fixed Assets of the Company and Its Subsidiaries

4.1.1 Core Assets for Operation and Production

1) Srithai Superware Public Company Limited

- Head office and 4 plants:
 1. Head office and Suksawat Plant Area 22-3-7 rai
 2. Bangpoo Plant Area 6-3-89 rai
 3. Amata Nakorn Chonburi Plant Area 49-1-86 rai
 4. Korat Plant Area 48-0-0 rai
- 16 Product centers of direct sales and network marketing business in Bangkok and the outskirts of Bangkok and upcountry and one Srithai Super Outlet ("Product Center").
- Machines and equipment of each plant.

The Company is the owner of the above properties with net assets value as of December 31, 2017 of core assets at each location as follows :

Unit : Million Baht

Assets	Land and Building	Machine and equipment	Total
Head office and Suksawat Plant	282.64	367.99	650.63
Bangpoo Plant	24.92	274.26	299.18
Amata Nakorn Chonburi Plant	262.84	1,527.31	1,790.15
Korat Plant	* 117.08	232.48	349.56
Distribution Center	45.01	-	45.01
Total	732.49	2,402.04	3,134.53

Remarks: *Includes the total value of the land and buildings that are not being used for the core business operations of the Company and are classified as 'Investment Properties'. Excluding such investment properties, the net book value of land and buildings of Korat plant being used for the core business operation, and net book value of total core assets of the Company as at December 31, 2017 were Baht 96.29 million and Baht 3,113.74 million, respectively.

Despite the Company having acquired additional assets, the net book value of assets decreased from those of 2016 after the depreciation and amortization together with provisions for impairment in value of assets. The Company presented detail of change of net book value of Property, Plant and Equipment in Notes to Financial Statements for the year ended December 31, 2017, No. 15 Property, plant and equipment, net, pages 47 - 51.

The Company had leased an office space for use as sales office of Srithai Network's business for a period of 1 - 3 years, together with renting additional space at some branches for use as a distribution and sales center for other products whereby in 2017 the Company spent a total of Baht 10.97 million for rent and associated services. Nevertheless, given

the impact of continuously decreasing sales for the Network Marketing Business, at the beginning of 2018 the Company has updated its strategies for this business group through relocating the main office of the Network Marketing Business to the Company's Head Office location in order to achieve more effective management and reduce rental expenses going forward.

Currently, the Company does not have any assets pledged or used as collateral with any financial institutions. Long-term loans outstanding as of December 31, 2017 were Baht 1,897.21 million. The credit facilities the Company obtained from all financial institutions and additional long-term loans for future investment are only bounded by conditions of negative pledge, which are consistent with the Company's financing policy.

2) Korat Thai Tech Company Limited

Korat Thai Tech Company Limited ("KTT") has rented space from the Company's Korat Plant as its office and factory, with an area of 4-3-57.5 rais. In 2017, KTT renewed this rental agreement with the Company for a period of 1 year and 6 months, with a total rental fee of Baht 1.5 million.

Core assets of KTT are machines and equipment owned by KTT, and free from pledge to any party with net book value as at December 31, 2017 of Baht 36.31 million.

At present, the current revolving credit facilities that KTT has from one local commercial bank totaling Baht 10.0 million and is unsecured by any assets or any guarantees, whereby there is a negative pledge only.

3) Srithai Nanoplast Company Limited

Srithai Nanoplast Company Limited ("SNP") has rented space at the Korat factory premises (totaling 1-3-47.5 rai) as its offices and production facility. Its rental agreement with the Company has been renewed, in 2017, on a year-by-year basis, with a total annual rental fee of Baht 0.57 million.

SNP owns machines and equipment which are not pledged, with net book value as of December 31, 2017 at Baht 11.58 million.

SNP has no outstanding loans, debts or revolving credit facilities with any financial institutions.

4) Srithai (Vietnam) Company Limited

- Head office and 2 plants:
 1. Head office and Song Than 1 Industrial Zone Area 18-3-0 rai
 2. Viet Huong Industrial Zone Area 2-0-51.25 rai
- Machines and equipment of each plant.

Land and buildings of Srithai (Vietnam) Company Limited ("SVN") have been leased from operators in 2 industrial estates in Vietnam, comprising:

Contract 1 is a land lease for the head office building and the plant at Song Than 1 Industrial Zone, with a period of 48 years from 1997. The rental fee in 2017 was Vietnamese Dong 745 million or equaled to Baht 1.12 million, whereby SVN itself owns only the head office building and the plant.

Contract 2 is a land with building lease for a plant at Viet Huong Industrial Zone with a period of 4 years from 2012. SVN has the right to extend the contract of 4 years at a time, and 16 years in total, expiry in 2032. The rental fee in 2017 was Vietnamese Dong 1,752 million or equaled to Baht 2.63 million.

Both plants are not pledged and together have net book value as of December 31, 2017, equal to Baht 87.35 million.

The machines and equipment are also owned by SVN which are not pledged with net book value as of December 31, 2017 equal to Baht 759.74 million.

Apart from the above assets, SVN still has an unused land plot under consideration for use for an appropriate business activity and timing, with a total area of 18 rai, 2 ngarn and 75 sq wah and located not far from SVN's head office; whereby a land lease contract was executed with the operator of the Vietnamese industrial estate in 2015, with a lease period of 43 years at a total lease fee of Vietnamese Dong 35,003 million or equal to Baht 52.50 million without any additional monthly fee payments, for the purpose of constructing office buildings and plant facilities to support future expansion of SVN's business activities. As such, in the accounts the net leasehold value, as at December 31, 2017, was Vietnamese Dong 34,085 million or equaled to Baht 47.72 million.

The outstanding long term borrowing and loan obligations of SVN, as at December 31, 2017, were Vietnamese Dong 374,678 million or equivalent to Baht 524.55 million. The total revolving credit facilities that SVN has from various financial institutions, both in Vietnam and Thailand, including the long term loan facilities, are prepared for additional investments in the future in accordance with its annual financial plans. All of these credit facilities require only negative pledge covenant or not making use of any current or future SVN's land, buildings and machinery or equipment in entering into any financial obligations and/or a "Letter of Comfort" issued by the Company. This is in line with the Company's policy on financing by those subsidiaries in which it holds 100% equity with positive operating performance so as to be financially self-reliant.

5) Srithai (Hanoi) Company Limited

Srithai (Hanoi) Company Limited ("SHN"), a wholly-owned subsidiary of SVN, has made a land lease agreement with an industrial estate operator for a land plot (totaling 14-0-44.5 rai) for a period of 43 years from 2014. The land is for construction of office and factory with total fee of Vietnamese Dong 42,039 million or equal to Baht 63.06 million without any monthly rental payment. The net book value of this lease rights, as at December 31, 2017, was Vietnamese Dong 39,100 million or equaled to Baht 54.74 million.

SHN has the freehold ownership of the office buildings and production plant, without any attached pledged obligations to any party. As at December 31, 2017, it had a total net book value equaled to Baht 151.97 million.

With regard to the production machinery and equipment, SHN also has freehold ownership, without any attached pledge obligations to any party. As at December 31, 2017, a total net book value equaled to Baht 332.57 million.

Revolving credit facilities, currently given to SHN by commercial banks in Vietnam and Thailand totaled US Dollars 7.0 million (or around Baht 223 million), with a guarantee given by SVN.

6) Srithai Superware Manufacturing Private Limited

Srithai Superware Manufacturing Private Limited ("SSMP") has a land lease agreement with an industrial estate operator in India for accommodating the office and factory buildings. For the total area of 17-2-70.75 rai with a period of 99 years from 2013. SSMP had made a lump sum payment for the entire lease period of Indian Rupees 98.46 million or equaled to Baht 48.72 million. The net book value, as at December 31, 2017 was Indian Rupees 96.08 million or equaled to Baht 45.69 million.

SSMP has a freehold ownership of the office buildings and manufacturing facilities, without any pledged obligations to any party. The total net book value, as at December 31, 2017, was equal to Baht 117.88 million.

With regard to production machinery and equipment, SSMP also owns them without any pledged obligations to any party. The total net book value, as at December 31, 2017, equaled to Baht 119.88 million.

The current revolving credit facilities that SSMP received from an Indian commercial bank totaled Indian Rupees 33.0 million (or approximately Baht 18 million), guaranteed with a Standby Letter of Credit issued by the Company.

7) Srithai Superware India Limited

Office and warehouse are located in Gurgaon, Ahmedabad, and Guwahati on lease with the lease period of 3 years each. The total rental expenses for all agreements in 2017 were in the equivalent of Baht 0.76 million. As Srithai Superware India Limited ("SSI") is running trading business, major assets used by SSI for its business are furniture and office equipment.

8) Srithai Moulds Company Limited

Core assets which are owned by Srithai Moulds Company Limited ("SMO") for running business are office and factory, located on a plot of land of 14-2-75 rai, and machines & equipment with net book value as of December 31, 2017 at Baht 30.09 million and Baht 50.27 million, respectively. Some assets are pledged with a commercial bank, such as land (10-3-32.6 rai) with buildings as mortgage for long-term loans and revolving credit. As at December 31, 2017, SMO had long term loan of Baht 11.59 million and credit limit of revolving credit facilities of Baht 37.0 million.

9) Srithai Miyagawa Company Limited

Core assets of Srithai Miyagawa Company Limited ("SMW") for running business are office and factory, located on a plot of a land of 11-1-73 rai, and machines & equipment with net book value as at December 31, 2017 of Baht 167.19 million and Baht 405.60 million, respectively. Some assets have been mortgaged to commercial banks as follows :-

1. A plot of land area of 5-3-21 rai with building and some machines have been mortgaged to a commercial bank. Negative pledge has been provided for refraining from any legal transaction or incurring any obligation on two plots of land and building thereon for the whole tenure of loan and revolving credit. As at December 31, 2017, this long-term loan was Baht 46.18 million and credit limit of revolving credit facilities was Baht 40.0 million.
2. Some machines have been mortgaged to a commercial bank as collateral for long-term loans and revolving credit facilities, with the commitment that such assets, in total or in part, will not be used for any other legal transactions or will not be subjected to any other associated obligations whatsoever during the tenure of the loan agreement. As at December 31, 2017, this long-term loan equaled Baht 37.50 million and credit limit of revolving credit facilities of Baht 95.0 million.
4. The pledge of not using any or all its assets in undertaking any legal transactions or to create any obligations during the term of the loan agreement with a leasing company in Thailand was given as collateral for long term loan. As at December 31, 2017, SMW had a total outstanding long term loan of Baht 25.00 million under this facility agreement.

4.1.2 Intangible Assets

The Company's intangible assets consist of copyright and computer software applications for operation, and production license. They mainly are the rights to be the manufacturer and distributor of closures, and some items of trading business. The Company's license periods for being a manufacturer and distributor of goods as stated in agreements as well as the useful life of copyright and computer program utilization range from 5-10 years. Details and book value of the intangible assets have been shown in Notes to Financial Statements for the year ended December 31, 2017, No. 16 Intangible assets, net, pages 51 - 53.

4.2 Investment Policy in Subsidiaries and Associated Companies

The Company has an investment policy that links to its core businesses, which are plastics business line comprising industrial products and household products, the network and moulds business lines. The Company also places importance on investing in businesses that benefit or support its core businesses by focusing on integrated businesses, and reducing dependence outside the Group in order to add value and enhance competitiveness of the Group's business.

Nevertheless, for investment in the business or products on which the Company focuses, or has expertise or specific technologies, such as food and beverage packaging and material handling products, the Company has the policy to invest in a proportion that it will have controlling interest. The purpose is to allow the Company to have full control over policy setting and managing the business.

In overseeing and managing the subsidiaries and associated companies, the Company appoints its representatives comprising executive directors and/or its executives or personnels with suitable qualifications and experiences in that business. They will either take up a directorship or executive positions, or attend shareholders' meeting of the subsidiaries and associated companies with voting rights proportionately with the percentage of shares owned by the Company. The Company's representatives have the duties and responsibilities to manage or vote in such meetings following the direction determined by the Company's Board of Directors.

4.3 Assets Valuation

In 2017, the Company did not have any valuation appraisal on its core assets used in the Company's business and manufacturing operations.

4.4 Investment Properties

The Group has certain land and properties, which are not used in its core business operations but are held for rental income or not yet earmarked for any specific purpose in the future. Such assets are currently classified as 'Investments Properties', as presented in the Group's financial statements, which include vacant land plots, land and buildings, and condominium units that are located in Bangkok and upcountry.

The net book value and the fair value of such assets, as at December 31, 2017, were Baht 129.59 million and Baht 1,170.67 million, respectively. The Company has presented details of the movements of the book value of these investment properties in Notes to Financial Statements as at December 31, 2017, No.14 Investments properties, net, pages 45 - 46.

5. LEGAL DISPUTE

The Company and its subsidiaries have no lawsuit or legal dispute fallen under the following criteria :

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 as of December 31, 2017;
2. Any lawsuit that may significantly affect on the Company's business operation but its impact could not be estimated;
3. Any lawsuit not derived by normal business operation of the Company or subsidiaries.

However, the Company has a pending lawsuit that does not fall under above criteria or that has an impact of any significance as specified in the abovementioned criteria 1 – 3. This legal dispute is between the Company and a foreign labour recruitment company since mid-2016; whereby the First Court has handed down a judgment in May 2017 that the Company pays the amount of Baht 4.77 million together with associated accumulated interest costs at the rate of 7.5% per annum. Subsequently, the Company lodged an appeal to the Appeals Court in August 2017 with the lawsuit being still pending, since the Company had additional key information and evidence to fight the judgment; whereby the Company is confident that such additional evidence will prove to be beneficial for the Company. As such, the Company has not booked this associated liability in its Financial Statements ended December 31, 2017. Nevertheless, the Company has disclosed this potential liability in the Notes to the Consolidated Financial Statements and the Financial Statements for the Company only, together with also having disclosed the progress of this legal issue in its Quarterly Financial Reports throughout 2017.

6. GENERAL & OTHER INFORMATION

6.1 General Information

Company Name :	Srithai Superware Public Company Limited
Symbol :	SITHAI
Registration Number :	0107536001516
Nature of Business :	<ol style="list-style-type: none"> 1. Manufacture and distribution of plastic industrial products and melamine household products 2. Network and Moulds business by sourcing products locally as well as overseas for sale and distribution via the Network Marketing Business Unit and also to provide services to make moulds for sale respectively
Registered and Paid up Capital :	Baht 2,709,904,800 comprising 2,709,904,800 common shares at par value Baht 1.00
Location :	<p>Head Office 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok 10140 Tel. : 66 2427 0088 Fax : 66 2428 9675 URL : www.srithaisuperware.com</p> <p>Factories producing plastic industrial products</p> <p>1. Suksawat Factory 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok 10140 Tel. : 66 2427 0088 Fax : 66 2874 5010</p> <p>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</p> <p>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</p> <p>Factory producing melamine household products</p> <p>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</p> <p>Office of Direct Sales and Network Marketing Business 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok 10140 Tel. : 66 2428 8855, 66 2428 9706 Fax : 66 2427 7269, 66 2428 9677 URL : www.superwaredirectsales.com, www.srithainetwork.com</p>
Accounting Period :	January 1 – December 31
Company Secretary /	Mr.Prin Bholnivas
Head of Investor Relations Unit :	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 93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Khwaeng Din Daeng, Khet Din Daeng, Bangkok 10400 Tel. : 66 2009 9000 Fax : 66 2009 9991
Auditor :	Mr. Chaisiri Ruangritchai Certified Public Accountant (Thailand) No. 4526 PricewaterhouseCoopers ABAS Limited 15th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120 Tel. : 66 2844 1000 Fax : 66 2286 5050
Legal Advisor :	1. Nitiprecha International Law Firm Company Limited 69/33 Soi Athens Theater, Phayathai, Bangkok 10400 Tel. : 66 2252 9494, 66 2251 3225 Fax : 66 2251 3226, 66 2255 5201 2. Marut & Rujira Bunnag Law Office 16-18 Bunsiri Road, Khwaeng San Chao Pho Suea, Khet Phra Nakhon, Bangkok 10200 Tel. : 66 2221 2191-4 Fax : 66 2226 3321, 66 2622 1262

JURISTIC PERSON IN WHICH THE COMPANY HOLDS, DIRECTLY AND INDIRECTLY, MORE THAN 10% EQUITY

Subsidiaries Companies

1. Company Name	: Korat Thai Tech Company Limited
Location	: 325-328 Suranaree Industrial Estate, Moo 6, Ratchasima–Chok Chai Road, Tambon Nongrawiang, Amphoe Mueang, Nakhon Ratchasima Province
Type of Business	: Manufacture and distribution of melamine household products
Telephone	: 0 4421 8766-8
Fax	: 0 4421 8769
Registered Capital	: Baht 30,000,000 comprising numbers of shares issued 3,000,000 shares with par value per share: Baht 10.00
Paid-up Capital	: Baht 30,000,000
Proportion of the Company's shares held	: 100% of the paid-up capital

2. Company Name	: Srithai Nanoplast Company Limited
Location	: 325-328 Suranaree Industrial Estate, Moo 6, Ratchasima–Chok Chai Road, Tambon Nongrawiang, Amphoe Mueang, Nakhon Ratchasima Province
Type of Business	: Manufacture and distribution of plastic industrial products
Telephone	: 0 4421 2650
Fax	: 0 4421 2649
Registered Capital	: Baht 40,000,000 comprising numbers of shares issued 4,000,000 shares with par value per share: Baht 10.00
Paid-up Capital	: Baht 40,000,000
Proportion of the Company's shares held	: 100% of the paid-up capital

3. Company Name : Srithai (Vietnam) Company Limited	
Location	: 9 Street 2, Song Than 1 Industrial Park, Di An District, Binh Duong Province, Socialist Republic of Vietnam
Type of Business	: Manufacture and distribution of plastic industrial products and melamine household products
Telephone	: 84 6503 790023-4
Fax	: 84 6503 790025
Registered Capital	: Equivalent to US Dollars 40,000,000
Paid-up Capital	: Equivalent to US Dollars 40,000,000
Proportion of the Company's shares held	: 100% of the paid-up capital

4. Company Name : Srithai (Hanoi) Company Limited	
Location	: 1 Street 3, VSIP Bac Ninh, Tu Son District, Bac Ninh Province, Socialist Republic of Vietnam
Type of Business	: Manufacture and distribution of plastic industrial products
Telephone	: 84 6503 790023-4
Fax	: 84 6503 790025
Registered Capital	: Vietnamese Dongs 424,920 million
Paid-up Capital	: Vietnamese Dongs 424,920 million
Proportion of the Company's shares held	: 100% of the paid-up capital (held indirectly via Srithai (Vietnam) Company Limited)

5. Company Name : Srithai Superware Manufacturing Private Limited	
Location	: SM-22, GIDC Sanand-II (BoI), Taluka Sanand, Ahmedabad-382170, Gujarat, Republic of India
Type of Business	: Manufacture and distribution of melamine household products
Telephone	: 91 271 761 8905
Registered Capital	: Indian Rupees 720,000,000 comprising numbers of shares issued 72,000,000 shares with par value per share: Indian Rupees 10.00
Paid-up Capital	: Indian Rupees 720,000,000 ⁽¹⁾
Proportion of the Company's shares held	: 100% of the paid-up capital

⁽¹⁾ When combined with the paid in premium on the share value (of the existing paid-up capital) of Indian Rupees 179.975 million, the total value of investment in this subsidiary is equal to Indian Rupees 899.975 million.

6. Company Name : Srithai Superware India Limited	
Location	: A, A-1, A-2, Enkay Centre, Vanijya Nikunk, Udyog Vihar, Phase-V, Gurgaon-122016, Haryana, Republic of India
Type of Business	: Distribution of household products
Telephone	: 91 124 411 0406
Fax	: 91 124 411 0505
Registered Capital	: Indian Rupees 50,000,000 comprising numbers of shares issued 5,000,000 shares with par value per share: Indian Rupees 10.00
Paid-up Capital	: Indian Rupees 42,500,000
Proportion of the Company's shares held	: 82.4 % of the paid-up capital

7. Company Name : Srithai Moulds Company Limited	
Location	: 55/1 and 55/6 Moo 1, Nong-Samsak, Amphoe Ban Bueng, Chon Buri Province
Type of Business	: Mould-making service, manufacture and distribution of plastic industrial products
Telephone	: 0 3847 6352, 0 3847 6525-7
Fax	: 0 3847 6528
Registered Capital	: Baht 100,000,000 comprising numbers of shares issued 1,000,000 shares with par value per share: Baht 100.00
Paid-up Capital	: Baht 100,000,000
Proportion of the Company's shares held	: 71.0 % of the paid-up capital

8. Company Name : Srithai Miyagawa Company Limited	
Location	: 539 Moo 4, Bangpoo Industrial Estate, Tambon Prak-Sa, Amphoe Mueang, Samut Prakan Province
Type of Business	: Mould-making service, manufacture and distribution of plastic industrial products
Telephone	: 0 2324 0425-6
Fax	: 0 2324 0427
Registered Capital	: Baht 120,000,000 comprising numbers of shares issued 1,200,000 shares with par value per share: Baht 100.00
Paid-up Capital	: Baht 120,000,000
Proportion of the Company's shares held	: 51.0% of the paid-up capital

Associated Companies

1. Company Name : Srithai Sanko Company Limited	
Location	: 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok
Type of Business	: Distribution of plastic industrial products
Telephone	: 0 2427 0088, 0 2428 9936
Fax	: 0 2428 9935
Registered Capital	: Baht 20,000,000 comprising numbers of shares issued 200,000 shares with par value per share: Baht 100.00
Paid-up Capital	: Baht 20,000,000
Proportion of the Company's shares held :	: 48.0% of the paid-up capital

2. Company Name : Sanko Srithai (Malaysia) SDN. BHD.	
Location	: Lot 18, Jalan Sementa 27/91, Section 27, 40400 Shah Alam, Selangor Darul Ehsan, Malaysia
Type of Business	: Distribution of plastic industrial products
Telephone	: 603 5191 4921
Fax	: 603 5191 4926
Registered Capital	: Malaysian Ringgits 500,000 comprising numbers of shares issued 500,000 shares with par value per share: Malaysian Ringgit 1.00
Paid-up Capital	: Malaysian Ringgits 500,000
Proportion of the Company's shares held	: 48.0 % of the paid-up capital (indirectly via Srithai Sanko Company Limited)

3. Company Name : Thai MFC Company Limited

Location	: 1 Siam Cement Road, Bang Sue, Bangkok
Type of Business	: Manufacture and distribution of melamine powder
Telephone	: 0 2586 3894-6
Fax	: 0 2586 4878
Registered Capital	: Baht 200,000,000 comprising numbers of shares issued 2,000,000 shares with par value per share: Baht 100.00
Paid-up Capital	: Baht 200,000,000
Proportion of the Company's shares held	: 45.0% of the paid-up capital

4. Company Name : Sheewamala Company Limited

Location	: 1/132 Moo 2, Tambon Ta-sai, Amphoe Muang, Samut Sakorn Province
Type of Business	: Manufacture and distribution of plastic products and melamine household products
Telephone	: 0 3449 0130-1
Fax	: 0 3449 0132
Registered Capital	: Baht 49,800,000 comprising numbers of shares issued 600,000 shares with par value per share: Baht 83.00
Paid-up Capital	: Baht 49,800,000
Proportion of the Company's shares held	: 40.0% of the paid-up capital

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	: Manufacture and distribution of paper boxes
Telephone	: 0 3445 2100-7
Fax	: 0 3445 2108-9
Registered Capital	: Baht 60,000,000 comprising numbers of shares issued 600,000 shares with par value per share: Baht 100.00
Paid-up Capital	: Baht 60,000,000
Proportion of the Company's shares held	: 39.2% of the paid-up capital

6. Company Name : PT. Srithai Maspion Indonesia

Location	: Maspion Industrial Area unit 2, Tebel Village, Buduran, Sidoarjo, East Java, Republic of Indonesia
Type of Business	: Manufacture and distribution of melamine household products
Telephone	: 62 31 891 1061-3
Fax	: 62 31 891 3630
Registered Capital	: Indonesian Rupiahs 10,394,130,000 comprising numbers of shares issued 9,320 shares with par value per share: Indonesian Rupiahs 1,115,250
Paid-up Capital	: Indonesian Rupiahs 10,394,130,000
Proportion of the Company's shares held	: 32.5% of the paid-up capital

Joint Venture Company

1. Company Name	: Srithai-Otto (Thailand) Company Limited
Location	: 15 Suksawat Rd., Soi 36, Bangpakok, Rasburana, Bangkok
Type of Business	: Distribution of plastic industrial products
Telephone	: 0 2427 0088
Fax	: 0 2874 5015
Registered Capital	: Baht 20,000,000 comprising numbers of shares issued 200,000 shares with par value per share: Baht 10.00
Paid-up Capital	: Baht 10,000,000
Proportion of the Company's shares held	: 50.0% of the paid-up capital

Other Companies

1. Company Name	: LN Srithai Comm Company Limited
Location	: 71/12 Moo 5, Tambon Tha-Kam, Amphoe Bang Pakong, Chachengsao Province
Type of Business	: Manufacture and export of telephone sets
Telephone	: 0 3857 3061-3
Fax	: 0 3857 3069
Registered Capital	: Baht 76,000,000 comprising numbers of shares issued 76,000 shares with par value per share: Baht 1,000.00
Paid-up Capital	: Baht 76,000,000
Proportion of the Company's shares held	: 20.0% of the paid-up capital

6.2 Other Important Information

In 2017 and subsequent to the financial statements date for the period ended December 31, 2017, the Company did not have any information and/or events that might significantly affect the decision making of investors, other than those which have been disclosed by the Company to investors in a fair manner through the ELCID channel of the Stock Exchange of Thailand as well as on the Company's website and notes to its financial statements.

Note : Investors can find more information of the Company from its Annual Registration Statement (Form 56-1) which is posted on www.sec.or.th or the Company's website at www.srithaisuperware.com

Part 2

MANAGEMENT AND CORPORATE GOVERNANCE

7. CAPITAL STRUCTURE

7.1 Securities Issued by the Company

The Company has issued only common shares in its capital structure and no other securities such as preferred stocks, debentures, convertible securities, etc. were issued to raise funds. The Company has a registered capital of Baht 2,709,904,800, fully paid-up, comprising 2,709,904,800 shares at a par value of Baht 1.00 each.

The Company does not have any agreement between its major shareholders (Shareholders' Agreement) that affects the sale or the issuance of securities and the administration of the Company. The Company has only those limitations as stated in the Articles of Association of the Company in the holding of ordinary shares by foreign investors. It specifies that foreigner investors can aggregately hold a total of number shares in the Company of not more than 45% of the total issued common shares. As of December 29, 2017, which was the last day when the Company closed its shareholders register for 2017, foreign shareholders accounted for 3.78% of the total issued shares of the Company

7.2 List of Top 10 Major Shareholders as of December 29, 2017

7.2.1 Shareholders who could participate in formulation of corporate policies

Name	Rank	Shares	%	Major Business
MR. SANAN ANGUBOLKUL	1	440,823,510	16.27	Chairman and President of the Company

7.2.2 Shareholders who could not participate in formulation of corporate policies

Name	Rank	Shares	%
MS. MAYUREE SIRIVAJANANGKUL	2	163,073,490	6.02
MRS. SRISUDA LERTSUMITKUL	3	150,000,000	5.54
MR. SOMYOD LERTSUMITKUL	4	106,600,000	3.93
MR. SOMKIEAT LERTSUMITKUL	5	103,500,000	3.82
MR. BUNNAPA LERTSUMITKUL	6	80,000,000	2.95
MS. PAIWAN CHARTPITAK	7	80,000,000	2.95
MR. SOMBAT LERTSUMITKUL	8	78,100,000	2.88
MS. MITTRADA LERTSUMITKUL	9	70,000,920	2.58
MR. PAISARN CHARTPITAK	10	61,600,000	2.27
Total shares of top 10 major shareholders		1,333,697,920	49.21
Total common shares		2,709,904,800	100.00

Remark :

- (1) Even though some of shareholders in the top 10 major shareholders group have a relationship that is classified as "close relatives", as specified in the Notification of the Board of Governors of the Stock Exchange of Thailand. The Company views that each of them wishes to buy or sell shares on their own accord, and votes according to their own discretion. In the past Annual General Meetings, there was no block-voting to any significant degree in an attempt to control resolutions of the shareholders meetings. In consideration of the 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 the name-list of the current top 10 major shareholders as shown in the Company's website before scheduled date of the Annual General Meeting of Shareholders.

7.3 Shareholding of Directors and Executives in the Company

Ratios of the shareholding of directors and executives, including their spouses and children not reaching legal age, in the Company as at December 29, 2017 compared to December 30, 2016 are as follows :-

Name	as of December 29, 2017		as of December 30, 2016		no. of shares increase (decrease)
	no. of shares	%	no. of shares	%	
Mr. Sanan Angubolkul	440,823,510	16.27	440,823,510	16.27	0
Mr. Viroj Lowhaphandu	0	0.00	0	0.00	0
Mr. Enghug Nontikarn	59,000	0.00	59,000	0.00	0
Mr. Suchat Boonbanjerd Sri	0	0.00	0	0.00	0
Mrs. Siriporn Sailasuta	0	0.00	0	0.00	0
Mr. Supachoke Liamkaeo	0	0.00	0	0.00	0
Mr. Manit Ativanichayaphong	11,587,200	0.43	11,587,200	0.43	0
Mr. Naphol Lertsumitkul	0	0.00	0	0.00	0
Mr. Prin Bholnivas	2,000,000	0.07	2,000,000	0.07	0
Mr. Settapong Haemintakun ⁽¹⁾	0	0.00	0	0.00	0
Ms. Bunnapa Lertsumitkul	80,000,000	2.95	80,000,000	2.95	0
Mr. Apisit Tangsatit	1,420	0.00	1,420	0.00	0
Mr. Pawat Chalermpong	1,250,000	0.05	1,150,000	0.04	100,000
Mr. Pongsak Kantiratanawong	2,400,000	0.09	2,000,000	0.07	400,000
Mr. Rakesh Singh	0	0.00	0	0.00	0
Mr. Chaichan Chareonsuk	0	0.00	0	0.00	0
Mr. Anupoch Pasawat ⁽¹⁾	0	0.00	0	0.00	0
Mr. Chairaj langtanarat	1,000	0.00	1,000	0.00	0
Mr. Chaiwat Kulphattaravanich ⁽²⁾	0	0.00	0	0.00	0
Total shares	538,122,130	19.86	537,622,130	19.83	500,000
Total issued common shares	2,709,904,800	100.00	2,709,904,800	100.00	

(1) Resigned from Executive position during the year 2017

(2) Appointed as Executive position during the year 2017

7.4 Dividend Policy

7.4.1 Dividend Policy of the Company

The Company has a policy to pay dividends from net profits at the rate not less than 50% of net profit each year as shown in the separate financial statements, on a condition that the Company has no retained losses.

The Company can consecutively pay dividends to shareholders every year in line with the dividend policy. The Company has paid dividends for the past 5 years with details as follows :-

Year	2016	2015	2014	2013	2012
Earnings per share ⁽¹⁾ (Baht)	0.15	0.16	0.15	0.16	0.17
Dividends per share ⁽¹⁾ (Baht)	0.10	0.10	0.10	0.10	0.11
Dividends / Net profit ⁽²⁾ (%)	66.77	60.94	65.86	63.95	64.89

- (1) The total number of shares used in calculating the above ratios is 2,709,904,800 shares, being the total number of common shares of the Company subsequent to the change in the par value per share which has become effective since 2014.
- (2) The percentage rate of dividend payout ratio is calculated by the following formula : Total amount of dividend announced and approved to be paid (Baht) ÷ Total amount of Total net profit achieved for the year (as stated in the Separate Statement of Comprehensive Income) x 100%

7.4.2 Dividend Policy of Subsidiaries

Each subsidiary company does not have any established dividend policy. However, the dividend policy will be considered for each year, based on their respective operating net profit. As such, if there are no retained losses or any other necessary reasons, the subsidiaries will then approve a dividend payment for that year at a rate that is deemed appropriate to their respective financial status at that time. Factors also taken into account include the amount of net profit, the business operations environment for those subsidiaries, as well as any applicable conditions and restrictions, contractual obligations or covenants and relevant regulations for payments of dividend for each respective country in which the subsidiaries operate.

However, in the past, with regard to the payment of dividends by the subsidiaries each year, there has been no restriction or limitations imposed by any external authority that has resulted in the subsidiaries being unable to pay dividends as approved and announced.

8. MANAGEMENT

The Board of Directors is responsible for overall management of the Company in accordance with the Company's Articles of Association, and is composed of not fewer than 5 but not more than 12 directors with at least 3 directors required to be independent directors. In 2017, the Company has 9 directors in the Board of Directors. At least half of total number of directors must be present at each meeting of the Board of Directors to constitute a quorum. The shareholders meeting are responsible for nominating and electing new board directors, with the term of a directorship being 3 years. Any board director whose term has expired can be nominated and re-elected by the shareholders meeting.

The Company's executives are responsible for the management of the business activities of the Company on behalf of the Board of Directors.

8.1 The Board of Directors



Standing from left to right : Mr. Manit Ativanichayaphong, Mr. Prin Bholnivas,
Mr. Naphol Lertsumitkul, Mr. Supachoke Liamkao,
Mr. Suchat Boonbanjerd Sri

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

8.1.1 Members of the Board of Directors and their Attendance record for 2017

Name	Position	Board Meetings	
		No. of meetings held	No. of meetings attended
Mr. Sanan Angubolkul	Chairman, President, and Nomination and Remuneration Committee Member	6	6
Mr. Viroj Lowhaphandu	Independent Director, and Chairman of the Audit Committee	6	4
Mr. Enghug Nontikarn	Independent Director, Audit Committee Member, and Nomination and Remuneration Committee Member	6	6
Mr. Suchat Boonbanjerd Sri	Independent Director, Audit Committee Member, and Chairman of the Good Corporate Governance Committee	6	6
Mrs. Siriporn Sailasuta	Independent Director, Chairperson of the Nomination and Remuneration Committee, and Good Corporate Governance Committee Member	6	6
Mr. Supachoke Liamkao	Independent Director	6	6
Mr. Naphol Lertsumitkul	Director	6	6
Mr. Manit Ativanichayaphong	Director, and Good Corporate Governance Committee Member	6	6
Mr. Prin Bholnivas	Director, Good Corporate Governance Committee Member, Chairman of the Risk Management Sub-Committee, and Company Secretary	6	6

Detailed information relating to the Company's board directors is presented in Attachment 1: Details of the Directors, Executives, Controlling Persons, and Company Secretary.

8.1.2 The Company's 'Controlling Persons'

The Company does not have any 'Controlling Persons', as specified in Section 89/1 of the Securities and Exchange Act (No. 4) B.E. 2551, who have significant influence over management policies or the Company's operations and, particularly, those who fall under the following criteria :

- 1) Individuals who have the right to vote, directly or indirectly, over 25% of total number of shares entitled to vote;
- 2) Individuals who, by circumstances, are able to determine either the appointment or removal of the Company's board directors;
- 3) Individuals, who by circumstances, are able to effectively influence those persons in charge of setting the Company's management policies or operations to follow their commands;
- 4) Individuals, who by circumstances, are able to manage or are responsible for the overall operations of the Company – such as directors or executives as well as any individual in a position of having the same authorities as the aforementioned persons.

8.2 Executives

As at December 31, 2017, the Company's executives, under the definition as specified by the Notification of the Capital Market Supervisory Board, comprise the following 12 persons :

Name			Position
1.	Mr. Sanan	Angubolkul	Chairman and President
2.	Mr. Prin	Bholnivas	Chief Financial Officer
3.	Mr. Settapong	Haemintakun ⁽¹⁾	Chief Operating Officer - Network Marketing
4.	Mr. Naphol	Lertsumitkul	Assistant to the President
5.	Ms. Bunnapa	Lertsumitkul	Human Resource Development Director
6.	Mr. Apisit	Tangsattit	Senior Factory Director - Industrial Products
7.	Mr. Pawat	Chalermpong	Marketing Director - Industrial Products
8.	Mr. Pongsak	Kantiratanawong	Marketing Director - Packaging Products
9.	Mr. Rakesh	Singh	Corporate Strategy and Operation Development Director
10.	Mr. Chaichan	Chareonsuk	Export Sales & Marketing Director
11.	Mr. Anupoch	Pasawat ⁽²⁾	Factory Director - Beverage Packaging
12.	Mr. Chairaj	langtanarat	Direct Sales Director
13.	Mr. Chaiwat	Kulphattaravanich ⁽³⁾	Finance Director

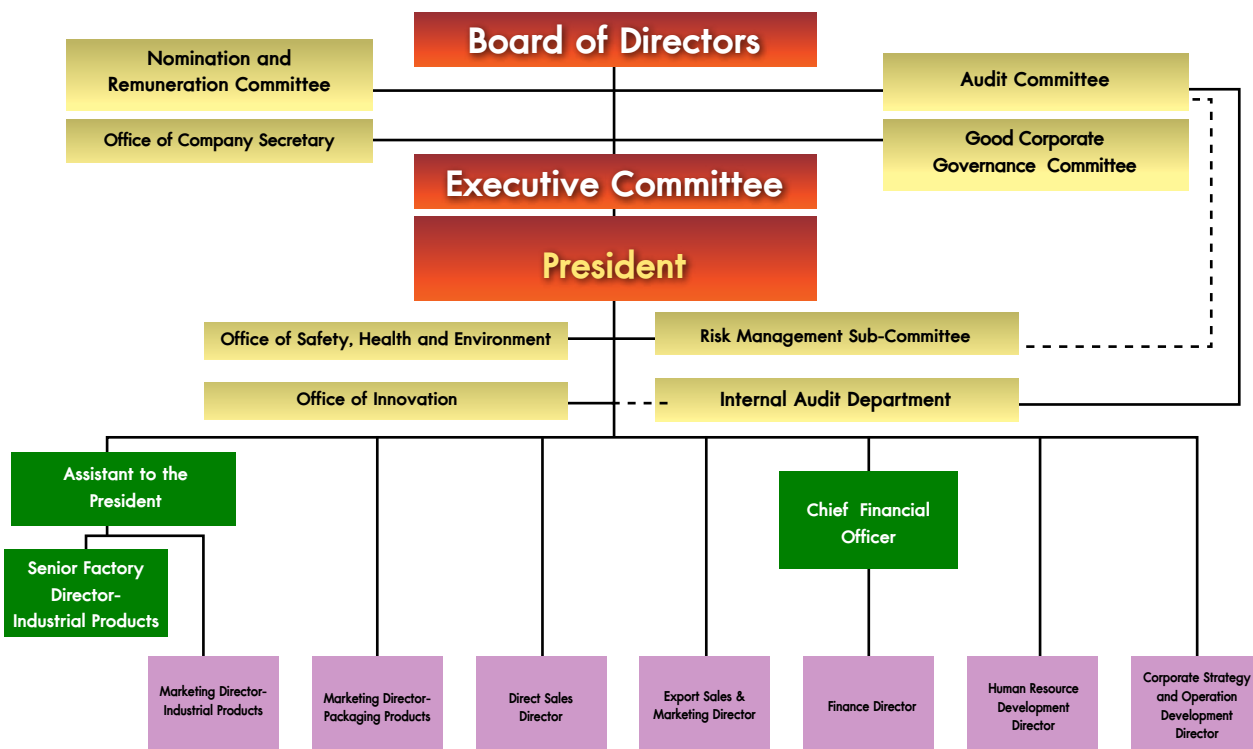
(1) Mr. Settapong Haemintakun, Chief Operating Officer-Network Marketing resigned from the Management position on July 1, 2017

(2) Mr. Anupoch Pasawat, Factory Director-Beverage Packaging retired from the Management position on July 1, 2017

(3) Mr. Chaiwat Kulphattaravanich, Finance Director being executive since May 1, 2017

The Company has presented detailed information for these executives in Attachment 1: Details of the Directors, Executives, Controlling Persons, and Company Secretary.

Organization structure of the Company, as at December 31, 2017, is as follows



Remark : The Company has deemed it appropriate to classify those holding director positions as falling within four executive levels in accordance with the Notification of the Capital Market Supervisory Board.

8.3 The Company Secretary

The position of Company Secretary has been held by an executive, i.e. Mr. Prin Bholnivas, since 2008. Detailed information of the Company Secretary with the responsibilities is presented in Attachment 1: Details of the Directors, Executives, Controlling Persons, and Company Secretary.

8.4 Remuneration of Board Directors and Executives

The Company has specific criteria in determining the remuneration of its board directors. The criteria are regularly reviewed and considered by the Nomination and Remuneration Committee which sets the policy to determine appropriate and fair remuneration by comparison with companies in the same industry based on the remuneration survey conducted by the Thai Institute of Directors (IOD) Association.

With respect to the remuneration of the sub-committees, the Nomination and Remuneration Committee considers it based on the scope and responsibilities. However, the remuneration must be approved by Shareholder's meeting in accordance with Public Limited Companies Act.

In addition, the Company also has established guidelines in determining remuneration for executives, through a review process by the Nomination and Remuneration Committee that takes into consideration the respective experiences, knowledge, and abilities. The value added contributions of each individual to the Company as well as the appropriateness within the overall compensation structure of the Company are also considered. The current executive remuneration scheme is divided into 2 key components: monetary compensation, consisting of salary, annual bonus and provident fund contribution by the Company; and non-monetary compensation, such as a company car.

In consideration of the salary and annual bonus for executives, the Nomination and Remuneration Committee, will propose to the Board of Directors for approval on the policy for the rate of annual salary adjustment and bonus payment that must be in line with the actual performance results of the Company each year. The Nomination and Remuneration Committee will assign the President together with 2 other executive directors to determine the criteria for salary adjustments and bonus payment, as well as assign the President and Chief Financial Officer to determine the respective salary adjustment and payment of bonuses for each executive based on their actual performance for the year. The Company has determined a compensation plan for executives including the President, consisting of both short term and long term benefits as follows :

- **Short term benefits**

The Company pays compensation in the form of salary and bonus based on the annual performance evaluation results and the Company's operating results, including the following Key Performance Indicators (KPI) of each business division/department :

- Sales
- Production Output
- Gross Profit Margin
- Management and control of costs

In addition, a special rate for adjusting the salary and bonus may also be considered, based on the actual performance results relative to the KPIs of the Company.

- **Long term benefits**

The Company also provides a contribution to the staff provident fund and also a retirement compensation, as well as other benefits for those staff members who are not members of the provident fund scheme in accordance with the conditions specified by the Company - namely: special retirement compensation, and gold rewards for those who have worked for a specific number of years. The Company has disclosed details of staff and employee benefits in the Notes to the Consolidated and Separate Financial Statements for the year ended December 31, 2017 under headline 2 Accounting Policies : 2.18 Employee Benefits pages 22 - 23 and Note 24 Employee Benefit Obligations pages 64 - 66.

8.4.1 Monetary Remuneration

- 1) Overall remuneration for the board directors are approved by the shareholders meeting. Only meeting allowances are paid according to their actual meeting attendance. Actual remuneration for the board directors are as follows:

Name - Position	Amount (Baht)	
	2017	2016
Board of Directors		
Chairman – Mr. Sanan Angubolkul	300,000	300,000
Eight Directors comprising :		
Mr. Viroj Lowhaphandu	100,000	150,000
Mr. Enghug Nontikarn	150,000	150,000
Mr. Suchat Boonbanjersri	150,000	150,000
Mrs. Siriporn Sailasuta	150,000	150,000
Mr. Supachoke Liamkao	150,000	25,000
Mr. Naphol Lertsumitkul	150,000	150,000
Mr. Manit Ativanichayaphong	150,000	150,000
Mr. Prin Bholnivas	150,000	150,000
Total Remuneration of Directors	1,450,000	1,375,000
Audit Committee		
Chairman of the Audit Committee – Mr. Viroj Lowhaphandu	262,500	350,000
Two Audit Committee Members comprising :		
Mr. Enghug Nontikarn	150,000	150,000
Mr. Suchat Boonbanjersri	150,000	150,000
Total Remuneration of Audit Committee Members	562,500	650,000
Nomination and Remuneration Committee		
Chairperson of the Nomination and Remuneration Committee - Mrs. Siriporn Sailasuta	25,000	37,500
Two Nomination and Remuneration Committee Members comprising :		
Mr. Sanan Angubolkul	20,000	30,000
Mr. Enghug Nontikarn	20,000	30,000
Total Remuneration of the Nomination and Remuneration Committee Members	65,000	97,500
Good Corporate Governance Committee		
Chairman of the Good Corporate Governance Committee – Mr. Suchat Boonbanjersri	50,000	50,000
Three Good Corporate Governance Committee Members comprising :		
Mrs. Siriporn Sailasuta	40,000	40,000
Mr. Manit Ativanichayaphong	30,000	40,000
Mr. Prin Bholnivas	40,000	40,000
Total Remuneration of the Good Corporate Governance Committee Members	160,000	170,000
Grand Total	2,237,500	2,292,500

Remarks :

1. In 2017, the meeting allowance paid by the Company to each board director was in accordance with the approved limit of not more than Baht 2,490,000, in total, based on the resolution of the Annual General Meeting of Shareholders No. 36 (for 2017), as follows:
 - 1.1 Meeting allowance for the Board of Directors

Chairman	Baht 300,000 per annum
Directors	Baht 150,000 per annum /per person
 - 1.2 Total Meeting allowance Baht 1,500,000 per annum in total

Meeting allowance for the Audit Committee	
Chairman of the Audit Committee	Baht 350,000 per annum
Member of the Audit Committee	Baht 150,000 per annum / per person
Total Meeting allowance	Baht 650,000 per annum in total
 - 1.3 Meeting allowance for the Nomination and Remuneration Committee

Chairperson of the Nomination and Remuneration Committee	Baht 50,000 per annum
Member of the Nomination and Remuneration Committee	Baht 40,000 per annum / per person
Total Meeting allowance	Baht 170,000 per annum in total
 - 1.4 Meeting allowance for the Good Corporate Governance Committee

Chairman of the Good Corporate Governance Committee	Baht 50,000 per annum
Member of the Good Corporate Governance Committee	Baht 40,000 per annum / per person
Total Meeting allowance	Baht 170,000 per annum in total

The above approved meeting allowances were effective from the date of the Annual General Meeting of Shareholders.
2. No remuneration is given to the members of the Risk Management Sub-Committee.

- 2) Remuneration for executives including salary and bonus payments (for 2017 vs 2016) is as follows:

Remuneration	2017		2016	
	Number of persons	Amount (million baht)	Number of persons	Amount (million baht)
Salary	13	54.79	12	55.32
Bonus	13	6.60	12	5.29
Total	13	61.39	12	60.61

Remarks :

1. The following executives received the above remuneration in 2017 as follows:
 - 1.1 Mr. Sanan Angubolkul
 - 1.2 Mr. Prin Bholnivas
 - 1.3 Mr. Settapong Haemintakun
 - 1.4 Mr. Naphol Lertsumitkul
 - 1.5 Ms. Bunnapa Lertsumitkul
 - 1.6 Mr. Apisit Tangsatit
 - 1.7 Mr. Pawat Chalermpong
 - 1.8 Mr. Pongsak Kantiratanawong
 - 1.9 Mr. Rakesh Singh
 - 1.10 Mr. Chaichan Chareonsuk
 - 1.11 Mr. Anupoch Pasawat
 - 1.12 Mr. Chairoj langtanarat
 - 1.13 Mr. Chaiwat Kulphattaravanich
2. The above payments are inclusive of accrued bonus for the year.

8.4.2 Other Remuneration

- 1) Other remuneration for board directors

No other monetary and non-monetary remuneration is given to the members of the Board of Directors and Board Committees/Sub-Committees.

2) Other remuneration for executives

2.1) Monetary remuneration

• Provident Fund

In 2017, the Company contributed funds to 3 executives who joined the Provident Fund membership, totaling Baht 0.21 million.

• Other Benefits

The Company provides other benefits for its executives as basically required by law; namely: social security contribution, compensation upon retirement, and other special benefits. These other special benefits are in accordance with the criteria of the Company; such as: additional funds for retired employees and gold rewards for employees who complete their certain working period and are not members of the Provident Fund. In 2017, the Company paid Baht 2.68 million in the form of other benefits for its executives.

2.2) Other non-monetary remuneration: A Company car.

8.5 Personnel

8.5.1 Manpower Classified by Functions as of December 31

(Unit : Person)	2017					
	Office	Plant				Total
		Suksawat	Korat	Bangpoo	Amata Nakorn Chonburi	
Executive	10	0	0	0	1	11
Support Line	165	0	0	0	0	165
Sales and Marketing Line	332	0	0	0	0	332
Production Line	0	415	1,292	347	730	2,784
Total	507	415	1,292	347	731	3,292

(Unit : Person)	2016					
	Office	Plant				Total
		Suksawat	Korat	Bangpoo	Amata Nakorn Chonburi	
Executive	10	0	0	0	2	12
Support Line	172	0	0	0	0	172
Sales and Marketing Line	357	0	0	0	0	357
Production Line	0	436	1,585	346	706	3,073
Total	539	436	1,585	346	708	3,614

(Unit : Person)	2015					
	Office	Plant				Total
		Suksawat	Korat	Bangpoo	Amata Nakorn Chonburi	
Executive	12	0	0	0	2	14
Support Line	174	0	0	0	0	174
Sales and Marketing Line	369	0	0	0	0	369
Production Line	0	422	1,448	345	644	2,859
Total	555	422	1,448	345	646	3,416

Remarks:

1. In the year 2017, an executive who managed the sales and marketing activities resigned, and an executive managed the production activities retired, respectively. A replacement has not yet been made for both positions and the Company has appointed a new executive responsible for support activities.
2. Additional manpower was made for the manufacturing line at Korat plant in 2016, but has been reduced in 2017 in accordance with the lower production output. The manpower in the Head Office, Suksawat plant, Bangpoo plant, and Amata Nakorn, Choburi plant all in 2017 remained not much different from those in 2016 due to the incoming/outgoing cycle of the labour forces.
3. The Company had no significant labour disputes in the past 5 years.

8.5.2 Employee's Remuneration

The Company pays remuneration to each and every employee at all levels and nationalities on an equal basis and based on the same criteria in an equitable and transparent manner. Such remuneration is aimed at motivating employees and is on the same basis as the remuneration plan for executives. The short term benefits comprise of salary or wages, overtime, incentive and bonus, and contribution to the social security fund. Further, a performance evaluation is made every year to establish an overall performance indicator based on KPIs and operating results of the Company. For long term benefits, the Company provides contributions to the employee's provident fund, retirement compensation, and special welfare for those staff members who are not members of the provident fund scheme in accordance with the conditions specified by the Company - namely: special retirement compensation, and gold rewards for those who have worked for a specific number of years with the Company. Additionally, the Company provides training courses for staff members at all levels to educate them about managing their personal income and spending and also on saving their money, so that they can be financially self-dependent once they leave the Company or reach retirement.

In 2017, the Company paid the said remunerations for a total of Baht 904.39 million.

8.5.3 Human Resource Development

Human resources are one of the most important components of the Company. The Company gives ongoing great importance through the principle of "Employees Come First" because its employees are the key driving force for its business to proceed in the established and desired direction, and they must be happy and enjoy their work. As such, the Company provides opportunities for development, as well as encourages employees to learn in various areas – both in work responsibilities and in personal life. Hence, they can learn to become self-dependent as well as to share their knowledge with society in general - such as, supporting employees to study and learn more about their specific professional skills and build their financial discipline so as to achieve a better quality of life with happiness. The Company has assigned the Office of Human Resource Development to provide training courses and activities to enhance staff with knowledge and capability, skills in their duties, and readiness and potential to grow in the future.

The Office of Human Resource Development arranged to hold various training programs and courses for employees based on the importance and urgency of the work area as required, and through cooperation with the internal units within the organization to encourage ongoing 'on the job training' ("OJT") activities throughout the organization. Such training involved staff actually performing their assigned tasks, under the close supervision and monitoring of their immediate supervisor or an expert for that particular job as well as according to specific procedures. This is to train staff to build knowledge, skills and a full understanding of the assigned responsibility, as well as to practice how to effectively think and solve any problems for any specific job activity. It also establishes a situation of learning and sharing of experienced knowhow within the organization.

The Company actively promoted the campaign and arranged courses on good corporate governance principles and practices as well as on business ethics including Policy and Practice Guideline on Anti-Corruption for executives and all staff members throughout the Company and at all its operating factories. The Company also monitors, on a regular basis, the level of understanding after certain training courses, through various activities and surveys via the Company's intranet. Their responses and results of the survey are incorporated as a part of their annual performance evaluation. The overall objective is to instill into the consciousness of its employee a sense of being responsible to all stakeholders, together with the need to conduct the Company's businesses in a transparent, fair and equitable, and fully accountable manner. This shall be made through strict adherence to work standards of the Company, which must be maintained and further developed to support and enable the organization to grow on a sustainable basis.

In 2017, the Company arranged training courses and seminars for its staff members internally (In-House Training) and outside the Company (Public Training). On average, each employee received 9 hours and 22 minutes of training during the year which cover 5 key training areas of the Company:

- Core Culture
- Managerial Skill
- Functional Skill
- Quality Management System
- Occupational Health & Safety

In addition, in 2017 the Company gave importance to knowledge in personal finance to the staff with the cooperation of a leading domestic Thai bank, to conduct sessions in savings, investments, and managing debts which were appropriate and applicable to each and every staff by training seminars and promotional campaigns booths on site. Throughout the year, the Company also communicated various information tips and knowhows on key personal finance such as: the value of money and financial returns from investments, dangers of borrowing from outside the banking system, and how to manage personal income and expenses in an adequate manner, as well as how to take care of your health and lead your daily life. Such information and knowhow were constantly communicated in a manner that was simple and easy to understand by the employees at all levels through internal channels of communications and also by holding internal competitions, in order to stimulate active participation of all employees to identify a role model for them. As such, all these activities are aimed at promoting and enhancing the overall quality of life of the employees by having a happy life, and being able to work for the organization at the best of their ability.

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 employees would have value added benefits such as enhancement of their capabilities, professional skills, as well as quality of work and quality of life, 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 become philosophy of working with an aim to improve efficiency and effectiveness of staff members. Such principles are also used for personnel development and instill corporate culture. The 4S comprises :

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

- Personnel have consciousness in ethics and morality 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

- Personnel continually develop and improve the capability of themselves and their work to be more efficient.

SPEED : To respond quickly with service mindfulness

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

SYSTEM : To work systematically and traceably

- Personnel work systematically and make decision based on fundamental information and facts after analyzing precisely.

In the year 2017, the Company launched continually campaigns and activities in each aspect of 4S via various internal channels of communications, so as to instill and integrate the 4S Principles as a corporate culture in a sustainable manner. The Office of Human Resource Development provided many training courses and arranged activities in which all levels of employees could participate in order to gain better understanding and follow the 4S Principles correctly and consistently.

9. CORPORATE GOVERNANCE

The Company operates its businesses in a fair manner by upholding the long-practiced culture under an ethical framework, which has been developed to suit the ongoing economic and social changes, and being responsible towards every stakeholder groups. As a result, in 2017 the Company was rated as being “Excellent” by the Thai Institute of Directors Association (IOD) with the associated support of the Stock Exchange of Thailand (SET).

The Company’s Board of Directors emphasizes compliance with the principles of good corporate governance and recognizes its role as a leader in creating value added to the overall business; whereby the Board has assigned the Good Corporate Governance Committee to be responsible for this respect of the operations and to report the outcome of the associated activities to the Board every Quarter, with relevant information as follows:

9.1 Good Corporate Governance Policy

The Company’s Board of Directors has established the Good Corporate Governance Policy, as part of the Company’s overall policies, which came into effect in 2004. The Good Corporate Governance Policy Guidelines have been developed regularly revised to be current and appropriate to the latest situation.

In 2012, the Board of Directors appointed a Good Corporate Governance Committee to be responsible for monitoring, assessing and improving the Company’s Good Corporate Governance Policy, so that it remains appropriate and consistent with the changing economic and social environments, the relevant and applicable laws as well as the Corporate Governance Policy of Thai Listed Companies as specified by the Stock Exchange of Thailand. The CG Committee then appointed various working groups from members of the Company’s Management to support its tasks.

The Board of Directors has established the Good Corporate Governance Policy and disseminated the contents of the policy via various channels of communications to all parties – internally and externally to ensure that all parties are informed as well as fully aware of this Good Corporate Governance Policy. In addition, various training sessions together with associated internal activities to understand the Good Corporate Governance Policy have been held regularly and on a continuing basis for members of Management and Staff at all levels of the organization.

The Board of Directors has approved and published the “Good Corporate Governance Policy (3rd Edition, Revised - 2013)” in order to be appropriate and correspond to the amended regulations which encompasses the following key points:

Good Corporate Governance Policy (3rd Edition, Revised - 2013)

Section 1 – Shareholders’ Rights

The Board respects the rights of all shareholders, as well as has in place policies and practices guidelines to protect the shareholders’ rights, in order to facilitate shareholders in exercising their various entitled rights in a complete, accurate, transparent and timely manner, as follows:

1. Shareholders’ rights
2. Shareholders meetings
3. Meeting procedures
4. Preparation of minutes of the shareholders meeting and disclosures of approved resolutions

Section 2 – Equitable Treatment of Shareholders

The Board is aware of its duty to oversee the interests of all shareholders with fairness and equality, regardless of whether they are majority or minority shareholders or foreign shareholders.

The Board encourages shareholders to exercise their rights and to protect their own interests through expressing opinions, making recommendations, and casting their votes at the shareholders meetings, in order to make decisions regarding any significant changes as well as elect/appoint new board directors.

The Board also ensures that the Company discloses any news and information in an accurate, fully comprehensive, transparent and accountable manner, as follows:

1. Release of information prior to the shareholders meeting
2. Protection of shareholders' rights
3. Equal rights for the Company's Board of Directors and the executives

Section 3 – Roles of Stakeholders

The Board respects the rights of and gives equal treatment to various involved stakeholders groups, who have been or may potentially be affected by the Company's business operations such as employees, shareholders, investors, customers, business partners, competitors, creditors, external auditors, press and media, local communities and societies surrounding the Company's businesses and the government sector.

This is in accordance with the established policies and practice guidelines relating to the rights of stakeholders groups of the Company. The Board also promotes regular cooperation between the Company and such stakeholders in order to build stability and develop sustainability of the Company with topics covering :

1. Treatment of employees
2. Business operations in compliance with the framework of 'Fairness'
3. Practices that are fair and responsible for local communities, society and environment
4. Anti-Corruption and whistle blower activities.

Section 4 – Information Disclosures and Transparency

The Board gives great importance to the disclosure of information in an accurate, fully comprehensive, timely and appropriate situation such as financial information including financial position and operating performance together with non-financial information relating to the Company's shareholding structure, corporate governance matters, and other business-related information. This is for the benefit of all shareholders and external parties.

The Investor Relations Unit has been established to take responsibility for providing up-to-date, accurate and complete information, as well as for ensuring easy access to such information via various channels of communication established by the Company. Investors and external parties can, therefore, effectively make contact and inquire about the following information in a convenient and speedy manner:

1. Information about the Company, its board directors and its shareholders
2. Good Corporate Governance practices of the Company
3. Operating performance
4. Timing and appropriateness in disclosing information

Section 5 – Responsibilities of the Board of Directors

The Board of Directors has formulated the Corporate Policies and Practice Guidelines covering the following topics :

1. Structure of the Board of Directors
2. Responsibilities of the Board of Directors
3. Practice guideline for the Board of Directors
4. Duties and responsibilities of the Board of Directors
5. Recruitment and nomination of the Board of Directors
6. Board of Directors meetings
7. Holding directorship positions (in other companies) by each board director
8. Chairman of the Board of Directors
9. The CEO/President
10. Term of office for the Board of Directors and members of Board Committees/Sub-Committees
11. Holding directorship positions (in other companies) by the CEO/President and executives
12. The positions of the Chairman of the Board of Directors and the CEO/President being held by the same person
13. Remuneration for board directors
14. The Company Secretary
15. Board Committees/Sub-Committees
16. Development of board director's skills
17. Performance assessment of the Board of Directors
18. Support of Good Corporate Governance practices
19. Reports from the Company's Board of Directors

The Company has published a full version of the Good Corporate Governance Policy (3rd Edition, Revised 2013), on the Company's website at www.srithaisuperware.com.

9.2 Board of Directors and Board Committees/Sub-Committees

9.2.1 Structure, Duties and Responsibilities of the Company's Board of Directors

The Articles of Association of Srithai Superware Public Company Limited state that the Company's Board of Directors is to be composed of "not fewer than 5 but not more than 12 directors, with more than half of the total number of directors must reside in the Kingdom of Thailand."

The Board of Directors comprises directors with diverse knowledge, experiences and expertise that are considered necessary for the Company's operations. They will devote time in undertaking their responsibilities for the Company's overall interests. Currently, there are 9 directors, 1 of whom is female. Amongst them, 4 directors are executives and representatives of the shareholder group, who have knowledge, expertise and capabilities in the Company's businesses; and 5 directors are independent directors, who have diverse skills and experiences with independent judgments. All directors possess the qualifications under the criteria as specified by the Securities and Exchange Commission (SEC) and the Company.

The Board of Directors has appointed 3 independent directors to form the Audit Committee, with the duty of supporting the Company's Board of Directors according to the duties and responsibilities as stated in the Charter of the Audit Committee and in accordance with the Announcement of the Stock Exchange of Thailand on the Qualifications and Scope of Work of the Audit Committee (B.E. 2551).

Scope of Authority and Responsibilities of the Board of Directors

The Board of Directors has responsibilities towards its shareholders with regard to the Company's business operations and its governance. This is to ensure that management complies with the stated policies, objectives and guidelines that will generate maximum benefits and continually increase the economic value for its shareholders, through the adoption of good business ethics and concerns for current and long-term benefits of all stakeholders, as follows:

1. Perform its duties in accordance with the laws, the objectives and Articles of Association of the Company, as well as the resolutions of the shareholders meetings;
2. Formulate corporate business policies, strategic objectives and targets for management;
3. Monitor and oversee that management operates the Company's businesses efficiently, in good faith, and in compliance with the shareholders' resolutions;
4. Arrange for a shareholders meeting at least once a year, in order to report the business performance for their acknowledgement and approval, as well as to request for their resolutions on matters that are beyond the scope of authority of the Board of Directors (e.g. declaration of dividends);
5. Arrange for Board of Directors Meetings at least six times a year;
6. Enter into any business transactions or undertake any actions, which may have a material effect on the Company's financial position/status, obligations regarding its liabilities, and reputation (e.g. borrowing money from financial institutions);
7. Consider any connected transaction between the Company, its subsidiaries or associates and any connected parties, that does not require the approval of the shareholders' meeting;
8. Establish internal control systems together with efficient internal audit procedures;
9. Direct and monitor the accuracy, completeness and transparency of financial reporting, as well as the reporting of any other information to shareholders and other involved or concerned parties;
10. Establish and define the scope of duties and responsibilities of the various Board Committees/Sub-Committees with regard to any particular issues;
11. Determine and/or change the 'authorized company signatories' who can legally bind the Company;
12. Determine corporate policies, vision and mission of the Company; as well as revise such matters to suit the then current situation;
13. Define business strategies, work plans/activities, and annual budget of the Company;
14. Consider and review risk management policies of the Company to correspond appropriately with current conditions;
15. Follow-up on the results of activities and business performance of the Company on a quarterly and annual basis, and compare the results against agreed budgets and plans;
16. Consider and assess the adequacy of Company's internal control systems;
17. Enter into any contract that is not related to normal business activities of the Company, or any contract related to normal business activities with material and significant nature;

18. Direct and monitor compliance to the established principles, policies and practices on good corporate governance;
19. Establish the 'Codes of Business Conduct' for the Company; and
20. Amend or change, as required, the scope of authority and responsibilities of the Board of Directors, as mentioned above.

The Board of Directors has appointed Sub-Committees based upon the specific expertise and assigned role of the respective Sub Committees to consider and review various important issues before submitting recommendations or proposals to the Board of Directors for consideration and approval for implementation.

The Board of Director's meeting No. 6/2560 held on December 22, 2017 had reviewed a policy, vision, and mission of the Company as well as the business strategy, work plans and budgets of the Company for the year 2018. This also included plans to introduce innovations and to make use of new technology systems in strengthening the Company's competitiveness in order to meet the needs of customers and requirements of stakeholders and enable the Company to adjust itself under changing circumstances based on social and environmental responsibilities.

The Board of Directors must perform its duties in compliance with the following core principles:

- Duty of Care : The Board must be diligent and prudent in managing all corporate affairs.
- Duty of Loyalty : The Board must act in good faith; and must not allow any personal interests to prevail over the overall interests of the Company.
- Duty of obedience : The Board must comply with all laws, the Company's objectives and Articles of Association, the resolutions of Board and shareholders meetings, as well as with all applicable requirements and regulations as specified by the Securities and Exchange Commission, the Stock Exchange of Thailand, and any other relevant regulatory agencies.
- Duty of Disclosure : The Board must disclose to and inform its shareholders all required information, that is accurate, adequate, transparent and in a timely manner.

The Board also appoints the Executive Committee, which is a group of executives, with sufficient knowledge and capabilities, to perform duties in managing the business operations in compliance with designated policies and objectives. The Board regularly monitors the Company's performance, while also has the right to independently request any updates of information about the Company.

Approval Authority of the Company's Board of Directors

In 2017, the Company's Board of Directors has, exercised the following approval authority, in accordance with the objectives and Articles of Association of the Company, and the resolutions of the shareholders meetings, and as specified by the Public Limited Company Act, the Securities and Exchange Act and regulations specified by governing authorities such as :

- Approval of the Financial Statements for 2017
- Approval of the proposed Agenda Items for the Annual General Meeting of Shareholders No. 36 (for 2017)
- Consideration of the raised recommendations during the Annual General Meeting of Shareholders No. 36 (for 2017)
- Approval of the opening the short-term investments account, as well as the changes in the authorized savings bank account signatures together with the closing of (certain dormant or unused bank accounts)
- Approval of the Company to acquire financial support (long-term loans) from financial institutions

- Approval of the Company to receive the transfer of the operating license of a subsidiary that has closed down
- Review of the current vision and mission of the Company
- Evaluation of the existing Company's internal control systems
- Approval of the proposed annual budget and business plans for 2018
- Acknowledgement of the outcome of the activities of various Board Committees of the Company
- Self assessment of Board of Directors' performance for 2017

Conditions for Signing by the Authorized Signatories to Legally Bind the Company (as per the Company's Affidavit):

Any 2 of these 4 board directors i.e. Mr. Sanan Angubolkul, Mr. Manit Ativanichayaphong, Mr. Naphol Lertsumitkul and Mr. Prin Bholnivas, jointly sign and affix the Company seal.

Board Meetings

The Board of Directors arranges to hold at least 6 Board of Directors' meetings per year, and determines the dates, times, and venues for the meetings in advance for the whole year. Board directors have the duty to attend at least 80 per cent of such meetings. In 2017, there were 6 Board of Directors' meetings and independent directors met together among themselves once without any executives present, with the attendance record of each board director being presented in Item 8.1 "Board of Directors".

The Company Secretary has the duty to gather and organize all required information to be presented to the Chairman of the Board for consideration and determining the proposed agenda for each Board of Directors' meeting. The invitation for each meeting and all supporting documents shall be sent out to all board directors not less than 7 days prior to the scheduled meeting date, in order to allow board members sufficient time to study and review all proposed agenda items for the overall benefit of and fairness towards all shareholders and stakeholder groups.

Generally, the meeting agenda items will consist of: acknowledgement or review of financial statements (as reviewed or audited by the external auditors and approved by the Audit Committee); consideration and monitoring of the Company's operations to assess whether they are in accordance with policies and plans; consideration for approval of important issues relating to the Company's operations (such as, vision, mission, and strategies, as well as financial goals, plans and budgets); acknowledgement of the performance of the Company's Board of Directors and Board Committee/ Sub-Committees; acknowledgement of the holding of the Company's shares by directors consideration of any proposed connected transactions and asset acquisition or disposal (if any); and any other agenda items proposed by the executives.

In the Board of Directors' meeting, the Chairman assigns the Company Secretary to present a summary of the key contents or issues for each agenda item, in order to gather the opinions of board directors, and then to conclude them as the meeting's resolutions for further action. Directors are given the opportunity to express their opinions in a straight forward and open manner during the debate for each agenda item being considered. Executives are also invited to attend board meetings in order to provide more detailed information, whenever deemed appropriate and necessary.

If any board director attending the meeting has a conflict of interests relating to any agenda item, the Company Secretary will then request that director to leave the meeting room while the agenda item is being discussed and considered by the Board. There must be at least two - thirds (2/3) of all directors attending and present at the meeting, with the right to vote for any resolution, as prescribed by the Company's Good Corporate Governance Policy. The 'majority vote' from those directors present at the meeting with the right to vote shall be considered as the resolution of the Board of Directors' meeting. Further, unless the agenda concerns the appointment of a new board director to replace a vacant directorship, due to a reason other than the expiry of his/her term of office, the resolution to appoint a new director will then require at least three – fourths (3/4) of the votes from the remaining directors present - as specified in the Company's Articles of Association (Article 17 and Article 21).

The Company Secretary takes notes of the discussions and is responsible for preparing the minutes of the board meeting with complete details. The minutes will then be approved by the Board of Directors, together with all supporting documents. They are then to be properly filed, in order to be readily available for future reference or verification by directors or any other involved organizations as required.

Term of Office for Board Directors and Members of Board Committees/Sub-Committees

The Board of Directors has set the terms of office for board directors in accordance with the Company's Articles of Association, which also complies with the Public Limited Company Act. It also stipulated that one-third of the board directors shall retire at every Annual General Meeting of Shareholders. Those directors who have vacated their position can be re-appointed as a board director, if proposed and approved by the shareholders' meeting. Besides, should any board director not hold a directorship, that director shall also no longer be a member of any Board Committees/Sub-Committees.

Currently, most of Company directors have had a term of office exceeding 9 years. However, all such directors are well-qualified and have extensive experiences in a variety of businesses from manufacturing and other related areas. As such, they are all able to effectively determine the strategic directions of the Company and monitor that the activities of management groups are in accordance with the established Corporate objectives for the maximum benefit to the all shareholders on an equal basis, as well as to oversee the interests of all stakeholder groups in an equitable manner. For these reasons, they have all received the full trust of the shareholders, and have been re-elected as board directors at the Annual General Meeting of Shareholders on a continuing basis.

Holding Director Positions in Other Listed Companies

In order to perform the functions as a board director independently and with adequate time to effectively supervise the Company's operations, the Company requires that its board directors hold directorship positions concurrently in not more than 5 listed companies. In the year 2017, all its board directors have complied with this requirement.

In holding a directorship position in other listed companies, the director must comply strictly with Section 86 of the Public Limited Company Act stating that a director is prohibited from being involved with any other businesses of the same nature as and/or directly in competition with the Company.

Reports from the Company's Board of Directors

The Board of Directors has arranged that the Company provides financial reports and financial statements as at the last calendar day of every quarter and each fiscal year, respectively. The Company's Annual Report is presented to the shareholders meeting in compliance with the law. The Audit Committee is assigned to review whether the Company's separate financial statements and consolidated financial statements are in accordance with generally accepted accounting principles and standards under the regulations of the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission as well as other applicable relevant laws and regulations.

The Board of Directors, represented by the Chairman, prepares a Report on Its Responsibilities for the Financial Reports including reports by the Sub-Committees as appointed by the Board as shown in Attachment 4.

The Chairman of the Board of Directors

The Board of Directors has elected and appointed Mr. Sanan Angubolkul as the Chairman of the Board of Directors with the following duties and responsibilities:

1. Be a leader with regard to establishing corporate policies, the Company's vision, overseeing and monitoring of the Board Directors as well as Board Sub-Committees on their performance in order to achieve the objectives, main goals and outlined work plans;
2. Preside over board meetings and shareholders meetings of the Company;

3. Oversee, monitor and ensure the performance of the Board is in compliance with the Company's Articles of Association as well as all applicable relevant laws;
4. Determine the agenda items for the Board of Directors Meetings, as proposed by the Company Secretary that has been concurred by independent directors and the CEO/President, in order to ensure that all key matters are completely included for consideration or acknowledgement by the Board;
5. Encourage and support board directors in expressing any opinion; and avoid unduly influencing any directors to agree with the opinions of any particular director;
6. Cast the 'deciding vote' - in the event of a tie-vote, where the Board has voted with each side having an equal number of votes;
7. Take the lead in determining and complying to the Company's business ethics, corporate culture, and Good Corporate Governance Policy;
8. Provide recommendations, and separate the roles and responsibilities of the Board of Directors and those of executives;
9. Oversee to ensure all board directors actively participate in promoting the establishment of a corporate culture that incorporates positive business ethics and good corporate governance;
10. Represent the Company's Board of Directors towards external parties, and take the lead in any clarifications or communications to the public, shareholders and various stakeholder groups.

Separation of Duties of the Board of Directors and Executives

The Company has clearly separated the duties and responsibilities of the Board of Directors and those of executives. Apart from undertaking the stated duties and overseeing the performance of the executives at the policy level, the Board of Directors also defines the duties and responsibilities of executives relating to the position of the President, the highest position of the Company, and other executive positions. This is to ensure that the respective scope of authority and responsibilities are clearly defined, which enables the Board of Directors to effectively monitor and assess the executives' annual performances in an appropriate manner as follows:

Scope of Authority and Responsibilities of the President

1. Manage and supervise the Company's business operations in accordance with the established directions and goals of the Company; and to strengthen the Company's businesses according to the policies of the Board of Directors;
2. Manage and implement both short-term and long-term business plans, in order to achieve the Company's objectives and goals;
3. Implement effective financial management, in order to achieve a proper and stable financial structure;
4. Manage proactive public relations as well as foster good relationships with every stakeholder group, in order to create a positive and sustainable image for the Company ;
5. Implement risk management activities in a proper and efficient manner;
6. Undertake and manage the organization's activities regarding environmental responsibility and Corporate Social Responsibility (CSR);
7. Supervise and perform the assigned duties according to the applicable laws, as well as adhere strictly to the Company's objectives, rules, and regulations;
8. Perform any other duties assigned by the Board of Directors.

Scope of Authority and Responsibilities of Executives

Executives shall manage the Company's operations in line with work plans and policies set by the Board of Directors. Executives will carry out any responsibilities assigned by the Board of Directors as follows:

1. Manage, direct, and monitor the performance of the Company to ensure efficiency as well as compliance with the established directions and targets of the Company; and maintain the operational strength of the businesses as required by the policies of the Board of Directors;
2. Review any agenda items proposed to the Board of Directors; as well as carry out any assignments given by the Board of Directors;
3. Report its performance results to the Board of Directors;
4. Plan and review the progress of all short-term and long-term plans in order to achieve the objectives and goals of the Company;
5. Plan and undertake effective financial management in order to diminish any potential financial burdens and stabilize the financial structure of the Company; and
6. Perform assigned duties in compliance with the relevant laws as well as the objectives and Articles of Association of the Company.

Moreover, the Company has set specific levels of authority for executives, which includes the respective types of transactions allowed and the approval amount limits. This is to give executives flexibility in managing the businesses, as well as to clearly define the power of authorization of the Board of Directors and the executives in accordance with the relevant rules and regulations of relevant governing authorities.

As such, The Board of Directors recognizes that the delegation of authority to the executives does not release the Board of Directors from its assigned duties and responsibilities.

At present, the two positions of the Chairman of the Board and the President of the Company are held by the same person, who represents the group of major shareholders. Nevertheless, the Company has separated the roles and responsibilities at both positions clearly. The Company considers that the dual positions be appropriate under existing circumstance as this person has possessed experiences in the core business of the Company for a long time, as well as has been widely and well recognized among the business communities.

With regard to holding the two positions at the same time, the Chairman and President has recognized and clearly separated the respective duties and responsibilities of each position, which includes day-to-day management of the Company, chairing board meetings as well as shareholders meetings, etc. He is clearly able to effectively perform these duties and to make decisions under the scope of authority of each respective position. Therefore, the dual positions by the one and the same person would enhance overall managerial efficiency as follows:

- In the capacity as Chairman of the Board, he immediately obtains the most updated information about business operations from the Company's executives, which supports and facilitates his close monitoring of business operations within the policy framework set by the Board of Directors. In the capacity as the President of the Company, he could also better oversee and manage compliances to the policies specified by the Board of Directors.
- In the capacity as Chairman of the Board, he has to chair shareholders meetings as well as Board of Directors meetings. He has to manage these meetings to ensure that each meeting proceeds according to the agenda in a legal manner and that the meeting's attendees are allowed to freely express their opinions. He can respond to any questions raised in the meeting both in his role as a member of the top management of the Company and as the representative of the Board of Directors at the same time.

However, with the current proportion of the independent directors more than half of the total number of board directors, the Board of Directors is able to achieve an effective balance of power as well as express opinions freely with regard to reviewing executives' performance.

Holding Directorship Positions in Other Companies by the President and Executives

The Board of Directors has set the policy that in the event where the President and executives have been nominated/appointed to hold directorship positions in other companies not within the Group (regardless of whether those companies are listed or not), the President and executives must report this appointment to the Board of Directors.

Such other companies, in which the President and executives are appointed as directors, must not operate the businesses in competition with those of the Company. Further, the total number of other companies in which the President and any executives respectively hold directorship positions must not exceed five listed companies, which is in accordance with the same regulations as applicable for a board director.

In 2017, the President and all executives complied with the specified regulations.

9.2.2 Duties and Responsibilities of Members of Board Sub-Committees

The Board of Directors approves the appointment of members of the Board Sub-Committees. They are assigned to perform duties in assisting to review as well as verify detailed information of relevant matters and issues, in order to alleviate the burden of the Board of Directors in various areas as follows:

1) The Audit Committee

The Board of Directors has appointed the Audit Committee, comprising three (3) independent directors, with at least one of whom must possess specific relevant knowledge, expertise and experiences in accounting and finance.

The Audit Committee performs the duty of governance, in order to ensure that the preparation and disclosures of accurate and complete financial reports and information are in compliance with the required financial reporting standards, as well as in accordance with the adequate internal control systems and internal audit procedures.

The Audit Committee's composition, together with the qualifications and duties of its members, are pursuant to the Audit Committee Charter, which complies with the applicable regulations specified by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Names of the Audit Committee members and their meeting attendance record for 2017 are as follows:

Name	Position	Actual attendance/ Total number of meetings (times)
Mr. Viroj Lowhaphandu	Chairman of the Audit Committee	3/4
Mr. Enghug Nontikarn	Audit Committee Member	4/4
Mr. Suchat Boonbanjersri	Audit Committee Member	4/4

Mr. Viroj Lowhaphandu is knowledgeable and well-experienced in accounting, auditing, finance and taxation. Both Mr. Enghug Nontikarn and Mr. Suchat Boonbanjersri are knowledgeable and well experienced in finance, banking and accounting.

Duties and Responsibilities of the Audit Committee

- Review that the financial reports of the Company are accurate and adequately disclosed of information through coordinating with the external auditor and the executives responsible for their preparation on a quarterly and annual basis. The Audit Committee may recommend the external auditor to review or audit any particular transaction deemed necessary and significant during the audit exercise;

2. Review and ensure that appropriate and effective internal control systems as well as internal audit procedures for the Company are established and regularly updated. The review is to be carried out together with both the external auditors and the internal auditors;
3. Select and propose, for approval, the nomination of the external auditors together with the audit fees by taking into consideration the reliability, resourcefulness, and existing work load. In addition, propose the termination of the Company's external auditor as appropriate;
4. Review any proposed connected transactions or other transactions that may involve a conflict of interests, so as to ensure compliance to the requirements of all involved governing authorities;
5. Review policies relating to financial management, risk management, and adherence to business codes of ethics by executives; and review jointly with involved executives any significant reports that are to be made public as required by law;
6. Prepare a report on the activities of the Audit Committee, which is to be signed by Chairman of the Audit Committee; and disclose such reports in the Company's Annual Report, whereby the report will consist of the following information:
 - 6.1 Opinions on the process of preparing the Company's financial reports and disclosures of the information contained in these reports with regard to their accuracy, reliability and adequacy;
 - 6.2 Opinions on the adequacy and effectiveness of the internal control systems of the Company;
 - 6.3 Rationales for proposing the extension of the present external auditor for another term;
 - 6.4 Opinions on the Company's compliance with the Securities and Exchange Act, as well as all the rules and regulations of the Stock Exchange of Thailand and any relevant laws that are applicable to the business operations of the Company;
 - 6.5 Opinions on the adequacy of Anti-Corruption measures ("Fraud and Corruption");
 - 6.6 Any other reports deemed necessary for disclosure to the general public and investors within the scope of duties and responsibilities assigned by the Board of Directors.
7. Hold the Audit Committee meetings on the following subject matters:
 - 7.1 Review all financial statements and other relevant financial reports, accounting principles and practices, current compliance with accounting standards, the viability of the Company, and any significant changes in accounting policies together with rationales of the executives in formulating such accounting policies; all of which are then to be presented to the Board for further public disclosures;
 - 7.2 Review the Company's internal control systems and internal audit procedures;
 - 7.3 Review the proposed annual internal audit plans and procedures in coordinating each activity of the approved audit plan as well as evaluate audit exercise jointly with internal auditors and external auditors. The Audit Committee will enquire the scope of the audit, so as to ensure that any potential frauds or weaknesses relating to the internal control systems can be detected and identified;
 - 7.4 Review jointly with internal auditors, any problems and limitations arising during the internal audit exercise; and evaluate the performance of the internal auditors;
 - 7.5 Review jointly with external auditors, any problems and limitations arising during the external audit exercise;
 - 7.6 Review jointly with the internal auditors and external auditors, the proposed audit plan relating to the procedures and controls of electronic data processing activities; and review the proposed security measures aimed at preventing any frauds or malpractices relating to the computer system that may be undertaken by staff members or outsiders;

- 7.7 Compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, and any other relevant regulatory laws applicable to the businesses operations of the Company;
 - 7.8 Monitor the progress in the implementation of the Anti-Corruption measures from the executives or the Internal Audit Unit, as well as the progress of information investigation submitted by and received from any party under the Whistle Blower Program;
 - 7.9 Other tasks assigned by the Company's Board of Directors;
 - 7.10 Undertake a self-assessment of the Audit Committee with regard to its overall performance and assigned responsibilities.
- 8. Review and ensure the accuracy and adequacy of all financial reporting;
 - 9. Consider appointing, transferring or terminating the Head of the Company's Internal Audit Unit; as well as, jointly with the executives, undertake a performance evaluation and merits or disciplinary punishments (if any) of the Head of Internal Audit Unit;
 - 10. Review jointly with the executives, the policies and adequacy in managing significant risks;
 - 11. Review the financial management policies of the Company;
 - 12. Report to the Board of Directors on the activities and tasks of the Audit Committee;
 - 13. Perform any other duties assigned by the Board of Directors as mutually agreed;
 - 14. Review the Charter of the Audit Committee - whenever required or deemed appropriate.

The Audit Committee has performed its duties and responsibilities with all due care, and has strictly adhered to the requirements of the Stock Exchange of Thailand's Announcement (B.E. 2551) with regard to the qualifications and scope of work of the Audit Committee. In 2017, the Audit Committee held 4 meetings with the external auditors together with the Company's financial and accounting executives, and the internal auditors, and another meeting with the Company's external auditors without any executives being present.

The Audit Committee has also been assigned as the authorized recipient of any information from information providers relating to any alleged fraudulent actions or non-compliance with specified relevant regulations and rules of the Company in accordance with the Company's "whistle blower program". Proper investigations of the alleged misconducts or wrongdoings can take place before specific recommended actions can be submitted to the Board of Directors for further consideration. During 2017, the Company received 3 cases of alleged misconducts through the established Whistle Blower Program. They were considered to be general complaints and forwarded to the Good Corporate Governance Committee to delegate the executives to review and consider appropriate actions in accordance with the established procedures for these matters.

The Audit Committee must report its activities and performance to the Board every quarter. The Audit Committee's Report is also prepared for disclosure in the Company's Annual Report, as stipulated by the Stock Exchange of Thailand as follows:

- 1. Review of the Financial Reports
- 2. Review on Risk Management
- 3. Review of Compliance with Good Corporate Governance Policies and Anti-corruption Measures
- 4. Supervision of Compliance with Relevant Rules and Regulations as Prescribed by the governing authorities
- 5. Review on Internal Control Systems
- 6. Consideration of the Appointment of Certified Public Accountant for the Year 2018
- 7. Evaluation of the performance of the Audit Committee

Moreover, the Audit Committee undertakes a self-evaluation of the performance of the Audit Committee every year in order to assess its overall performance within the scope of authority and responsibilities of the Audit Committee as specified by the Stock Exchange of Thailand. The Audit Committee's secretary was then assigned to compile the results of the performance assessment for ongoing improvements as well as arrange to assess the quality of the internal audit for 2017 to correspond with the annual performance assessment of the Audit Committee in the previous year.

Members of the Audit Committee have a term of office of three years, with the current term being valid until the end of 2018.

2) Nomination and Remuneration Committee

The Board of Directors has appointed the Nomination and Remuneration Committee, comprising 3 members, one of whom is executive while the other two are independent directors. The Chairman of the Nomination and Remuneration Committee is an independent director.

Names of the Nomination and Remuneration Committee members and their meetings attendance record for 2017 are as follows:

Name		Position	Actual Attendance / Total number of meetings (times)
Mrs. Siriporn	Sailasuta	Chairperson of the Nomination and Remuneration Committee (Independent Director)	2/2
Mr. Sanan	Angubolkul	Nomination and Remuneration Committee Member	2/2
Mr. Enghug	Nontikarn	Nomination and Remuneration Committee Member (Independent Director)	2/2

Responsibilities of the Nomination and Remuneration Committee

1. Consider and review the Company's organization chart, together with the required qualifications of board directors and executives of the Company;
2. Consider and approve the organization chart that is appropriate for the businesses of the Company;
3. Consider the criteria for and types of remuneration for board directors and executives and propose to the Board of Directors;
4. Select qualified person for nomination as candidates for board director positions, in the event of any vacancy or if a director has completed the term in office;
5. Consider and approve the appointment of executives, once recruited and proposed by the management in the event of any vacancy or any new executive position is added;
6. Consider and propose the remuneration structure for board directors and executives - such as, salary, bonus, welfare and benefits, meeting allowances, as well as any other financial or non-financial compensation;
7. Evaluate the annual performance of the Nomination and Remuneration Committee, and report to the Board of Directors;
8. Perform any other assignments with regard to the nomination and/or remuneration of board directors and executives, assigned by the Board of Directors.

In 2017, the Nomination and Remuneration Committee held 2 meetings, and reported its performance to the Board of Directors. An annual assessment of the Nomination and Remuneration Committee was also undertaken through a self-evaluation process. Moreover, a 'Report of the Nomination and Remuneration Committee' is included in the Company's Annual Report.

Members of the Nomination and Remuneration Committee have a term of office of three years, with the current term being valid until the end of 2018.

3) Good Corporate Governance Committee

The Board of Directors has appointed the Good Corporate Governance Committee to oversee, manage and follow up on good corporate governance practices of the Company. Members of the Committee comprise a total of 4 board directors, 2 of whom are independent directors, 1 executive director and 1 non-executive director. The Chairman of the Good Corporate Governance Committee is an independent director.

Names of the Good Corporate Governance Committee members and their meetings attendance record for 2017 are as follows:

Name		Position	Actual Attendance / Total number of meetings (times)
Mr. Suchat	Boonbanjersri	Chairman of the Good Corporate Governance Committee (Independent Director)	4/4
Mrs. Siriporn	Sailasuta	Good Corporate Governance Committee Member (Independent Director)	4/4
Mr. Manit	Ativanichayaphong	Good Corporate Governance Committee Member	3/4
Mr. Prin	Bholnivas	Good Corporate Governance Committee Member and Secretary	4/4

Responsibilities of the Good Corporate Governance Committee

The Good Corporate Governance Committee has the duties and responsibilities to promote and support, together with monitoring board directors, executives as well as staff at all levels, to perform in compliance with the established good corporate governance policies and practice guidelines on anti-corruption as follows:

1. Good Corporate Governance
 - 1.1 Formulate, for approval by the Board of Directors, good corporate governance policy that are appropriate for the Company, within the specified legal framework, criteria, rules and regulations of the relevant governing authorities (such as the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission, and other involved agencies), as well as in accordance with international standards and guidelines on good corporate governance;
 - 1.2 Consider, review and improve good corporate governance policies, on a regular basis, as required to ensure its continued conformity with international standards and guidelines on good corporate governance principles and practices, as well as the relevant laws, criteria, applicable rules and regulations, and the businesses of the Company;
 - 1.3 Direct, supervise and advise the board directors, executives, and staff of the Company in carrying out their assigned duties and responsibilities to be in accordance with good corporate governance policies, in order to achieve positive results and sustainability for the Company;
 - 1.4 Recommend requirements and practice guidelines regarding good business morals and ethics, as well as required or expected practices for the Company's board directors, executives and staff;
 - 1.5 Support and promote all other involved stakeholders to participate in implementing and complying with the established good corporate governance policies of the Company;
 - 1.6 Prepare annual evaluation exports on good corporate governance, together with recommendations and suggestion, proposed to the Board of Directors.

2. Anti-Corruption

- 2.1 Formulate, for approval by the Board of Directors, policies and practice guideline on anti-corruption as appropriate for the Company and in compliance with applicable laws, rules and regulations;
- 2.2 Consider, review and improve policies and practice guideline on anti-corruption, on a regular basis, as required to ensure its continued conformity with international standards and guidelines on good corporate governance principles and practices, as well as the relevant laws, criteria, applicable rules and regulations, and the businesses of the Company;
- 2.3 Direct, supervise and advise the board directors and executives of the Company in carrying out their assigned duties and responsibilities to be in accordance with good corporate governance policies, in order to achieve positive results and sustainability for the Company;
- 2.4 Recommend requirements and practices guidelines regarding anti-corruption, as well as required or expected practices for the Company's board directors, executives and staff;
- 2.5 Support and promote other involved stakeholders to participate in implementing and complying with the Company's anti-corruption policies;
- 2.6 Prepare annual evaluation reports on anti-corruption, together with recommendations and suggestion, proposed to the Board of Directors;
3. Appoint working groups to support good corporate governance-related practices and activities as appropriate;
4. Undertake any other good corporate governance-related tasks assigned by the Board of Directors.

In 2017, the Good Corporate Governance Committee organized 4 meetings, and reported its performance to the Board of Directors. An annual assessment of the Committee was also undertaken through a self-evaluation process, and a report of the Good Corporate Governance Committee is included in the Company's Annual Report.

Members of the Good Corporate Governance Committee have a term of office of three years. The current term is valid until the end of 2018.

4) Risk Management Sub-Committee

The Board of Directors has appointed the Risk Management Sub-Committee, comprising not more than 10 executives, with the mission of assisting the Board of Directors in monitoring overall appropriate risk management procedures and activities at the operational levels.

Names of the Risk Management Sub-Committee members and their meetings attendance record in 2017 are as follows:

No.	Name	Position	Actual attendance/ Total number of meetings (times)
1.	Mr. Prin Bholnivas	Chairman of the Risk Management Sub-Committee	12/12
2.	Mr. Apisit Tangsatit	Member	12/12
3.	Mr. Pawat Chalermpong	Member	11/12
4.	Mr. Pramual Pinyo	Member	11/12

No.	Name	Position	Actual attendance/ Total number of meetings (times)
5.	Mr. Chaichan Chareonsuk	Member	12/12
6.	Mr. Somsong Raksapol	Member	12/12
7.	Mr. Chairaj langtanarat	Member	12/12
8.	Ms. Sukanda Chuatu	Member	5/12
9.	Ms. Akkanida Sukjai ⁽¹⁾	Member and Secretary	7/12

⁽¹⁾ Ms. Akkanida Sukjai was appointed to be the Member and Secretary of Risk Management Sub-Committee, replacing Mr. Chanasak Sriprudha on May 9, 2017.

The Risk Management Sub-Committee must ensure that the Company has adequate, effective and efficient risk management procedures covering all perceived risk factors.

Responsibilities of the Risk Management Sub-Committee

1. Study, review and evaluate all possible risk factors, including the trend of any probable impacts on the organization relating to both internal and external risks, at least, for these 4 key areas as described below:
 - 1.1 Financial risks
 - 1.2 Operational risks
 - 1.3 Business risks
 - 1.4 Other external risks factors
2. Formulate policies on risk management, and propose them to the Board of Directors for review and final approval;
3. Formulate strategies, appropriate organization structure, and required resources for the management of risks, in compliance with the established risk management policies and business directions of the Company;
4. Determine financial limits and nature of transactions with regard to risks for consideration and approval by the Board of Directors, which will be used as a basis to perform in situation with different types of risks in the business operations;
5. Monitor and review policies, strategies and practices to ensure that risk management strategies are appropriately implemented;
6. Appoint working group(s) responsible for continuously evaluating and monitoring overall risks throughout the organization;
7. Perform any other tasks assigned by the Board of Directors.

In 2017, the Risk Management Sub-Committee held a total of 12 meetings, and reported its performance to the Audit Committee for consideration before reporting to the Board of Directors on a quarterly basis. An annual assessment of the Risk Management Sub-Committee's performance was also undertaken through a self-evaluation process.

The Company's Board of Directors has approved the Risk Management Sub-Committee to be responsible for reviewing and assessing various risk factors relating to any corruption or fraudulent activities on a regular basis. With the approval of the Audit Committee, the Internal Audit Unit has been assigned to incorporate a review of possible corruption or fraudulent activities into its annual audit plan, as well as to undertake regular assessments and monitoring of any risks relating to any corruption or fraudulent activities.

Members of the Risk Management Sub-Committee have a term of office of three years, with the current term being valid until the end of 2018.

9.3 Nomination and Appointment of Directors and Executives

9.3.1 Nomination of Directors

The Board of Directors has approved policies and guidelines regarding the nomination of the Company's Board Directors, in order that the processes of selection and nomination of Board Directors are in accordance with the applicable laws and principles of good corporate governance, as well as are undertaken in clearly defined procedures and in a transparent manner. This enables the Company to nominate and appoint board directors, who possess the required qualifications that are appropriate to the Company's businesses, as well as to support the intended growth of businesses on a sustainable basis. The operating guidelines are as follows:

1. Determine the appropriate number of Board Directors;
2. Determine the required and appropriate diversity of the composition of the Board of Directors based on the Skill Matrix of knowledge expertise of each Director;
3. Define an appropriate nomination procedures and processes;
4. Nominate and appoint board directors as specified in the Company's Articles of Association.

The Company's Board of Directors has assigned the Nomination and Remuneration Committee, which is a Board Committee, to recruit people with the required qualifications and without any of the specified disqualifying criteria in accordance with the laws together with the appropriate knowledge, abilities and experiences to join the Company so as to help develop them to grow. Once the recruiting process, which is to be undertaken in accordance with the associated policies and operating guidelines, is completed, then the nomination shall be submitted to the Board of Directors for consideration in approving the proposed replacement Directors.

The Committee will then propose to the Board of Directors to consider the appropriateness of candidates to be appointed as the board director.

However, in the event that any appointed director has a term of office less than 2 months or has replaced a director who is retired by rotation or in the event of an increase in the total number of board directors, then the Board of Directors must propose the appointment of the vacant position or additional new board director(s) as an Agenda item in the next Annual General Meeting of Shareholders for consideration and approval. This is in accordance with Article 13 and Article 14 of the Company's Articles of Association, as stated below:

"Article 13: The directors shall be elected by the shareholders' meeting in accordance with the following criteria and procedures:

- (1) Each shareholder shall have one share for one vote;
- (2) Each shareholder shall exercise all of his or her shares according to (1) to vote for one or more directors but cannot divide the votes to specific director more or less than the others;
- (3) Persons who receive the highest votes arranged in order from higher to lower are elected to be the directors of the Company in a number equal to that of the number of directors to be appointed. In the event of a tied vote for a lower place, which would make the number of directors greater than that required, the chairman of the meeting shall have a casting vote."

"Article 14 : At every annual general meeting, one-third (1/3) of the directors, or if the number of directors cannot be divided exactly into three parts, the number of directors nearest to one-third (1/3) shall vacate office.

The directors who vacate office in the first and second years following the registration of the Company shall be drawn by lots. In subsequent years, the directors who have remained in office for the longest time shall vacate office.”

Shareholders can elect a director individually, with each candidate being nominated will require more than half of the votes of the shareholders attending the Annual General Meeting of Shareholders meeting and casting their votes.

Moreover, the Board of Directors has established the policy for the Nomination and Remuneration Committee to consider selecting the candidates to appoint as a board director from the list of names proposed by shareholders. As such, the Company has given the rights and opportunity to all shareholders to nominate qualified candidates each year at least 3 months before the last day of the fiscal year. Qualified candidates can also be selected and nominated from the list of Registered Chartered Directors of the Thai Institute of Directors Association, or other qualified persons possessing the knowledge and related experiences to create diversity in the Board composition. The Board of Directors shall be composed of members, with diverse knowledge, capabilities and experiences in manufacturing, finance, accountancy, marketing, as well as accounting and tax laws, who would be suitable for the business operations and strategies of the Company.

With respect to diversity and Skill Matrix in the Board composition, currently those directors who are not executives of the Company and possess extensive knowledge of and experiences in the manufacturing, but are not businesses that are our direct competitors are Mr. Suchat Boonbanjerd Sri, Mrs. Siriporn Sailasuta and Mr. Supachoke Liamkaeo.

The Company has not specified the maximum numbers of times in being nominated as a board director, nor any limitations relating to age in consideration of a directorship. In this regard, the Company adheres to Article 14 of the Company's Articles of Association. However, in the case of independent directors, they must fulfill all the required qualifications specified by the Company as well as comply with the qualifications according to the definition of Independent Director specified by the Securities and Exchange Commission as follows:

- (a) The person who holds voting shares of no more than 0.5% of total number of shares in the Company, parent company, subsidiaries, associates, major shareholder or controlling person, and the shares held by related parties of such independent director will also be counted.
- (b) The person shall not be or was executive director, worker, employee, retained consultant, or controlling person of the Company, parent company, subsidiaries, associates, subsidiaries 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 prior to the date of submitting application to the office. Such qualifications do not apply to independent director who was once served as governmental official or advisor of governmental entity which 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, sibling, and offspring, including spouse of offspring or other director, the executive, or major shareholder, or controlling person or person who is proposed to be director or executive or controlling person of the Company/subsidiaries.
- (d) The person shall not have or had business relationship with the Company, parent company, subsidiaries, associates, major shareholder, or controlling person of the Company and such relationship may impede his own freedom of judgment, and shall not be or was a significant shareholder or controlling person of the person who has business relationship with the Company, parent company, subsidiaries, associates, major shareholder or controlling person of the Company, except that he has been free from such qualifications for at least 2 years prior to 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. Such actions may affect the Company or its counterparty to be obligated to debts owed to another party at a minimum of 3% of the net tangible assets of the Company or 20 million Baht, whichever is lower. The calculation of such debts shall comply with the calculation methods of the value of connected transactions according to the Notification of the Capital Market Supervisory Board on connected transactions mutatis mutandis. By considering such debts, they 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 was external auditor of the Company, parent company, subsidiaries, associates, major shareholder or controlling person of the Company, and shall not be a significant shareholder, controlling person or partner of the audit office who is employer of auditor of the Company, parent company, subsidiaries, associates, major shareholder or controlling person of the Company, except that he has been free from such qualifications for at least 2 years prior to the date of submitting an application to the Office.
- (f) The person shall not be or was any professional service provider, including legal service or financial advisory service obtaining the service fees of more than 2,000,000 Baht per year from the Company, parent company, subsidiaries, associates, 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 prior to 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, retained consultant. The person shall not hold shares more than 1% of total the 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 expressing opinions freely regarding the Company's operations.

Independent directors may be assigned by the Board of Directors to make decisions on the operations of the Company, parent company, subsidiaries, associates, or other subsidiaries of the same (or equal) level, major shareholders, or a controlling person of the Company, whereby the assigned decision is undertaken as a collective decision.

All five independent directors of the Company have fully met the specified qualifications and criteria, and have carried out their responsibilities appropriately throughout their term of office. However, four of the independent directors have been in office for more than 9 consecutive years, which is not consistent with the Guideline of Corporate Governance of Thai Listed Companies as prescribed by the Thai Institute of Directors Association. The Board of Directors has deemed, however, that this does not affect their performances or ability to express independent opinions. Moreover, all independent directors possess extensive knowledge of the Company's businesses, and have devoted their time, abilities and experiences in finance, accountancy and banking accordingly for the overall interests of the Company. They have good relationships with the Company's business communities and organizations and have provided recommendations and suggestion for the maximum benefits of the Company and all of its stakeholders. They have also carried out their duties with all due care, loyalty and full transparency, without any possible conflict of interests. For these reasons, during the Annual General Meeting of Shareholders No.36 (for the year 2017), the Board of Directors proposed to the meeting to re-appoint 2 independent directors (ie: Mr. Suchat Boonbanjerd Sri and Mr. Supachoke Liamkaeo) for another term. The meeting then approved the re-appointment as proposed by the Board of Directors.

9.3.2 Nomination of Executives

The Company's executives have the duty to nominate, to the Nomination and Remuneration Committee, persons possessing the appropriate qualifications suitable for the Company's businesses for consideration and appointment as the Company's executives. The Nomination and Remuneration Committee will then report any such appointments to the Board of Directors for their acknowledgement.

However, in nominating and appointing suitable executives, the Company does not only consider external candidates but also gives the opportunity to existing senior-level personnel to advance their career in becoming future executives of the Company. The qualified internal candidates are recruited through a selection process that takes into consideration their outstanding performances and acceptance by their superiors and work colleagues. They are assessed individually with regard to key career aspects. The Company can then plan training and development programs to enhance their specifically required knowledge and leadership skills, together with assigning them with new challenging responsibilities. The process is aimed at effectively preparing those qualified Company personnels for future promotion to executive roles, in the event an executive position becomes vacant or if additional executive positions are needed as a result of ongoing business expansion or changes in the Company's organization structure.

The Company's Board of Directors has approved policies and guidelines relating to 'Succession Plan' for executive positions, including the President, in order to prepare suitably qualified senior-level personnels who possess the required knowledge, capabilities and experiences, to best meet the Company's growth and sustainability in the long term. The criteria shall cover the followings:

1. Determining senior executive position needs in accordance with the policies and operating guidelines;
2. Determining the required and relevant qualifications, knowledge and capabilities as well as experiences for each executive position; whereby consideration of qualified internal and external candidates should be made;
3. Undertaking a performance assessment together with assessment on knowledge and capabilities possessed by the executives in accordance with the established principles and guidelines;
4. Considering the approval of the proposed appointment of qualified persons by the Nomination and Remuneration Committee, who have gone through the recruitment process, to senior executive positions.

In 2017, the appointment of Mr. Chaiwat Kulphattaravanich as Finance Director was made, effective from May 1, 2017.

9.3.3 Development of Directors

The Board of Directors has assigned the Company Secretary to select relevant training programs from institutes that are credible and correspond to the requirements of being a board director of a listed company such as Capital Markets Academy, the Thai Institute of Directors Association (IOD), to support directors to attend training courses or seminars that aimed at enhancing the required knowledge and skills in discharging the required responsibilities on a continuing basis.

In 2017, the Company arranged for a director, Mr. Supachoke Liamkaew to attend the IOD's Director Accreditation Program (DAP) while the remaining board directors were unable to attend certain courses in which they were interested due to ongoing job commitments at the time when the courses were being held. Nevertheless, some of the directors attended various general seminars on business activities together with on the changes in the regulatory requirements as specified by relevant authorities for the benefit to the stakeholders, eg: the "PwC Thailand Symposium 2017 : Dealing with disruption and adapting to survive and thrive" held by PricewaterhouseCoopers ABAS Co. Ltd.

Additionally, information with regard to attendance in training courses and participation in seminars has been disclosed in Attachment 1: Details of the Directors, Executives, Controlling Persons and Company Secretary.

9.3.4 Performance Assessments of the Board of Directors and the President

The Board of Directors undertakes a performance assessment of the entire Board of Directors as well as of individual directors; and also carries out an annual performance assessment of the President, who holds the highest executive position of the Company. These assessments cover the following aspects :

- A. Performance Assessment of the entire Board of Directors, through a self-evaluation process, is undertaken with regard to these key areas or criteria:
1. Composition, structure and qualifications of the Board of Directors
 2. Role, duties and responsibilities of the Board of Directors
 3. Board of Directors Meetings
 4. Discharging the responsibilities as a board director
 5. Relationship with the management
 6. Self-development by board directors and development of the members of the management

The Company Secretary uses the respective self-evaluation result of each individual director to calculate an 'average score for each area' together with the 'overall cumulative average score' of all the individual areas. The results are categorized into 'very good', 'good', 'satisfactory', and 'needs improvement'. These scores are then being presented to the Board of Directors.

In 2017, the board directors undertook a performance evaluation of the Board itself and achieved an overall 'very good'. Nevertheless, the Board of Directors viewed that despite this overall 'very good' score, support for further ongoing is needed, particularly on 'Self Development of Board Directors and Development of the Executives'. The Office of the Company Secretary was assigned to arrange relevant training programs for board directors and executives to attend accordingly.

- B. Performance Assessment of individual directors is made through a self-evaluation process, as a mechanism to support and ensure that board directors genuinely understand their respective roles and responsibilities with regard to these key areas:
1. Strategies
 2. Moral Ethics and Values
 3. Knowledge
 4. Commitment and diligence
 5. Carrying out the duties of a director
 6. Self development
 7. Overall evaluation

Each director provides the respective evaluation result to the Company Secretary to keep as confidential information before presenting to the Board of Directors meeting in summary with the overall score categorized as: 'very good', good, satisfactory, and 'needs improvement' in accordance with the established criteria.

In 2017, the Board of Directors undertook a self-evaluation of their respective individual performances that achieved an overall 'very good' rating. However, it was considered that the category for 'Strategies' needs further improvements. The Company Secretary informed the evaluation result to all the board directors accordingly.

C. Assessment of the President

It is the duty of every Director, except the President, to evaluate the performance of the President according to the following criteria:

1. Leadership skills
2. Strategic planning
3. Business management and oversight
4. Financial management
5. Human resource management
6. Communications skills
7. Relationship with the Board of Directors
8. Performance evaluation

In 2017, the Company Secretary collected and compiled all the evaluation results of all directors excluding the President, based on the established criteria, for use in calculating the average score for each criteria before presenting a summary of the overall score categorized as: 'very good', 'good', 'satisfactory', and 'needs improvement' to the Board of Directors.

Moreover, the Audit Committee, the Nomination and Remuneration Committee and the Good Corporate Governance Committee have carried out an annual performance assessment for each of the Committee, using the same evaluation process and criteria as evaluating the Board of Directors.

9.4 Monitoring the Operations of Subsidiaries and Associates

At present, the Company has made investments in several subsidiaries and associates - in Thailand and overseas. The subsidiaries and associates operate under the same core business structure of the Company, which include Plastics Business Line (comprising industrial products and household products) and Network Marketing Business and Moulds Business Line. The Company has defined its core business strategy to reduce dependency on parties outside of the Group, as well as to strengthen its competitiveness.

In order to monitor the performances of the subsidiaries and associates, the Company has appointed key personnel to represent the Company. The Company's directors and/or executives take up directorships or executive positions in these subsidiaries and associates, in proportion to number of shares held by the Company, so as to look after its overall interests as a shareholder. Even though those persons sent as representatives of the Company have been considered from the Board of Directors, they must be well qualified and suitable as well as gain approval from the management. In addition, they must be Company executives already in charge of the same business line as that of the subsidiaries or associates so that their oversight activities can be fully effective.

In terms of voting in the Board of Directors' meetings or shareholders' meetings of these subsidiaries or associates, the Company's representatives are empowered to make decisions or undertake tasks relating to the general business operations of those companies without having to obtain approval from the Company's Board of Directors prior to casting their votes or making decisions. In such activities, they must always take into consideration the maximum benefits for the subsidiaries or associates as a priority, together with the possible impacts on the Company as a shareholder. For example, a decision involving connected transactions, prices and trading terms must be on 'an arm's length basis' or closest to normal current market conditions. However, in the event that the representatives need to cast votes on any significant agenda items, they must first obtain approval from the Company's Board of Directors.

In 2017, none of the Company's subsidiaries and associates executed any shareholders' agreements that would have any significant effect on restricting or limiting the power of the Company in managing the businesses, nor in casting votes according to its proportion of the shares held, nor in receiving any benefits other than those gained under normal business conditions based on the proportion of shares held.

In the case of the subsidiaries, the Company mostly holds a 100% equity interest and has full legal power to set policies and manage the operations. The Company has established regulations and requirements that the appointed Company representatives will manage and encourage the subsidiaries to comply with the same guidelines as those of the Company when undertaking any connected transactions, acquisitions or disposals of assets, or any other important transactions; as well as disclosing their financial position and operational results in an accurate and complete manner. This also includes the supervision of recording and maintaining the financial data of the subsidiaries, so that the Company can easily monitor and collect the required information for the preparation of the financial reports accurately and completely. Moreover, the Audit Committee assigns the Company's Internal Audit Department to audit the operations of the subsidiaries and associates, in order to review the effectiveness of the internal control system and ensure that they effectively comply with the agreed annual audit plans or detect any possible misconduct.

9.5 Restrictions on the Use of Inside Information

The Company has implemented measures on preventing the possible use of 'inside information' by directors and executives for personal benefits, or on trading of Company's shares. Any trading of Company's shares is strictly prohibited during the period of 15 days before the end of each financial quarter until prior to the day the Company discloses its operating results for that period to the Stock Exchange of Thailand and the general public. Another measure is the requirement for directors and executives to report their Company's shares trading transactions to the Board of Directors or to the President respectively. Apart from being subject to the penalty codes of the Company, offenders of this requirement are also personally subject to the legal penalties imposed by the Securities and Exchange Act.

The Board of Directors has approved and published the new Company's rules and regulations (updated in 2014) relating to trading of Company shares by directors and executives. It is required that directors and executives report their Company shares trading transactions to the Chairman of the Board or the Company Secretary, in advance, at least 1 working day prior to the actual transaction is conducted.

Additionally, according to the Company's Good Corporate Governance Policies, board directors are required to report the acquisition and/or disposal of Company's shares to the Board of Directors every quarter. Executives are also required to report any such share transactions to the Company Secretary on a quarterly basis.

In 2017, there was no transaction or change in the ownership of the Company's shares by the Company's board directors. As for executives, there were 2 persons who had transacted trading of the Company's shares. However, such transactions were made on a normal basis without using inside information.

Further, the Company Secretary has informed and communicated to all Company's board directors and executives, the details of the newly amended laws and regulations regarding trading of the Company shares that are more stringent as specified by the Securities and Exchange Act (5th Edition) B.E. 2559.

9.6 Audit Fees for 2017

1. Audit fees

The Company and its subsidiaries paid audit fees to PricewaterhouseCoopers ABAS Limited, ("PwC"), and its affiliates in the previous year for the sum of Baht 3.39 million and Vietnamese Dong 794.80 million.

2. Non-audit fees

The Company and its subsidiaries paid non-audit fees for the assignments as per requirements of the Board of

Investment (BOI) as well as reviews on subsidiaries and associates' financial statements for the consolidation of financial statements to PwC in the previous year, totaling Baht 0.88 million. The Company and its subsidiaries had completely recorded all abovementioned non-audit fees as expenses in the year 2017.

9.7 Compliance with Good Corporate Governance Principles in Other Areas

Apart from the governance and oversight as stated above, in 2017 the Company also complied with the Good Corporate Governance Principles in other areas as follows:

9.7.1 Shareholders' Rights

The Company places great importance on its duty to oversee the interests of each shareholder group with fairness and equality, regardless of whether they are majority or minority shareholders or foreign shareholders. This is in accordance with the applicable laws on basic shareholder's rights such as, the right to receive a share of the profits as dividends, and the right to transfer their shareholdings. It also complies with the Company's Articles of Association, which is stated that "A shareholder has one vote per one share held".

The Company has established policies and practice guidelines to protect the rights of all shareholders, and to facilitate them in exercising these rights in various areas in a complete, accurate, transparent, and timely manner. This is to ensure that all shareholders have the right to participate in directing the business operations or in making decisions on any significant matters during the shareholders meetings, by enquiring, expressing their opinions, and exercising their votes. This also includes the ability to nominate qualified candidates to be elected as board directors to represent shareholders.

The Company ensures the rights of shareholders as follows:

1. Shareholders' Meetings

The Company arranges that the Annual General Meeting of Shareholders (AGM) takes place within 4 months from the end of the financial year, as required by the Public Limited Company Act.

For any urgent events or significant issues that may affect overall shareholders' interests, shareholders can exercise their legal right in proposing to the Board of Directors to call an Extraordinary General Meeting of Shareholders (EGM) during the year.

The Company has assigned Thailand Securities Depository Co., Ltd., as its Share Registrar, to dispatch Letter of Invitation to the Shareholders' Meeting. The Letter of Invitation includes the proposed agenda together with any relevant significant information, opinions of the Board of Directors on each agenda, the Company's Annual Report, and other accompanying documents relating to the shareholders meeting - such as, proxy forms and a clear instruction manual of the associated procedures. The same information will also be disclosed, on the respective website of the Company and of the Stock Exchange of Thailand to inform all shareholders in advance, 30 days prior to the Letters of Invitation to the meeting being dispatched.

The Company facilitates shareholders in exercising their rights to participate and cast their votes during the meeting without imposing any conditions that would hinder their opportunity to participate - such as, complicated registration process or voting procedures.

The Company also encourages all shareholders to submit any questions, names of qualified candidates for consideration as possible new directors, or to propose any agenda, at least 3 months in advance before the end of the fiscal year. This is to allow the Board of Directors to consider whether it is appropriate to include any such proposed agenda or questions as part of the agenda of the Annual General Meeting of Shareholders No. 36 (for the year 2017) and No. 37 (for the year 2018) as follows :

The Annual General Meeting of Shareholders	No. 36 (for the year 2017)	No. 37 (for the year 2018)
Date of announcement regarding shareholders rights on the SET and Company's website	September 26, 2016	September 28, 2017
Period in exercise the shareholder's rights	October 1 - December 31, 2016	October 1 - December 31, 2017
Proposal by Shareholders on names for consideration as a Board Director, or other Agenda Items for consideration	NONE	NONE

The Company also facilitates those shareholders who are not able to attend the meeting themselves by allowing them the opportunity:

1. To send in a proxy form specified by the Ministry of Commerce, on which shareholders can specify their desired vote - agree or disagree or abstain - for each agenda, including an explanation of the simple process in assigning a proxy vote. This will allow and ensure that shareholders can be well prepared in advance and that their proxies can attend the meeting without any problems.
2. To appoint an independent director as the authorized proxy, assigned by the Company as an officially designated proxy for shareholders.

2. Letters of Invitation to Shareholders

At least 30 days prior to the meeting date, the Company also disseminates the information as contained in the Letter of Invitation to the Shareholders' Meeting via the websites of the Company and of the Stock Exchange of Thailand. On March 24, 2017, such information was disseminated for the Annual General Meeting of Shareholders No. 36 (for the year 2017). Such notification was also made on the same day via the SET's Electronic Information Dissemination System ("ELCID").

The Letter of Invitation to the Shareholders' Meeting contains all the data and information sufficient for decision-making by shareholders with regard to each agenda being considered; namely:

- Adoption of minutes of the past Annual General Meeting of Shareholders.
- Acknowledgement of the report of the Board about operating results of the Company for the past year.
- Approval of Statements of Financial Position and Statements of Comprehensive Income as audited by the auditors.
- Approval of appropriation of profit and dividend payment

By presenting the net profit of the year, the information on the legal reserve, the policy of dividend payment, the amount of legal reserve, and the proposed dividend payment of this year against last year with reasons and supporting data.

- Appointment of auditors and their remuneration

By presenting names of auditors approved by the Office of the Securities and Exchange Commission, name of the company to which they are attached, experience and capability of auditors, independence of auditors, and audit fee proposed compared with that of the past year.

- Appointment of the Company's directors

By presenting brief resume of each candidate which includes education background, employment background, number of companies in which the candidate has held a directorship as well as information on attendance in the meetings of Board of Directors or Sub-Committees in last year. The Company presents each candidate individually for approval by shareholders.

- Remuneration of directors

By presenting information on the structure of remuneration of the Company's Board of Directors and Sub-Committees. Apart from determining the remuneration based on knowledge, capability and experiences of each director, the Company has the policy to compare such rates with those being surveyed for listed companies in same industry. The Company also participated in the remuneration survey project organized by the Thai Institute of Directors Association.

3. Meeting Procedures

For the shareholders meeting, all the members of the Board of Directors consisting of the Chairman of the Board, Chairman of the Audit Committee, Chairperson of the Nomination and Remuneration Committee, Chairman of the Good Corporate Governance Committee, independent directors, executive directors, non – executive directors, the President, and executives, place great importance to attending the Annual General Meeting of Shareholders in order to demonstrate their accountability to shareholders.

The shareholders make use of the voting ballots in casting their votes, so as to ensure transparency and traceability. The Company also arranges for legal consultants and shareholders' representatives from the shareholders meeting to be present as witnesses in the counting and monitoring of all votes exercised.

The Company Secretary informs the meeting about the meeting regulations and procedures together with the accompanying information of each agenda, as well as the process for exercising and counting the votes of shareholders for each respective agenda, in accordance with the Articles of Association of the Company. For those agenda in which any directors have any vested interests or are involved in any way, those directors will be asked to leave the meeting and also to abstain from voting on that matter.

The Chairman conducts the meeting strictly according to the respective agenda specified in the Letter of Invitation. No change in the sequence or addition of the proposed agendas to be considered is allowed without an advance notice having been given to all shareholders. The Chairman allocates sufficient time for shareholders to adequately express their opinions, raise any questions, and give any suggestions for each agenda. Before requesting the meeting to vote on any agenda, the Chairman (or Director or the Company Secretary) clearly explains or answers any questions from shareholders, because all questions and suggestions are considered important.

4. Preparation of the Minutes of Shareholders Meetings and Disclosures of Resolutions

After the end of every shareholders meeting, the Company discloses a summary of all the resolutions made through the SET's Electronic Information Dissemination System (ELCID) on the same day or before 09.00 AM. of the following day. A detail of the official minutes of the shareholders meeting, which contains disclosures of all relevant data and sufficient information as well as

- Name of all Directors and Executives attending the Meeting;
- Details of the votes casted (i.e. agreed, disagreed or abstained) together with any suggestions;
- Questions – together with the name of each shareholder asking/proposing suggestions and related clarification made by the Company

sent to the Stock Exchange of Thailand within 14 days after the Annual General Meeting of Shareholders both Thai and English versions are subsequently posted on the Company's website.

For 2017, the Company received evaluation relating to its 'AGM Checklist' from the Thai Investors' Association with a score of 97 %, which was higher than the overall average score for all listed companies that participated in the AGM evaluation exercise.

9.7.2 Fair Treatment of All Shareholders

The Company currently has a registered and paid-up capital of Baht 2,709,904,800 comprising 2,709,904,800 common shares. On December 29, 2017 the Company had a "free float" of 68.55% of the total issued and paid up shares held by retail investors, 5.53% by institutional investors, and 16.77% by the Company's directors.

In 2017, the treatment to all shareholders by the Company was as follows:

1. Preparation of the Annual Report

The Company prepares the Annual Report 2016 and sent out to shareholders within 4 months after the end of the fiscal year.

2. Advance Notification before the Shareholders' Meeting

The Company sent the Letter of Invitation to the Shareholders' Meeting (in Thai and English) to all shareholders, in order to provide information regarding agenda together with associated objectives, reasons and opinions of the Board of Directors for each agenda; meeting procedures and voting process, part of Articles of Association relating to the Meeting; proxy forms; as well as the meeting venue and time considered as appropriate.

In 2017, the Company sent out the Letter of Invitation via the Company's Shares Registrar, which was 21 days prior to the scheduled meeting date. The same Letter of Invitation was also advertised to notify the proposed meeting date in newspapers for three consecutive days, being at least three days before the scheduled date.

3. Protection of Shareholders' Rights

The Company offers all shareholders the right to propose any meeting agenda, without having to collect together the normal combined required total number of shares as specified by law. However, the Company, represented by the Board of Directors, reserves the right to consider whether to approve adding any such proposed agenda by strictly complying with the law.

The shareholders' meeting will proceed in sequence according to the agenda as notified in the notice of the shareholders meeting. No other agenda shall be added to the meeting other than those as specified in the notice of the shareholders meeting without advance notice made to all shareholders. This is in order to be fair to any shareholders not able to attend the meeting.

4. Equal Rights for the Company's Board of Directors / Executives

The Board imposes the Conflict of Interests Policy and the Securities Trading and Inside Information Policy as part of the Company's regulations. All board directors, executives and employees of the Company must acknowledge and strictly adhere to, in order to prevent any directors or executives from misusing 'inside information' for either personal gains or for the benefit of others.

These regulations cover the acquisition or disposal of Company's shares, which must be strictly avoided before the official public disclosure of the Company's financial statements quarterly/at the end of the fiscal year or any important information for any other special circumstances. As such, the Company's board directors, executives and employees must acknowledge and strictly adhere to the following regulations:

- 1) Control and restrictions on the use of inside information (as specified in detail under Item 9.5 : "Restrictions on the Use of Inside Information").
- 2) For any connected transactions or transactions that might result in a Conflict of Interests:

The Board of Directors has the policy to strictly comply with the established guidelines, procedures and required disclosure of connected transactions, as specified by the Capital Market Supervisory Board and the Stock Exchange of Thailand, to control and oversee transactions between the Company and its subsidiaries with any connected parties (such as, executives, major shareholders, or controlling persons) which may result in a conflict of interests. This is to ensure full transparency and maximum benefits to the Company and its shareholders.

Throughout 2017, the Company undertook connected transactions that were considered part of its normal business activities to support normal ongoing business operations, and/or related to short-term rental of properties. The Company observed both the prices and terms 'on an arm's length basis' and/or under the criteria specified by the Board of Directors. Such transactions are disclosed under Item 12 : "Related-Party Transactions".

3) Acquisition or Disposal of Assets

The Board of Directors has established policies on transactions associated with the acquisition or disposal of assets including the accurate and complete information disclosure, in compliance with the criteria and procedures of the Capital Market Supervisory Board.

During 2017, the Company did not have any acquisition or disposal of assets of any material value or that required approval from the shareholders' meeting as required by the law and related regulatory agencies.

4) Disclosure of Vested Interests of Board Directors, Executives and Other Connected Persons.

The Company requires that the Company's board directors and executives provide information and report on any conflict of interests situations on their part with any connected persons. Such reports will be maintained by the Company Secretary, in compliance with all applicable and relevant laws. In the Board of Directors' meeting, if any matters under consideration may be associated with a conflict of interests on the part of any director present, then that director shall leave the meeting during the discussion of that matter in order to ensure complete transparency and fairness. The Company has defined a regulation relating to trading transactions of the Company shares by directors and executives. The Company's directors and executives are required to report any potential Company shares trading transactions to the Chairman of the Board or the Company Secretary at least 1 working day in advance prior to conducting any such transactions. All directors and executives have then reported in advance prior to executing any such transactions.

9.7.3 Roles of Stakeholders

The Company respects the rights of and provides fairness to all stakeholder groups, who have or may have been affected by the Company's business operations. These stakeholders include the Company's personnels, shareholders, investors, customers, trading/business partners, competitors, creditors, independent auditors and press and media, together with local communities where the Company's businesses are located, surrounding society, and the government sector. The Company also regularly promotes cooperation with various stakeholder groups, so as to achieve continued stability and sustainable development for the Company.

Based on the recommendations of the Good Corporate Governance Committee, the Company's Board of Directors approved and published an updated edition of the Company's Business Ethics (1st revised - 2014)', so as to be appropriate to the current situation and business operations of the Company. In this revised edition, it also incorporated the Company's 26 Policies and Practice Guidelines of Good Corporate Governance on 'Role of Stakeholders' being announced in 2013 as follows :

No.	Business Ethics (1st revised – 2014)	No.	Good Corporate Governance Policies Section 3 Roles of Stakeholders
1.	Responsibilities to Shareholders	1.1	Policy and Practice Guideline on Treatment of Shareholders
2.	Conflicts of Interests	2.1	Policy and Practice Guideline on 'Conflict of Interests'
3.	Purchase/Sale of Shares of the Company and Disclosure of Information/News	3.1	Policy and Practice Guideline Relating to the Press and Media
		3.2	Policy and Practice Guideline on the Use of Inside Information
4.	Conduct Towards Customers, and Product Quality	4.1	Policy and Practice Guideline on the Treatment of Customers
5.	Conduct Towards Business Partners and/or Creditors	5.1	Policy and Practice Guideline on the Treatment of Trade Partners
		5.2	Policy and Practice Guideline on the Treatment of Creditors
6.	Conduct Towards Business Competitors	6.1	Policy and Practice Guideline on the Treatment of Business Competitors

No.	Business Ethics (1st revised – 2014)	No.	Good Corporate Governance Policies Section 3 Roles of Stakeholders
7.	Conduct Towards the Staff	7.1	Policy and Practice Guideline on Safety Occupational Health and Working Environment in Workplace
		7.2	Policy and Practice Guideline on Remuneration and Welfare of Staff
		7.3	Policy and Practice Guideline on Development of Employee Knowledge and Capability
		7.4	Policy and Practice Guideline Against the Violation of Human Rights
		7.5	Policy and Practice Guideline Relating to Complaints
8.	Staff Conduct and Treatment of Co-Workers	8.1	Policy and Practice Guideline on Employees' Conduct and Treatment of Colleagues
		8.2	Policy and Practice Guideline on the Prevention of Sexual Harassment in the Workplace
9.	Safeguarding and Using the Company's Assets and Resources	9.1	Policy and Practice Guideline on Violations of Intellectual Property
		9.2	Policy and Practice Guideline on Employees' Responsibility to the Company Property
		9.3	Policy and Practice Guideline on Efficient Resource Utilization
		9.4	Policy and Practice Guideline on Energy Conservation
10.	Receiving or Giving of any Bribes and Gifts, and Entertaining Activities	10.1	Policy and Practice Guideline on Anti-Corruption and Forbidding Bribes for the Company's Business Benefits
		10.2	Policy and Practice Guideline on Gifts Giving or Entertainment
		10.3	Policy and Practice Guideline on the Protection of and Fairness to Informant about Corruption or Non-Compliance with Laws, Rules and Regulations
11.	Responsibility Towards Society and the Common Good	11.1	Policy and Practice Guideline on the Treatment of Society
		11.2	Policy and Practice Guideline on Community Development
		11.3	Policy and Practice Guideline on Business Operations under Environmental Standards
12.	Internal Control and Internal Audit Systems, and Financial Reports	12.1	Policy and Practice Guideline on Internal Control Systems and Financial Reports

The **Business Ethics (1st revised – 2014)** has been published on the Company's website at www.srithaisuperware.com.

The Good Corporate Governance Committee has a policy to provide training courses to the Company's staff at all levels (both salaried and daily employees) on a continuing and regular basis. The Good Corporate Governance Working Groups of each production plant are responsible for this training on good corporate governance practices and on good business ethics for all employees working at these production plants.

Such activities have proven very successful and will be undertaken on a continuing basis. There are plans to monitor and follow up on the degree of understanding among the staff members through arranging additional Q&A sessions including surveys or assessments exercises to be made via the intranet questions and answers sessions. The results of the survey are included as part of the evaluation of the performance of all employees.

9.7.4 Disclosure of Information and Transparency

The Board attaches great importance to the disclosure of information with accuracy, completeness and in a timely manner. Such information is disclosed in accordance with the situation relating to financial information (such as financial circumstances, and performance) as well as non-financial information (such as shareholdings structure, Company governance, and other business-related information), in order to benefit all shareholders and outside persons. The Investor

Relations Unit is assigned to be responsible for providing and disclosing such up-to-date information with accuracy and completeness, as well as for providing easy access via all communications channels arranged by the Company. Hence, investors and outsiders can effectively contact the Investor Relations Unit to inquire about such information in a convenient and speedy manner as follows:

1. Information on the Company, Board of Directors and Shareholders

The following information about the Company, Board of Directors and shareholders, as well as other related information are disclosed:

- Vision and mission
- Business operations
- The Company's Articles of Association
- The Company/Group structure and business management structure, including any changes
- The annual Company information (Form 56-1), the Company's Annual Report and Financial Statements – that disclose information for the current year and retrospectively for 5 years
- Names and details of the Company's Board of Directors and executives
- Shareholding structure; information on major shareholders holding on the top 10, directly or indirectly, by their spouses and minor children who are not yet of legal age
- Price movements of the Company's shares which links to other credible website e.g. www.settrade.com
- Direct channels of communications, with assigned independent directors, for informants (or whistle blowers) to inform on any alleged corruption or acts of non-compliance with the relevant applicable laws, rules and regulations. In 2017, the Company received information from informants through the Whistle Blower channel of which details are already mentioned in the Report of the Audit Committee.

2. The Company's Good Corporate Governance Policies and Practices

The Board of Directors has stipulated that the following information on the Company's Corporate Governance matters be disclosed on the Company's website and Annual Report:

- Good Corporate Governance policies, risk management policies, environmental care policies, together with results from complying with such policies and including identification of and reasons for each case of non-compliance
- Roles and duties of the Board of Directors, Board Committees/Sub-Committees, number of Board/Board Committee meetings and the attendance record of each director, together with ongoing training and professional knowledge improvements of board directors
- Remuneration policies for board directors or executives, which corresponds to the required contributions, duties and responsibilities of each person, together with details of the forms or types of compensation to be given
- Reports on the Company shares held by directors and executives, any significant shareholdings and connected transactions that are considered and approved by the Board of Directors
- Business Ethics for directors and employees
- Information on the external auditors together with relevant qualifications, audit fees, and other professional (non-audit) services fees, and the external auditors' independence

3. Operating Performance

The Board arranges to have accurate financial reports that are in accordance with Thai Financial Reporting Standards and audited by independent auditors. Management Discussion and Analysis of the Company's operating performance results, business opportunities and obstacles, industry environment and conditions, and competitive

activities are also provided. Additionally, clearly measurable and achievable key performance indicators (KPIs) are established and agreed for the Company's performance goals; and these KPIs are used in assessing the business's competitiveness in the industry. The Company's internal and external risk factors are analyzed, so as to determine concrete guidelines and policies for their prevention and measurement of related results.

These financial reports are disclosed on the Company's website at the end of every quarter and annually. Moreover, other news and information are also disclosed through announcements and press interviews - via printed media, television, and radio.

4. Timely and Proper Disclosure of Information

The Board has policy for disclosing information, whether related to financial or non-financial matters, at the appropriate time and with full fairness to all stakeholder groups. Such information is disclosed in accordance with the criteria or regulations specified by the Stock Exchange of Thailand. Any significant information will be first disclosed to the public via a press conference or through the Stock Exchange of Thailand, so as not to benefit any particular group of persons.

In the event that there is a need to disclose any information to any involved person(s), specific measures are then to be taken to ensure that the aforementioned person(s) maintain confidentiality of the said information until the Company either officially discloses that information to the public or considers disclosing the information to the public immediately.

5. Investor Relations

The Company has assigned Office of the Company Secretary to perform the duties of the Investor Relations Unit, including making available a section dedicated to Investor Relations (IR) on the Company's website. This is to enable shareholders/investors to have easy access to any relevant information as well as to have a channel of communication with Company directors and executives. The Office of the Company Secretary also compiles all questions, comments and suggestions received via telephone, fax or the Company's website IR section, and forwards them to board directors and executives for their responses, follow-up actions and progress reports as deemed appropriate.

10. CORPORATE SOCIAL RESPONSIBILITY

10.1 Overall Policy

The Company has officially announced a policy on corporate social responsibility so that all groups of stakeholders, both inside and outside the Company, acknowledge, understand, and abide. This reflects the reinforcement and importance the Company gives and the practices that the Company has complied with including operating the business based on corporate governance, taking care of all of its stakeholders, balancing between business, society, and environment with the focus on benefits of living together and growing alongside each other in a sustainable manner.

Corporate Social Responsibility Policy

“Srithai Superware Public Company Limited, the manufacturer and distributor of industrial and household products, is committed to producing quality goods that are safe for consumers while taking into account its responsibility for communities and environment, related parties, and society as a whole in different aspects that might be affected from the Company’s operations. This is based on business principles that are transparent, accountable and ethical. The Company respects human rights and interests of stakeholders by complying with the laws and other regulations or relevant international standards. It is also committed to developing and improving in order to continuously and sustainably create a foundation of corporate social responsibility alongside its business growth with continuity.”

The Company has appointed the Corporate Social Responsibility Committee (“CSR Committee”) since 2013 with the current CSR Committee comprising 14 members of its executives and experts as follows :

- | | |
|--------------------------------|------------------------------------|
| 1. Mr. Sanan Angubolkul | Chairman of the CSR Committee |
| 2. Mr. Prin Bholnivas | Vice Chairman of the CSR Committee |
| 3. Mr. Bandit Hiranvivatkul | Advisor of the CSR Committee |
| 4. Mr. Manit Ativanichayaphong | Advisor of the CSR Committee |
| 5. Mr. Prayoon Kajitte | Advisor of the CSR Committee |
| 6. Mr. Apisit Tangsatit | CSR Committee Member |
| 7. Mr. Pawat Chalermpong | CSR Committee Member |
| 8. Mr. Pongsak Kantiratanawong | CSR Committee Member |
| 9. Mr. Chaichan Chareonsuk | CSR Committee Member |
| 10. Ms. Bunnapa Lertsumitkul | CSR Committee Member |
| 11. Mr. Pramual Pinyo | CSR Committee Member |
| 12. Mr. Surasit Sirisompop | CSR Committee Member |
| 13. Mr. Somsong Raksapol | CSR Committee Member |
| 14. Ms. Sivaporn Hotrachitra | CSR Committee Member and Secretary |

The Committee has the duties and responsibilities as follows :

1. Set directions and approaches that are related to corporate social responsibility;
2. Set the plans, and allocate investment budgets and necessary expenses;
3. Appoint sub-committees, and provide advice as necessary;
4. Monitor, and assess performances by using key indicators to be agreed upon by the Committee;
5. Promote good corporate governance, and place importance on systematic, transparent and traceable work standards.

Apart from having product quality which is a strength and manufacturing process that does not affect society and environment, receiving certified standard by external organizations regarding the Company's products, managing energy and environment, and providing channels coupled with monitoring of complaints from both internal and external parties, the Company has applied 3 Save: Save Material, Save Energy, Save the World as a core concept, guideline and driver of the corporate social responsibility as well as pushing it to become an organization culture. The Company's personnels are one of the key success factors of the corporate social responsibility which will build sustainable growth to the Company. CSR Implementation has been set as one of the annual working plan agendas that is brainstormed and implemented by every department continuously in order to make it as direct duty and responsibility of all personnels as well as building awareness of importance and advantages of the corporate social responsibility amongst personnels. Moreover, supports, developments or gap identification are also needed for improvement.

10.2 Implementation and Report Preparation

The Company sets the activities of Corporate Social Responsibility as part of its mission within the framework of conducting its business ethics as well as the principles of good corporate governance. This is in order to reflect its intention and need to carry out businesses while concerning society, environment and fair treatments to its stakeholders (CSR In-process), in order to bring sustainability to its business and society as a whole. The Company also attempts to encourage its subsidiaries to implement corporate social responsibility activities in the same way as the Company. The Board of Directors has approved the Good Corporate Governance Policy, Third Revised Edition (2013), Business Ethics (1st revised edition -2014), and Policies and Practice Guidelines for Good Corporate Governance – Section on the Role of Stakeholders, as shown under headline 9 Corporate Governance. The purpose is to be the framework for all staff in the Company and to have mutual understanding of all stakeholders within and outside the Company. Details of aforementioned information have been made to the public on the Company's website. They are in line with the 8 Principles of Guidelines for Corporate Social Responsibility of the Stock Exchange of Thailand as follows :

1. Fair business operations
2. Anti corruption
3. Respect of human rights
4. Fair treatments to employees
5. Responsibility for consumers
6. Environmental preservation
7. Community or society Development
8. Innovation and its dissemination of the results from the operations responsible for society, environment and stakeholders

Practice guidelines for all groups of stakeholders and performances of the Company that has been continually adopted up to the present time can be summarized below :

1. Shareholders Treatments

The Company places great importance on shareholders who are the owners of the business. Therefore, it has set the policy to have its Board of Directors, who are the representatives of shareholders, executives, and other personnels to follow the Good Corporate Governance Principles. These include protecting interests of shareholders, facilitating shareholders in exercising their rights, and insuring equitable fair treatments to all shareholders in order to sustainably maximize benefit and add value to shareholders. Examples of the practice guidelines are as follow:

- 1) Manage the organization in conformity with the Company's vision and Good Corporate Governance Principles with integrity, honesty, and caution without having conflicts of interest.
- 2) Respect shareholders' rights and treated every shareholder fairly and equally without violating or curbing shareholder's rights, etc.

2. Employees Treatments

The Company is committed to managing its human resources in a way that supports its policy, business goals and strategies, as well as in an equal and equitable manner without any bias or prejudice. The Company also supports and develops people to gain knowledge, capabilities, skills, and a positive mindset. Businesses must be conducted with ethics and positive moral virtue, under good corporate governance principles and practices, and without neglecting its anti-corruption position. All employees have the opportunity to advance in their chosen career path, the right to have good quality of life, as well as have happiness in the workplace and their works.

The Company has the policy to ensure that its personnels receive fair and equal welfare for every nationality, arrangement of safe and hygienic place and environment, equal treatments without direct or indirect violation of their human rights and freedom, as well as protection against sexual harassment in the workplace.

Moreover, the Company also provides the opportunities for its personnels to complain or inform about any matters that might adversely affect the Company, its personnels, or themselves, as well as defines methods for handling the complaints together with protecting the complainers. During 2017, the Company received complaints on general work activities that were not in breach of any good corporate governance policies or were not involved with any alleged acts of corruption.

The activities of the Company relating to its employees are as follows:

- 1) Provide a staff provident fund, retirement compensation fund, and a special welfare fund for those staff who are not members of the provident fund under the conditions determined by the Company. The latter includes special compensation upon retirement and gold reward upon achieving a specific time of employment with the Company as long term benefits. Additionally, the Company arranges for training for staff at all levels so that they gain knowledge to manage their personal income and spending with savings plans in order to be self reliant upon retirement.
- 2) Develop the knowledge and capabilities of its employees. Every year the Company holds various training courses for not less than 50% of all its employees, in accordance with the Labor Skills Development Act. In 2017, the Company arranged internal and external training for staff with average training hours of 9 hours and 22 minutes per person per year. As part of the Company's staff training and development program, the Company encourages and promotes their staffs, who have skill and experience, to be a trainer in transferring their knowledge capital. Additionally, the Company provides funds for its staff's education programs for those with high potential matched with appropriate timing and opportunities, to study at leading universities in programs that they can use in their work and to help further develop the organization.

- 3) Promote the staff to have a good quality of life through applying the philosophy of 'sufficiency economy', to enjoy a safe and healthy life, and to stay away from any drugs or addiction coupled with further developing their mental health by attaining happiness through meditation and listening to the Buddha's teachings from visiting monks once a month.
- 4) Provide equal treatment for all staff without any bias or prejudice with regard to race such as arranging Thai language courses for foreign workers so that they can communicate and work more effectively, providing employee suggestion boxes in Thai, Myanmar and Cambodian languages available for the staff to submit suggestions, comments and complaints. Such information can then be used by the Company for further investigation, making any workplace improvements, or clarification to the staff.
- 5) Improve and increase the degree of happiness for the staff, through creating a "mother's milk feeding corner" for new mothers to feed their new born babies, together with a prayer room/wash room for Muslims in their daily prayer rituals.
- 6) Establish an exercise room for the staff, in order to promote good physical health and make beneficial use of their free or spare time.

Safety, Health, and Environment in Workplace

Apart from recognizing the need for workplace Safety, Health and Environment (SHE) within the Company and establishing a Safety Officer (Jor Por) Unit, reporting directly to the President, the Company has also established a Workplace Safety, Health, and Environment Committee together with associated Sub-Committees and Working Groups in each production plant to oversee, monitor, drive, and implement similar standards in each and every branch throughout the organization in a systematic and effective manner. As such, goals, operating procedures and guidelines have been determined together with required standards relating to workplace safety, health and environment, in order to instill a common mindset for work safety as a basic requirement together with adequate care, pollution free and happy working environment. Therefore, the activities undertaken by the Company on a continuing basis to achieve the established workplace safety, health and environment objectives include:

- Receiving certification for the workplace safety and hygiene management systems
Such as Korat plant has been certified with the Safety, Health and Working Environment Standards OHSAS 18001:2007 and TIS 18001:2011. This proves the Company's safety in the production process in compliance with the Ministry of Industry standard and international standards, whereas every plant is assured to fully comply with the laws related to safety.
- Used and managed its assets appropriately
The Company arranges the inspection on the safety of buildings, electrical systems, working environment, and others by independent agencies annually with regard to the Head Office buildings, and all 4 production plants – all of which have been in use for many years, in compliance with the Building Control Act and related regulations. This is to ensure that the Company's workplace is safe and the risks of accidents are minimized, especially those caused by uncontrollable factors such as natural disasters.
- Invest in and improve work process.
- Provide training courses on "Safety Executives" and "Safety Supervisors" to employees in each plant continually as required by law. The program is aimed at developing trained employees to be Safety Executives and Safety Supervisors.
- Distribute a work manual and handbook on workplace safety, hygiene and environment to all involved staff at every level throughout the organization.

- Disseminate information about safety.
- Arrange activities to promote awareness amongst staff and take part in safety supervision, improvement and evaluation.

Implementation of the scheme is aimed to achieve results as described in the Company's policy and suit our business operation. It helps pave a way to standardization on safety, health and working environment at international level, which leads to increase competitive edge for the Company, reduce losses in terms of staff, time and productivity, and improve the Company's image. As such, during 2017, the Company did not have any major accidents that caused injury to the staff at all 4 production plants.

As for activities of safety, health and environment undertaken on a regular basis every year, the Company gives importance to training and dissemination of information on those to the staff, in order to drive actual and stimulate genuine compliance on a continuing basis. Competitions are held to identify staff's role models and workplace together with regular assessments of actual activities as well as giving recognition and awards to those who maintain the required standards according to the established regulations on safety. This is in order to encourage and promote continued compliance. In 2017, more staff complied with safety standards and workplace accidents also decreased. The Company provides an annual employee health checkup according to the laws every year and coordinates with Government agencies and provincial health authorities to provide information to the staff about any easily contagious diseases or illnesses - such as: the flu, including ways to prevent the spread of such diseases. Further, emergency action drills are also undertaken in the event that such an epidemic occurs within the workplace, so as to quarantine off the infected area and return to normal situation as soon as possible without any impact to the well-being or life of the Company's staff.

3. Business Operations under Fair Rules

The Company promotes cooperation with the stakeholders by doing business with fairness and transparency, and without bribes in order to create stability and sustainability for all involved parties. The Company has set the practice guidelines for treatments to each group of stakeholders as follows :

- Commit to maintaining maximum customer satisfaction with fairness in terms of price, quality, safety, warranty, and product and service development so as to better meet continual customer needs;
- Give importance to trade partner from the process of procurement, selection, evaluation and doing business together for the maximum benefits of the Company with fair returns for both parties;
- Conduct business within the framework of fair rules; use professional competitive manners in compliance with good competition means in order to benefit consumers. In some case, where there is cooperation with business competitors, the aforementioned deed must be transparent with no concealment of unlawful agreements;
- Treat creditor with equality, fairness and transparency by strictly adhering to terms and agreements as well as required laws;
- Consider purchases/sales of goods or services with outsiders, including other business entities to be conducted with fairness and transparency without accepting bribes, rewards or entertainment from involved persons for the decisions of the involved persons;
- Strictly comply with intellectual property laws without violating any type of intellectual property rights, promote and support employees to use their knowledge and creativity to regularly create new innovations, and do not take the works or information of others for the Company's uses without permission;
- Comply with the regulations of the Stock Exchange of Thailand on the disclosure of information of listed companies, including information that might affect the stakeholders, through the media in order to communicate to the public accurately and quickly.

The Company has various types of products. Each type of products is subject to differing tests and evaluation with regard to the production process used and overall quality control. As such the Company gives importance as well as encourages each and every production plant to receive various independent certifications of its products standard at the international levels; whereby these are the international standard certifications received by the Company:

- Standards on Quality management system for automobile industry ISO/TS 16949:2009
- Standards on Quality Management: ISO 9001:2015
- Standards of Good Manufacturing Practice (GMP) certification or good manufacturing practices relating to production of food products
- Standards of the Hazard Analysis and Critical Control Point (HACCP)
- Standards of the Food Safety Certification (FSSC 22000: 2011)
- Standards of the BRC/IOP (Issue 5) regarding food safety standards, for food packaging

4. Fair and Responsible Treatments towards the Community, Society and Environment

The Company recognizes the responsibility towards society and friendliness to environment, and considers these as direct responsibility of each and every employee. The Company is committed to producing and distributing quality products that are safe for consumers, and to supporting activities which improve the quality of life and enhance happiness of community. Employees and parties involved are encouraged to create good relationship and carry out activities that benefit the community in which the Company is located. Prevention of and control over accidents, wastes or incidents that might affect the environment, resources uses in the most efficient way, and improvement of the environmental management system in a continuous and sustainable manner are for the benefits of the society and business.

All the 4 plants received the Award for Standard of Corporate Social Responsibility, Department of Industrial Works : CSR-DIW Award from the Department of Industrial Works, Ministry of Industry. It is awarded to enterprises having development in social responsibility. Various dimensions of the criteria are such as good corporate governance, human rights, labour treatments, fair treatments to consumers, environmental management at plant and participation in the sustainable development of local communities. In 2017, Amata Nakorn plant in Chonburi, Bangpoo plant and Korat plant received the CSR-DIW continuous Award 2017, from continuous development of nearby community.

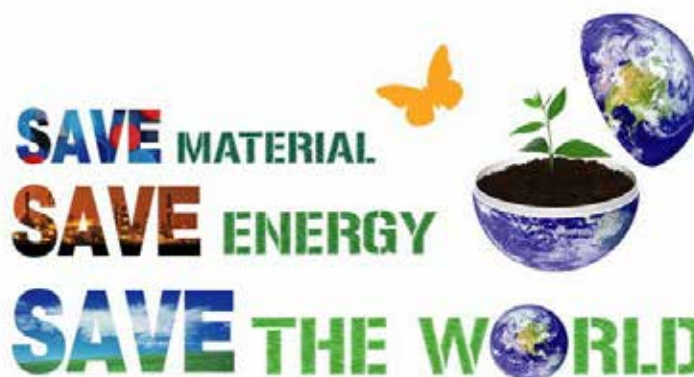
The Company not only attempts to push for obtaining certificates that reflect its social and environmental responsibility, it also promotes its products that help preserve the environment, so that other business operators will also see the importance of as well as be recognized for such activities both in Thailand and other ASEAN countries. The Company also places importance on efficient energy management, and promotes the energy management to have outstanding, efficient and continuing results. This can be summarized as follows:

Products and Innovation for Environmental Conservation

The Company has products and uses production technologies that help conserve the environment, together with the 3 Saves practice: Save Material, Save Energy, Save the World, the Company focuses on continuous product development, especially beverage packaging products i.e. light screw lid and preformed soft drink and water bottles (PET) within its beverage packaging product group. This helps promote the CSR of soft drink and drinking water business entrepreneur as well as food packaging product group that uses as the Thin Recess Injection Molding ("TRIM") technology in reducing the wall thickness. This production process has been certified by the Greenhouse Gas Management Organization (Public Organization) for reduction of carbon dioxide emission. Both of these product groups also reduce the use of raw materials and amount of energy used in the production process while maintaining the same effective use of these products. This not only helps reduce customers' cost but also conserve the environment directly and indirectly.

During 2017, all production processes are undertaken under the 3 Saves practice: Save Material, Save Energy, Save the World, which helps environmental conservation with details as follows:

- The Amata Nakorn Cholburi plant and the Bangpoo plant have sourced for the most up to date technology that does not impact or harm the environment. Further developments and ongoing improvements in technology have been undertaken on a regular basis in order to reduce the required use of energy and raw materials in the production process, duplicate working processes as well as the usage of water in the cold molding process. Certain tasks include the improvement of the cooling process for the mould and for the assembly conveyor belt, the replacement of the old hydraulic production machinery with more efficient new machinery, the use of close cooling technology for food packaging production line and the development of more automation in the battery cases production line through the use of robotic arms.
- The Company places importance on the management of waste in a systematic manner. The Company's Korat plant has concretely deployed the 3 Rs Concept: Reduce, Reuse, and Recycle with a clear plan and participated in the waste utilization development project initiated by the Department of Industrial Works. As a result, Korat plant received the formal 3 Rs Certificate for its waste management in 2017. In addition, Korat plant has developed machinery to grind the waste melamine edges from the production line into powder for reuse in molding into melamine products for Hotel, Restaurant and Catering or overseas HORECA markets. Such recycling process not only reduces the overall quantity of production wastes and the cost of waste disposal but also generates certain income for the Company.



Moreover, the Company places importance on education and joint researches with leading organizations and educational institutes to develop bio-degradable plastic and melamine products. Such development will allow the Company to commercially penetrate niche markets in the future. It helps stress that the Company's products are up to standards that can help preserve the environment and alleviate global warming.

Implementation of Policy and Energy Conservation Measure

The Company is committed and cares about the value of energy. Measures are carried out in its factories and offices regularly through encouraging employees at every level to recognize the value of energy and cooperate in saving energy. The Company set up an Energy Management Working Group in 4 plants in order to seriously and concretely implement, monitor and assess energy management. It also encourages employees at every level to participate in voicing their opinions and making suggestions to correct any faults that might cause energy waste. Energy preservation activities are also arranged, leading to lower energy cost and benefiting society and the country as a whole.

In the area of production, the Company has executed energy conservation measures as follows :

- Invested in new machines with high production efficiency and energy saving in order to replace obsolete machines that consume high energy.
- Maintained and improved manufacturing process. New innovations in the production process were introduced, for example, the induction heating system which uses 30 – 40% less energy than the original heating system. Not only these investments helped enhance productivity and reduce consumption of raw materials, the Company also experienced lower energy consumption per output weight.
- Developed and promoted efficient energy preservation and reduction of pollution.
- Collaborated with educational institutes, namely King Mongkut's University of Technology Thonburi and Suranaree University of Technology. The universities sent their personnels to take part in the studies to improve production system and energy management system of the Company.
- Invited honorary guests and external executives or specialists to give advice of energy conservation and energy management as well as share knowledge to the Company's energy working team for effectively operating energy conservation project.

Due to outstanding performance as a result of strict and continuing implementation, the Company has been able to become a model factory in energy preservation for the Department of Alternative Energy Development and Energy Preservation, Ministry of Energy. Those interested, students and lecturers from educational institutions were invited to participate in a seminar for sharing the knowledge and experiences at the Company's plant. As such, Company has disseminated its work and measures that made it successful in energy preservation, as well as organized joint activities and assessment.

The Company has received the Energy Management ISO 50001:2011 certification, relating to its energy management standards for 2 plants. It reflects its commitment and successful intent to genuinely operate its businesses under the principles of efficient energy management. Both plants have the management system, energy capacity improvement, and continuous implementation of systematic processes for the energy preservation in order to ensure efficient and sustainable use of energy.

Implementation Regarding Environment

The Company has placed the importance of social and environmental responsibilities and considered them as part of its key tasks to all staff. The Company has formulated an environmental policy to serve as a practice guideline. Consequently, the Company has received certifications relating the environment such as Certificate for its environmental protection standard ISO 14001:2015 and certificate as Green Industry from the Ministry of Industry. This has proven that the Company has systematic environmental management, proper monitoring, and review process for continuing development.

Apart from receiving the certificates as mentioned, the Company needs to be certified or audited for performance measurement in various aspects with the standard requirements of overseas customers including evaluation on qualification of being producer and distributor.

Achievement Awards during 2017

- Certificate of membership by the Thai Private Sector Collective Action Coalition Against Corruption (CAC)**

On March 9, 2017, the Company received the certificate of membership from the Thai Private Sector Collective Action Coalition Against Corruption (CAC), which is valid for 3 years and is a close cooperation within the private sector to fight against acts of bribery and corruption.



- Continuous Standard of Corporate Social Responsibility (CSR-DIW Continuous Award 2017)**

On August 17, 2017, the Amata Nakorn, Bangpoo and Korat plants received the Award for Standard of Corporate Social Responsibility: CSR-DIW Continuous Award 2017 from the Department of Industrial Works, Ministry of Industry. This award is given to industrial business operators who promote corporate social responsibility and sustainable development. In addition, the award gives support to industrial business operators in being well-accepted by the local communities in conducting their business. It is aimed at enhancing the overall competitiveness of the business operator and development of the communities in a sustainable manner.



- **The Excellent Establishment Award on Labour Relations and Welfare**

On August 25, 2017, Bangpoo plant received an Honor Award for the Excellent Establishment on Labour Relations and Welfare for the 5th consecutive year (since 2013– 2017). At the same time, Korat plant also received the same Honorary Achievement Certificate award for the 10th consecutive year (since 2008 – 2017). This award is given by the Welfare Department, Ministry of Labour to those businesses that have good management with regard to the relationship between the employers and the employees, through recognizing the importance of close cooperation and good working relationships and shared benefits in order to establish a system of good labour relations within the organization. This is also one of the key policies by the Ministry of Labour aimed at promoting the business with close relationship and caring between the employers and employees.

- **Certificate for Standards on Prevention and Solution to Drug Problems in an Establishment**

On August 28 and 29, 2017 Korat plant and Bangpoo plant respectively received the Certificate for Standards on Prevention and Solution to Drug Problems in an Establishment premises of the Company from Department of Labour Protection and Welfare, Ministry of Labour, which are valid for a period of 3 years. The Certificate is given to business operators that achieved and complied with the criteria relating to effectively preventing and solving drug-related problems within the organization.

- **Certificate for 3Rs Waste Management Award**

On September 1, 2017, Korat plant received Certificate for 3Rs Waste Management under the 3 Rs Concept for its “Project on the development of the potential in making use of waste production materials” from the Department of Industrial Works, Ministry of Industry due to effective waste management system and practices based on the 3 Rs Concept: Reduce, Reuse, and Recycle.

- **Total Innovation Management Award for 2017**

On October 5, 2017, the Company received the Total Innovation Management Award for 2017 – Industry Sector, through being successfully assessed and certified for its innovative capabilities under the Innovation Promotion Program for listed companies of the Stock Exchange of Thailand (SET). This program was undertaken by the National Innovation Agency (Public Organization) jointly with the SET and the market for Alternative Investment (MAI) together with the College of Management, Mahidol University.



- **The 3rd Thailand Plastics Awards 2017**

On November 14, 2017 the Company received Gold Award from the 3rd Thailand Plastics Awards 2017– for non-food packaging products, in the third year competition by designing plastic products that showed corporate responsibility towards society and the environment. This competition was held by Siam Discovery together with the Plastic Industry Group, that the Federation of Thai Industries, the Plastic Institute, and Siam Commercial Bank PCL. It is an award given to the organization and person based on create innovative products, ideas, manufacturing difficulties, safety in use, forms, beauty and environment friendly.



- **National Certificate of Disease-Free, Safe and Happy Workplace : Good Level**

On December 14, 2017, the Amata Nakorn plant, Chonburi received a National Certificate of Disease-Free, Safe and Happy Workplace : Good Level from the Ministry of Public Health, which is valid or 3 years. It is a certificate given to business operators who promote, support and care for the physical and mental well-being of their workers, as well as the workplace environment being hygienic and disease-free and safe. It is also given to those business operators who support students within the local community through providing both educational equipment and knowledge.

The Company has prepared a Corporate Social Responsibility Report for Sustainable Growth for 2017, which is made to the public on the Company's website accordingly.

10.3 Business Operations that Affect Social Responsibility

In 2017, the Company and its subsidiaries did not have any business operations that affect social responsibility in the following manners:

1. The Company and its subsidiaries have been audited or are being audited by agency in charge of assessment, consideration or judgment that the Company or its subsidiaries' operations significantly violate the law on the 8 Principles of the Corporate Social Responsibility Guidelines of the Stock Exchange of Thailand.
2. The operations of the Company and its subsidiaries have part or have been claimed to cause negative impact to society, environment, or be against the 8 Principles of the Corporate Social Responsibility Guidelines of the Stock Exchange of Thailand.

10.4 Corporate Social Responsibility and Environment Activities (CSR After Process)

The Company realizes the importance of its roles and participation in creating and returning benefits to the society. Mr. Sanan Angubolkul, Chairman and President, has been on the Board of various organizations of both public and private sectors to promote and improve various areas of developments such as education, society, culture, environment, energy, trade, and international diplomacy. These include holding the positions as Chairman of the AFS Intercultural Programs Thailand, Chairman of the Rogatien Foundation, Chairman of Beijing Language and Culture University, Bangkok College, Vice Chairman of the Thai Chamber of Commerce, Chairman of the Committee on Energy of the Thai Chamber of Commerce, President of the Confederation of St.Gabriel's Foundation of Thailand Parents and Teachers Association, President of the Parents and Teachers Association of Assumption Commercial College, President of the Development and Promotion Committee of King Mongkut's University of Technology Thonburi, Honorary Consul-General of the Republic of Maldives in Thailand, President of Thai-Vietnam Business Council and President of Thai-India Business Council.

The Company has participated in creating and returning benefits to the society and the community and the community as appropriate in terms of timing and opportunity, as well as has regularly undertaken various activities for the benefit of society and local communities surrounding offices and plants of the Company. The Company is not limited to donation of money, goods and public service, but inclusive of other community development activities, such as:

- Encourage and support its staff and interested people in the community to have access to education, as well as support educational institutes in upcountry in setting hygienic practices, giving educational equipment, and granting scholarship, all of which lead to development and self-reliance;
- Provide students from various universities on-the-job training programs, which help students gain actual working experience in business in a systematic manner before graduation. Simultaneously, the educational institutes themselves can adapt their teaching syllabus and courses to meet the needs of the business sector. In addition, arrange site visits for groups, organizations, visits by people and educational institutions, which give an opportunity to exchange ideas, opinions and new knowledge between staff and the visitors;
- Run activities to educate locals and educational organizations regarding revenue generation and self reliance based on the sufficiency economy as well as give opportunity to surrounding community to study and visit manufacturing process of the Company;
- Extend the success achieved by the Company from various activities relating to the TO BE NUMBER ONE club for staff's children, children in the surrounding communities and educational institutions by providing various knowledge particularly drugs;
- Encourage and promote the Company's staff to realize the importance of the CSR and to continuously participate in activities which promote the CSR internally and externally in order to gain knowledge and understand the benefits of the CSR activities to the Company's business;
- Promote education and development of skill of disabled people continuously. The Program is to provide an opportunity to the disabled to develop their labour skills and to get ready for working in industrial sector with an aim to help them have good quality of lives and be able to work in the society with pride in their human rights equitable to others.

The Company has prepared a Corporate Social Responsibility Report for Sustainable Growth for 2017, and will publicize it on the Company's website accordingly.

10.5 Prevention on Corruption

The Company promotes and implants its employees and involved parties to comply with all the laws and regulations relating to anti-corruption and anti-bribery. These also extend to the Policy and Practice Guidelines on Anti-Corruption and Forbidding Bribes for the Company's Business Benefits, which is part of the policies and practice guidelines of treatments to stakeholders that have been approved by the Company's Board of Directors. The Company has set the guidelines for all employees as follow :

- Do not give or support the giving or receiving of inappropriate gift, entertainment allowance or expenses;
- Do not make direct or indirect payments to facilitate, accelerate operations or create flexibility in doing business;
- Forbid bribery in all types of business conducts, whether directly or via third party;
- Carry out procurement and outsourcing with transparency, honesty, straightforwardness and in compliance with related laws and regulations;
- Never give direct and indirect support money to political parties, political party officials, election candidates, organizations or persons involved with politics as loophole in paying bribes, unless political support money is legally and transparently donated;
- Continually monitor, audit and search for guidelines to prevent any actions indicative of corruption and bribes to the organization;
- Campaign for executive and employee of all levels to fight against corruption and forbid bribing.

Since 2014, the Board of Directors approved the Company to officially declare its position and intent through participating in the Private Sector Collective Action Coalition Against Corruption (CAC) initiative. The Company has also established policies and practice guidelines on anti-corruption, based on the Company's commitment to conducting its businesses in a fully transparent and accountable manner, with equitable treatment towards all stakeholder groups, as well as giving great importance to being against all forms of corruption. As such, these policies and practice guidelines have been communicated to all of the Company's Board Directors, members of executives and employees at all levels together with all stakeholders, which are as follows:

1. Any operational activities must not lead to any possibility of either receiving or giving of bribes from/to any stakeholders and other parties involved in the assigned responsibilities including government or private sector officials, for the sake of illegally or inappropriately gaining any benefits or causing a loss of any benefits to others, which include any actions in the following manner:
 - 1.1 Not receiving monetary benefits, goods or any other types of benefits, that may induce acts of misconduct in the course of discharging one's responsibilities;
 - 1.2 Not giving any monetary benefits, goods or any other types of benefits, aimed at inducing the recipients to make decisions or to undertake any actions, which lack adherence to any established rules and regulations;
 - 1.3 Not being an agent or representative in offering any monetary benefits, goods or any other types of benefits to those involved with the Company's business or officials of government agencies and of other organizations, with the aim of acquiring any special and inappropriate special privileges or inducing any actions to lack adherence to any established rules and regulations.
2. Any activities relating to sourcing or procurement and contracting out work must be undertaken in accordance with the established Company regulations and procedures in an equitable, transparent and accountable manner.
3. Any entertainment activities or other expenditures incurred must be in compliance with contractual conditions, and must be undertaken in the name of the Company, as well as must be of an appropriate and reasonable value that is accountable.

4. All contributions to charities are required to be made in accordance with the following procedures and guidelines:
 - 4.1 Contributions to charities in the form of cash or other types of Company assets made in the name of the Company: Recipients must be bona fide foundations, public charity organizations, temples, hospitals and other medical/relief services organizations, or other organizations for social benefits having an official certificate of accreditation or that are creditable. Such contributions must also be accountable, and be made in accordance with the Company's rules and regulations.
 - 4.2 Contributions to charities in the form of cash or other types of personal assets made in the name of an individual person: These must not involve or allude to the possibility of any corruption, hidden agenda and intent to gain inappropriate or illegal benefits.
5. Giving of monetary contributions or any other types of the Company assets to support the activities of any external organization or parties must be done in the name of the Company only. Such contributions must be aimed at benefiting local communities or society as a whole, as well as at enhancing the Company's corporate image and reputation. The disbursement of such contributions must be based on clearly defined objectives together with appropriate supporting documentation that can be audited, as well as made in accordance with the established approval procedures and processes of the Company.
6. The Company is firmly committed to its impartial political stance and does not give, directly or indirectly, any such support to any specific political party, member of a political party or election candidate for political offices, as well as any organization or person involved in politics. Additionally, the Company does not permit any executive or staff to undertake any activities involved with politics while still holding a position within the Company; as well as does not authorize the use of any Company assets in regards to any political activities.
7. Directors, executives and staff must discharge their respective duties and responsibilities with transparency and always keep in mind the benefit of the Company. They should also not neglect their duty or abandon their responsibility when they come across any activities, which are or may be considered as acts of corruption or misconduct that may have a direct or indirect impact on the Company. If incurred, they should submit the relevant information to or file a complaint with the Company in accordance with the established policy, procedures and guidelines of the Company relating to good corporate governance principles.
8. In the event that any staff member refuses to undertake any acts of corruption, that may result in loss of benefits or business opportunities for the Company, that person will not be punished or disciplined in any way or be transferred or be demoted, as well as will not receive any negative impacts whatsoever. The Company will always protect and treat in an equitable manner any staff member, who refuses to undertake any acts of corruption, or who acts as an information provider or submits a complaint regarding with any acts of corruption or misconduct by others that involves the Company, in accordance with the established policy, procedures and guidelines of the Company relating to good corporate governance principles.
9. The Company has embedded the steadfast cooperation and full adherence to this anti-corruption policy and practice guidelines as part of the KPI's used in its annual staff performance evaluation process and consideration for staff promotion and career advancement.
10. Directors/executives/staff found to be involved with any acts of corruption or misconduct will receive disciplinary punishment according to the rules and regulations of the Company, and may also be subject to legal prosecution according to the applicable laws.
11. Executives are responsible for communicating and informing this matter to all staff, in order to ensure full awareness and understanding; as well as for overseeing that all staff members and any other involved parties comply with this policy and operating guidelines.

12. Directors have the duty in and responsibility of assessing and reviewing that effective and efficient compliance with as well as full adherence to this policy and practices guideline are achieved, in order to establish and maintain, on a sustained basis, anti-corruption practices as a key component of the Company's corporate value and culture.

The Company has communicated these anti-corruption policies and practice guidelines on the Company website: www.srithaisuperware.com. In 2017, the Company has continued the anti-corruption policies and practice guidelines as follows:

- Arranged the Company's Executives/Management, from Deputy Department Manager level upwards, to attend relevant workshops aimed at driving full compliance with the Company's Policy on Anti- Corruption of the departments under their supervision.
- Communicated and disseminated business ethics together with practice guidelines on good corporate governance – on the role of Stakeholders, through holding workshops for the management and staff of subsidiaries and associates- domestic and overseas, totaling 4 companies.
- Arranged the topics of the Company's policies on good corporate governance and anti-corruption as part of the orientation for new employees of the Company, together with undertaking campaigns to give relevant information on an ongoing basis such as in On the Job Training, various internal publications or announcements within the Company.
- Arranged to have tests, on a quarterly basis, on the staff's knowledge and understanding about good corporate governance policies and practices as well as the policy on Anti-corruption. As such, there was increasing involvement from staff with improved knowledge and understanding on these topics as evidence by the increased tests scores.
- Reviewed and monitored any complaints received, internally and from external parties, via the 'whistleblower program', and took appropriate actions in accordance with established procedures in an equitable and confidential manner while ensuring the protection of the information or complaint providers. As such, during 2017, the Company did not receive any complaints about any alleged acts of corruption.

In 2017, the Company submitted the "Self-evaluation Forms Relating to Internal Measures on Anti-Corruption" to the Committee of Private Sector Collective Action Coalition Against Corruption ("CAC"), in order to apply for formal certification by the CAC. The Company already received the certification on March 9, 2017, which is valid for 3 years, which reflects the genuine success of the Company from its endeavors to actively participate and have a role in fighting all forms of corruption as well to develop a clean nation.

The Good Corporate Governance Committee assigned the Risk Management Sub-Committee to review the assessment of risks as a result of any acts of corruption within the organization in regards to key transactions during 2017. As such, there were no incidents that may have caused any significant risks for the Company.

The Company makes available the internal control systems and gives the stakeholders the opportunity to provide information and tips on corruption or non-compliance with laws, rules and regulations (whistle blower). The audit process and protection of the complainers or reporters are provided in an adequate and concise manner. Guidelines are clearly available in case complainer is an auditor which the Company has to abide by Article 89/25 of the Securities and Exchange Act, or ordinary person. In case of ordinary person, the Company has the following guidelines :

1. The Company requests that complaint or report on information concerning corruption or non-compliance with laws, rules and regulations be made in writing only.
2. Complainer can report information on complaint to an independent director by the following methods:
 - Via e-mail address, being publicized on the Company's website in the whistleblower channel, of which the complainer can choose to send the information to an independent director or all of them comprising
 1. Mr. Enghug Nontikarn E-mail address : enghug_non@srithaisuperware.com
 2. Mr. Suchat Boonbanjersri E-mail address : suchat_boo@srithaisuperware.com

3. Mrs. Siriporn Sailasuta E-mail address : siriporn_sai@srithaisuperware.com
4. Mr. Supachoke Liamkao E-mail address :supachoke_liam@srithaisuperware.com

- Fax
- Direct letter to independent director
- Submit the report in a sealed envelope addressed to an independent director through the Secretary of the Audit Committee (Head of Internal Audit)

For complaints as in the aforementioned guideline no. 1 and 2, the complainer is not required to reveal his/her identity. However, if the complainer is able to identify him/herself, the complainer is requested to disclose the complainer's first and last names, telephone number, facsimile, or email address. The Company can later inform outcome of the action or ask for additional information.

11. INTERNAL CONTROL AND RISK MANAGEMENT

11.1 Opinion of the Board of Directors on the Internal Control Systems

The Board of Directors arranged to have established a system of internal control and risk management. A set of systematic risk management measures was provided through assessing and analyzing various possible external as well as internal risk factors that may have impact on the business. The Audit Committee and the Risk Management Sub-Committee were responsible for these activities and adopted respective Charters that clearly define the duties and responsibilities of each Committee, in order to reasonably ensure that the Company has in place an adequate and appropriate systems of internal control to effectively support the achievement of the corporate objectives and goals as follows:

- Policies and goals of the Company.
- Information systems and financial reports that are accurate and reliable.
- Regulations, policies, and operations procedures of the Company together with all relevant applicable laws are complied with.
- All assets of the Company actually do exist, and are kept in good order, with such assets protected from being used by directors or executives in an illegal manner or without authorization.
- All business operations are conducted and all resources are used in an efficient manner.
- Any irregularities are detected and known in order to be early warning signs of possible dangers, which will help reduce and mitigate risks to acceptable levels.

At the Board of Directors meeting No. 6/2560, held on December 22, 2017, the Company's Board conducted an assessment of the adequacy of the Company's internal control systems. The assessment was based on the principles and guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand, which covered 5 core operational aspects of the COSO Internal Controls Integrated Framework. From this assessment, the Board concluded that the Company has in place internal control systems that are adequate and appropriate, and that no significant deficiencies have been found with regard to the Company's internal control systems and financial reports. In summary, the abovementioned 5 core operational aspects are as follows:

1. Control Environment

The Company has clearly defined various operations objectives and goals for its businesses that are measurable. These comprise detailed business activities, strategic plans, corporate vision, budgets and associated KPI's in order to create shareholder value, to meet the needs of its customers based on environmentally friendly production activities with social responsibility, and to develop and enhance the knowledge and capabilities of the Company's staff. The Company's Board of Directors is independent from the executives and is responsible for overseeing and monitoring the activities of the executives to ensure that their activities are in accordance with the plans.

The Company has established a corporate structure comprising various lines of management with authorization and responsibilities in order to effectively control and reduce the risks of any possible situations of conflict of interests.

All staff are informed of their job description including their respective scope of duty and responsibilities, the compensation and welfare benefits schemes appropriate to their job performance as well as prospects for career advancement within the Company that is based on the succession plans.

2. Risks Assessment

The Company has established a Risk Management Sub-Committee, comprising Board Directors and involved executive members. The Risk Management Sub-Committee is responsible for reviewing and assessing potential external risks factors – such as government policies, macroeconomic conditions, technological changes, together with internal risk factors that may impact the achievement of the objectives and goals, business plans, and overall business operations of the Company.

The Risk Management Sub-Committee assesses various information with regard to their potential likelihood and possible impacts, in order to define an appropriate 'risk matrix' to serve as guideline for action plans to meet such identified risks. The Sub-Committee assigns related executives and staff to implement and monitor the progress of risk management activities, and then to report their progress to the Risk Management Sub-Committee.

The Risk Management Sub-Committee carries out its duties under the oversight of the Audit Committee. It reports the performance to the Audit Committee and the Board of Directors on a quarterly basis.

3. Control Activities

The Company's Board of Directors appoints 3 Board Committees, namely: the Audit Committee, the Good Corporate Governance Committee, and the Nomination and Remuneration Committee with 1 Sub-Committee - the Risk Management Sub-Committee. All these Board Committees and Sub-Committee undertake activities in accordance with their respective scope of duties and responsibilities, in order to facilitate and support the sustainable growth of the Company in the long term.

The Company has established a segregation of duties into 3 areas to ensure that effective check-and-balance systems are in place consisting of 1) approval responsibility, 2) responsibility for recording accounting transactions and information, and 3) responsibility for safeguarding assets.

The approval authority for business transactions and approval limits, based on the respective executive level. Guidelines for overseeing and monitoring any connected and related-party transactions in accordance with the legal requirements are also provided.

Additionally, important regulations are developed or revised in accordance with the relevant official requirements as specified by government or regulatory agencies as well as with current operational procedures and working conditions. This is to ensure that the current internal control systems remain adequate and appropriate.

4. Information & Communications

The Company places great importance on the information technology system as well as on internal and external communications. These are key factors for the Board of Directors and the executives to learn about and be aware of the Company's performance as well as in making decisions with accurate and timely information. The Board of Directors are, thus, able to have access to sufficient important information and all supporting documents for its meetings. The Company Secretary is required to send out the respective documents at least 7 days prior to every Board meeting for use by the Board in considering agenda items as well as being able to request the Company to provide any additional documents. Upon the conclusion of the meeting, the Company Secretary will then distribute copies of the Minutes to all the Board Directors within 14 days.

The Company has determined the right or authority to access information regarding the operational areas or aspects of the Company. For the sake of security and maintaining confidentiality as well as in recognition of current advances in technology and importance of its informational technology system, the Company has developed procedures to oversee its IT equipment and to regularly back up all important information and data.

Additionally, the Company has established an 'internal web - information system' for use by every staff level as a means access to information and any Company communications. The Company's official website www.srithaisuperware.com is a channel of communications to communicate with and disseminate news or information to all stakeholders and those interested in the Company's businesses.

5. Monitoring Activities

The Company's executives are responsible for driving forward the business of the Company, in accordance with corporate policies, strategies, objectives and goals. Executives are also responsible for solving any problems that may occur, or for adjusting and adapting any operational activities to be aligned with the latest changing situation in the event that actual results deviate significantly from strategies, goal and business plan. It is required to report, on a quarterly basis, actual performance results based on the approved plans and objectives to the Board of Directors.

The Company has assigned the Internal Audit Department to be responsible for auditing, monitoring, and assessing all operational activities on a regular basis. Its findings must be reported together with recommendations for any improvements or corrective measures to be implemented by executives in order to ensure that the Company always has in place appropriate internal control systems. The Internal Audit Department performs its duties in an independent manner under the oversight of the Audit Committee.

11.2 Opinion of the Audit Committee on the Internal Control Systems

The Audit Committee has regularly reviewed the internal control systems with the Company's Auditors and Internal Auditors on quarterly and annual basis. All parties have opinion that the Company has in place appropriate and adequate internal control systems. In 2017, the Audit Committee did not find any significant deficiencies in the internal control systems; nor did the Auditors find any alarming situations that would require prompt corrective action, nor any serious fraudulent situations or illegal acts that may have any material impact on the reputation or financial status of the Company.

The Audit Committee has also disclosed its opinion regarding its review of the internal control systems in the Report of the Audit Committee as shown in Attachment 4.

11.3 Head of Internal Audit Department and Head of Compliance Department

Internal Audit Department reports directly to the Audit Committee and the President. Its responsibilities cover auditing, evaluating the internal control systems, and monitoring the risk management system and corporate governance practices, in order to ensure that the Company has in place such systems that are adequate, effective and efficient in accordance with the Company's objectives.

The Internal Audit Department is an independent unit and is allocated with adequate resources and budgets appropriate for carrying out its audit activities on the Company's operations and compliance with all relevant laws, rules and regulations.

The annual audit plan is prepared by taking into consideration the relevant risk factors, and is approved by the Audit Committee. The Internal Audit Department's findings and performance reports are submitted to the Audit Committee and the President. A summary of these internal audit findings are also reported in the Board of Directors meetings on a quarterly basis.

The Company's Internal Audit Manager is Mr. Tanatch Sripan, who has been appointed by the Audit Committee since 2008. Mr. Tanatch Sripan is independent and has performed his duties with knowledge, skills and a good understanding of the Company's business and operations. He is dedicated and has fully supported other activities in connection with the Internal Audit function such as, the Audit Committee Secretary, and Good Corporate Governance Working Group. The Company considers that he is fully capable and suitable for the duties as assigned by the Audit Committee. The Audit Committee and the President have jointly evaluated the performance and merit or punishment of Internal Audit Manager, in accordance with the Charter of Audit Committee. The resume of the Internal Audit Manager is disclosed in Attachment 3: Details Regarding the Company's Internal Audit Supervisor and Compliance Operational Supervisor.

The Compliance Unit is part of the Office of the Company Secretary. The Company Secretary is responsible for its oversight activities. Details of its responsibilities are disclosed in Attachment 3: Details Regarding the Company's Internal Audit Supervisor and Compliance Operational Supervisor.

12. RELATED-PARTY TRANSACTIONS

1. Related-Party Transactions with Individuals Who Might be Conflicted or Connected with the Company

The Company has subsidiaries and some related companies which might have conflict of interest and/or be connected companies according to the Securities and Exchange Act and regulations of related agencies. Related transactions in the normal course of business that incurred in 2017 are as follows:

Company Name / Relationship	Nature of Business	Type / Value of Transactions in 2017	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 and Manufacture and Distribution of Plastic Products	1. Normal business transactions amounted to Baht 65.62 million 2. Transactions involving assets or service amounted to Baht 0.11 million	1. Normal inter-company transactions for sales/purchase of 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 criteria approved by the Board of Directors of the Company. 2. Transactions involving assets or services. Thanks to its business expansion to generate more revenue in addition to their core business, Srithai Moulds Company Limited is necessary to purchase some assets from the Company since the assets were in good condition and not in use by the Company. However, the disposed assets value was not material and did not affect the capacity of the Company. The Company has set the terms of trade and selling price of such assets on an arm's length basis under the criteria prescribed by the Board of Directors. Therefore, the independent appraiser was not needed to appraise the disposed assets.

Company Name / Relationship	Nature of Business	Type / Value of Transactions in 2017	Necessity / Reasonableness
Srithai Packaging Company Limited <ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 1. Normal business transactions amounted to Baht 6.07 million 2. Dividends received amounted to Baht 2.35 million 	<ol style="list-style-type: none"> 1. Normal inter-company transactions for sales/purchase of 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 following the criteria approved by the Board of Directors of the Company. 2. Dividend payments to all Shareholders of Srithai Packaging Company Limited at an equal rate of dividend per share for all Shareholders based on the proportion of shares held.
Srithai Marketing Company Limited <ol style="list-style-type: none"> 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. 	Distributor of Houseware Products	<ol style="list-style-type: none"> 1. Normal business transactions amounted to Baht 218.37 million 2. Supporting normal business transactions amounted to Baht 7.50 million 	<ol style="list-style-type: none"> 1. Normal inter-company transactions for sales/purchase of products of one party demanded by another party to support and generate revenue of its main business under normal trade terms and prices following the criteria approved by the Board of Directors of the Company. 2. Transactions supporting normal business on renting 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. Supports for sales promotion expenses of the Company's distributor were also provided.

Company Name / Relationship	Nature of Business	Type / Value of Transactions in 2017	Necessity / Reasonableness
Siam Melamine Marketing Company Limited <ol style="list-style-type: none"> 1. A related company. 2. 70.0% of shares held by relatives of some executives of the Company. 3. It has long been a distributor and trade partner for the Company. 	Distributor of Plastic Products and Melamine Products	<ol style="list-style-type: none"> 1. Normal business transactions amounted to Baht 142.53 million 2. Short-term property rent amounted to Baht 0.84 million 	<ol style="list-style-type: none"> 1. Normal inter-company transactions for sales/purchase of 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 following the criteria approved by the Board of Directors of the Company. 2. Short-term property rent of land with building provided by the Company on a yearly basis. The rental rate was reasonable as its location, market rental rate and economic condition were taken into consideration including the rental price evaluation undertaken by an external independent appraiser.
Srithai Stainless Company Limited <ol style="list-style-type: none"> 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 Distribution of Kitchenware and Furniture	<ol style="list-style-type: none"> 1. Normal business transactions amounted to Baht 2.35 million 2. Supporting normal business transactions amounted to Baht 0.07 million 	<ol style="list-style-type: none"> 1. Normal Inter-company transactions for sales/purchase of 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 following the criteria approved by the Board of Directors of the Company. 2. Transactions supporting normal business on renting 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.

Company Name / Relationship	Nature of Business	Type / Value of Transactions in 2017	Necessity / Reasonableness
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.	Stickers and Labels Printing	Normal business transactions amounted to Baht 3.05 million.	Normal inter-company transactions for sales/purchase of 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 following the criteria approved 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.	Manufacture and Distribution of EPE Foam	No related party transaction in the year 2017	-
P. C. Container Company Limited 1. A related company. 2. 56.0% of shares held by relatives of some executives of the Company, who also serve as directors of P. C. Container Company Limited	Manufacture and Distribution of Plastic Products	1. Normal business transactions amounted to Baht 0.03 million. 2. Short-term property rent amounted to Baht 0.48 million	1. Normal inter-company transactions for sales/purchase of 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 following the criteria approved by the Board of Directors of the Company. 2. Short-term property rent of land with building provided by the Company on a yearly basis. The rental rate was reasonable as its location, market rental rate and economic condition were taken into consideration

Company Name / Relationship	Nature of Business	Type / Value of Transactions in 2017	Necessity / Reasonableness
P. E. T. Container Company Limited 1. A related company. 2. 55.8% of shares held by relatives of some executives of the Company, who also serve as directors of P. E. T. Container Company Limited	Manufacture and Distribution of Plastic Products	1. Short-term property rent amounted to Baht 0.18 million	Short-term property rent of land with building provided by the Company on a yearly basis. The rental rate was reasonable as its location, market rental rate and economic condition were taken into consideration.

Remark : Executive and relative of executive means 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 companies that might have conflict of interest or with connected companies. However, all transactions were 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 terms from those transactions with outsiders, the prices and terms of such transactions shall comply with the criteria approved by the Board of Directors. The Company has disclosed details of related party transactions for the year 2017 in the Notes to Financial Statements for the year ended December 31, 2017, No. 30 Related party transactions, pages 68 - 71.

Additionally, as at December 31, 2017, the Company still had outstanding related transactions in the form of providing financial support to subsidiaries which were in accordance with the resolutions approved by the Board of Directors as follows:

1. Providing corporate guarantee on credit facilities granted by financial institutions and commercial credit granted by raw material supplier to Srithai (Hanoi) Company Limited, a wholly-owned subsidiary of Srithai (Vietnam) Company Limited, for guarantee limit of USD 0.5 million to support its business that just started operations and to allow flexibility in purchasing raw materials at appropriate price, whereby it is a guarantee given every year with the total guarantee amount being the same as in 2016
2. Providing corporate guarantee on credit facilities granted by financial institutions to Srithai Superware Manufacturing Private Limited, a wholly-owned subsidiary, through issuing a 'Standby Letter of Credit' for a financial institution in India totaling Indian Rupees 33.0 million, in order to support the business of this subsidiary, whereby it is a guarantee given every year with the total amount of guarantee has been reduced from Indian Rupees 65.5 million in 2016 or equivalent to a reduction of Indian Rupees 32.5 million in order to appropriately match the required credit facilities and help reduce the subsidiary's financial expense.

2. Need for Related-party Transactions

The Company has placed an importance on the investment in the business related and/or connected with the plastics business, the core business of the Company, in order to reduce any dependence on the business outside the Group, to increase market coverage, and to increase competitiveness and growth of the Group of companies. As a result, most companies under the Group have similar businesses and products or partly support the core businesses of the Company. Related-party transactions frequently occur among the Group due to its need to purchase or sell products or services to other parties within the Group to support and enhance the main revenue and/or give financial support necessary for business operations of the subsidiaries to be competitive.

In addition, the connected transactions executed with persons who might have conflict of interest or be connected persons not under the structure of the Group are mostly carried out with distributors of the Company. The purposes are for business reasons and satisfying products demand from another party.

3. Procedure of Approval on Inter-Company Transactions

Each company in the Group has its own management team who is determined to maximize benefit of their company. Regarding inter-company transactions, terms, and conditions of trade and services are based on normal transactions with outsiders. Terms and conditions of inter-company transactions are compared with those from external sources of information. Exceptional cases are considered during sales promotion or at time of transacting with long-term trade partner on a case by case basis. However, the Audit Committee and the Board of Directors have been very careful to assure that interest of shareholders and all stakeholders was safeguarded against any transaction which might cause any conflict of interest.

In granting financial support to subsidiaries, the Company will provide and present to the Board of Directors limit and nature of financial support, reasons and need for such transactions on a case by case basis. The Company will evaluate business environment and need for financial support of each subsidiary in order to provide financial support suitable for maximizing benefit for subsidiaries. Proportion of share interests held by the Company in the respective subsidiary is also considered in the event it is not a wholly-owned subsidiary.

In order for the Company to follow the criteria regarding the connected transactions, the Board of Directors has 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 and other involved regulatory authorities. The power is also granted to the executives to approve connected transactions within the criteria set 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 Audit Committee and the Board of Directors for its consideration prior to approval and/or obtaining approval from the shareholders' meeting, which is in line with the criteria and requirements of the involved regulatory authorities.

4. Policy and Future Trend of Related Party Transactions

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

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

Part 3

FINANCIAL POSITION AND BUSINESS PERFORMANCE

13. FINANCIAL OVERVIEW

13.1 Financial Statements

13.1.1 Summary of the Auditor's Report

The Company had appointed PricewaterhouseCoopers ABAS Limited, "PwC", as its auditor. The auditor has audited Consolidated and Separate Financial Statements for the year ended December 31, 2017 and issued an auditor's report expressing unqualified opinion as the attachment.

13.1.2 Consolidated Financial Statements

Consolidated Statements of Financial Position

For the years ended December 31

Unit : Million Baht

	2017	2016	2015
Assets			
Current assets			
Cash and cash equivalents	290	272	621
Short-term investments	0	30	4
Trade accounts receivable, net	2,205	2,007	1,928
Other receivables	53	165	104
Inventories, net	1,673	1,802	1,658
Other current assets	101	86	85
Total current assets	4,322	4,362	4,400
Non-current assets			
Restricted deposits at banks and available-for-sale investments	71	68	59
Investments in associates, joint venture and others , net	347	345	356
Investment properties, net	130	126	123
Property, plant and equipment, net	5,489	6,065	5,852
Intangible assets, net	42	47	45
Deferred tax assets, net	155	119	106
Leasehold right, net	145	110	113
Other non-current assets	25	62	53
Total non-current assets	6,404	6,942	6,707
Total assets	10,726	11,304	11,107

	2017	2016	2015
Liabilities and equity			
Current liabilities			
Short-term loans	1,952	1,671	1,752
Current portion of long-term loans	771	775	661
Trade accounts payable	1,010	851	959
Other payables	250	311	333
Other current liabilities	40	40	58
Total current liabilities	4,023	3,648	3,763
Non-current liabilities			
Long-term loans	1,770	2,345	1,995
Finance lease liabilities	1	1	13
Employee benefit obligations	384	377	379
Total non-current liabilities	2,155	2,723	2,387
Total liabilities	6,178	6,371	6,150
Equity			
Share capital	2,710	2,710	2,710
Premium on treasury shares	20	20	20
Retained earnings	1,772	2,005	2,020
Other components of equity	(212)	(41)	(38)
Equity attributable to owners of the parent	4,290	4,694	4,712
Non-controlling interests	258	239	245
Total equity	4,548	4,933	4,957
Total liabilities and equity	10,726	11,304	11,107

Consolidated Statements of Comprehensive Income

For the years ended December 31

Unit : Million Baht

	2017	2016	2015
Sales	9,577	9,285	9,763
Cost of sales	(8,162)	(7,707)	(7,915)
Gross profit	1,415	1,578	1,848
Dividend income	6	7	8
Other income	69	73	102
Selling and administrative expenses	(1,295)	(1,288)	(1,316)
Finance costs	(181)	(169)	(163)
Share of profit of investments in associates and joint venture	38	83	79
Profit before income tax	52	284	558
Income tax expense	21	(20)	(80)
Profit for the year	73	264	478
Other comprehensive income (expense) :			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of post-employment benefit obligations	(6)	0	(45)
Income tax on items that will not be reclassified subsequently to profit or loss	1	0	9
Total items that will not be reclassified subsequently to profit or loss	(5)	0	(36)
Items that will be reclassified subsequently to profit or loss			
Change in value of available-for-sale investments	4	3	(28)
Currency translation differences	(174)	(4)	86
Income tax relating to items that will be reclassified subsequently to profit or loss	(1)	(1)	6
Total items that will be reclassified subsequently to profit or loss	(171)	(2)	64
Other comprehensive income (expense) for the year, net of tax	(176)	(2)	28
Total comprehensive income (expense) for the year	(103)	262	506
Profit attributable to :			
Owners of the parent	42	256	445
Non-controlling interests	31	8	33
Profit for the year	73	264	478
Total comprehensive income (expense) attributable to :			
Owners of the parent	(134)	253	477
Non-controlling interests	31	9	29
Total comprehensive income (expense) for the year	(103)	262	506
Earnings per share			
Basic earnings per share (Baht)	0.02	0.09	0.16

Consolidated Statements of Cash Flows
For the years ended December 31

Unit : Million Baht

	2017	2016	2015
Profit before income tax for the year	52	284	558
Adjustments for			
Depreciation & amortization	818	790	722
Assets written off	19	13	13
Loss on impairment of assets	32	0	5
(Gain) loss on disposal of assets	7	(7)	(16)
Employee benefits expense	24	33	28
Actuarial loss from other long-term employment benefits	3	0	27
Interest income and dividend income	(12)	(13)	(17)
Share of profit of investments in associates and joint venture	(38)	(84)	(79)
Finance costs-interest expense	181	169	163
Others	(7)	5	35
Changes in working capital :			
Trade accounts and other receivables	(205)	(95)	130
Inventories	97	(162)	(58)
Others	19	9	18
Trade accounts payable and other payables	184	(120)	(79)
Employee benefits paid	(26)	(35)	(21)
Others	7	(4)	5
Cash flows from operating activities	1,155	783	1,434
Interest paid	(179)	(169)	(162)
Income tax paid	(43)	(66)	(75)
Income tax refunds	13	0	0
Net cash receipts from operating activities	946	548	1,197

Consolidated Statements of Cash Flows (Cont'd)
For the years ended December 31

Unit : Million Baht

	2017	2016	2015
Cash flows from investing activities			
(Increase) decrease in short-term investments	32	(34)	2
Purchase of assets and leasehold right	(576)	(1,050)	(1,250)
Proceeds from disposals of assets	18	6	32
Interest receipts	6	6	7
Dividends receipts from subsidiaries, associates and joint venture	81	59	111
Net cash payments from investing activities	(439)	(1,013)	(1,098)
Cash flows from financing activities			
Increase (decrease) in short-term loans	330	(81)	299
Receipt from long-term loans	273	1,161	805
Repayment of long-term loans	(768)	(697)	(734)
Dividend payment	(283)	(286)	(281)
Others	(13)	(10)	(10)
Net cash receipts (payments) from financing activities	(461)	87	79
Net increase (decrease) in cash and cash equivalents	46	(378)	178
Cash and cash equivalents, opening balance	272	621	473
Effect from currency translation	(28)	29	(30)
Cash and cash equivalents, closing balance	290	272	621

13.2 Significant Financial Ratios from the Consolidated Financial Statements

Ratio	Unit	2017	2016	2015
Liquidity Ratio				
Current Ratio	Times	1.07	1.20	1.17
Quick Ratio	Times	0.63	0.68	0.71
Operating Cash Flows Ratio	Times	0.25	0.15	0.33
Account Receivable Turnover	Times	4.51	4.67	4.93
Average Collection Period	Days	79.79	77.15	72.95
Inventory Turnover ⁽¹⁾	Times	8.89	8.42	9.14
Inventory Days	Days	40.48	42.74	39.37
Account Payable Turnover	Times	8.78	8.52	8.21
Average Payment Period	Days	41.03	42.27	43.84
Cash Cycle Days ⁽²⁾	Days	79.25	77.63	68.48
Profitability Ratio				
Gross Margin	%	14.77	17.00	18.92
Operating Margin	%	1.65	3.12	5.46
Non-operating Margin ⁽³⁾	%	0.77	0.85	1.11
Operating Cash Flows Margin	%	598.36	189.19	224.51
Net Profit Margin ^{(3), (4)}	%	0.76	2.82	4.84
Return on Equity	%	1.54	5.34	9.87
Efficiency Ratio				
Return on Total Assets	%	0.66	2.36	4.42
Return on Net Fixed Assets ⁽⁵⁾	%	14.79	17.11	20.77
Total Assets Turnover	Times	0.88	0.84	0.91
Financial Policy Ratio				
Debt to Equity Ratio	Times	1.36	1.29	1.24
Interest Coverage Ratio	Times	6.54	4.64	8.84
Operating Cash Flows Coverage (cash basis)	Times	0.58	0.27	0.53
Dividend Payout Ratio ⁽⁶⁾	%	66.77	60.94	65.86

(1) Only finished goods inventory, excluding work in process, raw materials, supplies, moulds for sales and goods in transit (before allowance for obsolescence and allowance for inventories cost in excess of net realizable value)

(2) Cash Cycle Days = Average Collection Period + Inventory Days - Average Payment Period

(3) Total Revenues = Sales and Service Income + Dividend Income + Other Income

(4) Net Profit = Net Profit for the Year including Profit Attributable to Owners of the Parent and that of Non-controlling Interests

(5) Fixed Assets = Property, Plant and Equipment, Net + Leasehold right, Net

(6) The Company's policy of paying dividend from the net profit of the Company's separate financial statement. The dividend payout ratio in the table is calculated by comparing the dividend payment in the current fiscal year with the net profit of the previous fiscal year from the Company's separate financial statement, which is used as a basis for dividend declaration.

Analysis of Financial Ratios from the Consolidated Financial Statements

Liquidity

As at December 31, 2017, the Group of companies had a Current Ratio that dropped from 1.20 times in 2016 to 1.07 times in 2017 and a Quick Ratio that dropped from 0.68 times in 2016 to 0.63 times in 2017. This is due to a decrease in Total Current Assets – mostly from inventories as a result of improved management of raw materials and finished goods matched with sales and production plans of the Group, together with delivery of some products before the yearend by a subsidiary. At the same time, Total Current Liabilities increased derived from new short term loans and trade accounts payables, caused by the management of total loans to reduce overall finance costs of the parent Company as well as by the purchase of raw materials and finished products for some products group to support planned increased sales and production.

Despite the Group's Total Net Profit for 2017 decreased compared with the previous year, however the increased amount of depreciation together with the changes in total operating assets and liabilities especially with regard to inventories and trade accounts payable have affected the net operating cash flow, and resulted in an overall year-on-year increase in operating cash flows at a high rate than the increase in Total Current Liabilities. As such, the Group had an operating cash flow ratio that increased from 0.15 time in 2016 to 0.25 times in 2017.

In addition, the Group's cash cycle extended from 77.63 days in 2016 to 79.25 days in 2017 :-

1. Average Collection Period was longer from 77.15 days in 2016 to 79.79 days in 2017, resulting from the decreased exports sales of the Household Products group that has a shorter credit term, together with from the decreased sales of the Network Marketing Business being made in cash and from the increased overall trade accounts receivables in line with the sales of the subsidiaries in Vietnam and India.
2. Average Inventory Days decreased from 42.74 days in 2016 to 40.48 days in 2017 from the improved management of the raw material inventories together with the sales of some products at a discount to reduce certain inventories.
3. Average Payment Period slightly reduced from 42.27 days in 2016 to 41.03 days in 2017, due to the improved management in purchase of raw materials and products for sales as well as negotiations on payment terms to receive appropriate purchase price.

All in all, the Liquidity Ratios for 2017 of the Group were not much different from those of 2015 and 2016. The liquidity and cash cycle of the Group are considered at an appropriate level, whereas operating cash flows are still adequate. Besides, credit facilities from various financial institutions are sufficient to meet and support ongoing business operations of the Group on a continuing basis.

Profitability

The Group's Gross Margin shrank from 17.00% in 2016 to 14.77% in 2017. This was due to lower utilization of assets relative to the decrease in export sales of the Household Products group that resulted in higher overall cost of production eventually, together with the decrease in sales of the Network Marketing Business that has high gross profit. At the same time, despite the increase in total sales of the Industrial Products group from the previous year, gross profits for some other product groups have decreased as a result of the impact from increased costs of raw materials, intense price competition, and the acceptance of special large sales orders with low gross profit to maintain total sales income.

Additionally, the Group had an increase in selling and administrative expenses compared to the previous year, due to a special loss on impairment of assets incurred only in 2017, increased finance costs from a subsidiary's borrowings for investments as well as lower share of profits from investments in associates and joint venture. As a result, the Group's Total Net Profit for 2017 dropped by 72.34% against the previous year, and Net Profit Margin fell from 2.82% in 2016 to

0.76% in 2017. Return on Equity reduced from 5.34% in 2016 to 1.54% in 2017, in line with the decrease in net profit and the decrease in equity after annual dividend payment.

Efficiency Ratio

In 2017, the Group's Return on Net Fixed Assets Ratio decreased from 17.11% in 2016 to 14.79% in 2017, in line with less earnings whereas value of property, plant and equipment decreased, due to total depreciation and amortization together with loss on impairment of assets, even though the Group also purchased additional assets for its operation during the year but at a lower amount than the previous year.

Financial Policy

The Group's Debt to Equity Ratio increased from 1.29 times in 2016 to 1.36 times in 2017. Although Total Liabilities decreased due mainly to the decreased outstanding loans, Total Shareholders' Equity also decreased at a higher rate due to payment of dividend for the year and lower Net Profits compared with the previous year.

Additionally, as the Group's operating cash flow in 2017 increased from the previous year at a higher rate than the increase in interest costs, the Group's Interest Coverage Ratio therefore increased from 4.64 times in 2016 to 6.54 times in 2017. Furthermore, the Group's overall debt obligations decreased from the previous year due to decreased capital expenditure. All of the above contributed to the increase in Operating Cash Flows Coverage Ratio (cash basis) from 0.27 times in 2016 to 0.58 times in 2017.

The Dividend Payout Ratio increased from 60.94 % in 2016 to 66.77 % in 2017 due to the same dividend per share as 2016 while lower net profit in 2017 than 2016. This Dividend Payout Ratio was in line with the Company's policy of paying dividend not less than 50% of net profit of the separate financial statements.

It is noted that formula used in calculation of Operating Cash Flows Coverage Ratio (cash basis) is guided by the Office of the Securities and Exchange Commission (SEC), which was different from the one used in calculation of the ratio as a financial covenant with its financial institution creditors. Hence, results of the two methods cannot be compared. The Company had disclosed details of all financial covenants as per loan agreements, under section 14.1 (5) Financial Covenants on Loan Agreements.

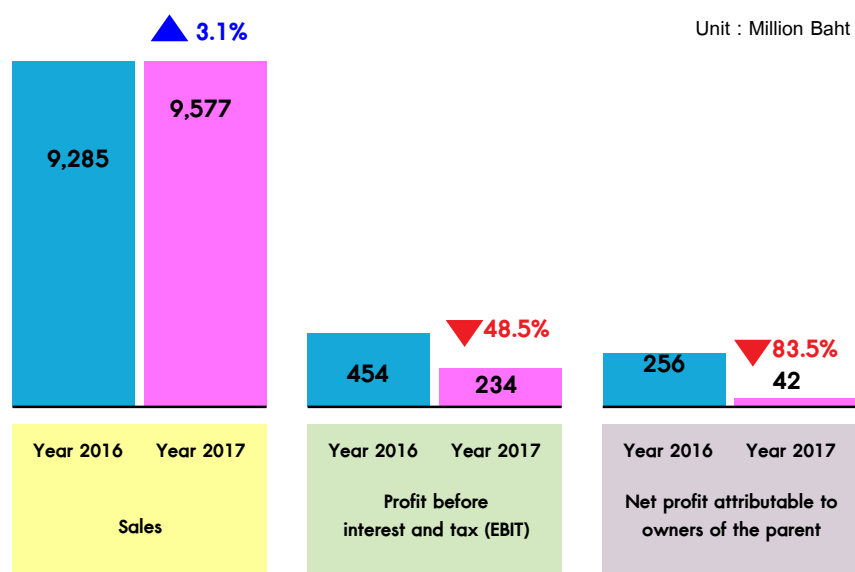
14. MANAGEMENT DISCUSSION AND ANALYSIS

14.1 Analysis of the Operating Results and Financial Position

1. OVERVIEW : Operating Performance Results for the Company and Subsidiaries

For the year ended 2017, consolidated sales of the Group has increased by 3.1% Year-On-Year (YoY). Gross Margin was lower to 14.8% of sales, from 17.0%. As such, consolidated profit of 2017 is Baht 73 million, with Profit Attributable to Owners of the Parent being Baht 42 million, a decrease of Baht 214 million, or 83.5%, YoY. This represents an Earnings Per Share (EPS) of Baht 0.02 – a decrease of Baht 0.09, YoY. There are non-recurring transaction with a significant impact on the financial statements for 2017 relating to loss on impairment of fixed assets totaling Baht 29 million from Returnable Glass Bottle Closure Project (RGB Project) together with loss on disposal of fixed assets totaling Baht 7 million in the separate and consolidated financial statements.

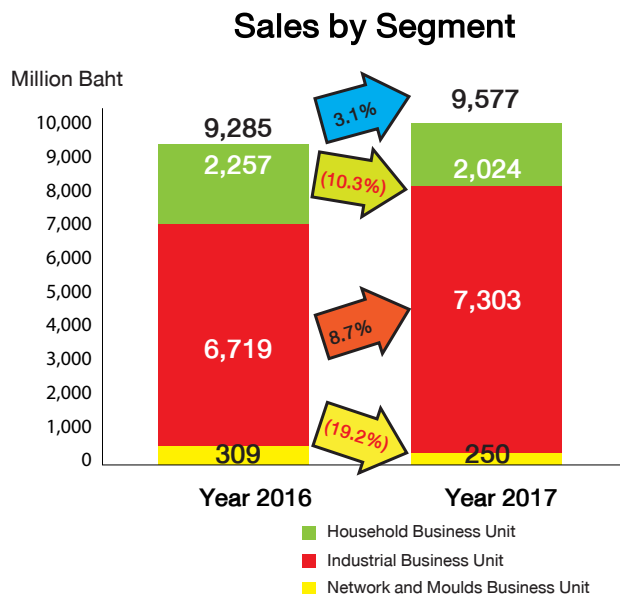
Overview of Consolidated Profit Information



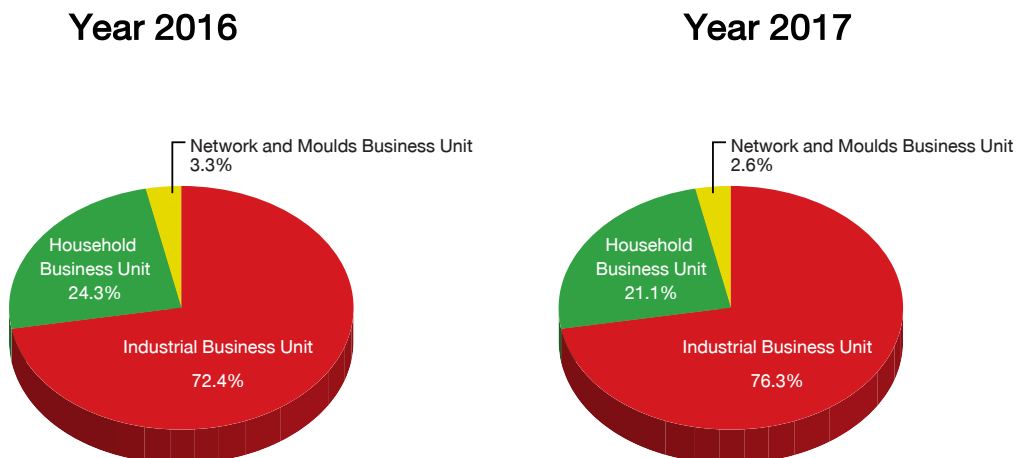
	Unit	Year 2016	Year 2017
Gross profit	%	17%	14.8%
Net profit attributable to owners of the parent	Million Baht	256	42
Net profit on sales	%	2.8%	0.4%
Earnings per share	Baht	0.09	0.02

2. Analysis of the Operating Results for 2017

2.1 Sales - by Types of Business



Sales Proportion by Business Line



The change of sales proportion by segment in 2017 compared to 2016 is as follows:

- The share of sales for Plastics Business Line increased from 96.7% to 97.4% - comprising Industrial Business Unit that achieved an increase in its share of total sales to 76.3%, from 72.4%, while Household Business Unit saw a decrease in its share of total sales to 21.1%, from 24.3%.
- The share of sales for the Network and Moulds Business Lines decreased from 3.3% to 2.6%.

1) Plastic Business Line

1.1) Household Business Unit

Total 2017 sales of Household Business Unit decreased by Baht 233 million, or 10.3%, against last year, which can be summarized according to the operations bases:

- **Domestic operations**

Total exports by the Group were down as a result of

- There were special orders from Canada in the prior year;
- Customers in the Japanese and South Korean markets have slowed down their orders due to the changes made within their respective department stores because of the change in consumer's tastes and declining demands;
- The market in Malaysia was affected by the weakening value of its currency, which impacted the overall economy and the retail market;
- There were impact from the economic slowdown in the Middle East markets, ongoing political conflicts and terrorism, and new restrictions on imports to customers in Egypt to maintain control over the US dollar currency.

Nevertheless, sales of the direct sales channel increased from the previous year due the changed business directions in marketing activities, together with the 'localization' strategy that involved selling directly through local branches located in certain sales regions. This is in order to proactively expand the respective market base for which each branch is directly responsible by working jointly with the independent sales executives through communicating directly with consumers via social media. As well, digital marketing activities were undertaken with relevant contents, that enable adding more new members to the direct sales channel.

- **Overseas operations**

Sales decreased YoY, due to having no special sales order received as those during the previous year for melamine products used as premium products in Vietnam, but sales of HORECA market increased with more demand from customers.

Sales of the subsidiary in India were up as the sales promotions campaign period was extended to cover the Diwali festival as well as new products were launched for the HORECA markets.

1.2) Industrial Business Unit

Total 2017 sales of Industrial Business Unit surged by Baht 584 million, or 8.7% YoY, which can be summarized according to the operations bases:

- **Domestic operations**

Sales were higher from the following product groups:

- Automotive components products of subsidiaries due to the mass production of new automobile models since the end of Quarter 1;
- Plastic battery cases and pallets from a number of large projects;
- Beverage packaging products having higher sales and marketing promotions activities that were undertaken by the soft drinks business operators.

- **Overseas operations**

Sales for the beverage packaging products were up as a result of higher sales orders from major customers together with increased sales for plastic battery cases, paint pails, crate, and components for electrical consumer products.

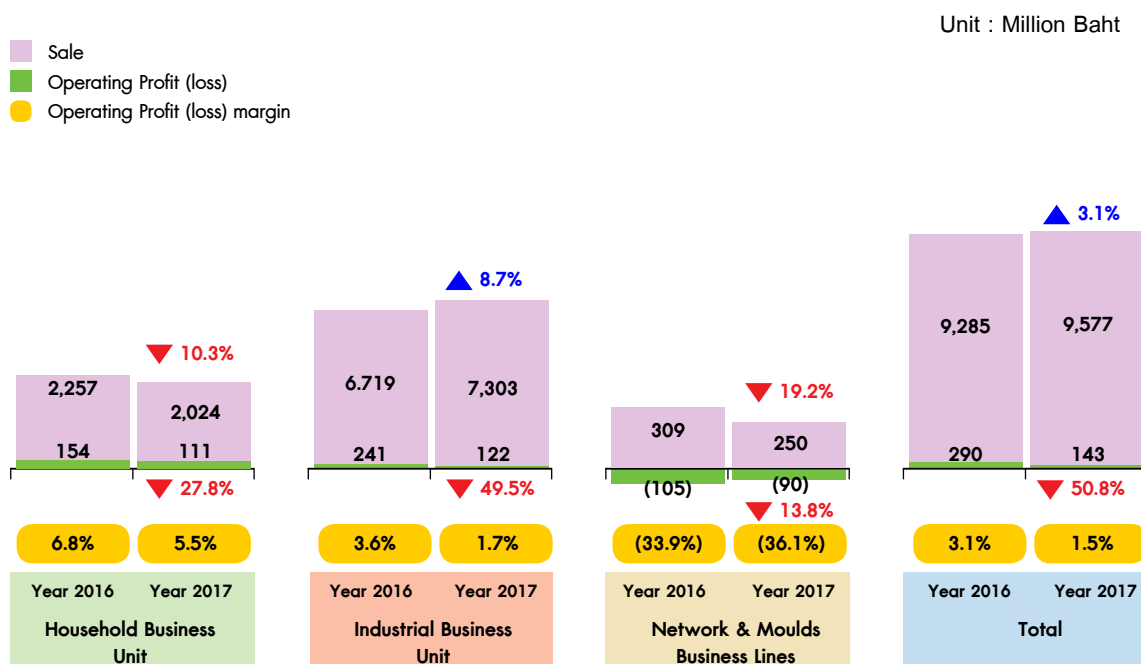
2) Network and Moulds Business Lines

2017 sales of the Network and Moulds Business Lines plummeted by Baht 59 million, or 19.2%, YoY, resulting from:

- Sales of the Network Business depleted from last year from the scale down of both the structure and overall size of the business, as well as the changes within its management team. This then impacted overall confidence and also resulted in various leaders and members leaving/joining the business. As such, the continuous momentum to drive sales was lost.
- Sales of the Moulds Business slightly grew as a result of the increase in production of the moulds delivered to customers this year.

2.2 Operating Profit (Loss) by Segment

Sales and Operating Profit (Loss) by Segment



Profit from sales by segment in 2017 lessened by Baht 147 million, or 50.8%, YoY with the following details:

1) Plastics Business Line

1.1) Household Business Unit

Operating profit of Household Business Unit declined from last year, with operating profit margin down from 6.8% to 5.5%. This was because of the production capacity having diminished as a result of lower demand for export and premium products; while overall selling and administrative expenses were higher in line with higher domestic sales through the direct sales channel, together with more sales promotions and logistics costs incurred by a subsidiary in India.

1.2) Industrial Business Unit

Operating profits of Industrial Business Unit subsided from previous year, and operating profit margin dropped from 3.6% to 1.7% forced by lower gross profits for beverage packaging products from rising raw material costs, price competition. Besides, sales orders for pallet projects earned low gross profits while the promotion and transportation expenses slightly climbed up.

2) Network and Moulds Business Lines

The Network and Moulds Business Lines made an operating loss of Baht 90 million, representing 36.1% of total sales. This loss jumped against last year as a result of the sinking sales of those products for Network Business with high gross profits whereas selling and administrative expenses fell at a slowing rate.

2.3 Selling and Administrative Expenses

Selling & Administrative Expenses were Baht 1,295 million, an increase by Baht 7 million, or 0.5%, from last year. The increment stemmed from loss on the impairment of fixed assets of the Returnable Glass Bottle Closure Project and loss on disposal of fixed assets, which was a one-time transaction for 2017. Meanwhile, commission and sales promotions expenses of Network Business Line and delivery expenses of export business dwindled in line with contracted sales. All in all, total selling and administrative expenses of the Group saw a declining percentage of total sales from 13.9 % in 2016 to 13.5% in 2017.

3. Analysis of Consolidated Financial Position

Consolidated Financial Position (partial)

Unit : Million Baht

Description	As at Dec 31, 2016	As at Dec 31, 2017	Changes from Dec 31, 2016	
	Amount	Amount	Amount	% +(-)
			Inc (Dec)	
Trade accounts receivable, net	2,007	2,205	198	9.9%
Inventories, net	1,802	1,673	(129)	(7.2%)
Property, plant and equipment, net	6,065	5,489	(576)	(9.5%)
Total assets*	11,304	10,726	(578)	(5.1%)
Short-term loans	1,671	1,952	281	16.8%
Trade accounts payable	851	1,010	159	18.7%
Long-term loans	3,119	2,542	(577)	(18.5%)
Employee benefit obligations	377	384	7	1.9%
Total liabilities *	6,371	6,178	(193)	(3.0%)
Unappropriated retained earnings	1,755	1,515	(240)	(13.7%)
Non-controlling interests	239	258	19	7.9%
Total equity *	4,933	4,548	(385)	(7.8%)

Note : * Total lines extracted from Consolidated Statements of Financial Position.

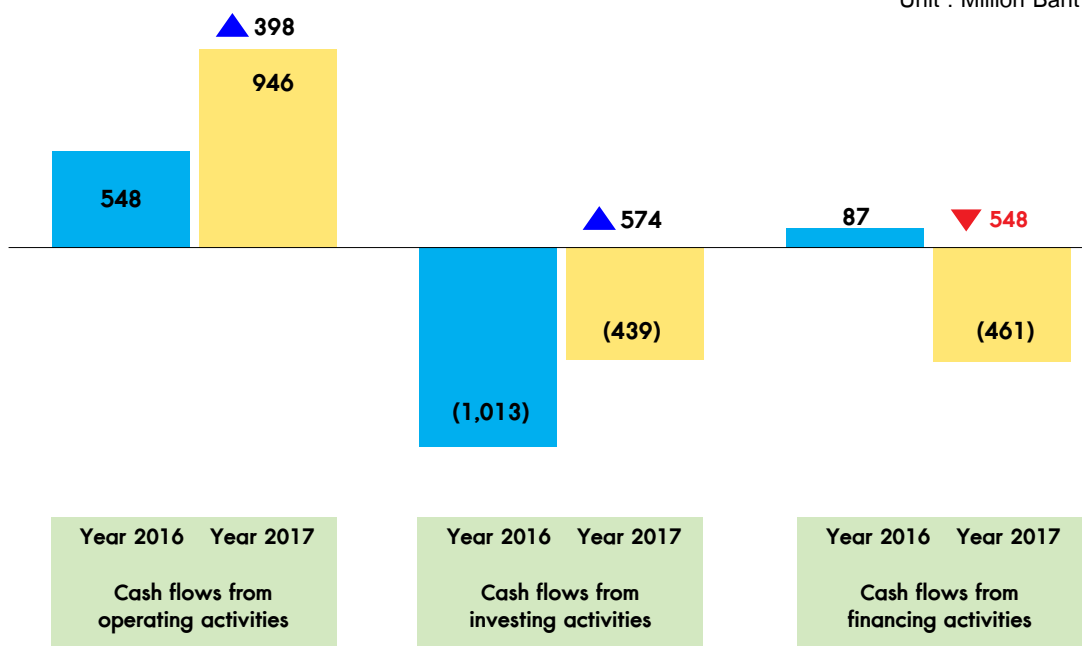
As at December 31, 2017, significant changes in the consolidated financial position compared with December 31, 2016 are as follows:

- Trade Accounts Receivable were up as a result of higher trade receivables of increased Industrial Products sales.
- Inventory on hand declined due to raw materials being consumed for the Industrial Products group to be ready for shipment during the year end period, together with from hand over of moulds for sales to customers by the Company and local subsidiaries.
- Property, Plant and Equipment were lower as a result of depreciation expenses, assets disposal and provision for impairment of fixed assets, netted with additional acquisition of assets during the year.
- Short term loans grew from loans drawdown used for the business operations and as working capital.
- Trade Accounts Payable surged from the increase in trade payables for raw materials supplied for the Industrial Products to be delivered during the year-end period which are not duly paid.
- Long-Term Loans shrank from loans repayments made on schedules.
- Employee Benefit Obligations rose from the recognition of committed staff welfare and other benefits obligations, netted with actual payment during the period.
- Unappropriated Retained Earnings totaling Baht 240 million diminished from dividend payment in respect of operating results of 2016 amounting to Baht 271 million being more than the amount of Profit Attributable to Owners of the Parent for the year ended 2017, and legal reserve set aside amounting to Baht 7 million.
- Non-controlling Interests incremented from net profits of subsidiaries for the year ended 2017, netted with dividend payment in respect of subsidiaries.

4. Analysis of Liquidity

Consolidated Cash Flows (partial)

Unit : Million Baht



Unit : Million Baht

	Dec 31, 2016	Dec 31, 2017
Net increase (decrease) in cash and cash equivalent	(378)	46
Cash and cash equivalents, opening balance	621	272
Effect from currency translation	29	(28)
Cash and cash equivalents, closing balance	272	290

For the 12-month period of 2017, the Group had significant cash flow transactions compared with 2016 as follows:

- 1) Increase in Cash Flow from Operating Activities against last year due to the decline in inventory, higher accounts payable, lower corporate income tax payments in line with shrinking operating results, and a tax return claim made by a subsidiary.
- 2) Decrease in Cash Flow from Investing Activities due to the drop in acquisition of assets, in addition to higher dividend received from investment in associate and joint venture companies.
- 3) Lower Cash Flow from Financing Activities due to less loans drawdown amount that of long term loans repayment during the year.

As at December 31, 2017, the Group still has available unutilized credit facilities around Baht 5 billion comprising overdraft facilities, long term loans, and revolving credit lines with optimum interest rates. As such, the Group is confident that it has adequate cash flow for its operations and investments.

5. Financial Covenants on Loan Agreements

Currently, there are no significant conditions of the loan agreements, executed by the Company, that may have impacts on normal operations or expansion of the Company's businesses. Only financial ratios, based on the financial statements of the Company, need to be achieved and/or maintained during the valid term of such loan agreements as follows:

1. Debt to Equity (D:E Ratio) : not exceeding 2.0 times

Definition and calculation of the D/E Ratio

D:E Ratio = Total Debts ÷ Total Equity (as per the Separate Statement of Financial Position)

2. Debt Service Coverage Ratio (DSCR) : not less than 1.1 times

Definition and calculation of the DSCR

DSCR = EBITDA ÷ (Interests payable + Current Portion of Long-term Loans within 1 year).

EBITDA means profits before interest payable, corporate income taxes (as per the Statement of Comprehensive Income) + depreciation or amortization expenses (as per the Statement of Cash Flows).

Interests Payable means cost of financing (as per the Statement of Comprehensive Income).

Current Portion of Long-term Loans means the portion of long terms loans that are due for repayment during the respective current year (as per the Statement of Financial Position).

The calculation of such financial ratios based on information in the separate financial statements as required by the loan agreements is as follows:

Financial ratios (times)	Required	As at end 2017	As at end 2016
D/E Ratio	Not exceeding 2.0 times	0.95	0.94
DSC Ratio	Not less than 1.1 times	1.13	1.64

The Debt to Equity Ratio for 2017 was almost the same as that of last year. Despite the decrease in the Debt Service Coverage Ratio against last year caused by the shrinking net profits, the Company could maintain this ratio as required by the loan covenant. Nevertheless, apart from the business plans for 2018 approved by the Board of Directors together with exercising caution in investments and loans raising, the Company is confident that there will be no problems in maintaining these financial covenants.

6. Significant Events during 2017 and Post Statement of Financial Position Event

During 2017, the Group has not adopted any new accounting policies in addition to those already in place from the previous year. However, several significant events have occurred, which have already been publically disclosed once that specified matter was approved by a resolution of the Board of Directors. Furthermore, in accordance with the Stock Exchange of Thailand's disclosure requirements, these important events were disclosed via the SET's ELCID and website as well as in the Notes to the Financial Statements, which can be summarized as follows:

1. Loans

1.1 Long Term Loans Facilities

In Q3/2017 the Company has made a drawdown of long term loan from domestic commercial bank totaling Baht 250 million, in accordance with the loan agreement executed in Q2/2017 with the objective of investment in operating assets and for working capital.

As for investment plans for 2018, the Company expects to source additional long term loans as appropriate for its current financial status and future investment plans of the Company.

In raising additional debts as sources of funds to support the Company's businesses, the Board of Directors and the executives have taken careful consideration of various aspects. This is in order to ensure that the Company will have reasonable costs of funds with appropriate terms and conditions. As well, the Company will not have any problems in repaying such debts or any risks whatsoever in being unable to meet conditions set under the loan facilities. The Company has disclosed details of its existing long-term debt obligations as at December 31, 2017 totaling Baht 1,897 million in the Notes to the Financial Statements for the year ended December 31, 2017 under Note 20 : Long -term loans on pages 58 - 61.

1.2 Guarantee for Subsidiary

In Q1/2017, the Company issued a letter of guarantee to a material supplier in Thailand with a total value of US Dollars 0.5 million, relating to payments for raw materials by Srithai (Hanoi) Company Limited ("SHN"), a wholly-owned subsidiary of Srithai (Vietnam) Company Limited ("SVN") and being an indirect subsidiary of the Company. This is so that the subsidiary can effectively and easily source the raw materials at appropriate costs. As at the beginning of 2018, the Company extended the validity of the letter of guarantee at the same value. The Company will consider providing financial support in the form of guarantee that are extended on a year by year basis; by taking into account of current financial status, operating results and self financial viability of both SHN and SVN.

2. Other Matters

2.1 Returnable Glass Bottle Closure Project ("RGB")

In 2011, the Company was approached by an overseas major soft drink producer to initiate a Returnable Glass Bottle Closure Project for glass bottles ("RGB"). The Company then started to invest in some assets for this project. However, that soft drink producer later changed its policy of returnable glass bottle closure being applied to all closure producers; which caused the disruption of the design for

the proposed closure already approved. As such, the new design took quite a long period of time to be developed. Moreover, the overseas soft drink producer was subsequently taken over by another company which had a policy towards using more plastic bottles than glass. After careful consideration, the Company, therefore, decided that this project was no longer commercially viable and thus terminated the project. The Company was later able to find a party to buy some of the project assets. This transaction was recognized as Loss on Impairment of Fixed Assets under the administrative expenses together with under Other Expenses - Loss on Disposal of Fixed Assets as shown in the Statement of Comprehensive Income ended December 31, 2017.

2.2 Commitments and Contingent Liabilities

On May 15, 2011, the Company made an agreement with a recruitment agent registered in Cambodia for recruiting Cambodian migrant workers to work legally in Thailand. Once the work permits were obtained for the recruited workers and the workers had completed their work duties for the contract period, the Company paid the agreed service fee to the agent in full according to the agreement terms and agent invoices.

On June 13, 2016, the agent filed a lawsuit against the Company claiming it failed to pay. The agent filed for the service fee plus 7.5% annual interest from the date of filing the lawsuit until the settlement. Subsequently, the Company appointed an attorney and a representative to contest the lawsuit as it had not breached the agreement. The Company also filed a countersuit for the agent's breach of agreement. The court already examined evidence from both the Company and the agent.

On May 25, 2017, the court has ordered the Company to pay Baht 4.77 million with 7.5% annual interest. However, the Company filed for an appeal to the Court of Appeal in August 2017 since there are additional evidence and information to support the appeal. The Company confides that the evidence and information will be in the Company's favor. Therefore, the Company did not set up provisions for this claim in the consolidated and separate financial statements and expects to hear the verdict from this appeal within 2018.

2.3 Change of Directors & Executives

Director

On February 28, 2018, Mr. Viroj Lowhaphandu resigned from being an Independent Director, and Chairman of the Audit Committee due to health problems. The Board of Directors, therefore, has appointed Mr. Enghug Nontikarn, Member of the Audit Committee to be Chairman of the Audit Committee together with Mr. Supachoke Liamkao to be an Independent Director and Member of the Audit Committee effective as of March 1, 2018. However, the Board of Directors has not yet appointed any one to fill the vacancy.

Executives

- 1) Mr. Chaiwat Kulphattaravanich was appointed as Finance Director, effective on May 1, 2017.
- 2) Mr. Settapong Haemintakun, Chief Operating Officer – Network Marketing Business, resigned from the Company, effective on July 1, 2017. The Company has then appointed Mr. Chairaj Iangtanarat, Direct Sales Director, as Direct Sales and Network Marketing Director effective on February 23, 2018 by incorporating the responsibility of the Network Marketing Business too.
- 3) Mr. Anupoch Pasawat, Factory Director – Beverage Packaging, resigned from the Company on July 1, 2017. The Company appointed a Factory Manager – Beverage Packaging to take full responsibility for Beverage Packaging factory.

2.4 Appropriation of Net Profit and Dividend Payment

The Company has appropriated its net profit for the year 2016 to be allocated for required legal reserves totaling Baht 22,000,000, as well as for a dividend payment to its shareholders at the rate of Baht 0.10 per share in 2017, totaling Baht 270,990,480 or equal to 66.77% of the net profit of the separate financial statements in accordance with the resolution of the Annual General Meeting of Shareholders No. 36 (for the year 2017).

Additionally, the 3 subsidiaries, namely: Korat Thai Tech Company Limited (“KTT”); Srithai Miyagawa Company Limited (“SMW”); and Srithai (Vietnam) Company Limited (“SVN”), each approved a resolution to make a dividend payment from their respective net profits as follows :

Company Name	Total Dividend (Million Baht)	Dividend per share (Baht)	Percentage of shareholding	Dividend income attributable to the Company (Million Baht)
Korat Thai Tech (“KTT”)	150	50.0	100.0	150
Srithai Miyagawa Company Limited (“SMW”)	24	20.0	51.0	12
Srithai (Vietnam) Company Limited (“SVN”)	12 (VND 8,200 Million)	-	100.0	12 (VND 8,200 Million)
Total	186			174

2.5 Results of the Annual Evaluation of Corporate Governance Practices and Assessment of the Quality of the Annual General Meeting of Shareholders for 2017

In 2017, the Thai Institute of Directors Association (IOD) evaluated the overall degree of corporate governance practices of the Company as “Excellent”. As well, the Thai Investors Association (TIA) also assessed the quality of the Company’s Annual General Meeting of Shareholders (AGM) with a score of 97 points. Both of these evaluation results reflect the achievements of the Company in maintaining the high standards for its works.

2.6 Post Statement of Financial Position Event

• Approval for the Appropriation of the Company’s Net Profit and Dividend Payment

On February 28, 2018, the Board of Directors approved the appropriation of the Company’s net profit for the year 2017 as follows: for required legal reserves totaling Baht 7,000,000 and for dividend payment at the rate of Baht 0.05 per share totaling Baht 135,495,240 (or equal to 107.60% of the net profit of the separate financial statements). Such Board resolutions will be proposed and submitted for approval at the Company’s Annual General Meeting of Shareholders No. 37 (for the year 2018).

14.2 BUSINESS OUTLOOK FOR 2018

1) Plastic Business Line

1.1) Household Business Unit

Domestic operations

- It is expected that sales for the Direct Sales channel will keep expanding from the improved business model that is now based on a digital platform, and also from the creation of new business tools based on Affiliate Marketing activities that correspond to the current new business era. This has motivated small business entrepreneurs to be more satisfied with implementing the new business format that

better corresponds with various current trends for new business models - such as, B2C and B2B, primarily through the O2O (Online to Offline) strategy.

- The export market for 2018 is showing a more positive trend due to increasing sales of melamine products to the HORECA market in the US and Europe, combined with maintaining sales to the retail markets, and focusing more on the premium market segment in the Asian region that has more demand potential.

Overseas operations

- Sales of a subsidiary in India expects a surge for 2018 from launching new products in the HORECA market, together with continuous new product launches throughout the year so as to offer a more extensive variety of products for this market segment.
- The subsidiaries in Vietnam also expect sales increase for 2018 as a result of new marketing strategies, new distribution channels, expansion of modern trade customers base, and extension into new customers within the HORECA market sector.

1.2) Industrial Products

Domestic operations

- Food and Beverage Packaging Products Group: Sales of beverage packaging products in 2018 will be higher, as a result of expanding into the budget segment of the preform market and also exporting more closures to customers within the ASEAN. For the blowing market, sales will diminish marginally due to the change in pricing structure; whereby customers will source the raw materials by themselves. As for the food packaging products, sales will grow in line with sales of major customers and more upcoming new films or blockbusters.
- Other Products within the Industrial Products Group: sales will increase resulting from the postponement of delivery for 'premium' products of a major convenience stores operator from 2017 to Quarter 1/2018, the innovative changes in the new battery cases, and the continuing orders for automotive parts of the subsidiaries.

Overseas operations

- Sales of the subsidiaries in Vietnam continue to increase:
 - Sales of Beverage Packaging Products are expected to increase caused by the uptrend economic conditions in Vietnam, as well as the extension into new customers groups with those who make use of the aseptic technology.
 - As for other Industrial Products, sales are expected to continually grow for battery cases, paint pails, plastic crates, and electrical appliances parts because of the expansion of the respective customer base.

2) Network and Moulds Business Lines

Network Business Line

- Sales for 2018 will be down due to downsizing of business so as to reduce and control expenses.

Moulds Business Line

- For 2018, sales of moulds are showing a more positive trend, resulting from the changes in automotive parts for new car models.

Attachment no. 1

Details of the Directors, Executives, Controlling Persons and Company Secretary

1. Background Information about Directors, Executives, Controlling Persons and Company Secretary

1) Mr. Sanan Angubolkul



Age : 71 years
Nationality : Thai
Present Position : Chairman, President, and
 Nomination and Remuneration
 Committee Member
Date of Directorship : January 1, 1993

**Authority to Sign for
 the Company as per**

Certification Document : Yes

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	440,823,510	16.27	NONE	440,823,510	16.27
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	440,823,510	16.27	NONE	440,823,510	16.27

Relationship among

Directors and Executives : None

Illegal Acts in

the Past 10 Years : None

Training Course : Before year 2017

**Thai Institute of
 Directors Association (IOD)** Role of the Chairman Program (RCP) Class 4/2001
 Director Accreditation Program (DAP)

: Year 2017

-None-

Other Training

: Before year 2017

Top Executive Program in Commerce and Trade

2nd Class (TEPCoT2), Commerce Academy

Capital Market Academy Leadership Program, class 7/2008

: Year 2017

-None-

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	-
Mahachulalongkornrajavidyalaya University	Honorary Doctorate Degree in Philosophy	Social Science

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:

Company	Position
Subsidiary Company	
1. Korat Thai Tech Company Limited	Executive Director
2. Srithai Moulds Company Limited	Chairman
3. Srithai Miyagawa Company Limited	Chairman
Associated Company	
1. Srithai Sanko Company Limited	Executive Director
2. Thai MFC Company Limited	Director
3. Srithai Packaging Company Limited	Director
Joint Venture Company	
Srithai-Otto (Thailand) Company Limited	Executive Director

2.2) Other Companies:

Company	Position
Related Party Company	
1. S.Sahatara (Thailand) Company Limited	Director
2. Toho Foam (Thailand) Company Limited	Director
Other Company	
1. LN Srithai Comm Company Limited	Director
2. Nissen Chemitec (Thailand) Limited	Director
3. Schaffner EMC Company Limited	Director
4. Chai Talay Hotel Company Limited	Director
5. Srithai Agricultural Garden Company Limited	Director

**3) Position in Competing Companies /
Company Related to Business of the
Company that Conflict of Interest**

May Arise : None

Attendance:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 6
- Nomination and Remuneration Committee meeting	No. of meetings held : 2	No. of meetings attended : 2

Tenure of directorship : 25 years (since 1993 until present time)

2) Mr. Viroj Lowhaphandu



Age : 88 years
Nationality : Thai
Present Position : Independent Director, and Chairman of the Audit Committee
Date of Directorship : May 31, 1994
Authority to Sign for the Company as per Certification Document : None
Shareholding in the Company

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : None

Illegal Acts in

the Past 10 Years : None

Training Course : Before year 2017

Thai Institute of Directors Association (IOD)
 Director Certification Program (DCP) Class 3/2000
 Audit Committee Program (ACP) Class 22/2008
 Monitoring the Internal Audit Function (MIA) Class 8/2553
 Role of the Chairman Program (RCP) Class 24/2010
 Anti-Corruption for Executive Program (ACEP) Class 5/2013
 Advanced Audit Committee Program (AACP) Class 19/2015
 : Year 2017
 -None-

Other Training : Before year 2017

Certified Professional Internal Auditors (CPIA)
 Certified Public Accountant (Thailand) (CPA)
 Audit Committee Financial Expert (ACFE)
 : Year 2017
 -None-

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

Other Experiences:

Company	Position
The Joint Doctoral Program in Business Administration (JDBA)	Director
Thammasat Association	President
The Institute of Certified Accountants and Auditors of Thailand	President
Federation of Accounting Professions, under the Royal Patronage of His Majesty the King	Advisor
Faculty of Commerce and Accountancy, Thammasat University	Student President and President of the Alumni Association

Present Positions in Companies:
1) Listed Companies:

Company	Position
1. Srithai Superware Public Company Limited	Independent Director, and Chairman of the Audit Committee
2. Central Plaza Hotel Public Company Limited	Advisor to the Audit Committee, and Advisor to the Board of Directors

2) Non-listed Companies:

2.1) Srithai Superware Group : None

2.2) Other Companies:

Company	Position
1. Central Hua Hin Beach Resort Company Limited	Director
2. VPB Audit Company Limited	Chairman

**3) Position in Competing Companies /
Company Related to Business of the
Company that Conflict of Interest**

May Arise : None

Attendance:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 4
- Audit Committee meeting	No. of meetings held : 4	No. of meetings attended : 3
- Meeting among independent directors and auditors without attendance of executives	No. of meetings held : 1	No. of meetings attended : 1

Tenure of directorship : 24 years (since 1994 until present time)

3) Mr. Enghug Nontikarn



Age : 61 years
Nationality : Thai
Present Position : Independent Director, Audit Committee Member, and
 Nomination and Remuneration Committee Member
Date of Directorship : May 31, 1994
Authority to Sign for the Company as
per Certification Document : None

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	59,000	0.00	NONE	59,000	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	59,000	0.00	NONE	59,000	0.00

Relationship among

Directors and Executives : None
Illegal Acts in the Past 10 Years : None
Training Course : Before year 2017
 Director Accreditation Program (DAP)
 : Year 2017
 -None-

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
Thanachart Bank Public Company Limited	Executive Vice President - Head of Financial and Fixed Income Securities	A.D. 2012 – 2016
Thai Rating and Information Services Company Limited	Director	A.D. 2013 – 2016

Present Positions in Companies:
1) Listed Companies:

Company	Position
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:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 6
- Audit Committee meeting	No. of meetings held : 4	No. of meetings attended : 4
- Nomination and Remuneration Committee meeting	No. of meetings held : 2	No. of meetings attended : 2
- Meeting among independent directors and auditors without attendance of executives	No. of meetings held : 1	No. of meetings attended : 1

Tenure of directorship : 24 years (since 1994 until present time)

4) Mr. Suchat Boonbanjerd Sri



Age : 58 years
Nationality : Thai
Present Position : Independent Director, Audit Committee Member,
and Chairman of the Good Corporate Governance Committee
Date of Directorship : August 21, 2002
Authority to Sign for the Company
as per Certification Document : None

Shareholding in the Company :

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : None

Illegal Acts in the Past 10 Years : None

Training Course : Before year 2017

Thai Institute of Directors Certification Program (DCP)

Directors Association (IOD) Audit Committee Program (ACP)

: Year 2017

-None-

Other Training : Before year 2017

- Executive Program

Capital Market Academy

- Executive Development Program (EDP)

Thai Listed Companies Association

- Leadership Development Program (LDP)

Thai Listed Companies Association

: Year 2017

-None-

Education:

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

Experience:

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

Present Positions in Companies:
1) Listed Companies:

Company	Position
1. Srithai Superware Public Company Limited	Independent Director, Audit Committee Member, and Chairman of the Good Corporate Governance Committee
2. General Engineering Public Company Limited	Independent Director, and Chairman of the Audit Committee
3. Pylon Public Company Limited	Director
4. Salee Printing Public Company Limited	Independent Director, and Chairman of the Audit Committee
5. SNC Former 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
1. Practicum Engineering Company Limited	Chairman
2. Knight Club Capital Asset Management Company Limited	Director
3. Steeler Steel Works Company Limited	Director
4. Steel Plus Fabrication Company Limited	Director
5. Dark Horse Development Company Limited	Director
6. Knight Club Capital Holding Company Limited	Director
7. Acme 1975 Company Limited	Director
8. K J K Estate Company Limited	Director
9. TJ Inter Service Company Limited	Director
10. TES Practicum Company Limited	Director
11. Chiang Dao Orchard Company Limited	Director
12. A.L.M. (Thailand) Company Limited	Director

3) Position in Competing Companies / Company Related to Business of the Company that Conflict of Interest

May Arise : None

Attendance:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 4
- Audit Committee meeting	No. of meetings held : 4	No. of meetings attended : 4
- Good Corporate Governance Committee meeting	No. of meetings held : 4	No. of meetings attended : 4
- Meeting among independent directors and auditors without attendance of executives	No. of meetings held : 1	No. of meetings attended : 1

Tenure of directorship : 16 years (since 2002 until present time)

5) Mrs. Siriporn Sailasuta



Age : 71 years
Nationality : Thai
Present Position : Independent Director, Chairperson of the Nomination and Remuneration Committee, and Good Corporate Governance Committee Member
Date of Directorship : March 3, 2008
Authority to Sign for the Company as per Certification Document : None

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : None
Illegal Acts in the Past 10 Years : None
Training Course : Before year 2017
Thai Institute of Directors Association (IOD) : Director Certification Program (DCP)
 Financial Statements for Directors (FSD)
 Role of Compensation Committee (RCC)
 : Year 2017
 -None-

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, Chairperson of the Nomination and Remuneration Committee, and Good Corporate Governance Committee Member

2) Non-listed Companies:

2.1) Srithai Superware Group : None

2.2) Other Companies:

Company	Position
1. Charoen Pokphand Group Company Limited	Advisor – Corporate Development & Productivity Improvement Office
2. Sui-Siriphun Company Limited	Director
3. Saila Suwan Company Limited	Director
4. SPN Green (Thailand) Company Limited	Director

**3) Position in Competing Companies /
Company Related to Business of the
Company that Conflict of Interest**

May Arise : None

Attendance:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 6
- Nomination and Remuneration Committee meeting	No. of meetings held : 2	No. of meetings attended : 2
- Good Corporate Governance Committee meeting	No. of meetings held : 4	No. of meetings attended : 4
- Meeting among independent directors and auditors without attendance of executives	No. of meetings held : 1	No. of meetings attended : 1

Tenure of directorship : 10 years (since 2008 until present time)

6) Mr. Supachoke Liamkao



Age : 63 years
Nationality : Thai
Present Position : Independent Director
Date of Directorship : November 11, 2016

Authority to Sign for the Company

as per Certification Document : None

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : None

Illegal Acts in the Past 10 Years : None

Training Course : Before year 2017

Thai Institute of : -None-

Directors Association (IOD) : Year 2017

Director Accreditation Program (DAP)

Other Training : Before year 2017

- PTT's Leadership Program 1-3
Thammasat University & Chulalongkorn University
 - Senior Executive Program (SEP) Class 21
Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - NIDA-Wharton Executive Leadership Program
NIDA & Wharton University, U.S.A.
 - Advanced Certificate Course in Public Economics Management for Executives
King Prajadhipok's Institute
 - Certificate Course in Good Governance for Directors & Senior Executives of State Enterprises and Public Organizations
King Prajadhipok's Institute
 - Army War College Class 51
Royal Thai Army War College
 - Advanced Senior Executive Program (ASEP)
Sasin & Kellogg School of Management (U.S.A.)
 - Market Planning & Analysis for Chemical, Petrochemical and Plastics Industry (IHS)
- : Year 2017
- None -

Education:

Institution	Degree	Major
Ramkhamhaeng University	Bachelor of Science	Chemistry
National Institute of Development Administration	Master	Public Administration

Experience:

Company	Position	Time Period
Petroleum Authority of Thailand	Vice President - Oil Retail Engineering Dept., Industrial Sales Dept. and Oil Transportation Dept.	A.D. 1996 – 2005
PTT Public Company Limited	Executive Vice President - Petrochemicals & Refining Business Unit	A.D. 2006 – 2015
PTT Polymer Logistics Company Limited	Managing Director	A.D. 2006 – 2012
PTT Polymer Marketing Company Limited	Director /President	A.D. 2009 – 2013 / A.D. 2012 – 2013
HMC Polymers Company Limited	President	A.D. 2013 – 2015
PTT MCC Biochem Company Limited	Director	A.D. 2013
Rayong Refinery Public Company Limited	Director	A.D. 2015

Present Positions in Companies :
1) Listed Companies :

Company	Position
Srithai Superware Public Company Limited	Independent 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:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 6
- Meeting among Independent Directors and auditors without attendance of executives	No. of meetings held : 1	No. of meetings attended : 1

Tenure of directorship : 2 years (since 2016 until present time)

7) Mr. Naphol Lertsumitkul



Age : 56 years
Nationality : Thai
Present Position : Director and Assistant to the President
Date of Directorship : December 31, 1993
Authority to Sign for the Company as per Certification Document : Yes
Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : Elder brother of Ms. Bunnapa Lertsumitkul
Illegal Acts in the Past 10 Years : None
Training Course : Before year 2017
Thai Institute of Directors Association (IOD) : Director Accreditation Program (DAP)
 Director Certification Program (DCP)
 Director Certification Program Update (DCPU)
 : Year 2017
 -None-

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

Company	Position
Subsidiary Company Srithai Miyagawa Company Limited	Director

2.2) Other Companies:

Company	Position
1. Srithai Agricultural Garden Company Limited	Director
2. Superware Housing Company Limited	Director

**3) Position in Competing Companies /
Company Related to Business of the
Company that Conflict of Interest
May Arise : None**

Attendance:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 6

Tenure of directorship : 24 years (since 1994 until present time)

8) Mr. Mani Ativanichayaphong



Age : 72 years
Nationality : Thai
Present Position : Director, and
 Good Corporate Governance Committee- Member
Date of Directorship : January 1, 1993
**Authority to Sign for the Company
 as per Certification Document** : Yes

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	10,087,200	0.37	NONE	10,087,200	0.37
Spouse	1,500,000	0.06	NONE	1,500,000	0.06
Minor Child	0	0.00	NONE	0	0.00
Total	11,587,200	0.43	NONE	11,587,200	0.43

Relationship among

Directors and Executives : None
Illegal Acts in the Past 10 Years : None
Training Course : Before year 2017
Thai Institute of Director Accreditation Program (DAP)
Directors Association (IOD) Director Certification Program (DCP)
 : Year 2017
 -None-

Education:

Institution	Degree	Major
Ramkhamhaeng 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, and Good Corporate Governance Committee Member

2) **Non-listed Companies:**

2.1) **Srithai Superware Group:**

Company	Position
Subsidiary Company	
1. Korat Thai Tech Company Limited	Director
2. Srithai Superware Manufacturing Private Limited	Director
3. Srithai Superware India Limited	Director
Associated Company	
1. Thai MFC Company Limited	Director
2. PT. Srithai Maspion Indonesia	Director

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:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 6
- Good Corporate Governance Committee meeting	No. of meetings held : 4	No. of meetings attended : 3

Tenure of directorship : 25 years (since 1993 until present time)

9) Mr. Prin Bholnivas



Age : 61 years
Nationality : Thai
Present Position : Director, Good Corporate Governance Committee Member,
 Chairman of the Risk Management Sub- Committee,
 Company Secretary, Chief Financial Officer,
 and Acting Head of Compliance Unit
Date of Directorship : July 3, 2002

Authority to Sign for the Company
as per Certification Document : Yes

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	2,000,000	0.07	NONE	2,000,000	0.07
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	2,000,000	0.07	NONE	2,000,000	0.07

Relationship among

Directors and Executives : None

Illegal Acts in the Past 10 Years : None

Training Course : Before year 2017

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
 ASEAN CG Scorecard
 Anti-Corruption for Executive Program (ACEP)
 Anti – Corruption : The Practical Guide
 Ethical Leadership Program (ELP)
 : Year 2017
 - None -

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

Experience: (Cont.)

Company	Position	Time Period
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, Good Corporate Governance Committee Member, Chairman of the Risk Management Sub-Committee, Company Secretary, Chief Financial Officer, and Acting Head of Compliance Unit

2) Non-listed Companies:
2.1) Srithai Superware Group:

Company	Position
Subsidiary Company	
1. Korat Thai Tech Company Limited	Director
2. Srithai (Vietnam) Company Limited	Director
3. Srithai (Hanoi) Company Limited	Director
4. Srithai Superware Manufacturing Private Limited	Director
5. Srithai Superware India Limited	Director
6. Srithai Moulds Company Limited	Director
Associated Company	
1. Srithai Sanko Company Limited	Director
2. Sanko Srithai (Malaysia) SDN.BHD	Director
3. Thai MFC Company Limited	Director
4. Srithai Packaging Company Limited	Director
5. PT. Srithai Maspion Indonesia	Director
Joint Venture Company	
Srithai-Otto (Thailand) Company Limited	Director

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:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Board meeting	No. of meetings held : 6	No. of meetings attended : 6
- Audit Committee meeting	No. of meetings held : 4	No. of meetings attended : 4
- Good Corporate Governance Committee meeting	No. of meetings held : 4	No. of meetings attended : 4
- Risk Management Sub-Committee meeting	No. of meetings held : 12	No. of meetings attended : 12

Tenure of directorship : 16 years (since 2002 until present time)

10) Mr. Settapong Haemintakun

(resigned from the Management position on July 1, 2017)

Age : 56 years
Nationality : Thai
Present Position : Chief Operating Officer - Network Marketing
Authority to Sign for the Company as per Certification Document : None
Shareholding in the Company:



Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : 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. May 2005 – May 2007
Agel Enterprises (Thailand) Company Limited	Regional Director of Southeast Asia	A.D. May 2007 – Apr. 2010

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Chief Operating Officer - Network Marketing (resigned from the Management position on July 1, 2017)

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:

- Annual General Meeting of Shareholders

No. of meetings held : 1

Not attended

11) Ms. Bunnapa Lertsumitkul



Age : 55 years
Nationality : Thai
Present Position : Human Resource Development Director
Authority to Sign for the Company as per Certification Document : None
Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	80,000,000	2.95	NONE	80,000,000	2.95
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	80,000,000	2.95	NONE	80,000,000	2.95

Directors and Executives : 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:

Institution	Degree	Major
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:**

Company	Position
1. Superware Housing Company Limited	Director
2. Srithai Agricultural Garden Company Limited	Director

3) Position in Competing Companies / Company Related to Business of the Company that Conflict of Interest May Arise

: None

Attendance:

- Annual General Meeting of Shareholders

No. of meetings held : 1

No. of meetings attended : 1

12) Mr. Apisit Tangsatit



Age : 59 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

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	1,420	0.00	NONE	1,420	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	1,420	0.00	NONE	1,420	0.00

Relationship among

Directors and 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

2.1) Srithai Superware Group:

Company	Position
Subsidiary Company	
1. SuperIdea Company Limited	Director
2. Srithai Miyagawa Company Limited	Director
Associated Company	
1. Srithai Sanko Company Limited	Director
2. Sanko Srithai (Malaysia) SDN.BHD.	Director

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:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Risk Management Sub-Committee meeting	No. of meetings held : 12	No. of meetings attended : 12

13) Mr. Pawat Chalermpong



Age : 57 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

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	1,150,000	0.04	100,000	1,250,000	0.05
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	1,150,000	0.04	100,000	1,250,000	0.05

Relationship among

Directors and Executives : None
Illegal Acts in the Past 10 Years : None
Training Course : Before year 2017
Thai Institute of Corporate Governance for Executives (CGE)
Directors Association (IOD) : Year 2017
 - None -

Education:

Institution	Degree	Major
Ramkhamhaeng 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	Finance Manager	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:

Company	Position
Subsidiary Company	
1. Srithai Nanoplast Company Limited	Director
2. Srithai Moulds Company Limited	Director
Associated Company	
1. Srithai Sanko Company Limited	Executive
2. Sanko Srithai (Malaysia) SDN.BHD.	Director
Joint Venture Company	
Srithai-Otto (Thailand) Company Limited	Executive Director

2.2) Other Companies:

Company	Position
1. Futuretech Intermarketing Company Limited	Director
2. Futureglobal Network Limited Partnership	Director

**3) Position in Competing Companies /
Company Related to Business of the
Company that Conflict of Interest
May Arise**

: None

Attendance:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Risk Management Sub-Committee meeting	No. of meetings held : 12	No. of meetings attended : 11

14) Mr. Pongsak Kantiratanawong



Age : 59 years
Nationality : Thai
Present Position : Marketing Director - Packaging Products
Authority to Sign for the Company as per Certification Document : None
Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	2,000,000	0.07	400,000	2,400,000	0.09
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	2,000,000	0.07	400,000	2,400,000	0.09

Relationship among

Directors and Executives : 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

Attendance:

- Annual General Meeting of Shareholders

No. of meetings held : 1

No. of meetings attended : 1

15) Mr. Rakesh Singh



Age : 54 years
Nationality : Thai
Present Position : Corporate Strategy and Operation Development Director
Authority to Sign for the Company as per Certification Document : None
Shareholding in the Company :

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among Directors and Executives : 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	Corporate Strategy and Operation Development Director

2) Non-listed Companies:

2.1) Srithai Superware Group

Company	Position
Subsidiary Company	
1. Srithai Superware Manufacturing Private Limited	Executive Director
2. Srithai Superware India Company Limited	Executive Director

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:

- Annual General Meeting of Shareholders

No. of meetings held : 1

Not attended

16) Mr. Chaichan Chareonsuk



Age : 48 years
Nationality : Thai
Present Position : Risk Management Sub-Committee Member, and Export Sales & Marketing Director

Authority to Sign for the Company

as per Certification Document : None

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : None

Illegal Acts in

the Past 10 Years : None

Training Course : Before year 2017

Thai Institute of Risk Management Committee Program (RMP)

Directors : Year 2017

Association (IOD) - None -

Education:

Institution	Degree	Major
Chulalongkorn University	Bachelor (Second Class Honors)	Chemical Engineering
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)	Production Engineer	A.D.1991 – 1995
Cemen Thai Chemicals Company Limited (SCG Group)	Project Analysts	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	Risk Management Sub-Committee Member, and Export Sales & Marketing Director

2) Non-listed Companies:
2.1) Srithai Superware Group:

Company	Position
Subsidiary Company	
1. Korat Thai Tech Company Limited	Director
2. Srithai Nanoplast Company Limited	Director

2.2) Other Companies:

Company	Position
Best & Bright Products Company Limited	Director

**3) Position in Competing Companies /
Company Related to Business of the
Company that Conflict of Interest
May Arise**

: None

Attendance:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Risk Management Sub-Committee meeting	No. of meetings held : 12	No. of meetings attended : 12

17) Mr. Anupoch Pasawat

(resigned from the Management position on July 1, 2017)

Age : 65 years
Nationality : Thai
Present Position : Factory Director-Beverage Packaging Product
Authority to Sign for the Company as per Certification Document : None
Shareholding in the Company:



Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : None

Illegal Acts in the Past 10 Years : None

Education:

Institution	Degree	Major
University of Wisconsin – Madison, Wisconsin, U.S.A.	Bachelor of Engineering	Mechanical Engineering

Experience:

Company	Position	Time Period
Huamark Floor Tile Company Limited	Engineer	A.D.1978 – 1980
Colgate – Palmolive (Thailand) Company Limited	Associate Director - Manufacturing	A.D. 1981–2012

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Factory Director-Beverage Packaging Product (resigned from the Management position on July 1, 2017 due to end of contract)

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:

- Annual General Meeting of Shareholders

No. of meetings held : 1

No. of meetings attended : 1

18) Mr. Chairoj langtanarat



Age : 56 years
Nationality : Thai
Present Position : Risk Management Sub-Committee Member, and
 Direct Sales Director

Authority to Sign for the Company

as per Certification Document : None

Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	1,000	0.00	NONE	1,000	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	1,000	0.00	NONE	1,000	0.00

Relationship among

Directors and Executives : None
Illegal Acts in the Past 10 Years : None
Training Course : Before year 2017
Thai Institute of Directors : Risk Management Committee Program (RMP)
Association (IOD) : Year 2017
 -None-

Education:

Institution	Degree	Major
Ramkhamkaeng University	Bachelor	Business Administration - Finance and Banking

Experience:

Company	Position	Time Period
Srithai Superware Public Company Limited	Secretary to the Chairman and President	A.D. 1988 – 2005
Srithai Superware Public Company Limited	Sales Manager – Ektra and Lock & Lock Products	A.D. 2005– 2008
Srithai Superware Public Company Limited	Direct Sales Manager	A.D. 2008– 2012

Present Positions in Companies:

1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Risk Management Sub-Committee Member, and Direct Sales 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:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Risk Management Sub-Committee meeting	No. of meetings held : 12	No. of meetings attended : 12

19) Mr. Chaiwat Kulphattaravanich

(being executive since May 1, 2017)

Age : 48 years
Nationality : Thai
Present Position : Finance Director
Authority to Sign for the Company
as per Certification Document : None



Shareholding in the Company:

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	0	0.00	NONE	0	0.00
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	0	0.00	NONE	0	0.00

Relationship among

Directors and Executives : None

Illegal Acts in the Past 10 Years : None

Training Course : Before year 2017

Thai Institute of Directors : -None-

Association (IOD) : Year 2017

Director Certification Program (DCP) Class 248/2017

Other Training Course : Before year 2017

-None-

: Year 2017

- CFO In Practice Certification Program
Federation of Accounting Professions
- Strategic CFO in Capital Markets Program
Stock Exchange of Thailand
- Fundamentals for Corporate Secretaries
Thai Listed Companies Association
- IR Professional Development Program
Thai Listed Companies Association

Education:

Institution	Degree	Major
Thammasat University	B.B.A. (2 nd class honors)	Accounting
Thammasat University	Higher Diploma in Auditing (Master)	Auditing
London Business School, U.K. University of Chicago, Booth School of Business, U.S.A.	M.B.A. International Exchange Program	Finance

Experience:

Company	Position	Time Period
Ernst & Young Corporate Services Limited	Senior Auditor	A.D. 1991 – 1994
Merrill Lynch Phatra Securities Limited	Senior Associate Investment Banking	A.D. 1998 – 2001
Charoen Pokphand Group Company Limited	Assistant Vice President Finance and Accounting	A.D. 2002 – 2017

Present Positions in Companies:
1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Finance Director

2) Non-listed Companies:
2.1) Srithai Superware Group:

Company	Position
Subsidiary Company Srithai Nanoplast Company Limited	Director

2.2) Other Companies : None

**3) Position in Competing Companies /
Company Related to Business of the
Company that Conflict of Interest
May Arise** : None

Meeting Attendance : None

2. Duties and Responsibility of the Company Secretary

Duties and responsibilities of the Company Secretary are in accordance with Section 89/15 of the Securities and Exchange Act (4th Amended Issue) B.E. 2551 as follows :

1. Duties concerning holding a meeting :

- 1.1 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 Gather and prepare documents to be sent to the Company's board directors and the shareholders;
- 1.3 Follow and revise the procedures of the Board of Directors' meeting and the Annual General Meeting of Shareholders;
- 1.4 Gather and file the documents of the meetings and the minutes of the meetings;
- 1.5 Coordinate and monitor the Company's activities to be conducted in accordance with the resolutions of the Company's Board of Directors and the shareholders' meetings.

2. Conforming to Laws and Regulations :

- 2.1 Observe that the Company's operations follow the Memorandum of Association and the Articles of Association;
- 2.2 Ensure for safe keeping disclosure reports of vested interests submitted by board directors and executive members of the Company;
- 2.3 Monitor that the Company and the Company's Board of Directors conform to related laws such as preparation of the directors registration, handling of connected transaction, acquisition or disposal of assets, etc;
- 2.4 Ensure that the Company and the Company's Board of Directors conform to regulations of the Stock Exchange of Thailand regarding disclosure of information as well as to regulations of the Office of the Securities and Exchange Commission in its capacity as issuer of securities to the public;
- 2.5 Review 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 Prepare draft of message of the Board of Directors and report by the Board of Directors on its responsibilities to the Company's financial statements to be presented in the annual report;
- 3.2 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 members, related agencies such as the Revenue Department, the Stock Exchange of Thailand, Office of the Securities & Exchange Commission, and financial advisors, etc;
- 3.3 Gather and update the Company's shareholder-list and request the Share Registrar for cooperation;
- 3.4 Monitor and review movements or changes in the shareholder-list in order to assess any possible accumulation of a bloc of the Company's shares by person(s) aiming to exert undue influence on or take over the Company; as well as contact and coordinate relevant persons as necessary to ensure that the Company complies with all applicable laws, rules and regulatory requirements in the event that it receives any offers to purchase its shares;

- 3.5 Gather information and report on security holding in compliance with regulations of the Stock Exchange of Thailand for directors, executives, auditors, including spouses and children who are not yet of a legal age of the aforementioned persons;
- 3.6 Provide report of information pursuant to regulations of the Stock Exchange of Thailand such as connected transaction, acquisition or disposal of assets, etc.

4. Other related duties :

- 4.1 Provide suggestion and hand to the Company's daily management in order to achieve the objectives of the Company;
- 4.2 Be the center of communication and provide information to the non-executive directors;
- 4.3 Contact shareholders in making announcements such as dividend payment, etc;
- 4.4 Provide information to other agencies and have a duty as required by relevant laws, finance and accounting, and other management policies;
- 4.5 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 be another channel for outsiders to make contact with the Company;
- 4.6 Search for and enquire about various sources of knowledge and development programs for recommendation to the Company's board directors, so as to enhance their knowledge and skills;
- 4.7 Be in charge of the 'Compliance Unit' as the duties and responsibilities specified in Attachment 3: Information Regarding the Head of the Company's Compliance Unit and Associated Duties and Responsibilities";
- 4.8 Undertake any other duties as assigned by the Company's Board of Directors.

3. History of the Company's Directors and Executives

The Company's directors and executives do not have the history record of being penalized in the last 5 years regarding the violation of the Securities and Exchange Act B.E. 2535 or the Derivatives Act B.E. 2546 for the following cases :

- 1. Serious wrongdoing or negligence;
- 2. Disclosure or dissemination of information or messages which are false and may cause misunderstanding or conceal facts that should be revealed as they might affect the decision making of shareholders, investors, or related parties;
- 3. Unfair or exploitative behaviours on investors in their sales / purchases of securities or derivatives, or having participated in or supported such behaviours.

Attachment no. 2

Directors of Subsidiaries

The name list of the Board of Directors of Srithai (Vietnam) Company Limited ("SVN") and Srithai Miyagawa Company Limited ("SMW"), which are the subsidiaries that contributed sales in 2017 over 10% of the total sales of the Srithai Group of Companies in the consolidated statement of comprehensive income, for the year ended on December 31, 2017 comprises :

Name	SVN	SMW
Mr. Prin Bholnivas	Director	---
Mr. Santi Visawameteekul	Executive Director	---
Mr. Jarung Srisakul*	Executive Director	---
Mr. Somsak Toragsaskul	Executive Director	---
Mr. Sanan Angubolkul	---	Chairman
Mr. Naphol Lertsumitkul	---	Director
Mr. Apisit Tangsatit	---	Director
Miss Ladda Namjarusathienchai	---	Director
Mr. Seishiro Miyagawa	---	Director
Mr. Shingo Miyagawa	---	Director
Mr. Masanobu Terakura	---	Executive Director

* Mr. Jarung Srisakul resigned from the Director and Executive positions on December 31, 2017 and SVN has not appointed any replacement on both positions.

Attachment no. 3

Details Regarding the Company's Internal Audit Supervisor and Compliance Operational Supervisor

1. Details of Internal Audit Supervisor

Name-Surname : Mr. Tanatch Sripan
Age : 51 years
Nationality : Thai
Present Position : Internal Audit Manager, and
 Audit Committee Secretary
Authority to Sign for the Company as per
Certification Document : None



Shareholding in the Company :

Held by	As at December 30, 2016		Net change during the year (+ or -)	As at December 29, 2017	
	No. of shares	%		No. of shares	%
Owner	134,000	0.00	66,000	200,000	0.01
Spouse	0	0.00	NONE	0	0.00
Minor Child	0	0.00	NONE	0	0.00
Total	134,000	0.00	66,000	200,000	0.01

Relationship among

Directors and Executives : None

Illegal Acts in the Past 10 Years : None

Training Course : Before year 2017

Thai Institute of Directors Association (IOD)
 Company Secretary Program (CSP)
 Effective Minutes Taking (EMT)
 Anti-Corruption : The Practical Guide (ACPG)

: Year 2017

-None-

Other Training

: Before year 2017

- Enterprise Risk Management,
The Institute of Internal Auditors of Thailand
- Enterprise Risk Management,
National Institute of Development Administration

Other Training (Cont'd)

- How can Internal Auditor support Audit Committee?,
Federation of Accounting Professions
 - Governance Risk Management and Compliance
TRIS Corporation Limited
 - Risk Management Specialist
TRIS Corporation Limited
 - Business for Internal Audit
Federation of Accounting Professions
 - Certified Professional Internal Audit of Thailand (CPIAT Class 46)
The Institute of Internal Auditors of Thailand
- : Year 2017
- None -

Education:

Institution	Degree	Major
Ramkhamkaeng University	Bachelor	Accounting
Ramkhamkaeng University	Master	General Management

Experience:

Company	Position	Time Period
Srithai Superware Public Company Limited	Internal Audit Manager	A.D. 2001 – Present

Present Positions in Companies:
1) Listed Companies:

Company	Position
Srithai Superware Public Company Limited	Internal Audit Manager, and Audit Committee Secretary

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:

- Annual General Meeting of Shareholders	No. of meetings held : 1	No. of meetings attended : 1
- Audit Committee meetings	No. of meetings held : 4	No. of meetings attended : 4

Manpower of Internal Audit Department

: 4 persons (inclusive of Department Manager)

2. Details of the Head of the Company's Compliance Unit and Scope of Responsibilities

The Compliance Unit is under the Office of the Company Secretary responsible by Mr. Prin Bholnivas, the Company Secretary, as Acting Head of Compliance Unit with the following scope of duties and responsibilities:

- 1) Monitor, review, and assess any applicable changes to the rules, regulatory requirements, and associated standards of compliance, together with preparing a summary report of the impacts of such changes and revisions on the Company's businesses to the Company's Board of Directors and executives.
- 2) Propose to establish or revise Company policies, rules, regulations, operating manuals and procedures to be in compliance with related applicable laws, regulatory requirements, and standards.
- 3) Propose to the organization any legal preventive measures, to ensure that work plan, projects and the overall operations of the Company will achieve their respective objectives and goals.
- 4) Advise and propose to the Board of Directors, executives, and staff members on any relevant applicable laws, rules, regulations, and standards.
- 5) Review and monitor any operational errors or activities that are not in accordance with the specified applicable laws, and then propose recommendations for any corrective actions and procedural guidelines for submission to the Board of the Directors and executives.
- 6) Coordinate and establish good working relationships with the external regulatory agencies relevant to the Company's business operations.

Attachment no.4

Report of the Nomination and Remuneration Committee

To: The Shareholders,

Srithai Superware Public Company Limited

The Nomination and Remuneration Committee has been established by the Board of Directors in August 2005, to assist the Board in the nomination process and the consideration of the remuneration for Board Directors and executives in a transparent and equitable manner for the sake of all stakeholder groups as well as to be effective for the Company's businesses. The current Nomination and Remuneration Committee has its term of office until the end of the fiscal year 2018.

Performance Results of the Nomination and Remuneration Committee

During 2017, the Nomination and Remuneration Committee held 2 meetings, which were attended by all committee members, with details as below :

Name	Position	Number of meeting attended / Total number of meetings held
Mrs. Siriporn Sailasuta	Chairperson of the Nomination and Remuneration Committee	2/2
Mr. Sanan Angubolkul	Nomination and Remuneration Committee Member	2/2
Mr. Enghug Nontikarn	Nomination and Remuneration Committee Member	2/2

The mission and activities of the Nomination and Remuneration Committee during 2017 are summarized as follows :

1. Considered nomination of those Board Directors, whose terms had expired and who were due to retired by rotation, for consideration by the Board of Directors prior to proposing to the Annual General Meeting of Shareholders No. 36 (for the year 2017);
2. Determined the appropriate remunerations of the Board Directors for consideration by the Board of Directors before proposing to the Annual General Meeting of Shareholders No. 36 (for the year 2017);
3. Considered the proposed annual salary increase for the Company's executives for the year 2017;
4. Appointed a new executive to support the retirement of Mr. Prin Bholnivas, the Chief Financial Officer and Company Secretary;
5. Considered the proposed annual bonus payment for executives of the Company for the year 2017;
6. Considered the Organization structure and task allocation;
7. Undertook a self assessment of the Nomination and Remuneration Committee's performance for the year 2017; and
8. Prepared the Report of the Nomination and Remuneration Committee for disclosure in the Company's Annual Report for the year 2017.

On Behalf of the Nomination and Remuneration Committee

Srithai Superware Public Company Limited



Mrs. Siriporn Sailasuta

Chairperson of the Nomination and Remuneration Committee

Report of the Good Corporate Governance Committee

To: The Shareholders,

Srithai Superware Public Company Limited

The Company's Board of Directors has established the Good Corporate Governance Committee, as a sub-committee, to assist the Board in controlling and supporting the oversight of compliance with the Company's policies on good corporate governance as well as measures on anti-corruption.

The Good Corporate Governance Committee has appointed both working group and sub-working group on good corporate governance practices, responsible for coordinating and working together with various operating business units of the Company, in order that the policies on good corporate governance as well as on anti-corruption are implemented comprehensively for the benefit of all Stakeholders in an effective and efficient manner.

During 2017, the Good Corporate Governance Committee held 4 meetings, which were attended by all committee members, with details as below :

Name		Position	Number of meeting attended / Total number of meetings held
Mr. Suchat	Boonbanjerd Sri	Chairman of the Good Corporate Governance Committee	4/4
Mrs. Siriporn	Sailasuta	Good Corporate Governance Committee Member	4/4
Mr. Manit	Ativanichayaphong	Good Corporate Governance Committee Member	3/4
Mr. Prin	Bholnivas	Good Corporate Governance Committee Member and Secretary	4/4

The Good Corporate Governance Committee is responsible for overseeing that the Company has complied with the established policies on good corporate governance as revised and updated (3rd Revision) in 2013 and also with the associated policies and operating guidelines on anti-corruption (1st Revision) in 2016, with activities undertaken during 2017 as per the following summary:

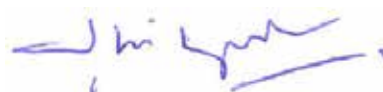
1. Arranged to have members of the Management - from Deputy Manager and above – attend associated workshops that are focused on driving compliance with the established policies on anti-corruption within the respective operating units under their responsibility.
2. Communicated and disseminated the required business ethics, together with the established policies and operating guidelines on the principles of good corporate governance with regard to the role of stakeholders. As such, workshops were also held for the Management and staff of a total of 4 companies from subsidiaries and associated companies in Thailand and overseas.
3. Ensured that the key headings of the policies on good corporate governance and also the policies on anti-corruption are incorporated within the orientation program for new staff and employees; as well as undertook awareness campaigns for the Company's staff on a continuing basis – such as in the on-the-job training activities, together with communications via printed media and verbal announcements through the Company.
4. Undertook to have tests held on the knowledge, awareness and understanding of both the established policies on good corporate governance and on anti-corruption for staff of the Company every Quarter; whereby it was apparent that the number of staff participated in these tests increased and the overall average level of knowledge and understanding of these matters also increased, as shown from the higher average test scores.

Additionally, the Good Corporate Governance Committee has monitored and followed up on the results achieved for associated policies assigned to the Management to implement, with details as follows:

1. Followed up on the results of the 'Whistle Blower' program to receive information via various channels of communications, whereby the Good Corporate Governance Committee has approved establishing various investigation committees to follow up on the information received in a thorough and an equitable manner to all parties involved, together with protecting those who have informed any matter. As such, during 2017, there were 3 complaints received, which then the committees investigated the associated details and parties involved. In summary, they all involved information about general incidents that were not in conflict with the policy on good corporate governance nor about any behavior relating to fraud or corruption at all.
2. Supported the Company to participate in the survey on good corporate governance practices of Thai listed companies that has been undertaken by the IOD Association continuously since 2008; whereby in 2017 the Company was given an "Excellent" rating for the 2nd consecutive year.
3. The Company formally stated its intent and position on anti-corruption since 2014; and by the end of 2016, the Good Corporate governance Committee together with the Audit Committee proposed to the Board of Directors to consider, for approval, that the Company submit its self-appraisal forms on its anti-corruption practices to the Committee of the Thai Private Sector Collective Action Coalition Against Corruption (CAC Committee), in order to apply for formal confirmation of its CAC Membership. As such, the CAC Committee then approved the formal confirmation, on March 9, 2017, that the Company is a CAC Member, which is valid for a period of 3 years

Thus, the Good Corporate Governance Committee has undertaken a self-evaluation of the performance, in 2017, of the Committee as a group; whereby the results of this assessment is that the Committee has discharged all assigned duties and responsibilities in an appropriate, adequate and effective manner.

On Behalf of the Good Corporate Governance Committee
Srithai Superware Public Company Limited



Mr. Suchat Boonbanjerd Sri
Chairman of the Good Corporate Governance Committee

Report of the Board of Directors on its Responsibilities for the Financial Reports

To: The Shareholders,

Srithai Superware Public Company Limited

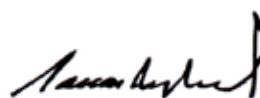
The Board of Directors of the Company is responsible for the consolidated financial statements of the Company and its subsidiaries, and the separate financial statements of the Company, including other financial information shown in the Company's annual report. The financial statements for the year ended December 31, 2017 have been prepared in accordance with Thai Financial Reporting Standards under appropriate accounting policy, consistent practices, careful judgment together with prudent estimates and sufficient disclosures as appeared in the notes to the financial statements, which genuinely reflect the fair financial position, financial performance and cash flow, in order to be beneficial for the shareholders and general investors. The financial statements audited by the independent external auditor expressing an unqualified opinion and reviewed by the Audit Committee have been approved by the Board of Directors.

The Board of Directors of the Company has the duties and responsibilities to oversee and further develop the system of good governance, business ethics, and anti-corruption measures as well as arrange for a review on the risk management system and measures, the internal control system and the internal audit procedures. This is to ensure that all financial information is accurate, comprehensive and adequate, so as to maintain and preserve the assets of the Company as well as to prevent fraud and irregularity. The Board of Directors has appointed an Audit Committee comprising 3 independent directors who possess the complete required qualifications as specified by the regulatory authorities. The Audit Committee is assigned to oversee, supervise and review the reliability and accuracy of the financial reports as well as assess that the existing internal control system and the internal audit procedures are effective and efficient. The opinions and comments of the Audit Committee with regard to these assigned responsibilities are presented in the Report of the Audit Committee that is included in the Company's Annual Report.

The Board of Directors views that the existing internal control systems are adequate and appropriate. It is, therefore, to reasonably ensure that the consolidated financial statements of Srithai Superware Public Company Limited (the Company) and its subsidiaries (the Group), present the consolidated and separate financial position of the Group and the Company as at December 31, 2017 together with the consolidated and separate financial performance and its consolidated and separate cash flow for the year then ended in accordance with Thai Financial Reporting Standards and in compliance with all relevant laws, rules and regulations.

On Behalf of the Board of Directors

Srithai Superware Public Company Limited



Mr. Sanan Angubolkul

Chairman of the Board

Report of the Audit Committee

To: Shareholders,

Srithai Superware Public Company Limited

The Audit Committee of Srithai Superware Public Company Limited comprises the following 3 independent directors, who are all well-qualified and possess extensive relevant experiences in finance, accounting, tax laws and management:

- | | |
|-------------------------------|---------------------------------|
| 1. Mr. Viroj Lowhaphandu | Chairman of the Audit Committee |
| 2. Mr. Enghug Nontikarn | Audit Committee Member |
| 3. Mr. Suchat Boonbanjerd Sri | Audit Committee Member |

With the Internal Audit Manager acting as Secretary to the Audit Committee

During 2017, the Audit Committee held a total of 5 meetings. Of these meetings, 4 meetings were held together with the external Auditors, Executives and the Internal Audit Manager, so as to enable the Audit Committee to be informed of and to exchange various viewpoints with the external Auditors on the outcome of their review and audit of the Company's accounts and financial statements, as well as to allow the Audit Committee to discuss various important issues and observations relating to the financial reports. In addition, there was 1 meeting with the external Auditors and 2 other Independent Directors, without any member of the Executives being present, so as to hear their independent opinions regarding any key issues relating to the conduct and operations of the Company's businesses.

An overview of the Audit Committee's activities in compliance with the Audit Committee's Charter for the year can be summarized as follows:

1. Review the Quarterly and Annual Consolidated Financial Statements and those of the Separate Company as presented by the Company's Auditors after their review and audit.

Further, the Audit Committee views that the Quarterly and Annual Financial Statements of the Company for the year 2017 have been prepared in accordance with the financial reporting standards, and that they have presented fairly all the material aspects together with timely, sufficiently, and appropriate information disclosures and the Audit Committee has presented those financial statements to the Board of Directors for approval.
2. Review and advise on Risk Management activities, the Company's policies on risk management, associated plans and directions on risk management practices performed and reported on a quarterly basis by the Risk Management Sub-Committee. The Audit Committee views that the Company has in place appropriate risk management measures that are adequate for the current business operations of the Company.
3. Review compliance with all laws and regulatory requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as with all associated legal requirements applicable to the business operations of the Company. As such, the Audit Committee views that the Company has fully complied with all applicable regulatory and legal requirements as specified.
4. Review all connected transactions together with those transactions that may involve any conflict of interests; whereby the Audit Committee views that these connected transactions have been undertaken in accordance with the policies as specified by the Board of Directors of the Company and in compliance with the announcements of the Stock Exchange of Thailand (SET) in a fully transparent manner with reasonableness and equitability for the best interest of the Company, as well as without any conflict of interests and with disclosure of information in an adequate and timely manner.

5. Review the effectiveness of the internal control systems and activities that are in accordance with the annual internal audit plans as approved by the Audit Committee whereby the Audit Committee has been informed of the results of the internal audit activities in a timely manner and without any significant deficiencies being found in the internal control systems that would have any impact on the business operations and Financial Statements of the Company.

In 2017, the Audit Committee arranged to have an independent external party undertaking a Quality Assurance Review exercise; and then assigned the Internal Control Unit to implement those improvements recommended by such external party to ensure that internal control activities correspond with internal control standards going forward.

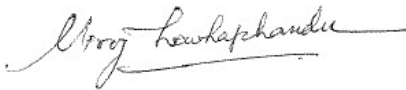
6. Consider the qualifications, independence and credibility of external Auditor of the Company, as well as propose the appointment of the external Auditor of the Company for the 2018 financial year together with the associated audit fee for consideration by the Board of Directors and for proposing to the Annual General Shareholders meeting for final approval.

As such, the Audit Committee concurred with the appointment of EY Office Limited as the external Auditor of the Company, with either one of Mr. Preecha Arunnara (CPA No. 5800) or Ms. Supanee Triyanantakul (CPA No. 4498) or Ms. Waraporn Prapasirikul (CPA No. 4579), being able to audit the Company, for the financial year ending December 31, 2018 with the audit fee at Baht 2,100,000.

7. Review jointly with the Good Corporate Governance Committee on the Company's compliances with established policies on good corporate governance, the established risk management measures and measures on anti-corruption; and also consider information received relating to the established "whistle blower" program with details given in the Report of the Good Corporate Governance Committee.
8. Undertake an annual self-evaluation of the activities performed by the Audit Committee for the year 2017; whereby the Audit Committee considers that the result has been effective and productive, as well as has been achieved the established goals as set by the Board of Directors of the Company.

The Audit Committee has undertaken its activities in accordance with the scope of responsibilities as assigned by the Company's Board of Directors and specified in the Charter of the Audit Committee, as well as in accordance with announcements by of the Stock Exchange of Thailand (SET) in 2008 with regard to the qualifications and scope of activities of the Audit Committee. The Audit Committee has carried out its assigned duties with full independence through making use of its combined extensive knowledges and experiences with due care and discreet as well as has expressed its opinions in a straight forward manner for the maximum and sustainable benefit of all stakeholders of the Company. The Audit Committee is confident that the Consolidated Financial Statements of the Company and its Subsidiaries and also the Financial Statements for the Separate Company are accurate, reliable and comply in conformity with the financial reporting standards with sufficient disclosure of information, effective internal control systems, appropriate risk management, good corporate governance practices, together with full compliance with all applicable laws and regulatory requirements.

On Behalf of the Audit Committee
Srithai Superware Public Company Limited



(Mr. Viroj Lowhaphandu)

Chairman of the Audit Committee



Srithai Superware Public Company Limited
Consolidated and Separate Financial Statements
31 December 2017



Independent Auditor's Report

To the Shareholders of Srithai Superware Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Srithai Superware Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2017, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p>Deferred tax assets recognised from tax loss carried forward</p> <p><i>Refer to Note 17 'Deferred tax assets, net' to the consolidated and separate financial statements</i></p> <p>As at 31 December 2017, the Group and the Company had recorded deferred tax assets amount of Baht 160 million and Baht 114 million in the consolidated and separate financial statements, respectively. Deferred tax assets recognised from tax loss carried forward amount of Baht 28 million and Baht 18 million, respectively.</p> <p>The Group and the Company recognised deferred tax assets from tax loss carried forward to the extent that it is probable that future taxable profits will allow it to be covered.</p> <p>Management prepared the future taxable profits for the next two years to support the recoverability of the deferred tax losses. This projection was based on historical data and expected future outcome. Key assumptions included the forecast of sales, gross profit margins and operating expenses.</p> <p>I focussed on this area, as the amount of deferred tax assets from tax loss carried forward are significant to the financial statements. The estimation of future taxable profits is complex and the assumptions involve significant judgement by management in determining those assumptions.</p>	<p>I evaluated the calculation of future taxable profits and key assumptions that management used in the calculation, which were used to determine the amount of deferred tax assets by</p> <ul style="list-style-type: none"> • testing the detailed tax computations and considering the expiry periods of accumulated tax loss, and • evaluating and challenging management's judgements and assessing the reasonableness of assumptions by comparing with actual historical data, such as the forecast of sales, gross profit margins and operating expenses. <p>Based on the above procedures, I found that the key assumptions used to determine the deferred tax assets from tax loss carry forward were appropriate and reasonable.</p>
<p>Allowance for doubtful accounts receivable</p> <p><i>Refer to note 9 'Trade accounts receivable, net' to the consolidated and separate financial statements</i></p> <p>The Group and the Company had trade accounts receivable - third parties and trade accounts receivable - related parties in the total amount of Baht 2,205 million and Baht 1,663 million or 21% and 18% of total assets, respectively. An amount of Baht 24 million and Baht 97 million in the consolidated and separate financial statements, respectively, were overdue more than twelve months. As at 31 December 2017, the Group and the Company set up an allowance for doubtful accounts in the consolidated and separate financial statements for the amount of Baht 16 million and Baht 58 million, respectively.</p> <p>The Group's and the Company's allowance for doubtful accounts was initially based on percentages of outstanding overdue accounts receivable balance that were based on historical collectability data. Managements also assessed individual high-value overdue accounts receivable and adjusted the allowance as appropriate. The information that managements used in specific allowance for doubtful accounts such as guarantees, financial position, and cause of delay,</p> <p>I focussed on this area due to the trade accounts receivable was significant to the financial statements, and because the allowances was based on management's judgement in evaluate the situation and condition of accounts receivable to consider the collectability of the Group and the Company.</p>	<p>I evaluated the appropriate of the allowance for doubtful accounts by</p> <ul style="list-style-type: none"> • challenging management on the appropriateness of the policy for setting an allowance • testing the reliability of the accounts receivable aging report used in initially assessing the allowance • comparing historical allowance for doubtful accounts receivable to actual outcome • assessing the appropriateness of the reasoning used to determine whether to adjust the allowance based on the assessment of overdue individual accounts receivables, and • testing subsequent actual payments of accounts receivable. <p>Based on the above procedures, I found that the allowance for doubtful debts was reasonable and consistent with historical data and evidence of collectability.</p>



Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

PricewaterhouseCoopers ABAS Ltd.



Chaisiri Ruangritchai

Certified Public Accountant (Thailand) No. 4526

Bangkok

28 February 2018

Srithai Superware Public Company Limited
Statement of Financial Position
As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	290,400,589	271,532,509	135,536,473	118,424,926
Short-term investments	8	-	30,438,167	-	-
Trade accounts receivable, net	9	2,205,300,285	2,007,304,785	1,663,033,180	1,622,136,224
Other receivables - third parties		46,869,817	118,673,686	22,251,003	39,440,823
Other receivables - related parties	30.1	6,390,233	46,275,827	30,743,757	52,453,191
Inventories, net	10	1,672,512,091	1,801,816,172	1,243,719,600	1,265,208,171
Other current assets		100,245,668	86,379,731	4,085,965	7,447,499
Total current assets		4,321,718,683	4,362,420,877	3,099,369,978	3,105,110,834
Non-current assets					
Restricted deposits at bank	8	5,671,210	6,342,178	-	-
Available-for-sale investments	11	65,400,000	61,800,000	65,400,000	61,800,000
Investments in subsidiaries, net	12.1	-	-	1,925,122,362	1,925,122,362
Investments in associates, net	12.1	218,516,385	214,373,746	184,113,258	184,113,258
Interests in joint venture	12.1	15,177,219	17,662,526	4,999,800	4,999,800
Other long-term investments, net	13	113,016,354	113,016,354	47,169,970	47,169,970
Investment properties, net	14	129,587,403	125,877,331	494,985,246	491,275,174
Property, plant and equipment, net	15	5,489,409,225	6,064,936,976	3,392,452,271	3,654,727,644
Intangible assets, net	16	41,596,896	47,013,859	18,712,174	18,696,217
Deferred tax assets, net	17	155,017,024	118,939,129	108,725,029	84,601,837
Leasehold right, net	18	145,102,754	110,186,229	-	-
Other non-current assets		25,792,413	61,505,368	14,059,677	19,287,282
Total non-current assets		6,404,286,883	6,941,653,696	6,255,739,787	6,491,793,544
Total assets		10,726,005,566	11,304,074,573	9,355,109,765	9,596,904,378

The accompanying notes on pages 13 to 74 are an integral part of these consolidated and separate financial statements.

Srithai Superware Public Company Limited
Statement of Financial Position
As at 31 December 2017

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term loans	19	1,951,614,000	1,670,857,600	1,445,000,000	1,300,000,000
Current portion of long-term loans	20	771,531,600	774,800,940	554,980,000	539,877,280
Trade accounts payable - third parties		922,922,403	735,482,508	580,410,962	470,786,147
Trade accounts payable - related parties	30.1	86,760,615	115,078,839	122,697,698	145,690,368
Other payables - third parties	21	248,822,399	311,349,852	165,901,457	206,046,547
Other payables - related parties	30.1	533,659	307,530	6,574,486	942,873
Other current liabilities		40,890,227	40,272,688	24,515,137	32,041,352
Total current liabilities		4,023,074,903	3,648,149,957	2,900,079,740	2,695,384,567
Non-current liabilities					
Long-term loans	20	1,770,491,100	2,344,620,300	1,342,225,000	1,647,205,000
Finance lease liabilities		917,298	1,377,990	-	-
Employee benefit obligations	24	383,821,340	376,702,255	306,958,187	301,481,786
Total non-current liabilities		2,155,229,738	2,722,700,545	1,649,183,187	1,948,686,786
Total liabilities		6,178,304,641	6,370,850,502	4,549,262,927	4,644,071,353
Equity					
Share capital	25				
Authorised share capital					
2,709,904,800 ordinary shares					
of par Baht 1 each		2,709,904,800	2,709,904,800	2,709,904,800	2,709,904,800
Issued and paid-up share capital					
2,709,904,800 ordinary shares,					
paid-up of Baht 1 each		2,709,904,800	2,709,904,800	2,709,904,800	2,709,904,800
Premium on treasury shares	25	19,928,420	19,928,420	19,928,420	19,928,420
Retained earnings					
Appropriated - legal reserve	26	257,000,000	250,000,000	257,000,000	250,000,000
Unappropriated		1,514,943,558	1,755,336,043	1,798,677,618	1,955,543,805
Other components of equity		(211,745,411)	(40,679,009)	20,336,000	17,456,000
Equity attributable to owners					
of the parent		4,290,031,367	4,694,490,254	4,805,846,838	4,952,833,025
Non-controlling interests		257,669,558	238,733,817	-	-
Total equity		4,547,700,925	4,933,224,071	4,805,846,838	4,952,833,025
Total liabilities and equity		10,726,005,566	11,304,074,573	9,355,109,765	9,596,904,378

The accompanying notes on pages 13 to 74 are an integral part of these consolidated and separate financial statements.

Srithai Superware Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Sales		9,576,881,678	9,284,815,420	6,253,955,739	6,536,385,916
Cost of sales		(8,161,924,133)	(7,706,835,011)	(5,370,989,690)	(5,431,827,159)
Gross profit		1,414,957,545	1,577,980,409	882,966,049	1,104,558,757
Dividend income		5,811,100	6,913,900	215,528,613	348,049,951
Other income		68,762,406	72,923,222	94,887,959	120,083,051
Selling expenses		(768,639,969)	(840,524,703)	(603,705,009)	(691,083,776)
Administrative expenses		(517,725,007)	(447,618,737)	(374,687,180)	(342,382,540)
Other expenses - loss on disposal of fixed assets		(7,489,592)	-	(5,435,613)	-
Finance costs		(181,374,624)	(169,311,144)	(104,269,198)	(115,553,837)
Share of profit of associates and joint venture	12.3	38,022,065	83,858,809	-	-
Profit before income tax		52,323,924	284,221,756	105,285,621	423,671,606
Income tax expense	17.3	20,747,389	(20,035,321)	20,638,672	(17,794,962)
Profit for the year		73,071,313	264,186,435	125,924,293	405,876,644
Other comprehensive income (expense)					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations		(6,000,000)	-	(6,000,000)	-
Income tax on items that will not be reclassified subsequently to profit or loss		1,200,000	-	1,200,000	-
Total items that will not be reclassified subsequently to profit or loss		(4,800,000)	-	(4,800,000)	-
Items that will be reclassified subsequently to profit or loss					
Change in value of available-for-sale investments		3,600,000	3,240,000	3,600,000	3,240,000
Currency translation differences		(173,923,709)	(4,965,500)	-	-
Income tax relating to items that will be reclassified subsequently to profit or loss		(720,000)	(648,000)	(720,000)	(648,000)
Total items that will be reclassified subsequently to profit or loss		(171,043,709)	(2,373,500)	2,880,000	2,592,000
Other comprehensive income (expense) for the year, net of tax		(175,843,709)	(2,373,500)	(1,920,000)	2,592,000
Total comprehensive income (expense) for the year		(102,772,396)	261,812,935	124,004,293	408,468,644
Profit attributable to:					
Owners of the parent		42,397,995	256,199,696	125,924,293	405,876,644
Non-controlling interests		30,673,318	7,986,739	-	-
Profit for the year		73,071,313	264,186,435	125,924,293	405,876,644
Total comprehensive income (expense) attributable to:					
Owners of the parent		(133,468,407)	253,107,102	124,004,293	408,468,644
Non-controlling interests		30,696,011	8,705,833	-	-
Total comprehensive income (expense) for the year		(102,772,396)	261,812,935	124,004,293	408,468,644
Earnings per share	28				
Basic earnings per share		0.02	0.09	0.05	0.15

The accompanying notes on pages 13 to 74 are an integral part of these consolidated and separate financial statements.

Srithai Superware Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2017

Consolidated financial statements (Baht)											
Attributable to owners of the parent											
Other components of equity											
Other comprehensive income (expense)											
	Issued and paid-up share capital	Premium on treasury shares	Appropriated retained earnings	Unappropriated retained earnings	Translating financial statements	Available-for-sale investments	Total other components of equity	owners of the parent	Non-controlling interests	Total equity	
Note	(Note 25)	(Note 25)	(Note 26)								
Opening balance as at 1 January 2017	2,709,904,800	19,928,420	250,000,000	1,755,336,043	(58,135,009)	17,456,000	(40,679,009)	4,694,490,254	238,733,817	4,933,224,071	
Profit for the year	-	-	-	42,397,995	-	-	-	42,397,995	30,673,318	73,071,313	
Remeasurements of post-employment benefit obligations	-	-	-	(4,800,000)	-	-	-	(4,800,000)	-	(4,800,000)	
Other comprehensive income (expense) for the year	-	-	-	-	(173,946,402)	2,880,000	(171,066,402)	(171,066,402)	22,693	(171,043,709)	
Dividends	-	-	-	(270,990,480)	-	-	-	(270,990,480)	(11,760,270)	(282,750,750)	
Legal reserve	-	-	7,000,000	(7,000,000)	-	-	-	-	-	-	
Closing balance as at 31 December 2017	2,709,904,800	19,928,420	257,000,000	1,514,943,558	(232,081,411)	20,336,000	(211,745,411)	4,290,031,367	257,669,558	4,547,700,925	
Opening balance as at 1 January 2016	2,709,904,800	19,928,420	228,000,000	1,792,122,837	(52,450,415)	14,864,000	(37,586,415)	4,712,369,642	244,728,245	4,957,097,887	
Profit for the year	-	-	-	256,199,696	-	-	-	256,199,696	7,986,739	264,186,435	
Other comprehensive income (expense) for the year	-	-	-	-	(5,684,594)	2,592,000	(3,092,594)	(3,092,594)	719,094	(2,373,500)	
Dividends	-	-	-	(270,986,490)	-	-	-	(270,986,490)	(14,700,261)	(285,686,751)	
Legal reserve	-	-	22,000,000	(22,000,000)	-	-	-	-	-	-	
Closing balance as at 31 December 2016	2,709,904,800	19,928,420	250,000,000	1,755,336,043	(58,135,009)	17,456,000	(40,679,009)	4,694,490,254	238,733,817	4,933,224,071	

The accompanying notes on pages 13 to 74 are an integral part of these consolidated and separate financial statements.

Srithai Superware Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2017

Separate financial statements (Baht)									
	Note	Issued and paid-up share capital (Note 25)	Premium on treasury shares (Note 25)	Appropriated retained earnings - legal reserve (Note 26)	Unappropriated retained earnings	Available-for-sale investments	Total other components of equity	Other components of equity	
								Other comprehensive income (expense)	Total equity
Opening balance as at 1 January 2017		2,709,904,800	19,928,420	250,000,000	1,955,543,805	17,456,000	17,456,000		4,952,833,025
Profit for the year		-	-	-	125,924,293	-	-		125,924,293
Remeasurements of post-employment benefit obligations		-	-	-	(4,800,000)	-	-		(4,800,000)
Other comprehensive income (expense) for the year		-	-	-	-	2,880,000	2,880,000		2,880,000
Dividends	29	-	-	-	(270,990,480)	-	-		(270,990,480)
Legal reserve		-	-	7,000,000	(7,000,000)	-	-		-
Closing balance as at 31 December 2017		2,709,904,800	19,928,420	257,000,000	1,798,677,618	20,336,000	20,336,000		4,805,846,838
Opening balance as at 1 January 2016		2,709,904,800	19,928,420	228,000,000	1,842,653,651	14,864,000	14,864,000		4,815,350,871
Profit for the year		-	-	-	405,876,644	-	-		405,876,644
Other comprehensive income (expense) for the year		-	-	-	-	2,592,000	2,592,000		2,592,000
Dividends		-	-	-	(270,986,490)	-	-		(270,986,490)
Legal reserve		-	-	22,000,000	(22,000,000)	-	-		-
Closing balance as at 31 December 2016		2,709,904,800	19,928,420	250,000,000	1,955,543,805	17,456,000	17,456,000		4,952,833,025

The accompanying notes on pages 13 to 74 are an integral part of these consolidated and separate financial statements.

Srithai Superware Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Profit before income tax for the year		52,323,924	284,221,756	105,285,621	423,671,606
Adjustments for :					
Depreciation	14, 15	800,536,365	774,549,104	513,903,138	517,852,299
Amortisation of intangible assets	16	14,012,202	14,169,999	6,777,600	8,314,608
Amortisation of leasehold rights	18	3,348,340	1,268,853	-	-
Assets written off		18,749,642	13,490,176	17,727,788	12,246,544
Allowance for doubtful accounts (reversal)		(968,577)	(10,241,150)	(1,600,000)	20,565,000
Allowance for inventory obsolescence and for inventories					
cost in excess of net realisable value (reversal)	10	(5,774,398)	14,710,362	-	3,000,000
Loss on impairment of investments in subsidiary	12.2	-	-	-	25,090,500
Loss on impairment of fixed assets	15	29,586,961	-	29,586,961	-
Loss on impairment of other assets		2,084,544	220,156	2,084,544	220,156
(Gain) loss on disposal of fixed assets and					
intangible assets		7,489,592	(7,427,377)	5,435,613	(32,022,339)
Employee benefits expense		23,801,508	32,839,881	16,438,378	25,489,492
Actuarial loss from other long-term					
employment benefits	24	3,000,000	-	3,000,000	-
Realised (gain) loss on foreign exchange rate		(144,076)	230,383	(144,076)	1,860,657
Interest income		(6,588,302)	(6,212,763)	(2,895,012)	(3,865,044)
Share of profit of investments in associates					
and joint venture	12.3	(38,022,065)	(83,858,809)	-	-
Dividend income from investments in subsidiaries,					
associates, and joint venture	30	-	-	(209,717,513)	(341,136,051)
Dividend income from other investments		(5,811,100)	(6,913,900)	(5,811,100)	(6,913,900)
Finance costs-interest expense		181,374,624	169,311,144	104,269,198	115,553,837
		1,078,999,184	1,190,357,815	584,341,140	769,927,365
Changes in working capital :					
Trade accounts receivable		(227,880,978)	(94,921,004)	(40,262,517)	34,830,209
Other receivables		23,074,795	(160,142)	17,190,785	17,889,838
Inventories		96,894,240	(161,901,000)	20,962,540	(31,919,482)
Other current assets		19,903,514	(11,836,118)	6,366,054	9,437,387
Other assets		(1,458,161)	21,488,963	2,153,458	1,799,017
Trade accounts payable		187,990,214	(110,316,544)	88,110,925	(55,074,040)
Other payables		(4,146,306)	(10,312,047)	4,831,111	(34,698,061)
Other current liabilities		7,087,870	(4,253,745)	(2,831,455)	(3,217,528)
Employee benefits paid	24	(25,682,424)	(35,056,053)	(19,961,978)	(31,885,819)

The accompanying notes on pages 13 to 74 are an integral part of these consolidated and separate financial statements.

Srithai Superware Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Cash flows from operating activities		1,154,781,948	783,090,125	660,900,063	677,088,886
Interest paid		(178,699,813)	(168,683,557)	(101,796,887)	(116,036,434)
Income tax paid		(42,685,512)	(66,070,213)	(10,703,800)	(29,549,913)
Income tax refunds		13,090,138	-	-	-
Net cash receipts from operating activities		946,486,761	548,336,355	548,399,376	531,502,539
Cash flows from investing activities					
(Increase) decrease in short-term investments		31,530,725	(27,616,652)	-	-
(Increase) decrease in restricted deposits at bank		111,000	(6,437,570)	-	-
Payment for investments in subsidiaries	12.2	-	-	-	(79,105,000)
Purchase of fixed assets		(552,452,656)	(1,033,545,946)	(381,880,586)	(467,781,488)
Purchase of intangible assets		(15,578,345)	(15,876,591)	(12,541,915)	(1,731,270)
Advance paid for leasehold		(7,699,500)	-	-	-
Proceeds from disposals of fixed assets		17,919,357	5,521,126	38,235,678	225,963,177
Interest receipts		5,828,969	6,070,306	2,894,047	3,869,818
Dividend receipts from investments in subsidiaries, associates, and joint venture		75,426,592	49,605,929	232,061,607	309,275,379
Dividend receipts from other investments		5,811,100	9,313,900	5,811,100	9,313,900
Net cash payments for investing activities		(439,102,758)	(1,012,965,498)	(115,420,069)	(195,484)
Cash flows from financing activities					
Increase (decrease) in short-term loans		330,148,500	(80,745,600)	145,000,000	(390,000,000)
Receipt from long-term loans	20	273,190,000	1,160,462,400	250,000,000	600,000,000
Repayment of long-term loans	20	(768,496,940)	(697,181,921)	(539,877,280)	(534,352,000)
Repayment of finance lease liabilities		(12,586,855)	(10,172,885)	-	-
Dividend payment	29	(270,990,480)	(270,986,490)	(270,990,480)	(270,986,490)
Dividends paid to non-controlling interests in subsidiaries		(11,760,252)	(14,700,261)	-	-
Net cash receipts from (payments for) from financing activities		(460,496,027)	86,675,243	(415,867,760)	(595,338,490)
Net increase (decrease) in cash and cash equivalents		46,887,976	(377,953,900)	17,111,547	(64,031,435)
Cash and cash equivalents, opening balance		271,532,509	620,970,007	118,424,926	182,456,361
Effect from currency translation on cash and cash equivalents		(28,019,896)	28,516,402	-	-
Cash and cash equivalents, closing balance	7	290,400,589	271,532,509	135,536,473	118,424,926
Non cash transactions					
Purchase of property, plant and equipment under finance lease		878,000	901,869	-	-

The accompanying notes on pages 13 to 74 are an integral part of these consolidated and separate financial statements.

Srithai Superware Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2017

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Supplementary cash flows information				
comprises the following:				
Property, plant and equipment				
Additions (Note 15)	506,228,565	1,020,612,548	338,584,908	465,252,834
Payables of fixed assets - opening balance	66,992,304	80,827,571	66,190,224	68,718,878
Payables of fixed assets - closing balance	(19,890,213)	(66,992,304)	(22,894,546)	(66,190,224)
Fixed assets increased by finance lease	(878,000)	(901,869)	-	-
Payment for purchase of fixed assets	<u>552,452,656</u>	<u>1,033,545,946</u>	<u>381,880,586</u>	<u>467,781,488</u>
Intangible assets				
Additions (Note 16)	15,578,345	15,838,071	12,541,915	1,692,750
Payables of intangible assets - opening balance	-	38,520	-	38,520
Payables of intangible assets - closing balance	-	-	-	-
Payment for purchase of intangible assets	<u>15,578,345</u>	<u>15,876,591</u>	<u>12,541,915</u>	<u>1,731,270</u>
Dividend income				
Dividends of investments in				
- Subsidiaries (Note 30.2)	-	-	174,634,997	246,299,739
- Associates (Note 30.2)	31,082,676	94,836,312	31,082,676	94,836,312
- Joint venture (Note 30.2)	3,999,840	-	3,999,840	-
Dividend receivable - opening balance	45,000,000	-	45,000,000	14,999,985
Dividend receivable - closing balance	(4,800,000)	(45,000,000)	(22,799,982)	(45,000,000)
Realised gain (loss) on foreign exchange rate	144,076	(230,383)	144,076	(1,860,657)
Dividends received from subsidiaries, associates, and joint venture	<u>75,426,592</u>	<u>49,605,929</u>	<u>232,061,607</u>	<u>309,275,379</u>

The accompanying notes on pages 13 to 74 are an integral part of these consolidated and separate financial statements.

1 General information

Srithai Superware Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s 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, 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 separate financial statements have been approved by the Board of Directors on 28 February 2018.

2 Accounting policies

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

2.1 Basis for preparation

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

2 Accounting policies (Cont'd)

2.2 Revised financial reporting standards

a) Revised financial reporting standards which are effective from 1 January 2017 which have significant changes are as follows:

TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 38 (revised 2016)	Intangible assets
TFRS 11 (revised 2016)	Joint arrangements

The Group has applied the aforementioned financial reporting standards from 1 January 2017. However, the Group's management evaluated that the application of those financial reporting standards has no significant impacts to the financial statements.

b) Revised financial reporting standards which are effective from 1 January 2018 which have significant changes and the Group has not yet early adopted these revised standards are as follows:

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

The Group's management evaluated that the revised financial reporting standards has no significant impacts to the financial statements.

2 Accounting policies (Cont'd)

2.3 Group accounting - investments in subsidiaries, associates and joint ventures

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree 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.

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 identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognise and previously held interest measured 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 on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with 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.

Disposal of subsidiaries

When the Group ceases to have control it shall ceased to consolidate its subsidiaries. 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 subsequent 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.

Associates

Associates are all entities over which the Group has significant influence but not control or joint 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.

2 Accounting policies (Cont'd)

2.3 Group accounting - investments in subsidiaries, associates and joint ventures (Cont'd)

Joint ventures

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures due to the Group holds 50% of the voting rights of its joint arrangement which the Group has joint control over this arrangement as under the contractual agreements, unanimous consent is Group required from all parties to the agreements for all relevant activities. Moreover, the Group's joint arrangement is structured as a limited company and provides the Group and the parties to the agreements with rights to the net assets of the limited company under the arrangements. Interest in joint ventures are accounted for using the equity method.

Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identifies on acquisition.

If the ownership interest in associates and joint ventures 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. Profit or loss from reduce of the ownership interest in an associates and joint ventures is recognise in profit or loss.

The Group's share of its associates and joint ventures' 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 associates and joint ventures equals or exceeds its interest in the associates and joint ventures, together with any long-term interests that, in substance, form part of the entity's net investment in the associates or joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates and joint ventures are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit (loss) of associates and joint ventures in profit or loss.

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

Separate financial statement

In the separate financial statements, investments in subsidiaries, associates and joint ventures 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.

2 Accounting policies (Cont'd)

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Thai Baht, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

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

2.5 Cash and cash equivalents

In the 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 statements of financial position, bank overdrafts are shown with 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 receivables based on a review of all outstanding amounts at the year-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 for doubtful accounts 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 in which they are identified and recognised in profit or loss under administrative expenses.

2 Accounting policies (Cont'd)

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the standard cost basis which is adjusted 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, allowances or rebates. The cost of finished goods and work in process comprises design cost, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Work-to-order is stated at actual cost.

Net realisable value is the estimated of the selling price in the ordinary course of business, less applicable variable 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.
- (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.
- (3) Investments in non-marketable equity securities are classified as general investments.

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 unrealised gains and losses of available-for-sale investments are recognised in other comprehensive income.

General investments are carried at cost less impairment loss.

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 profit or loss.

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 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 Accounting policies (Cont'd)

2.9 Investment properties

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

Investment property of the Group comprises land and building held for rental yields and land whose future use is currently undetermined.

Investment property is measured initially at its cost, including related transaction costs.

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.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

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
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2.10 Property, plant and equipment and depreciation

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes cash and cash equivalent price and expenditure that is directly attributable to the acquisition of the items of obtaining the asset and bringing it to the location and condition necessary for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, 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

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

Buildings	18 to 30 years
Land improvement	5 to 10 years
Building improvement	4 to 20 years
Machinery and equipment	3 to 20 years
Furniture and office equipment	3 to 10 years
Motor vehicles	6 to 15 years

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

The assets' carrying amount is written-down immediately to its recoverable amount if the assets' carrying amount is greater than its estimated recoverable amount (Note 2.12).

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

2 Accounting policies (Cont'd)

2.11 Intangible assets

2.11.1 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 using the straight line method over their estimated useful lives, not exceeding a period of 6 years.

2.11.2 Other intangible assets

Expenditure on acquired patents, copyright and licences is capitalised at historical cost less accumulated amortisation and amortised using the straight-line method over their useful lives, generally over 5 to 10 years.

2.12 Impairment of assets

Assets that have an indefinite useful life 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.

2.13 Current and deferred 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. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

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 and its subsidiaries 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. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. 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. Deferred income tax is provided on temporary differences arising from investment in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

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 same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Accounting policies (Cont'd)

2.14 Other non-current assets

Leasehold right

Leasehold right of lands is amortised using the straight-line method over the lease period of 42, 43 and 99 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 Leases

a) Where the Group is the lessee

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor 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 property, plant or equipment where the Group has 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 liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance 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 or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

b) Where the Group 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.

2 Accounting policies (Cont'd)

2.16 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds net of transaction costs and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2.17 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.18 Employee benefits

2.18.1 Post-employment

The Group operates various post-employment benefits schemes. The Group has both defined benefit and defined contribution plans.

Defined contribution

A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the Provident Fund Act B.E. 2530. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 Accounting policies (Cont'd)

2.18 Employee benefits (Cont'd)

2.18.1 Post-employment (Cont'd)

Retirement benefits

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on one or more factors such as age, years of service and compensation. 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.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by independent actuaries 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 retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

2.18.2 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.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by independent actuaries 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 retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit or loss in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2.18.3 Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates : (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises cost for a restructuring that is within scope of TAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employee expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2 Accounting policies (Cont'd)

2.19 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 the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.20 Treasury shares

Where any companies within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

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.

2.21 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 value-added tax, returns, 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.

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 using the effective interest method.
- Dividend income is recognised when the right to receive payment is established.
- Income from selling scrap is recognised when the scrap is actually sold.

2 Accounting policies (Cont'd)

2.22 Dividends

Dividends distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders, and interim dividend are approved by the Board of Directors.

2.23 Financial assets and financial liabilities

Financial assets carried on the statement of financial position include cash and cash equivalents, temporary investments, trade accounts receivable, other receivables, available-for-sale investments, investments in subsidiaries, investment in associates, investments in joint venture and other long-term investments. Financial liabilities carried on the statement of financial position include short-term loans, trade accounts payable, other payables, long-term loans and finance lease liabilities. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as President that makes strategic decisions.

Segment information is presented in respect of the Group's business segments which is based on the Group's management and internal reporting structure as per presented in Note 6.

3 Financial risk management

3.1 Financial risk factors

The principle financial risks faced by the Group are exchange rate risk, interest 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 (See Notes 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.

The Group entered into forward foreign contracts for imported goods and machinery and exported goods. 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.

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

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 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, and machinery and equipment, 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 other major currencies is diversification of foreign exchange risk and lessening of impact on dependence on any particular currency. This also includes netting off cash inflow and cash outflow in foreign currency using a Natural Hedge.

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, by balancing the fixed interest rate and floating interest rate loans using a Natural Hedge, by considering borrowing money from sources with interest rate other than MLR, by using financial tool to mitigate and diversify risk on fluctuation of interest rates and ascertain finance cost for the Group, and by prepaying a principal amount as deemed appropriate in the case of excess liquidity, which is allowed with no additional charge and no breach of conditions in the loan agreement.

c) Credit risk

The majority of the Company's revenues are derived from manufacturing and selling of plastic products. The Company has set guidelines for customer credit evaluation. Management believes that credit risk arising from sales is insignificant. Concentrations of credit risk with respect to trade receivables are limited despite a few numbers of customers in some business segments. However, such a circumstance should not pose a significant threat to the business as most of these customers are well-known and financially healthy. Moreover, the Group's large numbers of customers are not only dispersed, but also 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 there is 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.

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

d) Liquidity risk

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

3.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates. The Group enters into contract establishing the rate at which a foreign currency asset will be realised or a foreign currency liability will be settled in the future. The Group does not recognise foreign currency forward contracts transaction in the financial statements until the contracts are settled. The realised gain (loss) from the settlement of foreign currency forward contracts will be included in gain (loss) on exchange rate in profit or loss. The fee incurred in establishing each agreement is amortised over the contract period, if any.

3.3 Fair value estimation

The financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of financial assets which are cash and cash equivalents, short-term investments, trade accounts receivables and other receivables and financial liabilities which are short-term loans, trade accounts payable and other payables are approximately equal to the carrying amounts due to their short maturities.

See Note 11 for financial assets that are measured at fair value which are available-for-sale investments.

See Note 14 for fair value disclosures of the investment properties and Note 20 for fair value disclosures of the long-term loans that are measured at fair value.

3 Financial risk management (Cont'd)

3.3 Fair value estimation (Cont'd)

Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price as at 29 December 2017 (the close of business on the statement of financial position date) by reference to the Stock Exchange of Thailand. These instruments are included in Level 1.

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

There were no transfers between levels 1 and 2 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the statement of financial position date.

There were no longer changes in valuation techniques during the year.

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) Allowance for doubtful accounts

Allowance for doubtful receivables estimated based on a review of all outstanding amounts at the year-end. Allowance for doubtful receivables was initially set up based on the number of days outstanding of accounts receivable, for which the percentage of allowance for each range of aging considered is based on the historical collectability data. In addition, management reviewed the overdue accounts receivable and adjusted the allowance by considering the specific circumstances and the causes for each significant customer being overdue.

b) Impairment of investments in a subsidiary and associates

The investments in a subsidiary and associates are reported using the cost method in the separate financial statements. A provision for impairment was recognised as the cost of the investments in a subsidiary and associates exceeded the recoverable amount, which was determined by the value in use. As to whether the impairment provision should be provided or reversed, the management made an assessment by considering from past performance, external factors that may affect the business operations, and produced and reviewed financial forecast and expected future cash inflow. The Group use Weighted Average Cost of Capital (WACC) of the company as discount rate in determining the current estimate of value in use.

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

c) 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.

d) 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.

Additional information of other key assumptions for employee benefit obligations is disclosed in Note 24.

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.

In order to obtain the promotional privileges from the Board of Investment, the Group has to maintain minimum capital investment as specified in each certificate.

6 Segment information

Before 2017, the Group presented the segment information by main business lines and separated by products from production base, comprising domestic production and overseas production. Since 1 January 2017, the Group changed the presentation in respect of the Group's segment information by main business lines and internal reporting structure based on domestic operations base and overseas operations base. It is divided into plastics business line, consisting of household business unit and industrial business unit, and network and moulds business lines. To consider profit (loss) from sales by segment, intercompany sales were already eliminated. Profit (loss) from sales was determined by subtracting cost of sales and services, selling expenses, administrative expenses from net sales. Other income was unallocated.

The Group has retrospectively adjusted segment information of 2016, which are included in the consolidated financial statements for comparative purposes. This change only impacts presentational aspects and has no impact on the financial position, the financial performance and cash flows of the Group.

Srithai Superware Public Company Limited
Notes to the Consolidated and Separate Financial Statements
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6 Segment information (Cont'd)

	Consolidated financial statements					
	For the year ended 31 December 2017 (Baht'000)					
	Plastics business line					
	Household business unit		Industrial business unit		Network	Total
	Domestic Operations	Overseas Operations	Domestic Operations	Overseas Operations	and moulds business lines	
Sales	1,972,164	357,610	5,704,468	1,742,241	285,718	10,062,201
Revenue from subsidiaries	(279,482)	(25,857)	(131,172)	(12,743)	(36,065)	(485,319)
Total sales	1,692,682	331,753	5,573,296	1,729,498	249,653	9,576,882
Profit (loss) from sales by segment	126,124	(15,101)	99,970	21,653	(90,151)	142,495
Loss on foreign exchange rate, net						(13,902)
Other income						74,573
Other expenses - loss on disposal of fixed assets						(7,489)
Finance costs						(181,375)
Share of profit of associates and joint venture						38,022
Profit before income tax						52,324
Income tax expense						20,747
Profit for the year						73,071
Fixed assets	747,772		4,533,509		162,175	5,443,456
Other unallocated fixed assets						45,953
Other unallocated assets						5,236,596
Consolidated total assets						10,726,005
Depreciation and amortisation of intangible assets	93,905		699,911		20,733	814,549

Srithai Superware Public Company Limited
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6 Segment information (Cont'd)

	Consolidated financial statements					
	For the year ended 31 December 2016 (Baht'000)					
	Plastics business line					
	Household business unit		Industrial business unit		Network	Total
	Domestic Operations	Overseas Operations	Domestic Operations	Overseas Operations	and moulds business lines	
Sales	2,243,237	479,491	5,500,231	1,358,192	343,999	9,925,150
Revenue from subsidiaries	(451,795)	(13,787)	(115,668)	(23,935)	(35,150)	(640,335)
Total sales	1,791,442	465,704	5,384,563	1,334,257	308,849	9,284,815
Profit (loss) from sales by segment	176,060	(22,193)	214,464	26,143	(104,637)	289,837
Gain on foreign exchange rate, net						5,562
Other income						74,275
Finance costs						(169,311)
Share of profit of associates and joint venture						83,859
Profit before income tax						284,222
Income tax expense						(20,035)
Profit for the year						264,187
Fixed assets	796,741		5,031,408		180,791	6,008,940
Other unallocated fixed assets						55,997
Other unallocated assets						5,239,138
Consolidated total assets						11,304,075
Depreciation and amortisation of intangible assets	97,429		666,271		25,019	788,719

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Cash on hand	4,961	5,548	2,508	2,934
Cheque on hand	16,248	26,763	16,248	26,763
Deposits at banks				
- current accounts	134,992	97,888	20,634	-
- savings accounts	134,010	141,176	96,146	88,628
- fixed deposits	190	158	-	100
Total cash and cash equivalents	290,401	271,533	135,536	118,425

Saving deposits at banks carry interest at the rate of 0.05% to 0.38% per annum (2016: 0.05% to 0.85% per annum).

Fixed deposits at banks represent 1-month to 3-month fixed deposits carrying interest at the rate of 1.00% to 3.50% per annum (2016: 1.00% to 2.25% per annum).

8 Short-term investments and restricted deposits at bank

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Fixed deposits	-	30,438	-	-
Total short-term investments	-	30,438	-	-
Restricted deposits at bank	5,671	6,342	-	-
Total short-term investments and restricted deposits at bank	5,671	36,780	-	-

Fixed deposits of subsidiaries represent 3-month to 12-month fixed deposits at banks carrying interest at the rate of 6.50% to 6.75% per annum (2016: 6.50% to 7.00% per annum).

Fixed deposits of subsidiaries amounting to Baht 5.67 million (2016: Baht 6.34 million) are pledged as collateral for tax guarantee and guarantee for electricity usage.

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9 Trade accounts receivable, net

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Trade accounts receivable - third parties	1,873,656	1,695,103	1,318,196	1,220,864
<u>Less</u> Allowance for doubtful accounts	(15,796)	(16,802)	(7,561)	(9,161)
Trade accounts receivable				
- third parties, net	1,857,860	1,678,301	1,310,635	1,211,703
Trade accounts receivable				
- related parties (Note 30.1)	347,440	329,004	402,398	460,433
<u>Less</u> Allowance for doubtful accounts	-	-	(50,000)	(50,000)
Trade accounts receivable				
- related parties, net	347,440	329,004	352,398	410,433
Total trade accounts receivable, net	2,205,300	2,007,305	1,663,033	1,622,136

Outstanding trade accounts receivable - third parties can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Not yet due	1,258,910	1,204,054	813,260	785,020
Overdue not exceeding 3 months	510,330	386,297	419,199	352,633
Overdue 3 to 6 months	53,192	42,623	50,286	35,620
Overdue 6 to 12 months	27,631	32,628	22,460	25,426
Overdue 12 months	23,593	29,501	12,991	22,165
Total	1,873,656	1,695,103	1,318,196	1,220,864
<u>Less</u> Allowance for doubtful accounts	(15,796)	(16,802)	(7,561)	(9,161)
Total trade accounts receivable				
- third parties, net	1,857,860	1,678,301	1,310,635	1,211,703

The Group and the Company have a policy to provide a credit term of net 30 to 90 days to trade accounts receivable third parties.

Outstanding trade accounts receivable - related parties can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Not yet due	233,171	236,463	228,858	306,164
Overdue not exceeding 3 months	106,290	88,604	78,817	63,718
Overdue 3 to 6 months	7,979	3,417	8,891	10,990
Overdue 6 to 12 months	-	520	2,094	17,718
Overdue 12 months	-	-	83,738	61,843
Total	347,440	329,004	402,398	460,433
<u>Less</u> Allowance for doubtful accounts	-	-	(50,000)	(50,000)
Total trade accounts receivable				
- related parties, net	347,440	329,004	352,398	410,433

The Group and the Company have a policy to provide a credit term of net 30 to 180 days to trade accounts receivable - related parties.

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10 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Finished goods	921,596	914,112	741,497	715,432
Work in process	266,721	268,485	158,329	162,047
Raw materials	319,530	435,246	221,886	270,167
Supplies	148,295	125,689	136,698	114,585
Moulds for sales	953	61,996	770	18,019
	<u>1,657,095</u>	<u>1,805,528</u>	<u>1,259,180</u>	<u>1,280,250</u>
<u>Less</u> Allowance for obsolescence	(25,475)	(27,578)	(14,920)	(10,120)
Allowance for inventories cost in excess of net realisable value	<u>(5,679)</u>	<u>(10,269)</u>	<u>(1,200)</u>	<u>(6,000)</u>
	<u>1,625,941</u>	<u>1,767,681</u>	<u>1,243,060</u>	<u>1,264,130</u>
Goods in transit	46,571	34,135	660	1,078
Total inventories, net	<u>1,672,512</u>	<u>1,801,816</u>	<u>1,243,720</u>	<u>1,265,208</u>

Allowance for obsolescence and allowance for inventories cost in excess of net realisable value comprise the following:

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Allowance for obsolescence				
Finished goods	18,489	20,564	11,300	6,500
Work in process	3,314	1,633	320	320
Raw materials	1,500	3,161	1,500	1,500
Supplies	2,172	2,220	1,800	1,800
Total allowance for obsolescence	<u>25,475</u>	<u>27,578</u>	<u>14,920</u>	<u>10,120</u>
Allowance for inventories cost in excess of net realisable value				
Finished goods	5,367	10,228	1,200	6,000
Work in process	312	41	-	-
Total allowance for inventories cost in excess of net realisable value	<u>5,679</u>	<u>10,269</u>	<u>1,200</u>	<u>6,000</u>
Total allowance for obsolescence and allowance for inventories cost in excess of net realisable value	<u>31,154</u>	<u>37,847</u>	<u>16,120</u>	<u>16,120</u>

The cost of inventories recognised as expense and included in "cost of sales" amounted to Baht 8,133.14 million and Baht 5,370.99 million (2016: Baht 7,653.35 million and Baht 5,428.83 million) in the consolidated and separate statement of comprehensive income, respectively.

The Group had recorded reversal of allowance for obsolescence and allowance for inventories cost in excess of net realisable value amounted to Baht 5.77 million in the consolidated statement of comprehensive income (2016 : recorded allowance amounted to Baht 14.71 million and Baht 3.00 million in the consolidated and separate statement of comprehensive income, respectively).

11 Available-for-sale investments

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
<u>Equity securities</u>				
- Listed company in the Stock Exchange of Thailand				
Union Plastic Public Company Limited				
- Cost	39,980	39,980	39,980	39,980
<u>Add</u> Change in fair value of available-for-sale investments	25,420	21,820	25,420	21,820
Total available-for-sale investments				
- Fair value	65,400	61,800	65,400	61,800

The fair value of available-for-sale investments are based on quoted bid price as at 29 December 2017 (at the close of business on the statement of financial position date) by reference to the Stock Exchange of Thailand. The fair values are within level 1 of the fair value hierarchy.

The movements in book value of available-for-sale investments comprise the following:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Opening book amount	61,800	58,560	61,800	58,560
Re-measuring available-for-sale investments	3,600	3,240	3,600	3,240
Closing book amount	65,400	61,800	65,400	61,800

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12 Investments in subsidiaries, associates and joint venture

12.1 Subsidiaries, associates and joint venture comprise the following:

	Separate financial statements (Unit : Baht'000)											
	Subsidiaries	Nature of business	Country of incorporation	Paid up capital	Percentage of shareholding		Cost method					
					31 December 2017	31 December 2016	31 December 2017		31 December 2016			
							Cost	Allowance for impairment	Net book value	Allowance for impairment	Cost	Net book value
Local												
	Korat Thai Tech Co., Ltd.	Manufacture of melamine	Thailand	30,000,000	100.0	100.0		30,000		30,000	-	30,000
	Srithai Nanoplast Co., Ltd.	Manufacture of plastic	Thailand	40,000,000	100.0	100.0		40,756		40,756	-	40,756
	Srithai Moulds Co., Ltd.	Manufacture of moulds and plastic	Thailand	100,000,000	71.0	71.0		82,000		82,000	-	82,000
	Srithai Myagawa Co., Ltd.	Manufacture of moulds and plastic	Thailand	120,000,000	51.0	51.0		61,200		61,200	-	61,200
	P.E.T. Blow Co., Ltd.	Registered for dissolution and have been under the process of liquidation	Thailand	20,000,000	100.0	100.0		20,000	(20,000)	20,000	(20,000)	
								233,956	(20,000)	233,956	(20,000)	213,956
Foreign												
	Srithai (Vietnam) Co., Ltd.	Manufacture of plastic and melamine	Vietnam	782,082 Million Vietnamese Dong	100.0	100.0		1,229,036	-	1,229,036	-	1,229,036
	Srithai Superware Manufacturing Pvt. Ltd.	Manufacture of melamine	India	720,00 Million Indian Rupee	100.0	100.0		482,130	-	482,130	-	482,130
	Srithai Superware India Ltd.	Trading of melamine	India	42.50 Million Indian Rupee	82.4	82.4		25,090	(25,090)	25,090	(25,090)	-
								1,736,256	(25,090)	1,711,166	(25,090)	1,711,166
								1,970,212	(45,090)	1,925,122	(45,090)	1,925,122
	Total investments in subsidiaries											

					At Cost		
					(Unit : Million Vietnamese Dong)		
					31 December 2017	31 December 2016	
Indirect Subsidiary							
Subsidiary of Srithai (Vietnam) Co., Ltd.							
Srithai (Hanoi) Co., Ltd.	Manufacture of plastic	Vietnam	424,920 Million Vietnamese Dong	100	424,920 (equivalent to Baht 663 Million)	424,920 (equivalent to Baht 663 Million)	

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

12.1 Subsidiaries, associates and joint venture comprise the following: (Cont'd)

	Nature of business	Country of incorporation	Paid up capital	Percentage of shareholding		Consolidated financial statements (Unit : Baht'000)		Separate financial statements (Unit : Baht'000)							
				31 December 2017	31 December 2016	Equity method		Cost method							
						31 December 2017	31 December 2016	Cost	Allowance for impairment	Net book value	Cost	Allowance for impairment	Net book value		
Associates															
Local															
SriThai Sanko Co., Ltd. Thai MFC Co., Ltd.	Trading of plastic	Thailand	20,000,000	48.0	48.0	20,320	21,530	9,599	-	9,599	-	9,599	-	9,599	9,599
	Manufacture of melamine powder	Thailand	200,000,000	45.0	45.0	107,177	111,011	90,000	-	90,000	-	90,000	-	90,000	90,000
Sheewamala Co., Ltd. SriThai Packaging Co., Ltd. S.K.I. Ceramics Co., Ltd. ⁽¹⁾	Manufacture of plastic and melamine	Thailand	49,800,000	40.0	40.0	39,447	33,525	19,920	-	19,920	-	19,920	-	19,920	19,920
	Manufacture of packaging Registered for dissolution and have been under the process of liquidation	Thailand	60,000,000	39.2	39.2	38,468	35,679	27,156	-	27,156	-	27,156	-	27,156	27,156
Soko SriThai Co., Ltd. ⁽¹⁾	Registered for dissolution and have been under the process of liquidation	Thailand	125,000,000	42.0	42.0	-	-	52,500	(52,500)	-	-	52,500	(52,500)	-	-
	Registered for dissolution and have been under the process of liquidation	Thailand	250,000,000	24.0	24.0	-	-	48,385	(48,385)	-	-	48,385	(48,385)	-	-
Foreign															
PT. SriThai Maspion Indonesia	Manufacture of melamine	Indonesia	10,394.1 Million Rupiah	32.5	32.5	13,104	12,629	37,438	-	37,438	-	37,438	-	37,438	37,438
						13,104	12,629	37,438	-	37,438	-	37,438	-	37,438	37,438
Total investments in associates						218,516	214,374	284,998	(100,885)	184,113	284,998	(100,885)	184,113	284,998	184,113
Joint venture															
Local															
SriThai-Otto (Thailand) Co., Ltd.	Trading of plastic	Thailand	10,000,000	50.0	50.0	15,177	17,663	5,000	-	5,000	-	5,000	-	5,000	5,000
						15,177	17,663	5,000	-	5,000	-	5,000	-	5,000	5,000
Total investments in joint venture															

(1) Associates were dissolved and have been under the process of liquidation. As at 31 December 2016, the Group has not recognised share of accumulated losses in associates which exceed the Group's interest totaling of Baht 7.37 million (2016 : Baht 7.37 million).

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

12.2 The movements in book value of investments in subsidiaries, associates and joint venture comprise the following:

Subsidiaries

	Separate financial statements	
	Cost method	
	2017	2016
	Baht'000	Baht'000
Opening net book amount	1,925,122	1,871,108
Investment in subsidiaries	-	79,104
Loss on impairment of investment in a subsidiary	-	(25,090)
Closing net book amount	<u>1,925,122</u>	<u>1,925,122</u>

Associates

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Opening net book amount	214,374	226,845	184,113	184,113
Share of profit of investments in associates	36,508	82,501	-	-
Dividend income	(31,083)	(94,836)	-	-
Currency translation differences	(1,283)	(136)	-	-
Closing net book amount	<u>218,516</u>	<u>214,374</u>	<u>184,113</u>	<u>184,113</u>

Joint venture

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Opening net book amount	17,663	16,305	5,000	5,000
Share of profit of investments in joint venture	1,514	1,358	-	-
Dividend income	(4,000)	-	-	-
Closing net book amount	<u>15,177</u>	<u>17,663</u>	<u>5,000</u>	<u>5,000</u>

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

12.3 The Group's share of the results of associates and joint venture, all of which are unlisted, and its share of the assets and liabilities of associates and joint venture which are accounted for equity method are as follows:

For the year ended 31 December 2017				
	Assets Baht'000	Liabilities Baht'000	Revenues Baht'000	Profit (Loss) Baht'000
<u>Associates</u>				
<u>Local</u>				
Srithai Sanko Co., Ltd.	83,172	59,253	167,356	5,989
Thai MFC Co., Ltd.	152,348	43,136	389,658	11,016
Sheewamala Co., Ltd.	60,791	18,384	50,419	10,722
Srithai Packaging Co., Ltd.	70,095	32,610	71,623	5,142
	<u>366,406</u>	<u>153,383</u>	<u>679,056</u>	<u>32,869</u>
<u>Foreign</u>				
PT. Srithai Maspion Indonesia	23,441	10,337	40,087	3,639
	<u>23,441</u>	<u>10,337</u>	<u>40,087</u>	<u>3,639</u>
Total associates	<u>389,847</u>	<u>163,720</u>	<u>719,143</u>	<u>36,508</u>
<u>Joint venture</u>				
<u>Local</u>				
Srithai-Otto (Thailand) Co., Ltd.	36,688	21,157	58,974	1,514
Total joint venture	<u>36,688</u>	<u>21,157</u>	<u>58,974</u>	<u>1,514</u>
Total associates and joint venture	<u>426,535</u>	<u>184,877</u>	<u>778,117</u>	<u>38,022</u>
For the year ended 31 December 2016				
	Assets Baht'000	Liabilities Baht'000	Revenues Baht'000	Profit (Loss) Baht'000
<u>Associates</u>				
<u>Local</u>				
Srithai Sanko Co., Ltd.	88,374	62,460	191,213	8,796
Thai MFC Co., Ltd.	237,595	123,239	428,500	60,198
Sheewamala Co., Ltd.	46,423	9,938	45,242	6,613
Srithai Packaging Co., Ltd.	72,367	37,710	69,269	5,562
	<u>444,759</u>	<u>233,347</u>	<u>734,224</u>	<u>81,169</u>
<u>Foreign</u>				
PT. Srithai Maspion Indonesia	25,463	12,835	44,162	1,332
	<u>25,463</u>	<u>12,835</u>	<u>44,162</u>	<u>1,332</u>
Total associates	<u>470,222</u>	<u>246,182</u>	<u>778,386</u>	<u>82,501</u>
<u>Joint venture</u>				
<u>Local</u>				
Srithai-Otto (Thailand) Co., Ltd.	26,490	8,108	44,792	1,358
Total joint venture	<u>26,490</u>	<u>8,108</u>	<u>44,792</u>	<u>1,358</u>
Total associates and joint venture	<u>496,712</u>	<u>254,290</u>	<u>823,178</u>	<u>83,859</u>

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

12.4 Investment in associates

Associate of the Group, which, in the opinion of the Directors, is material to the Group comprises the following:

	Nature of the relationship	Measurement method
Thai MFC Co., Ltd.	Manufacturer and distributor of major raw material for household products to the Group	Equity method

Thai MFC Co., Ltd. is a private company and there is no quoted market price available for its shares. The associate as listed above has share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation or registration is also its principal place of business. There are no contingent liabilities relating to the Group's interest in the associates.

Summarised financial information for associates

Set out below are the summarised of the key of financial information before accounted for equity method of an associate.

The transactions in statement of financial position comprise the following:

	Thai MFC Co., Ltd.	
	2017	2016
	Baht'000	Baht'000
Current assets		
Cash and cash equivalents	38,468	112,706
Other current assets (excluding cash and cash equivalents)	243,403	362,776
Total current assets	281,871	475,482
Non-current assets	56,679	52,508
	338,550	527,990
Current liabilities		
Financial liabilities (excluding trade payables)	87,273	118,361
Other current liabilities (including trade payables)	3,405	150,693
Total current liabilities	90,678	269,054
Non-current liabilities	5,179	4,811
	95,857	273,865
Net assets	242,693	254,125

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

12.4 Investment in associates (Cont'd)

The transactions in statement of comprehensive income comprise the following:

	Thai MFC Co., Ltd.	
	2017	2016
	Baht'000	Baht'000
Revenue	865,906	952,222
Depreciation and amortisation	7,870	(8,978)
Interest income	422	1,901
Interest expense	(14)	-
Profit from continuing operations	25,719	165,268
Income tax expense	(4,151)	(31,681)
Post-tax profit from continuing operations	21,568	133,587
Total comprehensive income	21,568	133,587
Dividends the Company received from associate	14,850	76,050

The information above reflects the amounts presented in the financial statements of the associates (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the associate.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates comprise the following:

	Thai MFC Co., Ltd.	
	2017	2016
	Baht'000	Baht'000
Summarised financial information		
Opening net assets 1 January	254,125	289,538
Profit for the year	21,568	133,587
Dividend payment	(33,000)	(169,000)
Closing net assets 31 December	242,693	254,125
Book value of interests in associates average 45%; (2016: 45%)	109,212	114,356
Unrealised gain arising from equity method	(2,035)	(3,345)
Carrying value	107,177	111,011

Individually immaterial associates

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates that are accounted for using the equity method which comprise the following:

	2017	2016
	Baht'000	Baht'000
Aggregate carrying amount of individually immaterial associates	111,339	103,363
Aggregate amounts of the reporting entity's share of:		
Profit from continuing activities	25,492	22,303
Other comprehensive income	-	-
Total comprehensive income	25,492	22,303

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

12.5 Interests in joint venture

Joint venture comprises the following:

	<u>Nature of the relationship</u>	<u>Measurement method</u>
Srithai-Otto (Thailand) Co., Ltd.	Distributor of industrial products for the Group	Equity method

Srithai-Otto (Thailand) Co., Ltd. is a private company and there is no quoted market price available for its shares. The joint venture as listed above has share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation or registration is also its principal place of business. There are no contingent liabilities relating to the Group's interests in the joint venture.

Individually immaterial joint venture

The Group has interests in a individually immaterial joint venture that is accounted for using the equity method which comprises the following:

	2017 Baht'000	2016 Baht'000
Aggregate carrying amount of individually immaterial joint venture	15,177	17,663
Aggregate amounts of the reporting entity's share of:		
Profit from continuing activities	1,514	1,358
Other comprehensive income	-	-
Total comprehensive income	1,514	1,358

12.6 Significant events

Dividend payment of subsidiaries

Korat Thai Tech Company Limited

At the Annual General Shareholders' Meeting of Korat Thai Tech Company Limited on 31 March 2017, the meeting has approved a dividend at Baht 17.00 per share, totalling Baht 51.00 million. The Company received a dividend of Baht 51.00 million according to its 100.00% shareholding.

At the 1st Extraordinary Shareholders' Meeting of Korat Thai Tech Company Limited on 23 June 2017, the meeting has approved an interim dividend for the year 2016 and the interim period ended 31 May 2017 at Baht 14.00 per share, totalling Baht 42.00 million. The Company received a dividend of Baht 42.00 million according to its 100.00% shareholding.

At the 2nd Extraordinary Shareholders' Meeting of Korat Thai Tech Company Limited on 29 September 2017, the meeting has approved an interim dividend for the year 2017 at Baht 13.00 per share, totalling Baht 39.00 million. The Company received a dividend of Baht 39.00 million according to its 100.00% shareholding.

At the Board of Directors' Meeting of Korat Thai Tech Company Limited on 29 December 2017, the meeting has approved an interim dividend for the year 2017 at Baht 6.00 per share, totalling Baht 18.00 million. The company will receive a dividend of Baht 18.00 million according the its 100.00% shareholding.

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

12.6 Significant events (Cont'd)

Dividend payment of subsidiaries (Cont'd)

Srithai Miyagawa Company Limited

At the Annual General Shareholders' Meeting of Srithai Miyagawa Company Limited on 25 April 2017, the meeting has approved a dividend at 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.

Srithai (Vietnam) Company Limited

At the Board of Directors' Meeting of Srithai (Vietnam) Company Limited on 28 April 2017, the meeting has approved a dividend totalling Vietnamese Dong 8,200.00 million or equivalent to Baht 12.24 million. The Company received all dividends according to its 100.00% shareholding.

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13 Other long-term investments, net

	Percentage of shareholding		Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016	2017	2016
			Baht'000	Baht'000	Baht'000	Baht'000
Equity securities - Non-listed companies						
LN Srithai Comm Co., Ltd.	19.99	19.99	73,546	73,546	15,200	15,200
Nissen Chemitec (Thailand) Co., Ltd.	5.02	5.02	17,000	17,000	17,000	17,000
D M S Tech Co., Ltd.	10.00	10.00	11,000	11,000	-	-
Lock&Lock (Thailand) Co., Ltd.	3.28	3.28	5,170	5,170	8,670	8,670
Others	less than 5% holding	less than 5% holding	9,300	9,300	9,300	9,300
			116,016	116,016	50,170	50,170
			(3,000)	(3,000)	(3,000)	(3,000)
			113,016	113,016	47,170	47,170
Less Allowance for impairment loss of investments						
Total other long-term investments, net						

The Group and the Company have no significant influence in these companies. So, the Group and the Company classified these investments as other long-term investments.

The movements in book value of other long-term investments comprise the following:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Opening net book amount	113,016	113,016	47,170	47,170
Change during the year	-	-	-	-
Closing net book amount	113,016	113,016	47,170	47,170

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14 Investment properties, net

	Consolidated financial statements		
	Land Baht'000	Land and building Baht'000	Total Baht'000
As at 1 January 2016			
Cost	27,250	177,928	205,178
<u>Less</u> Accumulated depreciation	-	(82,693)	(82,693)
Net book value	<u>27,250</u>	<u>95,235</u>	<u>122,485</u>
For the year ended 31 December 2016			
Opening net book value	27,250	95,235	122,485
Depreciation charge	-	(5,788)	(5,788)
Reclassification (Note 15) - cost	-	10,104	10,104
- accumulated depreciation	-	(924)	(924)
Closing net book value	<u>27,250</u>	<u>98,627</u>	<u>125,877</u>
As at 31 December 2016			
Cost	27,250	188,032	215,282
<u>Less</u> Accumulated depreciation	-	(89,405)	(89,405)
Net book value	<u>27,250</u>	<u>98,627</u>	<u>125,877</u>
For the year ended 31 December 2017			
Opening net book value	27,250	98,627	125,877
Depreciation charge	-	(5,905)	(5,905)
Reclassification (Note 15) - cost	-	12,535	12,535
- accumulated depreciation	-	(2,920)	(2,920)
Closing net book value	<u>27,250</u>	<u>102,337</u>	<u>129,587</u>
As at 31 December 2017			
Cost	27,250	200,567	227,817
<u>Less</u> Accumulated depreciation	-	(98,230)	(98,230)
Net book value	<u>27,250</u>	<u>102,337</u>	<u>129,587</u>
Fair value as at 31 December 2016	434,910	673,841	1,108,751
Fair value as at 31 December 2017	434,910	735,760	1,170,670

Srithai Superware Public Company Limited
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14 Investment properties, net (Cont'd)

	Separate financial statements		
	Land Baht'000	Land and building Baht'000	Total Baht'000
As at 1 January 2016			
Cost	201,543	359,530	561,073
<u>Less</u> Accumulated depreciation	-	(73,190)	(73,190)
Net book value	201,543	286,340	487,883
For the year ended 31 December 2016			
Opening net book value	201,543	286,340	487,883
Depreciation charge	-	(5,788)	(5,788)
Reclassification (Note 15) - cost	-	10,104	10,104
- accumulated depreciation	-	(924)	(924)
Closing net book value	201,543	289,732	491,275
As at 31 December 2016			
Cost	201,543	369,634	571,177
<u>Less</u> Accumulated depreciation	-	(79,902)	(79,902)
Net book value	201,543	289,732	491,275
For the year ended 31 December 2017			
Opening net book value	201,543	289,732	491,275
Depreciation charge	-	(5,905)	(5,905)
Reclassification (Note 15) - cost	-	12,535	12,535
- accumulated depreciation	-	(2,920)	(2,920)
Closing net book value	201,543	293,442	494,985
As at 31 December 2017			
Cost	201,543	382,169	583,712
<u>Less</u> Accumulated depreciation	-	(88,727)	(88,727)
Net book value	201,543	293,442	494,985
Fair value as at 31 December 2016	434,910	659,100	1,094,010
Fair value as at 31 December 2017	434,910	720,670	1,155,580

The fair value of investment properties are based on the sales comparison approach using the valuation by independent professionally qualified valuers who hold a recognised relevant professional qualification and have experience in the locations and categories of the investment properties value. The fair values are within level 2 of the fair value hierarchy.

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

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Rental income	6,289	5,946	5,803	5,535

During 2017 and 2016, investment properties increased from the reclassification of land and building. Management changed the purpose of property used in operation to hold for rental yields due to the downsizing of the branch operation.

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15 Property, plant and equipment, net

	Consolidated financial statements						
	Land and buildings Baht'000	Land and building improvement Baht'000	Machinery and equipment Baht'000	Furniture and office equipment Baht'000	Motor vehicles Baht'000	Fixed assets under installation Baht'000	Total Baht'000
As at 1 January 2016							
Cost	1,464,913	483,372	7,842,539	266,845	111,870	317,756	10,487,295
Less Accumulated depreciation	(458,485)	(389,297)	(3,502,871)	(212,395)	(72,612)	-	(4,635,660)
Net book value	1,006,428	94,075	4,339,668	54,450	39,258	317,756	5,851,635
For the year ended 31 December 2016							
Opening net book value	1,006,428	94,075	4,339,668	54,450	39,258	317,756	5,851,635
Additions	26,672	27,059	244,425	14,617	902	706,938	1,020,613
Depreciation charge	(55,158)	(32,028)	(657,053)	(18,544)	(5,978)	-	(768,761)
Disposals - cost	-	-	(23,794)	(3,410)	(5,222)	-	(32,426)
- accumulated depreciation	-	-	9,041	3,282	5,122	-	17,445
Assets written off - cost	-	-	(28,462)	(572)	-	(850)	(29,884)
- accumulated depreciation	-	-	17,452	567	-	-	18,019
Reclassification (Note 14) - cost	(92,871)	25,363	48,891	644	(2)	-	(17,975)
- accumulated depreciation	27,094	(6,240)	(7,577)	(111)	-	-	13,166
Transfer within account	105,831	12,023	357,334	174	-	(475,362)	-
Foreign exchange rate adjustment	(3,178)	-	(3,617)	(121)	(14)	35	(6,895)
Closing net book value	1,014,818	120,252	4,296,308	50,976	34,066	548,517	6,064,937
As at 31 December 2016							
Cost	1,501,078	547,817	8,436,959	278,078	107,537	548,517	11,419,986
Less Accumulated depreciation	(486,260)	(427,565)	(4,140,651)	(227,102)	(73,471)	-	(5,355,049)
Net book value	1,014,818	120,252	4,296,308	50,976	34,066	548,517	6,064,937

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

	Consolidated financial statements					Total Baht'000
	Land and buildings Baht'000	Land and building improvement Baht'000	Machinery and equipment Baht'000	Furniture and office equipment Baht'000	Motor vehicles Baht'000	Fixed assets under installation Baht'000
For the year ended 31 December 2017						
Opening net book value	1,014,818	120,252	4,296,308	50,976	34,066	548,517
Additions	36,313	12,599	182,071	10,383	3,483	261,379
Depreciation charge	(49,992)	(26,498)	(694,432)	(17,649)	(6,060)	-
Disposals - cost	-	(1,879)	(53,916)	(7,480)	(23,133)	-
- accumulated depreciation	-	1,879	28,697	7,290	23,133	-
Assets written off - cost	-	(6,022)	(28,652)	(97)	-	-
- accumulated depreciation	-	3,507	19,934	89	-	-
Reclassification (Note 14) - cost	(12,535)	-	(57)	(79)	-	-
- accumulated depreciation	2,920	-	2	14	-	-
Provision for impairments	-	(805)	(28,782)	-	-	-
Transfer within account	-	2,353	590,130	65	-	(592,548)
Foreign exchange rate adjustment	(20,214)	(2,771)	(158,998)	(820)	(317)	(28,033)
Closing net book value	971,310	102,615	4,152,305	42,692	31,172	189,315
As at 31 December 2017						
Cost	1,500,441	550,376	8,908,286	279,364	87,251	189,315
Less Accumulated depreciation	(529,131)	(446,956)	(4,727,199)	(236,672)	(56,079)	-
Less Provision for impairment	-	(805)	(28,782)	-	-	-
Net book value	971,310	102,615	4,152,305	42,692	31,172	189,315
						5,489,409

Srithai Superware Public Company Limited
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15 Property, plant and equipment, net (Cont'd)

	Separate financial statements					
	Land and buildings Baht'000	Land and building improvement Baht'000	Machinery and equipment Baht'000	Furniture and office equipment Baht'000	Motor vehicles Baht'000	Fixed assets under installation Baht'000
As at 1 January 2016						
Cost	1,079,616	461,855	5,711,019	235,333	84,857	7,699,420
Less Accumulated depreciation	(331,290)	(374,139)	(2,823,791)	(193,012)	(53,919)	(3,776,151)
Net book value	748,326	87,716	2,887,228	42,321	30,938	3,923,269
For the year ended 31 December 2016						
Opening net book value	748,326	87,716	2,887,228	42,321	30,938	3,923,269
Additions	-	17,613	189,101	7,204	-	465,253
Depreciation charge	(26,821)	(24,406)	(443,903)	(13,009)	(3,925)	(512,064)
Disposals - cost	-	-	(309,683)	(2,996)	(4,135)	(316,814)
- accumulated depreciation	-	-	109,025	2,872	4,135	116,032
Assets written off - cost	-	-	(28,288)	(536)	-	(29,674)
- accumulated depreciation	-	-	17,371	535	-	17,906
Reclassification (Note 14) - cost	(10,104)	-	-	-	-	(10,104)
- accumulated depreciation	924	-	-	-	-	924
Transfer within account	-	10,342	182,416	-	-	(192,758)
Closing net book value	712,325	91,265	2,603,267	36,391	27,013	3,654,728
As at 31 December 2016						
Cost	1,069,512	489,810	5,744,565	239,005	80,722	7,808,081
Less Accumulated depreciation	(357,187)	(398,545)	(3,141,298)	(202,614)	(53,709)	(4,153,353)
Net book value	712,325	91,265	2,603,267	36,391	27,013	3,654,728

Srithai Superware Public Company Limited
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15 Property, plant and equipment, net (Cont'd)

	Separate financial statements						Total Baht'000
	Land and buildings Baht'000	Land and building improvement Baht'000	Machinery and equipment Baht'000	Furniture and office equipment Baht'000	Motor vehicles Baht'000	Fixed assets under installation Baht'000	
For the year ended 31 December 2017							
Opening net book value	712,325	91,265	2,603,267	36,391	27,013	184,467	3,654,728
Additions	35,694	9,774	120,073	7,405	2,605	163,034	338,585
Depreciation charge	(26,703)	(19,068)	(445,661)	(12,411)	(4,155)	-	(507,998)
Disposals - cost	-	(1,879)	(92,653)	(7,171)	(20,620)	-	(122,323)
- accumulated depreciation	-	1,879	49,585	7,011	20,620	-	79,095
Assets written off - cost	-	(6,022)	(26,395)	(97)	-	-	(32,514)
- accumulated depreciation	-	3,507	18,485	89	-	-	22,081
Reclassification (Note 14) - cost	(12,535)	-	-	-	-	-	(12,535)
- accumulated depreciation	2,920	-	-	-	-	-	2,920
Provision for impairment	-	(805)	(28,782)	-	-	-	(29,587)
Transfer within account	-	74	204,122	-	-	(204,196)	-
Closing net book value	711,701	78,725	2,402,041	31,217	25,463	143,305	3,392,452
As at 31 December 2017							
Cost	1,092,671	491,757	5,949,712	239,142	62,707	143,305	7,979,293
Less Accumulated depreciation	(380,970)	(412,227)	(3,518,889)	(207,925)	(37,244)	-	(4,557,254)
Less Provision for impairment	-	(805)	(28,782)	-	-	-	(29,587)
Net book value	711,701	78,725	2,402,041	31,217	25,463	143,305	3,392,452

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

During the year, the additions of a subsidiary included Baht 0.88 million assets acquired from financial lease agreements. (2016: Baht 0.90 million).

During the year, the impairment charge of Baht 27.68 for machine was made as a result of the Company's management had considered and determined to cancel the Returnable Glass Closure Project due to this project having no commercial viability. The recoverable amount (the higher of the value in use or fair value less costs of disposal) was determined at the cash-generating unit level being which was the machine in this project. The recoverable amount represents the net selling price which determined from proposed purchase price from third party.

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 from banks as follows:

	Consolidated financial statements		Separate financial statements	
	Cost	Cost	Cost	Cost
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Subsidiaries:				
Srithai Moulds Company Limited				
- Land and buildings	26,182	26,182	-	-
Srithai Miyagawa Company Limited				
- Land, buildings and machinery	207,472	291,481	-	-

16 Intangible assets, net

	Consolidated financial statements			
	Software copyright and operational computer software	Work under installation- computer software	Production technique patents	Total
	Baht'000	Baht'000	Baht'000	Baht'000
As at 1 January 2016				
Cost	107,987	2,660	38,090	148,737
<u>Less</u> Accumulated amortisation	(76,463)	-	(26,834)	(103,297)
Net book value	31,524	2,660	11,256	45,440
For the year ended 31 December 2016				
Opening net book value	31,524	2,660	11,256	45,440
Additions	13,574	2,264	-	15,838
Amortisation charge	(10,361)	-	(3,809)	(14,170)
Disposals - cost	-	(335)	-	(335)
Assets written off - cost	(552)	-	-	(552)
- accumulated amortisation	552	-	-	552
Reclassification - cost	360	-	-	360
- accumulated amortisation	(43)	-	-	(43)
Transfer within account	2,074	(2,074)	-	-
Foreign exchange rate adjustment	(9)	(67)	-	(76)
Closing net book value	37,119	2,448	7,447	47,014
As at 31 December 2016				
Cost	123,396	2,448	38,090	163,934
<u>Less</u> Accumulated amortisation	(86,277)	-	(30,643)	(116,920)
Net book value	37,119	2,448	7,447	47,014

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16 Intangible assets, net (Cont'd)

	Consolidated financial statements			
	Software copyright and operational computer software Baht'000	Work under installation- computer software Baht'000	Production technique patents Baht'000	Total Baht'000
For the year ended 31 December 2017				
Opening net book value	37,119	2,448	7,447	47,014
Additions	5,023	770	9,785	15,578
Amortisation charge	(11,618)	-	(2,394)	(14,012)
Assets written off - cost	(546)	-	(38,090)	(38,636)
- accumulated amortisation	241	-	32,547	32,788
Reclassification - cost	136	-	-	136
- accumulated amortisation	(16)	-	-	(16)
Transfer within account	3,291	(3,291)	-	-
Foreign exchange rate adjustment	(1,328)	73	-	(1,255)
Closing net book value	32,302	-	9,295	41,597
As at 31 December 2017				
Cost	129,419	-	9,785	139,204
<u>Less</u> Accumulated amortisation	(97,117)	-	(490)	(97,607)
Net book value	32,302	-	9,295	41,597
	Separate financial statements			
	Software copyright and operational computer software Baht'000	Work under installation- computer software Baht'000	Production technique patents Baht'000	Total Baht'000
As at 1 January 2016				
Cost	64,281	828	38,090	103,199
<u>Less</u> Accumulated amortisation	(50,712)	-	(26,834)	(77,546)
Net book value	13,569	828	11,256	25,653
For the year ended 31 December 2016				
Opening net book value	13,569	828	11,256	25,653
Additions	1,030	662	-	1,692
Amortisation charge	(4,505)	-	(3,809)	(8,314)
Disposals - cost	-	(335)	-	(335)
Transfer within account	735	(735)	-	-
Closing net book value	10,829	420	7,447	18,696
As at 31 December 2016				
Cost	66,046	420	38,090	104,556
<u>Less</u> Accumulated amortisation	(55,217)	-	(30,643)	(85,860)
Net book value	10,829	420	7,447	18,696

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16 Intangible assets, net (Cont'd)

	Separate financial statements			
	Software copyright and operational computer software Baht'000	Work under installation- computer software Baht'000	Production technique patents Baht'000	Total Baht'000
For the year ended 31 December 2017				
Opening net book value	10,829	420	7,447	18,696
Additions	1,987	770	9,785	12,542
Amortisation charge	(4,384)	-	(2,394)	(6,778)
Assets written off - cost	(421)	-	(38,090)	(38,511)
- accumulated	216	-	32,547	32,763
Transfer within account	1,190	(1,190)	-	-
Closing net book value	9,417	-	9,295	18,712
As at 31 December 2017				
Cost	68,802	-	9,785	78,587
Less Accumulated amortisation	(59,385)	-	(490)	(59,875)
Net book value	9,417	-	9,295	18,712

17 Deferred income taxes

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Deferred tax assets	17.1				
Deferred tax assets to be recovered within 12 months		24,857	6,575	23,888	5,263
Deferred tax assets to be recovered after more than 12 months		135,244	116,728	89,921	83,703
		160,101	123,303	113,809	88,966
Deferred tax liabilities	17.2				
Deferred tax liabilities to be settled within 12 months		-	-	-	-
Deferred tax liabilities to be settled after more than 12 months		(5,084)	(4,364)	(5,084)	(4,364)
		(5,084)	(4,364)	(5,084)	(4,364)
Deferred income taxes, net		155,017	118,939	108,725	84,602

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 15.00% to 30.00% (2016: 15.00% to 20.00%).

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17 Deferred income taxes (Cont'd)

17.1 Deferred tax assets

	Consolidated financial statements				
	1 January 2016 Baht'000	Tax charged/ (credited) to profit or loss Baht'000	Tax charged/ (credited) to comprehensive income Baht'000	31 December 2016 Baht'000	Tax charged/ (credited) to other comprehensive income Baht'000
Tax loss carried forward	-	-	-	-	-
Allowance for impairment of investments	24,177	-	-	24,177	-
Employee benefit obligations	75,784	(443)	-	75,341	1,200
Gain on disposal of property, plant and equipment between group companies	7,524	10,222	-	17,746	(369)
Others	2,512	3,527	-	6,039	-
	109,997	13,306	-	123,303	1,200
					160,101

	Separate financial statements				
	1 January 2016 Baht'000	Tax charged/ (credited) to profit or loss Baht'000	Tax charged/ (credited) to comprehensive income Baht'000	31 December 2016 Baht'000	Tax charged/ (credited) to other comprehensive income Baht'000
Tax loss carry forward	-	-	-	-	-
Allowance for impairment of investments	24,177	-	-	24,177	-
Employee benefit obligations	61,575	(1,279)	-	60,296	1,200
Others	745	3,748	-	4,493	-
	86,497	2,469	-	88,966	1,200
					113,809

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 23.67 million (2016: Baht 24.75 million) in respect of losses amounting to Baht 81.76 million (2016: Baht 87.40 million) that can be carried forward against future taxable income. Losses will expire in 2017 - 2021.

17 Deferred income taxes (Cont'd)

17.2 Deferred tax liabilities

	Consolidated and separate financial statements				
		Tax charged/ (credited) to other		Tax charged/ (credited) to other	
	1 January 2016 Baht'000	comprehensive income Baht'000	31 December 2016 Baht'000	comprehensive income Baht'000	31 December 2017 Baht'000
Available-for-sale investments	3,716	648	4,364	720	5,084

17.3 Income tax expense

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Current income tax expense	12,826	30,823	-	17,581
Withholding tax written-off	3,004	-	3,004	-
Previous year income tax adjustment	-	2,683	-	2,683
	15,830	33,506	3,004	20,264
Deferred income tax				
- Deferred tax assets	(36,577)	(13,471)	(23,643)	(2,469)
	(36,577)	(13,471)	(23,643)	(2,469)
	(20,747)	20,035	(20,639)	17,795

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17 Deferred income taxes (Cont'd)

17.3 Income tax expense (Cont'd)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic weighted average tax rate applicable to profit of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Profit before tax	52,324	284,222	105,286	423,672
Tax rate	20%	20%	20%	20%
The result of the accounting profit multiplied by the income tax rate	10,465	56,844	21,057	84,734
Tax effect of :				
Effect of exempted income and extra deduction expenses	(14,789)	(15,009)	(54,121)	(80,509)
Effect from expenses not deductible for tax purpose	11,077	5,836	9,421	17,408
Profit exempt from corporate income tax due to promotional privilege from BOI	(23,113)	(24,430)	-	(6,521)
Loss carry forward unrecognised as deferred tax assets	11,224	11,462	-	-
Recognised deferred tax assets from previous year loss carry forward	(10,791)	-	-	-
Share of net profit from investments - equity method	(7,604)	(16,772)	-	-
Effect of subsidiary's different tax rates	(220)	(579)	-	-
Previous year income tax adjustment	-	2,683	-	2,683
Withholding tax written-off	3,004	-	3,004	-
Income tax	(20,747)	20,035	(20,639)	17,795

The Group's and the Company's weighted average applicable tax rate were -39.65% and -19.60%, respectively (2016: 7.05% and 4.20%, respectively).

The change in weighted average applicable tax rate is due to the Group's and the Company's operation having taxable loss.

18 Leasehold right, net

	Consolidated financial statements	
	2017	2016
	Baht'000	Baht'000
Current portion of leasehold right (presented in other receivables - third parties)	3,043	2,073
Leasehold right dues later than 1 year	145,103	110,186
Total leasehold right, net	148,146	112,259

Leasehold right represents leasehold right on land of Srithai Superware Manufacturing Private Limited, a subsidiary, for the period of 99 years. The subsidiary paid for the leasehold right of Indian Rupee 98.46 million or equivalent to Baht 48.72 million.

18 Leasehold right, net (Cont'd)

Leasehold right represents leasehold right on land of Srithai (Vietnam) Company Limited, a subsidiary, for the period of 42 years. The subsidiary paid for the leasehold right of Vietnamese Dong 35,003.00 million or equivalent to Baht 52.50 million.

Leasehold right represents leasehold right on land of Srithai (Hanoi) Company Limited, an indirect subsidiary, for the period of 43 years. The indirect subsidiary paid for the leasehold right of Vietnamese Dongs 42,038.65 million or equivalent to Baht 63.06 million.

The movements of leasehold right comprise the following:

	Consolidated financial statements	
	2017	2016
	Baht'000	Baht'000
Opening net book value	112,259	114,616
Acquisition	7,699	-
Reclassification	44,805	-
Amortisation	(3,348)	(1,269)
Currency translation differences	(13,269)	(1,088)
Closing net book value	<u>148,146</u>	<u>112,259</u>

19 Short-term loans

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term loans from banks				
- Baht	1,533,000	1,359,000	1,445,000	1,300,000
- Vietnamese Dong	418,614	311,858	-	-
Total short-term loans	<u>1,951,614</u>	<u>1,670,858</u>	<u>1,445,000</u>	<u>1,300,000</u>

Short-term loans in Thai Baht from local banks amounting to Baht 1,533.00 million (2016: Baht 1,359.00 million), represent promissory notes due at call with a period not exceeding 3 months, bearing fixed interest rate over loan period (2016: bearing fixed interest rate over loan period).

Short-term loans in Vietnamese Dong of an overseas subsidiary amounting to Vietnamese Dong 299,010.00 million (equivalent to Baht 418.61 million) ((2016: Vietnamese Dong 194,910.75 million (equivalent to Baht 311.86 million)) represent short-term loans with a period not exceeding 6 months, bearing interest at Cost of Fund plus margin of a bank in Vietnam (2016 : bearing interest at Cost of Fund plus margin of a bank in).

The fair values of short-term loans equal their carrying amount, as the impact of discounting is not significant.

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20 Long-term loans

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
<u>Long-term loans</u>				
- Baht	2,017,474	2,405,440	1,897,205	2,187,082
- Vietnamese Dong 374,678 million (2016: Vietnamese Dong 446,238 million)	524,549	713,981	-	-
Total long-term loans	2,542,023	3,119,421	1,897,205	2,187,082

The movements of long-term loans comprise the following:

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Opening balance	3,119,421	2,655,667	2,187,082	2,121,434
Additions	273,190	1,160,462	250,000	600,000
Repayment	(768,497)	(697,182)	(539,877)	(534,352)
Foreign exchange rate adjustment	(82,091)	474	-	-
Closing balance	2,542,023	3,119,421	1,897,205	2,187,082

Long-term loans are due for repayments as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Current portion of long-term loans	771,532	774,801	554,980	539,877
Due later than 1 year and not later than 3 years	1,185,615	1,435,252	946,425	1,038,205
Due later than 3 years and not later than 5 years	484,972	685,188	333,360	509,000
Due later than 5 years	99,904	224,180	62,440	100,000
	1,770,491	2,344,620	1,342,225	1,647,205
Total long-term loans	2,542,023	3,119,421	1,897,205	2,187,082

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20 Long-term loans (Cont'd)

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 2017 (Million Baht)	31 December 2016 (Million Baht)					
1	1,897.20	2,187.08	Parent company Srithai Superware Public Company Limited	Investment in building improvement, machinery, moulds, factory equipment and investment in overseas subsidiaries	Baht 3,425.65 million (11 agreements comprising 12 loans)	7 loans bear fixed interest rate over loan period. 5 loans bear interest rate at MLR less margin, THBFIX 3-month plus margin, FDR 6-month plus margin and BIBOR 3-month plus margin. Repayment is due every three months from September 2013 to 2024.	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.
2	11.59	14.67	Local subsidiary Srithai Moulds Company Limited	Investment in building	Baht 34.80 million	Interest rate at MLR less margin. Repayment is due every three months from January 2015 to 2022.	The subsidiary has mortgaged its current land and buildings, as well as those to be acquired in the future. (as described in Note 15).
3	108.68	203.68	Local subsidiary Srithai Miyagawa Company Limited	The energy preservation project and investment in machinery and building	Baht 385.82 million	Fixed interest rate and MLR less margin. Repayments are due every month and every 3 months from July 2012 to 2020.	The subsidiary has mortgaged its land, buildings, and machinery (as described in Note 15) and two land parcels and buildings including prospective construction on the land parcels being covenanted not to 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.
4	524.55 (Vietnamese Dong 374,678.10 million)	713.98 (Vietnamese Dong 446,238.11 million)	Overseas subsidiary Srithai (Vietnam) Company Limited	Investment in leasehold right, building improvement, machinery, moulds, equipment, and investment in a subsidiary in Vietnam	Vietnamese Dong 438,640.00 million and US dollar 8.30 million (2016 : Vietnamese Dong 438,640.00 million and US dollar 8.78 million)	Interest rate at Cost of Fund plus margin of a bank in Vietnam. Repayment is due every three months from December 2013 to 2023.	The subsidiary 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.
Total	2,542.02	3,119.42					

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

20 Long-term loans (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Borrowings:				
at fixed interest rates	1,112,500	1,169,055	1,112,500	1,118,237
at floating interest rates	1,429,523	1,950,366	784,705	1,068,845
	<u>2,542,023</u>	<u>3,119,421</u>	<u>1,897,205</u>	<u>2,187,082</u>

The effective interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Long-term borrowings from financial institutions	2.75% to 7.00%	2.77% to 8.00%	2.75% to 4.90%	2.77% to 4.90%

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

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Long-term loans - carrying amounts	2,542,023	3,119,421	1,897,205	2,187,082
Long-term loans - fair value	2,425,376	2,972,265	1,797,142	2,065,246

The fair values of long-term loans are based on discounted cash flows using a discount rate based upon the borrowing rate of local banks and are within level 2 of the fair value hierarchy.

Unutilised credit facilities

Unutilised credit facilities comprise the following:

	Consolidated financial statements			
	31 December 2017		31 December 2016	
	Overdraft Baht'000	Working capital facilities Baht'000	Overdraft Baht'000	Working capital facilities Baht'000
Floating rate				
- draw down with no timeframe limitation	186,999	737,876	206,068	960,560
Fixed rate				
- draw down with no timeframe limitation	-	3,929,448	-	4,476,876
	<u>186,999</u>	<u>4,667,324</u>	<u>206,068</u>	<u>5,437,436</u>

20 Long-term loans (Cont'd)

Unutilised credit facilities (Cont'd)

	Separate financial statements			
	31 December 2017		31 December 2016	
	Overdraft Baht'000	Working capital facilities Baht'000	Overdraft Baht'000	Working capital facilities Baht'000
Floating rate				
- draw down with no timeframe limitation	154,999	-	174,068	-
Fixed rate				
- draw down with no timeframe limitation	-	3,874,350	-	4,468,876
	<u>154,999</u>	<u>3,874,350</u>	<u>174,068</u>	<u>4,468,876</u>

21 Other payables - third parties

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Payable of fixed assets	19,890	66,992	18,742	66,190
Other payables	40,380	38,087	34,855	36,485
Advance receipt from customers	39,400	54,829	9,246	7,707
Accrued commission expenses	17,393	23,486	16,594	22,371
Accrued utility expenses	31,363	31,243	28,742	28,722
Accrued staff cost	24,753	23,626	20,984	17,196
Current portion of finance lease liabilities	1,287	12,183	-	-
Others	74,356	60,904	36,738	27,376
Total other payables - third parties	<u>248,822</u>	<u>311,350</u>	<u>165,901</u>	<u>206,047</u>

22 Contingent liabilities and bank guarantee

22.1 Contingent liabilities

On 15 May 2011, the Company made an agreement with a recruitment agent registered in Cambodia for recruiting Cambodian migrant workers to work legally in Thailand. Once the work permits were obtained for the recruited workers and the workers had completed their work duties for the contract period, the Company paid the agreed service fee to the agent in full according to the agreement terms and agent invoices.

On 13 June 2016, the agent filed a lawsuit against the Company claiming it failed to pay. The agent filed for the service fee plus 7.5% annual interest from the date of filing the lawsuit until the settlement. Subsequently, the Company appointed an attorney and a representative to contest the lawsuit as it had not breached the agreement. The Company also filed a countersuit for breach of agreement. The court already examined evidence from both the Company and the agent.

On 25 May 2017, the court has ordered the Company to pay Baht 4.77 million with 7.5% annual interest. However, the Company filed for an appeal to the Court of Appeal in August 2017 since there are additional evidence and information to support the appeal. The Company confides that the evidence and information will be in the Company's favour. Therefore, the Company did not provide provisions for this claim in the consolidated and separate financial statements.

22.2 Bank guarantee

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Electricity usage	53,935	58,055	50,634	51,218
Other guarantee	17,133	16,501	17,024	13,497

22.3 Guarantee

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Guarantee of indirect subsidiary's raw material purchases	-	-	16,424	18,001
Guarantee of third party's loans	4,000	4,000	-	-

23 Commitments

23.1 Capital expenditure commitments

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Commitment for purchase of property, plant and equipment	36,935	201,391	27,604	169,413
Commitment for purchase of intangible assets	150	1,040	150	180

23.2 Operating lease commitments

The Group had entered into operating lease agreements for land, buildings, cars, computer servers and computer network services. The future minimum lease payments under non-cancellable operating leases comprise the following:

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Not later than 1 year	28,947	34,403	22,637	28,295
Later than 1 year and not later than 2 years	19,596	24,351	14,427	21,328
Later than 2 years and not later than 5 years	13,447	22,119	6,263	14,573
Later than 5 years	69,017	84,553	-	-
	<u>131,007</u>	<u>165,426</u>	<u>43,327</u>	<u>64,196</u>

24 Employee benefit obligations

	Note	Consolidated financial statements		Separate financial statements	
		2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Statement of financial position					
Retirement benefits	24.1	263,842	255,295	209,207	202,058
Other long-term employment benefits	24.2	119,979	121,407	97,751	99,424
Liability in the statement of financial position		<u>383,821</u>	<u>376,702</u>	<u>306,958</u>	<u>301,482</u>
(Profit) or loss charge included in operation profit for:					
Retirement benefits		16,020	21,543	10,870	18,948
Other long-term employment benefits		8,478	11,976	6,265	7,221
Re-measurement for other long-term employment benefits		3,000	-	3,000	-
Past service cost		(697)	(679)	(697)	(679)
		<u>26,801</u>	<u>32,840</u>	<u>19,438</u>	<u>25,490</u>
Re-measurement for retirement benefits		6,000	-	6,000	-

During the year, there are 56 staffs (2016: 46 staffs) of the Group and the Company changed the benefit scheme from defined benefit plan to defined contribution plan. This results in reduction in past service cost of Baht 0.70 million and Baht 0.70 million, respectively (2016: Baht 0.68 million and Baht 0.68 million).

The movements in the defined benefit obligations are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Opening balance	376,702	378,919	301,482	307,878
Current service cost	14,575	21,701	9,620	16,965
Interest cost	9,923	11,817	7,515	9,204
Re-measurement for employee benefits obligations	9,000	-	9,000	-
Past service cost	(697)	(679)	(697)	(679)
Benefits paid	(25,682)	(35,056)	(19,962)	(31,886)
Closing balance	<u>383,821</u>	<u>376,702</u>	<u>306,958</u>	<u>301,482</u>

24 Employee benefit obligations (Cont'd)

24.1 Retirement benefits

The movements in the retirement benefits obligation are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Opening balance	255,295	255,258	202,058	203,148
Current service cost	9,045	12,950	5,722	12,329
Interest cost	6,975	8,592	5,148	6,619
	<u>271,315</u>	<u>276,800</u>	<u>212,928</u>	<u>222,096</u>
Re-measurements:				
Loss from change in demographic assumptions	6,000	-	6,000	-
Past service cost	(334)	(287)	(334)	(287)
Benefits paid	(13,139)	(21,218)	(9,387)	(19,751)
Closing balance	<u>263,842</u>	<u>255,295</u>	<u>209,207</u>	<u>202,058</u>

The principal actuarial assumptions used for retirement benefits obligations were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Discount rates	2.40% to 3.91%	2.40% to 3.91%	2.59% to 3.21%	2.59% to 3.21%
Salary increase rates	2.00% to 7.03%	2.00% to 7.03%	2.00% to 5.00%	2.00% to 5.00%
Staff turnover rates	0.00% to 66.00%	0.00% to 66.00%	0.00% to 66.00%	0.00% to 66.00%

Sensitivity analysis for each significant assumption used is as follows:

Impact on retirement benefit obligations					
	Change in assumption	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Discount rates	Decrease by 1.00	Increase by 9.73	Increase by 10.09	Increase by 8.82	Increase by 9.29
	Increase by 1.00	Decrease by 8.43	Decrease by 8.72	Decrease by 7.73	Decrease by 8.12
Salary increase rate	Decrease by 1.00	Decrease by 7.93	Decrease by 7.45	Decrease by 7.01	Decrease by 6.59
	Increase by 1.00	Increase by 8.61	Increase by 8.01	Increase by 8.00	Increase by 7.50
Staff turnover rate	Decrease by 1.00	Increase by 10.11	Increase by 9.49	Increase by 9.98	Increase by 9.42
	Increase by 1.00	Decrease by 11.56	Decrease by 10.69	Decrease by 11.11	Decrease by 10.51

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Through its retirement benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields

A decrease in Government bond yields will increase plan liabilities.

The weighted average duration of the retirement benefits obligation is 9 to 32 years (2016 : 9 to 32 years).

24 Employee benefit obligations (Cont'd)

24.2 Other long-term employee benefits

The movements in the other long-term employee benefits obligation are as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Opening balance	121,407	123,661	99,424	104,730
Current service cost	5,530	8,751	3,898	4,636
Interest cost	2,948	3,225	2,367	2,585
	<u>129,885</u>	<u>135,637</u>	<u>105,689</u>	<u>111,951</u>
Re-measurements:				
Loss from change in demographic assumptions	3,000	-	3,000	-
Past service cost	(363)	(392)	(363)	(392)
Benefits paid	(12,543)	(13,838)	(10,575)	(12,135)
Closing balance	<u>119,979</u>	<u>121,407</u>	<u>97,751</u>	<u>99,424</u>

25 Share capital and premium on treasury shares

	Number of shares	Ordinary shares Baht'000	Premium on treasury shares Baht'000	Total Baht'000
As at 1 January 2016	<u>2,709,904,800</u>	<u>2,709,905</u>	<u>19,928</u>	<u>2,729,833</u>
As at 31 December 2016	<u>2,709,904,800</u>	<u>2,709,905</u>	<u>19,928</u>	<u>2,729,833</u>
As at 31 December 2017	<u>2,709,904,800</u>	<u>2,709,905</u>	<u>19,928</u>	<u>2,729,833</u>

The Company's registered share capital comprises 2,709,904,800 ordinary shares (2016: 2,709,904,800 ordinary shares) of Baht 1 each (2016: Baht 1 each). All issued shares are fully paid-up.

26 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Opening balance	250,000	228,000	250,000	228,000
Appropriation during the year	7,000	22,000	7,000	22,000
Closing balance	<u>257,000</u>	<u>250,000</u>	<u>257,000</u>	<u>250,000</u>

Under the Public Limited Companies Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

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27 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Staff costs	1,515,449	1,472,593	935,072	996,727
Depreciation (Notes 14, 15)	800,536	774,549	513,903	517,852
Advertising and sales promotion	219,427	288,016	194,132	255,158
Repair and maintenance	181,770	175,382	150,025	145,007
Transportation	188,893	192,623	110,838	123,416
Operating lease rentals	50,628	50,422	33,396	36,343
Amortisation of assets	17,361	15,439	6,778	8,315
Assets written-off	18,750	13,490	17,728	12,247
(Gain) loss on foreign exchange rate, net	13,902	(5,562)	20,469	(2,250)
Loss on impairment of investment in a subsidiary (Note 12.2)	-	-	-	25,090
Loss on impairment of fixed assets (Note 15)	29,587	-	29,587	-

28 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares issued during the year, excluding treasury shares.

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Profit attributable to equity holders of the parent (Baht'000)	42,398	256,200	125,924	405,877
Weighted average number of outstanding ordinary shares (Share)	2,709,905	2,709,905	2,709,905	2,709,905
Basic earnings per share (Baht)	0.02	0.09	0.05	0.15

There are no potential dilutive ordinary shares in issue for the years.

29 Dividends

2017

At the Company's Annual General Shareholders' Meeting on 26 April 2017, the meeting has approved a dividend in respect of the Company's net profit for the year 2016 of Baht 0.10 per share, totalling Baht 270.99 million and the Company paid all dividends during the year ended 31 December 2017.

30 Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities 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 12.1.

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
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
P.C. Container Co., Ltd.	shares held by relatives of executives of the Company and some of them serve as directors
P.E.T. Container Co., Ltd.	shares held by relatives of executives of the Company and some of them serve as directors

30.1 Outstanding balances as at the years ended

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Trade accounts receivable - related parties, net				
Subsidiaries	-	-	107,312	190,445
Associates	109,070	111,462	109,070	111,462
Joint venture	36,694	13,104	36,658	12,571
Other related parties - shares held by executive of the Company and relatives of some executives; some of them serve as directors	201,676	204,438	149,358	145,955
Total trade accounts receivable - related parties	347,440	329,004	402,398	460,433
<u>Less</u> Allowance for doubtful accounts	-	-	(50,000)	(50,000)
Total trade accounts receivable - related parties, net	<u>347,440</u>	<u>329,004</u>	<u>352,398</u>	<u>410,433</u>

30 Related party transactions

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

	Consolidated financial statements		Separate financial statements	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
Other receivables - related parties				
Subsidiaries - dividend receivable	-	-	18,000	-
- other receivable	-	-	6,354	6,177
Associates - dividend receivable	4,800	45,000	4,800	45,000
- other receivable	1,359	1,052	1,359	1,052
Joint venture	156	158	156	158
Other related parties - shares held by relatives of executives of the Company and some of them serve as directors	75	66	75	66
Total other receivables - related parties	6,390	46,276	30,744	52,453
Trade accounts payable - related parties				
Subsidiaries	-	-	66,769	69,843
Associates	74,164	103,945	48,017	65,727
Joint venture	77	38	77	38
Other related parties - shares held by executive of the Company and relatives of some executives; some of them serve as directors	12,520	11,096	7,835	10,082
Total trade accounts payable - related parties	86,761	115,079	122,698	145,690
Other payables - related parties				
Subsidiaries - other payables	-	-	1,914	636
- payable for fixed assets	-	-	4,153	-
Associates	306	306	279	306
Joint venture	225	-	225	-
Other related parties - shares held by relatives of executives of the Company and some of them serve as directors	3	1	3	1
Total other payables - related parties	534	307	6,574	943

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30 Related party transactions (Cont'd)

30.2 Transactions during the years

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
<u>Sales and service income</u>				
Subsidiaries	-	-	128,398	295,182
Associates	279,156	301,669	279,156	301,669
Joint venture	61,757	62,453	61,593	61,150
Other related parties - shares held by executive of the Company and relatives of some executives; some of them serve as directors	439,977	423,878	330,546	317,998
Total sales and service income	780,890	788,000	799,693	975,999
<u>Other income</u>				
<u>Service income</u>				
Subsidiaries	-	-	30,698	27,332
Associates	6,327	6,565	6,327	6,565
Joint venture	804	816	804	816
Other related parties - shares held by relatives of executives of the Company and some of them serve as directors	1,720	1,895	1,675	1,602
Total	8,851	9,276	39,504	36,315
<u>Management fee income</u>				
Subsidiaries	-	-	3,180	3,270
Associates	450	-	450	-
Joint venture	1,000	1,000	1,000	1,000
Total	1,450	1,000	4,630	4,270
<u>Dividend income</u>				
Subsidiaries	-	-	174,635	246,300
Associates	-	-	31,083	94,836
Joint venture	-	-	4,000	-
Total	-	-	209,718	341,136
Total other income	10,301	10,276	253,852	381,721
<u>Sales of fixed assets</u>				
Subsidiaries	-	-	23,084	212,180
Associates	-	99	-	99
Total sales of fixed assets	-	99	23,084	212,279
<u>Cost of sales and services</u>				
<u>Purchases of goods</u>				
Subsidiaries	-	-	304,135	317,729
Associates	464,267	562,838	277,082	355,749
Joint venture	284	41	284	41
Other related parties - shares held by executive of the Company and relatives of Some executives; some of them serve as directors	50,794	42,838	35,764	30,548
Total	515,345	605,717	617,265	704,067

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30 Related party transactions (Cont'd)

30.2 Transactions during the years (Cont'd)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Expenses				
Service expenses				
Subsidiaries	-	-	5,450	3,646
Associates	1,627	1,143	1,627	1,143
Joint venture	210	-	210	-
Other related parties - shares held by relatives of executives of the Company and some of them serve as directors	7,414	8,859	7,414	8,467
Total	9,251	10,002	14,701	13,256
Purchases of fixed assets				
Subsidiaries	-	-	14,742	6,474
Total	-	-	14,742	6,474

30.3 Key directors and managements' remuneration

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht'000	Baht'000	Baht'000	Baht'000
Directors' remuneration	2,237	2,292	2,237	2,292
Managements' remuneration				
Short-term employee benefits	109,311	108,721	61,494	60,715
Post-employment benefits	3,758	3,907	2,759	2,758
Other long-term employee benefits	30	31	25	25
Total key directors and managements' remuneration	115,336	114,951	66,515	65,790

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31 Promotional privileges

The Group 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	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 (19 September 2012) 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 September 2025).
	1529(2)/2555	6 March 2012	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 (4 September 2012) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 3 September 2024).
	1872(2)/2556	14 May 2013	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 (28 February 2014) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 27 February 2026).
Subsidiary : Srithai Moulds Company Limited	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 (12 March 2013) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 11 March 2026).
	1268(5)/2556	5 March 2012	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 (20 February 2014) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 19 February 2027).

31 Promotional privileges (Cont'd)

The Group received promotional privileges from the Board of Investment and must comply with the conditions and restrictions provided in the promotional certificates as follows: (Cont'd)

Company	No. of BOI card	Date of approval	Period	Product	Significant privilege
Subsidiary : Srithai Nanoplast Company Limited	1960(2)/2555	8 June 2012	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 and working capital from the date income is first derived (10 August 2012) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 9 August 2024).
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).

31 Promotional privileges (Cont'd)

Srithai Superware Public Company Limited

Operating results from promoted and non-promoted activities for the Company can be analysed as follows:

	Separate financial statements (Baht'000)					
	2017			2016		
	Promoted activity	Non-promoted activity	Total	Promoted activity	Non-promoted activity	Total
Revenue						
Domestic sales and service income	970,189	4,117,881	5,088,070	868,523	4,104,643	4,973,166
Export sales and service income	272,021	893,865	1,165,886	218,184	1,345,036	1,563,220
Total sales and service income	<u>1,242,210</u>	<u>5,011,746</u>	<u>6,253,956</u>	<u>1,086,707</u>	<u>5,449,679</u>	<u>6,536,386</u>

32 Post statement of financial position event

Approval of dividends

On 28 February 2018, the Board of Directors of the Company passed a resolution to propose the dividend payment from unappropriated retained earnings at Baht 0.05 per share, totalling Baht 135.50 million. However, the approval for the dividend payment shall be proposed to the Annual General Shareholders' Meeting No. 37 (year 2018) for further consideration and approval.



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