



บริษัท ไทยนามพลาสติกส์ จำกัด (มหาชน)
Thai Nam Plastic (Public) Company Limited



รายงานประจำปี 2558 ANNUAL REPORT 2015



บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย
The Leading Company for Plastic Products in Thailand

40 หมู่ 7 ถ.เพชรเกษม กม.23 ต.อ้อมน้อย อ.กระทุ่มแบน จ.สมุทรสาคร 74130 ประเทศไทย
40 Mu.7 Petchkasem Rd. Km.23, Omnoi, Samutsakorn 74130, THAILAND

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Vision

Thai Nam Plastic Public Company Limited is the plastic producer which operates business since year 1970. Throughout the period of over 46 years, the plastic industry of Thailand has been grown continually therefore Thai Nam Plastic Public Company Limited is the leading company of plastic product in Thailand which our main products are artificial leather and sheets for automobile industry in part of Automotive Interior Trim. Furthermore, The Company is also the producer of sport shoes and equipment as well as furniture and fashionable leather product industry. Moreover, The Company has been creating, researching and developing new products continuously, especially for Non-PVC products with the international standardized quality and are also eco-friendly which are given priority by global industry at present and in the future. The Company adheres to provide service with the standard quality and fast delivery of products as required by customers which has satisfied our customers consistently.

Thai Nam Plastic Public Company Limited concentrates in satisfying customers' demand by researching and developing new products, cooperating in solving problem of using automotive products for an automotive industry, producing the high quality and eco-friendly products as required by customers with the efficient engines as well as the high technology of production together with our proficient and high experience personnel, providing the good service with product delivery on schedule along with operating commercial business to be able to make profit for the good rate of return on investment to shareholders continually and sustainably. In addition, the Company also supports for development of professional work in order for the potential employees to be ready to cope with the company's business expansion in the future and also assuring of working life quality for employees under the company's mission as follows:

Mission

"The leading company for plastic products in Thailand"

with the qualitative policy of

"The standard quality, impressive service, advance development,
eliminate organization problems, enhance business cycle and aim at the eco-friendly product."

Summary of Financial Information

Consolidated Financial statements (Baht Million)	2015	2014	2013	2012	2011
Revenues from sales	1,020.01	1,129.17	1,336.55	1,560.29	1,242.43
Cost of goods sold	801.43	918.34	1,038.57	1,151.77	930.91
Gross profit	218.58	210.83	297.98	408.52	193.79
Selling & Administrative expenses	193.62	190.69	183.45	198.26	195.01
Loss from flood	-	-	-	-	91.32
Finance costs	18.23	24.46	32.21	42.67	42.78
Income tax	(18.36)	19.43	26.95	44.69	60.20
Compensation income from insurance company	-	0.16	86.64	-	-
Profit (loss) attributable to Parent Company	34.06	(9.34)	152.12	131.23	(67.65)
Other incomes	8.38	12.58	14.48	15.99	17.42
Basic earnings per share (Baht)	0.11	(0.16)	2.90	2.41	(1.37)
Property, Plant and Equipment - net	377.82	407.97	442.51	724.94	766.71
Total assets	1,134.28	1,173.29	1,274.75	1,554.76	1,459.78
Total Liabilities	509.93	580.12	675.88	931.00	952.52
Total equity	624.36	593.17	598.87	623.76	507.26
Paid-up registered capital	319.52	299.55	272.32	247.56	247.56
Book value (Baht/share)	1.95	9.90	11.00	12.60	10.25

Remark In 2015, The Company has to change in the par value from Baht 5 per share to Baht 1 per share

Financial Ratios (Consolidated Financial statements)	2015	2014	2013	2012	2011
Current Ratio	1.47	1.51	1.43	1.32	1.34
Accounts Receivable Turnover	5.11	5.30	5.25	6.45	6.28
Day in Accounts Receivable	71.45	68.93	69.46	56.63	58.16
Inventories Turnover	2.09	2.21	2.26	2.44	1.94
Day in Inventories	174.76	164.83	161.29	149.78	187.83
Accounts Payable Turnover	6.00	5.52	4.97	4.97	4.01
Day in Accounts Payable	60.79	66.14	73.46	73.47	91.06
Assets Turnover	0.90	0.96	1.05	1.13	0.84
Gross Profit (%)	21.43	18.67	22.29	26.18	25.07
Net Profit (%)	3.34	(0.84)	4.90	8.41	(5.44)
Interest Payment Capability	1.83	1.34	6.69	5.30	1.00
Debt to Equity	0.82	0.98	1.13	2.06	1.82
Debt to Total Assets	0.45	0.49	0.53	0.67	0.65

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Separated Financial Statements (Baht Million)	2015	2014	2013	2012	2011
Revenues from sales	987.07	1,086.13	1,279.28	1,463.42	1,169.19
Cost of goods sold	780.29	872.75	990.17	1,083.17	903.53
Gross profit	206.78	213.38	289.11	380.25	265.66
Selling & Administrative expenses	222.12	212.12	191.47	204.10	196.81
Loss from flood	-	-	-	-	90.85
Finance costs	18.16	24.42	32.19	42.65	42.76
Income tax	6.91	23.53	34.18	40.24	53.56
Compensation income from insurance company	-	0.16	86.64	-	-
Dividend Income	3.00	4.00	7.50	7.00	7.00
Other incomes	26.89	23.13	32.76	27.34	31.00
Profit (loss) for period	(10.53)	(19.40)	158.16	127.60	(80.32)
Basic earnings per share (Baht)	(0.03)	(0.34)	3.02	2.34	(1.62)
Property Plant and Equipment - net	528.37	561.70	518.36	637.08	655.71
Total assets	1,251.43	1,328.62	1,451.09	1,629.99	1,494.45
Total Liabilities	500.97	567.76	666.56	921.00	952.18
Total equity	750.46	760.86	784.53	708.98	542.27
Paid-up registered capital	319.52	299.55	272.32	247.56	247.56
Book value (Baht/share)	2.35	12.70	14.41	14.32	10.95

Remark In 2015, The Company has to change in the par value from Baht 5 per share to Baht 1 per share

Financial Ratios (Separated Financial Statements)	2015	2014	2013	2012	2011
Current Ratio	1.48	1.58	1.67	1.51	1.57
Accounts Receivable Turnover	3.68	4.24	4.88	6.60	6.59
Day in Accounts Receivable	99.27	86.10	74.81	55.32	55.42
Inventories Turnover	2.33	2.35	2.40	2.66	2.27
Day in Inventories	156.37	155.16	152.39	137.01	160.72
Accounts Payable Turnover	5.94	5.32	4.75	4.64	3.87
Day in Accounts Payable	61.46	68.56	76.86	78.63	94.30
Assets Turnover	0.79	0.82	0.88	0.94	0.76
Gross Profit (%)	20.95	19.65	22.60	25.98	22.72
Net Profit (%)	(1.07)	(1.80)	5.59	8.72	(6.87)
Interest Payment Capability	0.80	1.17	6.98	4.94	0.37
Debt to Equity	0.67	0.75	0.85	1.44	1.60
Debt to Total Assets	0.40	0.43	0.46	0.59	0.62

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General Information

Listed Company	Thai Nam Plastic Public Company Limited		
	Registered No. 0107537000769		
Registered Capital	Baht 319,526,925 divided into ordinary share amount of 319,526,925 shares at par value of Baht 1 each.		
Paid-Up Registered Capital	Baht 319,516,441 divided into ordinary share amount of 319,516,441 shares at par value of Baht 1 each.		
Date of Establishment	22 nd May 1970		
Office and Factories	40 Moo 7, Petchakasem Road, K.M. 23, Omnoi, Amphur Kratumban, Samutsakorn Province 74130		
	Tel. : (66 2) 810 3000, 420 9968-74		
	Fax : (66 2) 810 3933, 420 1827, 420 9967		
	Web site : www.thainam.com		
	e-mail : sales@thainam.com		
2 nd Factory	89/1-2 Moo 4, Bangpla Road, K.M. 3, Bankoh, Amphur Muang, Samutsakorn Province 74000		
	Tel. : (66 34) 468 102-8, 830 325-8, 830 712, 830 715-9		
	Fax : (66 34) 468 101, 468 109-10		
Main Business	Manufacture and distribute the following semi-finished products :-		
	1. Synthetic leather and film/sheet for the industries of automotive, sports shoes, furniture and fashionable leather		
	2. Flexible film/sheet for the application in household, civil engineering and agricultural functions		
Production Capacity	In 2015, actual production capacity was 6,100 metric tons representing to 37.65 percent of its attainable capacity which was stood at 16,200 metric tons per year.		
Number of Employees	560 persons at the end of December 2015.		
Custodian	Thailand Securities Depository Company Limited		
	62 The Stock Exchange of Thailand Building, Rachdapisek Road, Klongtoey, Bangkok 10110		
Auditor	Mr. Thanawut Piboonsawat	Certified Public Accountant No. 6699	and/or
	Miss Sulalit Ardsawang	Certified Public Accountant No. 7517	and/or
	Miss Wannisa Ngambuathong	Certified Public Accountant No. 6838	
	Dharmniti Auditing Co.,Ltd.		
	267/1 Pracharaj Sai 1 Road, Bangsue, Bangkok 10800		
	Tel. : (66 2) 587 8080		
	Fax : (66 2) 586 0301		

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Juristic Persons of which the Company Holds Securities over 10 Percent

■ Taweewattana Logistics Company Limited

Date of Establishment	6 th November 2007
Office	40 Moo 7, Petchakasem Road, Omnoi, Amphur Kratumban, Samutsakorn Province 74130
Paid-up Registered Capital	Baht 3,000,000 at par value of Baht 10 each.
Number of Shares hold by the Company	299,970 shares representing of 99.99 percent.
Main Business	Investment and sale of PVC Product.

■ Thai Nam-Kyowa Company Limited

Date of Establishment	24 th January 2002
Office	40 Moo 7, Petchakasem Road, K.M. 23, Omnoi, Amphur Kratumban, Samutsakorn Province 74130 Tel. : (66 2) 810 3000, 420 9968-74 Fax : (66 2) 810 3933, 420 1827, 420 9967
Factory	89/2 Moo 4, Bangpla Road, K.M. 3, Bankoh, Amphur Muang, Samutsakorn Province 74000 Tel. : (66 34) 468 102-8, 830 325-8, 830 712, 830 715-9 Fax : (66 34) 468 101, 468 109-10
Paid-up Registered Capital	Baht 40,000,000 at par value of Baht 10 each.
Number of Shares hold by the Company	2,000,001 shares representing of 50.00 percent.
Main Business	Manufacture and distribute PVC/PP Foam Sheet and TPO (Thermo Plastic Olefin) which are used in the Automotive industry ex. door trim and sale of PVC Product. Additionally, the Company also operate cutting sheet and Laminate Foam for Thai Nam Plastic Public Company Limited's group.
Number of Employees	21 persons at the end of December 2015.

■ TNV Plastics (Proprietary) Limited

Date of Establishment	24 th November 2010
Factory	No. 1106 Courtyard Building Gants Center Somerset West 7140 South Africa
Paid-up Registered Capital	Rand 1,000,000.- equal of Baht 4.28 million at par value of Rand 1 each or Baht 4.28
Number of Shares hold by the Company	1,000,000 shares representing of 100.00 percent
Main Business	Manufacture and distribute Polyvinyl chloride (PVC) products.

■ T.N.P. Industry Company Limited

Date of Establishment	3 rd November 1983
Factory	87/9 Moo 4, Bangpla Road, K.M. 3, Bankoh, Amphur Muang, Samutsakorn Province 74000 Tel. : (66 34) 468 102-8, 830 325-8, 830 712, 830 715-9 Fax : (66 34) 468 101, 468 109-10
Paid-up Registered Capital	Baht 214,196,650 at par value of Baht 10 each.
Number of Shares hold by the Company	21,269,665 shares representing of 99.30 percent of which were totally sold to Taweewattana Logistics Company Limited in November 2007.
Main Business	Manufacture and distribute transparent & opaque semi-rigid PVC sheet using for packaging, file stationery, christmas tree, credit card etc.
Production Capacity	In 2015, actual production capacity was 1,425 metric tons representing to 14.39 percent of its attainable capacity which was stood at 9,900 metric tons per year.
Number of Employees	43 persons at the end of December 2015.

Message from the Board of Directors



For year 2015, The Economy of Thailand tended to get better recovery with an expansion rate of approximate 2.8% which the major factor was that the tourism sector had expanded so well continuously which caused the service sector that involved with tourism had expanded so well, such as hotels and restaurants, delivery and transportation. Furthermore, a policy of acceleration for the government's disbursement and investment project for infrastructure, water resource management project and road transport development project as well as an advantage from the lower oil price and the recovery of financial condition were the stimulation for more expenditure and investment of the private sector. However, the slow recovery of world economy including the structural problem of export sector of Thailand still had an effect on the decreasing of Thailand's export for goods and service to be lower than estimated in the previous year.

For production, especially for an agricultural sector in the previous year that was affected from drought problem and it was the restriction of economic expansion in year 2016 while an industrial sector tends to have the better recovery. Groups of industry that begin to recover well such as petrochemical industry, chemical product, rubber product, plastic product, electrical equipment and machinery, furniture and motor vehicle which the production volume of motor vehicle industry of year 2015 had expanded a little when compared with the same period of the previous year with the automobile production volume of 1.9 million cars that increased from the previous year for 1.7% but it was still lower than targeted at 1.95 million cars. For the domestic sale volume of automobiles had decreased from the previous year for 9.3% due to the economic recession including household liabilities that were still at a high level while an export sector still grows up continuously with export volume of 1.2 million cars which increased from the previous year of 6.8% due to an increment of markets in countries of Oceania, European and North America. According to the overall economy and industrial sector that get recovery only a little has reflected our company's business operation for year 2015 which total sales revenue was 1,020 million Baht that decreases from the previous year for 9.6%.

For year 2016, from the government's measure of stimulation for economy and expenditure that it is expected to be beneficial to the overall economy which it is estimated to be able to enhance continually for 3.6 - 4.0% as well as the recovery of world economy especially for a group of country with major industry and the important trading partner countries that will be beneficial to the export of goods and service. This will be the major factor that supports the recovery of production industry which a group of automobile industry is expected to be recovered at a level of 10% with there will be the production volume at 2.1 million cars approximately which is divided to production for export of 60% proportionately and the remaining will be the production for domestic sale. From a trend of the better recovery of economy that will be beneficial to all business operators including our company and subsidiary companies to be able to operate business substantially. However, there is still a risk factor of drought continually from year 2015 will be the major factor that may impact on agricultural sector and the recovery of overall economy which our company has realized about such risk factors and we will operate business cautiously in order to take care of benefits and provide the good yield to an organization and shareholders. We are confident that due to the support of shareholders and cooperation of all executives and employees will cause our company to be stable and progress sustainably further. Finally, on behalf of all Board of Directors, executives and employees of Thai Nam Plastic Public Company Limited, we would like to gratefully thank every shareholder, customer and various financial institutes as well as all benefactors and interested persons that firmly believe and trust to support our company's business operation so well consistently.

Mrs. Siriphorn Mangkornkarn

Chairman

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Report of the Board of Directors' Responsibilities to the Financial Statements

To Shareholders

The Board of directors has prepared financial statements to show the Company and its subsidiary annual financial position in 2015, in accordance with generally accepted accounting in Thailand. It is also done under the requirements of the Securities and Stock Exchange Commission on the preparation and presentation of financial reports under the Securities Act and the SET Investigations Securities Act 2553.

The Board of Directors is responsible for the consolidated financial statement of the Company and subsidiary companies as well as separate financial statements of the company including financial information which is appeared in an annual report. Such financial statements for this year ending at 31st December 2015 which is made according to accounting principle certified generally by using appropriate accounting policy as the principle of carefulness and the principle of usually practice by using discretion and estimation according to necessity carefully and reasonably including there is also disclosing of enough data in the notes to financial statements by such financial statements have been audited by independent certified auditors who have given their unqualified opinion.

The Board of Directors supports the practice of good corporate governance in the company and endeavors to improve the structure of the Board of Directors accordingly so that the Company's operations are efficient, transparent and reliable. An internal control system have been established to reasonable ensure that the financial records are accurate and complete. The Board of Directors has appointed an Audit Committee which consists of 3 persons as independent committee members who are responsible for reviewing the financial report and maintaining the adequacy of the internal control and internal auditing systems. The Audit Committee has presented its opinion about the stated matter in the report of the Audit Committee which is presented in this Annual Report.

The Board of Directors believes that the inspection system of the company and information disclosure, that is appeared in the Annual Report 2015, can build confidence that the year end 31st December 2015, financial statements of the Company and its subsidiaries is reliable. That is also in accordance with accounting standards generally accepted in Thailand. In addition, the disclosure of such information is accurate enough for good corporate governance, which will benefit the shareholders and investors.

25th February 2016



Mrs. Siriphorn Mangkornkarn
Managing Director

Audit Committee's Report

The Company's Board of Directors have appointed the Audit Committee which consisted of independent non-executive personnel. They are completely qualified in accordance with the Audit Committee's Charter and also meet all standards as defined by the office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

During the year of 2015 the committee has carried out their duties strictly responsibly as assigned by the Company's Board of Directors.

1. The Audit Committee attended totally 8 meetings.
2. The Audit Committee's members are as follows :-

Name	Attendance	Appointed Date	Position
1. Mr. Vorathep Vithayaviraj	8/8	26 April 2012	Audit Committee Chairman
2. Mr. Peesak Prapaiporn	8/8	13 May 2012	Audit Committee Director
3. Mr. Wutipong Vechayanon	6/8	9 August 2012	Audit Committee Director

3. Operations

The Audit Committee has submitted brief mission report to The Company's Board of Directors quarterly and the main contents are described accordingly

Review of the Company's Financial Statements

The Audit Committee reviewed the quarterly and the annually financial statements of the company and its consolidated financial statements of the company as well as its subsidiaries with the Auditor and the Management. This included the inquiries and provision of suggestions and comments which were useful for ensuring the process of preparing the company's and its subsidiaries' financial statements accurately and complete according to the Generally Accepted Accounting Standards with sufficient and timely disclosure of information. As a result the financial reports were accurate and reliable.

Review of the Company's Risk Management

Eventhough the company did not specifiedly personnel or set up working groups to take part in risk management; however, the company has managed risk systematically which the Audit Committee has verified the risk management plan of the company in order to ensure that the plan is suitable to the situation and business condition including risk management and control measures in favorable level. The emphasis is focused on financial liquidity of the company and also increasing stock level including investment in fixed assets. Additionally, the Audit Committee has followed up problem and actions in the business operation of subsidiary company abroad to minimize all the impact to the company.

Review of the Company's Compliance with Securities and Exchange Commission Act, The Stock Exchange of Thailand's requirements, and Applicable Laws.

The Audit Committee reviewed the compliance of securities and exchange Act, the relevant regulations and laws including the observations of the working procedures to comply with the good governance principles consisting of overseeing the operations and the employee's ethic and code of conducts. The Company properly and consistently carried out their work.

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Review of the Company's Business Relations

The Audit Committee reviewed the business transactions of the company and the related parties including all transactions which might cause conflict of interests during the year 2015. This was to ensure that they were conducted according to their normal business. They were reasonable and without any conflict of interest. The information was sufficiently disclosed. Moreover the operations were monitored to ascertain that it worked in accordance with the laws and the regulations stipulated by the Capital Market Supervisory Board.

Review of the Internal Control System

The Audit Committee reviewed the independency of the Internal Audit department, the scope of works and the internal audit plan and assess the sufficiency of the internal control system. According to the review of the internal auditing reports and the following up of the results of the suggested improvements of the highlighted issues, the Audit Committee found that the company and its subsidiaries had sufficient and appropriate internal control system. After consideration, the Board of Directors has the same view as the Audit Committee that the internal control system remains satisfactory, adequate and appropriate for the company's business.

Selection and Appointment of the External Auditor

The Audit Committee reviewed the qualifications of the external auditor, the quality standard of work, the expertise and the independency and the consideration of the comparison between the auditing and reviewing fees of financial statements against the workload, it was proposed to the company's Board of Directors for further approval at the General Meeting of the shareholders appointment of

1. Mr. Thanawut Piboonsawat CPA No. 6699 and/or
2. Miss Sulalit Ardsawang CPA No. 7517 and/or
3. Miss Wannisa Ngambuathong CPA No. 6638

All of these auditors come from Dharmniti Auditing Co.,Ltd. and the total auditing and reviewing fee of 880,000 Baht for the year of 2016 which was deemed reasonable.

The Audit Committee had freedom in carrying out their assigned duties and received good cooperation from the Management. Moreover, there was a non-management meeting with the external auditors to discuss and to learn about their observations of the internal control of accounting to plan by talking into account the transparency, reliability, having appropriate internal control system and carried out their work according to the relevant announcements, regulations and laws.

1st March 2016

On behalf of the Audit Committee



Mr. Vorathep Vithayaviraj

Chairman of the Audit Committee

Marketing Situation and Competition in the year 2015

In the year 2015, the market condition of automobile industry product which is the major revenue of Thailand with the automobile production volume of 1,913,002 cars which was lower than it was targeted at 1,950,000 cars but the production volume had increased from the previous year for 1.76%. For the domestic sale volume was 799,592 cars which decreased from the previous year for 9.3% due to the deceleration of domestic economy as well as the high level of household liability that still needed to be prudent about expenses. The export sale volume was 1,204,895 cars which was higher than it was targeted at 1,200,000 cars with total export value of 592,550 million Baht that increased from the previous year for 12.35 %. For year 2015, it was a year that automobile companies had adjusted for their production capacity to be in conformity with economic condition of the country. Besides, the production volume for export had begun to be higher than the production volume for domestic sales explicitly but an export still could not be enlarged so much because of the world economic recession.

The Company has total sales of artificial leather products for automobile industry of 698 million Baht which was the major revenue of year 2015 that decreased from the previous year for 12% which artificial leather car seat was the best seller that was 60% of automobile product and accessories group as its sale volume was 2.76 million meters which decreased from the previous year for 0.83 million meters. The decreasing of domestic order quantity was in line with the domestic sale volume that had adjusted to decrease significantly which was in accordance with the domestic economy that had decelerated continually. However, for year 2015 our company had improved an internal production process in order to be in conformity with such condition such as decreasing the production cost and expenses, adjusting for an ordering system of raw materials, stocking up for readymade goods, increasing delivery system for automobile industry customers as well as designing products for goods that are emphasized on world market competition to be fit with the market price and competition all over the world. Anyhow, our company still maintains the standard of product quality as required by customers and adheres to provide the good service of goods delivery as scheduled which such way of practice has been successful to some extent.

Situation of Automobile industry in the year 2015

In the year 2015, the automobile industry of Thailand was affected from the domestic economy that had been decelerating continually due to problems of drought, recessive price of agricultural products as well as the strict provision of credit for automobile which caused to the limitation of the overall purchasing power. Moreover, an effect from world economic fluctuation also impacted on the business and household sectors to be cautious for investment and expenditure even though the oil price had decreased since 2015 in the midyear and there was an increasing of purchasing power at the end of year 2015 before an adjustment of excise tax structure for new cars. Therefore, the gross domestic sale volume of automobiles had decreased for over 10% which such situation was the condition that caused automobile companies to adjust their production capacity by emphasizing on more export of over 200,000 cars which was 20% when compared with year 2014. The production of artificial leather products for automobile industry of our company was still beneficial from an expansion of artificial leather in the project of 1 pick-up truck of Toyota and Ford automobile companies that had debuted new models in year 2015 which our company was the producer of such product therefore our production of artificial leather products for automobile industry has still been operating continually.

Tendency of Automobile Industry in the year 2016

The trend of automobile industry in year 2016 is still during the stage of adjusting production base and it is expected to take time for at least 1 year in order for the consistency between the production base adjustment and domestic sales including the estimation about positive factors from an acceleration of the government's investment budget disbursement as well as the private sector's investment promotion and endeavor for exporting enlargement. Moreover, the considerably decreasing oil price at the beginning of this year will be the stimulating factor for more production which every automobile company in Thailand still expects for an approximate volume of production and sales of automobiles in Thailand similar to last year. For year 2016, the production volume is planned to be 2,150,000 cars which will be increased from year 2015 for 10.26% and such production volume will be divided for 900,000 cars of domestic sales which will be 6.67% increasing from year 2015 and production for export of 1,250,000 cars which will be 4.17% increasing from year 2015 that corresponds with an estimation of Bank of Thailand which estimates for year 2016's GDP that will be expanded for 3.7% and there will be the better trend of export markets according to the world economic recovery. Therefore, Thai Nam Plastic Public Company Limited has modified and configured shapes and patterns of car seats' artificial leather to be modernized with the new car models which they will begin to use automotive products of Non – PVC Leather group which our company has already operated and coordinated with suppliers of various countries in order for their cooperation in developing such products to respond to new demand of worldwide car companies. Besides, our company also realizes about outcomes of launching for Asean Economics Community (AEC) and begins to do more marketing and selling goods to group of ASEAN countries according to the oncoming lower tax rate which will emphasize on product design to be optimal with the market condition in this region. It is expected that for year 2016, the company will have more revenue from sales of artificial leather.

The Structure of Income and Changes in the Previous Year

The Structure of Income

The sources of income are contributed from the 2 main products of:

1. Synthetic leather and film/sheet for automotive industry with specific items for Automotive Interior Trim ie. upholstery, door panel, ceiling, flooring. These products are also applied in the industry of sports shoes, sport items eg. various sports balls. Additionally, they cover the industry of furniture, fashionable leather for bags, shoes and belts.
2. Flexible film/sheet is designed and used in civil engineering as geo-membrane lining for ponds of water treatment, minerals deposit. The engineering sheets are also used in the dams construction for hydro electricity generation or irrigation reservoir. In the agricultural field, they are used in the ponds for prawn and fish farm. Other household items are included as table cover sheets, shower curtain, rain coat, umbrella, tent. Other items are for packaging, office stationery ie. diary cover etc.

In 2015, the Company's total sales revenue from all items of product amounted Baht 987.07 million represented decrease of Baht 99.06 million or 9.12% from the previous year. The total revenue was from domestic sales Baht 838.78 million and export sales Baht 148.29 million or in percentage of 85 : 15

Sales Revenues in the Year 2015 - 2014

Products	2015		2014		Variance +/-	
	Baht Million	%	Baht Million	%	Baht Million	%
Domestic Sales:						
1) Synthetic leather and film/sheet for automotive/ sports shoes and other industries	502.30	50.89	556.37	51.22	(54.07)	(9.72)
2) Flexible film/sheet	275.99	27.96	303.78	27.97	(27.79)	(9.15)
3) Others	60.49	6.13	82.98	7.64	(22.49)	(27.10)
Sub-total (A)	838.78	84.98	943.13	86.83	(104.35)	(11.06)
Export Sales:						
1) Synthetic leather and film/sheet for automotive/ sports shoes and other industries	99.11	10.04	104.80	9.65	(5.69)	(5.43)
2) Flexible film/sheet	12.59	1.28	18.20	1.68	(5.61)	(30.82)
3) Others	36.59	3.71	20.00	1.84	16.59	82.95
Sub-total (B)	148.29	15.02	143.00	13.17	5.29	3.70
Total Sales Revenue (A) + (B)	987.07	100.00	1,086.13	100.00	(99.06)	(9.12)

Changes in the Previous Year

During last year, Thai Nam Plastic Public Company Limited has been conducting a research and developing products continuously in order to innovate new products for upgrading the quality of the company's products to be superior to the competitors as well as having the international standardized quality in order to enhance potentiality of competition and expansion of new customer base by developing the eco-friendly products to provide the high quality products to be gone across by groups of automobile industry all over the world. The Company had developed the production of artificial leather that are made from Poly Urethane plastic which could be used with car seats, sport equipment, furniture and fashionable leatherwork. Moreover, we also developed the plastic coating process with surface coating water based instead of surface coating solvent based that are a cause of fetor that usually emitted from artificial leather and emphasized on producing artificial leather for automobile industry which its quality were widely accepted by major customers of automobile industry groups for both leading car companies in Japan and America.

Risk Factors

Risk factors that may impact on businesses of the company and subsidiary company which are considered from internal and external factors are as follows:

Internal Risk Factors

■ Marketing and Sales

It is due to the major products of our company are groups of artificial leather and plastic sheets for interior decoration of automobile industry which are equal to over 70% proportionately of the company's gross sales, therefore, if customers' demand of automobile industry change from it is estimated before, it will absolutely have an effect on the company's sales volume. In order to reduce such factor of risk, our company has set up the policy to expand our product market to other groups of industrial products that are sport shoes and sport equipment, furniture, stationery tools and plastic packaging. However, automobile industry is regarded as one of the country's major industry that has the explicit goal and development plan in order to go forward to be the automobile production basement of this region so this is the strength of our company's business operation that has been operating commercial transactions with groups of leading industry constantly and continually

■ Production

Fluctuation of Raw Materials

Most of our company's major raw materials are PVC compound และ Paste Resin which are products in a group of petrochemical product industry, therefore, the change of price tends to vary in ration to oil prices of world market which the fluctuation of raw material prices will have an effect on the company's product cost and sale price. However, it is due to the company's production conforms with most customers' demand and orders which there are the agreement about their demand of quantity, products' qualification and sale price that correspond to production cost and price of raw materials. Besides, the company has the rules in revising our product prices with our customers when there is any significant change of raw material prices so there is a little risk factor of raw material price fluctuation that impacts on the company's business operation.

The change of production technology and the increasing of production efficiency

There are 2 types of production process in producing artificial leather and plastic sheet products of our company that are Calendering Process and Casting Process which at present our production technology still consists of these 2 processes. Moreover, our company has still been developing and improving our production process in order to increase the production efficiency of all machineries to be up-to-date and sufficient for market demand at all times. Therefore, we can reduce the risk from changing of such production technology.

■ Finance

The risk of trade credit and financial liquidity. It is due to most of our company's customers are large and well-known companies with the stable financial status and they have been dealing businesses with our company for so long time, especially for group of automobile industry customers so we do not have any risk of trade credit and financial liquidity except in case of the new customers which our company has set up the policy to reduce risk of trade with rules and steps for consideration in providing credit for each case of customers which we are confident that such policy can reduce risk of trade credit so that it will not impact on our company's management and financial liquidity until exceeds the financial amount that is reserved for arrears.

■ Investment

The investment risk is considered only for countries that our company has invested which we have invested in countries of South Africa in order to use as the base of production and sales as well as import and export of Polyvinyl Chloride (PVC) with the purpose of expansion for motor vehicle industry market and increase for competitiveness. Our company has also considered about economy risk, social risk, political risk, government's policy risk, legal risk, taxes and duties risk and labor risk including exchange rate risk which we give priority to the risk management by considering to use various implement and measures as necessary and we are still able to manage all risk to be at the acceptable level.

■ Human Resource Management

The risk of human resource management especially for a problem of shortage for skillful labors, cease of medium-level employees from behavior of job mobility, the persuasion by other organizations (to persuade the company's employee(s) to work with them) as well as the cease of top management to carry on the management position which if these aforementioned problems exist in a long term, it may cause the management vacuum period and may impact on the business operation. Moreover, an outcome of AEC may result in the emigration of skillful Thai workforce to go to work abroad or ASEAN workforce may immigrate to work in Thailand that will impact on our company in attracting and keeping our proficient employees to stay working with our company for a long time. Our company realizes about such problems and risk factors by giving priority to the human resource management and personnel recruitment in order to enhance personnel's capability all the time to solve the problem and reduce impact on the organization in the long run as well as supporting for the business growth in the future.

External Factors

■ Economy and politics

The fluctuation of world economy and domestic economy and political situation are the significant risk factors that are difficult to prevent. Therefore, it is necessary that the business has to adjust itself to cope with such change to reduce such risk factors in order to have the least impact on the business operation as well as the estimation about the future trend too. During the last year, the world economy still did not get recovery especially for the economy of trade partner countries of Thailand that had decelerated so it have an effect on Thailand's export sector to be reduced at the same time while the domestic economy still recovered slowly. Moreover, there were also problems of deceleration of domestic purchasing power, drought problem, recessive price of agricultural products, the government's disbursement that still does not meet the target and the purchasing power that was stimulated for the advance expenditure for at least next 2 – 3 years especially from the populism policy of the first automobile project that affected with the automobile industry until nowadays.

■ Society and Environment

The social risk especially that relates with the society and community surrounds our company is one important risk that can impact on our company's reputation and image which if any problems actually take place then it will be difficult for the problem-solving, time period and monetary evaluation. Our company gives precedence to such risk factors so we emphasize on control and take charge of the production process as well as controlling of pollution release to be within the scope of standard rule or better as defined by law and various regulations including the reinforcement of relationship, support and assistance for activities that are useful for various public health and education.

While the trend of society and consumer behavior at present has placed importance on environmental protection by turning to give priority to more usage of goods and service that are eco-friendly such as in automobile industry there is the production of eco cars, development of car engines that release a small amount of noxious fumes, the usage of non-toxic materials or the usage of recycle product, etc. We have been giving precedence to such issues all the time by adjusting engines and production process as well as production factors and non-toxic raw materials that are consistent with our customers' demand therefore such risk does not have much effect on our company.

Effect from Economic Condition and Relevant Industries

The risk from production industry which our company is the producer of a medium level industry and our company's products are utilized as raw materials in the final production process therefore the risk may take place anytime from an impact of change in upstream and downstream industries. For the upstream industry that will impact significantly for our company's business operation which is petrochemical industry due to most of major raw materials of our company are products in group of PVC compound and Paste Resin. Therefore, in order to reduce such risk, we have paid attention to the news and information as well as the changing condition of oil price at all times. Moreover, there are the agreement between our company and customers in adjusting about the sale price in case that the prices of major raw materials have changed significantly. For the downstream industry which consists of automobile and spare parts industry which are the basement of important customers of our company. The change of this industrial condition rather affects with our company substantially as reflected from the company's business operation that had the decreasing sales volume during year 2014 – 2015 according to the continually recessive condition of automobile industry. In order to reduce an impact from such factor, we have managed to reduce the unnecessary expenses of our company and improved the production efficiency in order to reduce the cost of production. Moreover, we also disseminated our products to other groups of industry more and more.

Analysis from Management

In the year 2015, overall economy of Thailand began to recover a little from the previous year while the production sector especially for the automobile industry that still did not get into the normal condition as considered from the production volume of 1.91 million cars throughout the year which increased only 1.7% from the previous year but it was still lower than targeted at 1.95 million cars especially for the production for domestic sales at the production volume of 800,000 cars which decreased from the previous year for 9.3%. Upon the recessive condition of automobile industry that impacted on the overall production industry continuously and had an effect on the business operation of our company and subsidiary company for sales volume of automobile industry goods and general goods with details as follows:

■ Revenue from Sales

In the year 2015, the Company has revenue as shown in the consolidated financial statements for 1,028.4 million Baht which decreased for 9.9% of the previous year that had total revenue of 1,141.9 million Baht. If it was considered only for sales revenue of 1,020 million Baht, it had decreased for 9.7% from year 2014 which the major factor cause of decreasing revenue were because of the recessive automobile industry and the lower production volume than it was targeted before at only 1.91 million cars which was less than the target of 1.95 million cars.

■ Cost of goods sold

The Company has total cost of sales for 801.4 million Baht which was calculated as ratio of cost per revenue from sales of 78.5% that was 81.3% decreasing from the same period of the previous year. This caused our company had the increasing of gross profit rate for 21.5% in year 2015 which the major factor was due to our company gave precedence to an adjustment of production efficiency, reduction of loss in production that made the better rate of return on investment thoroughly.

■ Bad Debts and Doubtful Debts

The Company had set an allowance for doubtful accounts in part of account receivable and other creditors of other companies as shown in the consolidated financial statement that had increased for 0.89 million Baht which caused an allowance for doubtful accounts in part of account receivable for this year to increase to be 11.1 million Baht from 10.2 million Baht in year 2014 while in part of our company's separate financial statements had set an allowance for doubtful accounts for 84.4 million Baht which were divided into allowance for doubtful accounts in part of loan to subsidiary company for 53.9 million Baht, in part of accrued interest receivable from subsidiary company for 1.7 million Baht and in part of subsidiary company's account receivable for 28.2 million Baht and the remainder were the account receivable of other companies.

■ Statement of Comprehensive Income

For the year 2015, the business profits of our company and subsidiary company has earnings before tax of 15.1 million Baht which in this year 2016 there is a recognition of difference in changing of tax recognition at first and the reversed account of the present income tax expense is calculated 18.3 million Baht of revenue that causes the net profit of this year is 33.4 million Baht which after considering about total comprehensive income for year 2015 was 37.7 million Baht.

Financial Status

■ Assets

In the year 2015, the Company has assets as shown in consolidated financial statements for 1,134 million Baht which decreased from 1,173 million Baht of the same period in the previous year with the significant cause of the decreasing current assets in part of account receivable for approximately 38 million Baht. The decreasing of net fixed assets after deducting the annual depreciation cost and additional investment in various assets for 30 million Baht while the deferred tax assets that was set additionally for 30 million Baht which were various allowances such as allowance for doubtful accounts, allowance for diminution in value of inventories, deficit, etc.

■ Liabilities

The Company has liabilities as shown in consolidated financial statement for 509 million Baht that decreased from 580 million Baht in year 2014 which the major factor was resulted from the decreasing of current assets in part of account payable and other creditors for 46 million Baht and the repayment of long term loans according to loan agreement of financial institutes for 80 million Baht while there are the usability of loan in part of short term revolving fund in order to enhance liquidity for 61 million Baht.

■ Shareholders' Equity

The Company has shareholders' equity according to the consolidated financial statement for 624 million Baht which was a part of share capital for 319 million Baht that increased for 19.9 million Baht. This resulted from the payment of dividend by paying from retained earnings of our company which at the end of year 2015 there was the unappropriated retained earnings remains for 219 million Baht which decreased from 205 million Baht of the previous year.

■ Financial Liquidity

For the year 2015, the financial liquidity of our company and subsidiary company were rather tense which resulted from the decrease of total revenue that had decreased for over 113 million Baht which the net cash flow that derived from operation activities was 51 million Baht. At that time, our company had invested additionally in assets for 28 million Baht such as machinery and equipment, tools and instruments, building and building renovation, office automation and vehicles, etc. Moreover, our company has burden of paying a long-term loan according to the loan agreement of financial institutes for 80 million Baht and there was the loan repayment of 18 million Baht which caused the insufficient cash flow from operation activities therefore our company had improved our liquidity in part of overdraft and a short-term loan from financial institutes for 61 million Baht which after summing up cash and cash equivalents of the brought forward balance at the beginning of year for 39 million Baht then our company had the balance of cash and cash equivalents for 39 million Baht.

For the important financial ratio, our company and subsidiary company have the quick ratio at 0.54 and current ratio at 1.47 which decreased from the previous year of 0.61 and 1.51, respectively, that reflected to our company's liquidity status in year 2015 which was rather tense while the ability of collecting and paying for commercial debt were considered from the ratio of account receivable turnover at 5.11 cycles which was 71.4 days of average time of debt collection that increased a little from 68.9 days in year 2014. For total product turnover ratio was 2.1 cycles which was 174.7 days that increased from 164.8 days. For the average time period of paying commercial debt was faster at 6.0 cycle which was 60.8 days that decreased from 66.1 days previously. Upon the financial ratio which is an index that indicates for such status of financial liquidity that it reflected that in year 2015 our company's financial liquidity was rather tense.

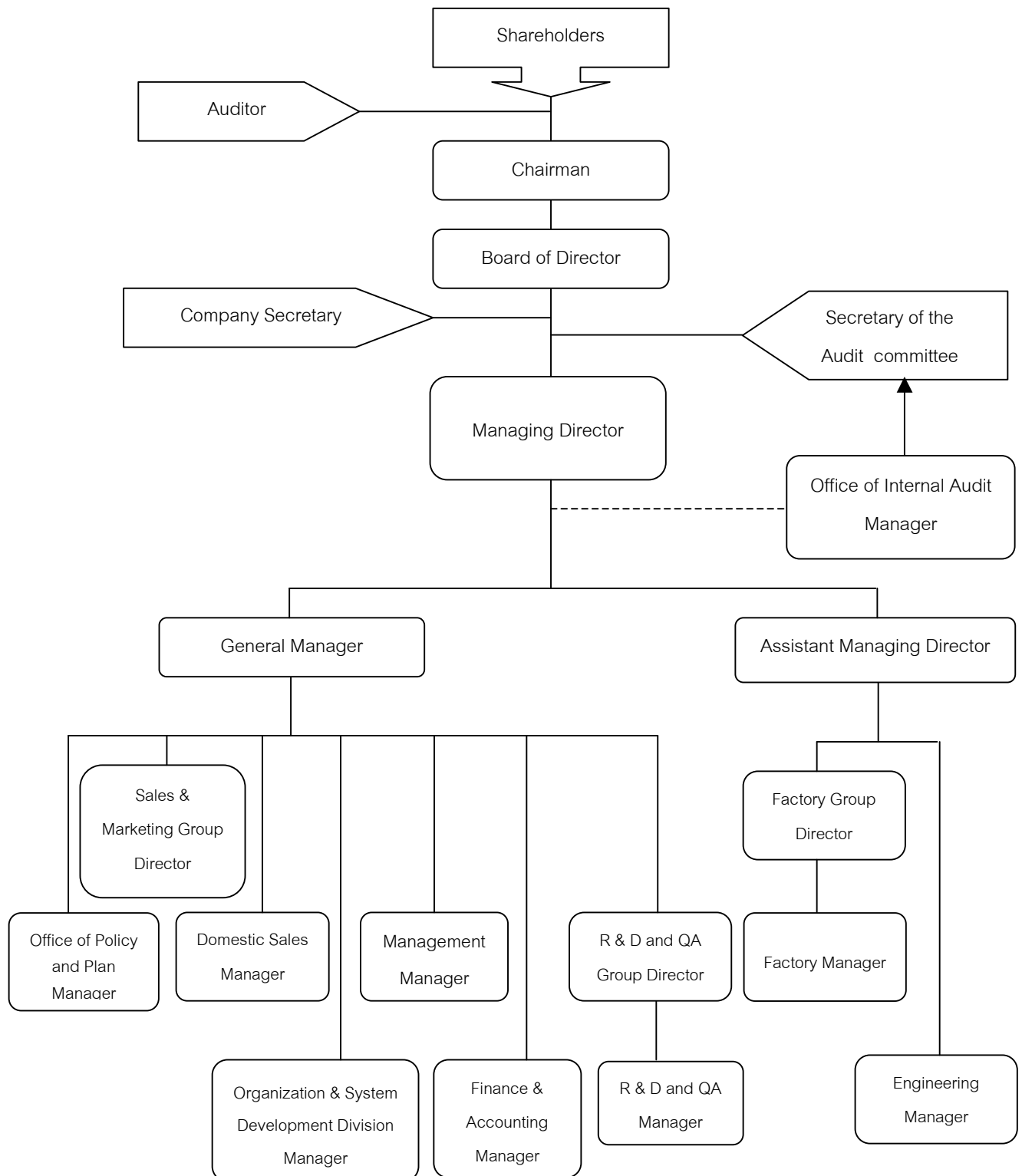
■ Source of the Company's Capital

Presently, the Company and subsidiary company still lack of agility in management the source of capital especially from various financial institutes in order to use in business operation due to there are the limitation and condition binding according to the long-term loan agreement for the refinance with one financial institute in year 2008 which most assets were the mortgage securities that are land, building, construction and all engines of our company and subsidiary company which at present we still have the remaining long-term debt of 97.5 million Baht which the debt payment period will terminate at the end of year 2017.

Possible significant factors which have impact on company performance or financial status in the future.

From the major business structure of our company which the Stock Exchange of Thailand has categorized our company's business to be in the group of automobile industry due to the major revenue of our company comes from the group of artificial leather and plastic sheet products for automobile assembling industry. Therefore, any factors or influences that have an effect on automobile industry both directly and indirectly will impact on the company's business operation and financial status significantly, especially for an impact from the government's policy such as the populism policy of the first automobile project that caused the trend of artificial demand in household which the consumers have to use their revenue in the future for at least 2 – 3 years in advance to invest at the present time that causes the expenditure of normal condition as it should be to be diminished. Upon the higher debt burden that caused consumers to be more careful about their expenditure in the future as reflected from the unprecedentedly higher production volume of Thailand automobile industry for 2.4 million cars in year 2012 and 2013 but after such project was over and the market mechanism returned to the normal circuit then the continual production volume in year 2014 to year 2015 had decreased to 1.8 and 1.9 million cars, respectively. An impact from such policy was reflected in the overall operation of automobile producers and spare parts producers as well as our company that needed to adjust our strategy and emphasize on the efficient management and the planning for future work in order to cope with such situations.

Organization Chart



Board of Directors



Mrs. Siriphorn Mangkornkarn
Chairman and Managing Director



Mr. Kong Mangkornkarn
Executive Director



Mr. Kritasorn Mangkornkarn
Executive Director



Mr. Thawat Treewanakul
Director



Mr. Chaiyanandh Lapitananuvat
Director



Miss Piyatida Mangkornkarn
Director



Mr. Vorathep Vithayaviroj
Independent Director and
Chairman of the Audit Committee



Mr. Peesak Prapaiporn
Independent Director and
Member of the Audit Committee



Mr. Wutipong Vechayanon
Independent Director and
Member of the Audit Committee

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

The Leading Company for Plastic Products in Thailand

Board of Directors

Name	Education	Working Experiences	
		Period	Position/Agencies/Company
1. Mrs. Siriphorn Mangkornkarn Chairman and Managing Director Age 75 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold 2.70 Attendance of Board's Meetings : 8/8	BA in Commerce & Accounting (Accounting), Thammasat University	Present	- Deputy Managing Director: Taweewattana Logistics Co., Ltd. Thai Nam-Kyowa Co., Ltd. T.N.P. Industry Co., Ltd.
2. Mr. Kong Mangkornkarn Executive Director Age 46 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold 3.80 Attendance of Board's Meetings : 8/8	MBA, Mercer University Atlanta, USA	Present	- Managing Director, TNV Plastics Proprietary Ltd. - Executive Director, T.N.P. Industry Co., Ltd. - General Manager: Thai Nam Plastic Public Co., Ltd. Thai Nam-Kyowa Co., Ltd. T.N.P. Industry Co., Ltd.
3. Mr. Kritasorn Mangkornkarn Executive Director Age 40 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold 4.22 Attendance of Board's Meetings : 8/8	Master Degree in Industrial and Organization Psychology Liberal Art Faculty, Thammasat University	Present	- Organization & System Development Division Manager/Management Manager: Thai Nam Plastic Public Co.,Ltd. Thai Nam-Kyowa Co.,Ltd. T.N.P. Industry Co.,Ltd.
4. Mr. Thawat Treewanakul Director Age 56 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold -none- Attendance of Board's Meetings : 8/8	MA, Industrial Engineering Faculty, Asia Institute of Technology (AIT)	Present	- Executive Vice President Bangkok Bank Public Co.,Ltd. - Director: Seacon Development Public Co.,Ltd Sammitr Motors Manufacturing Public Co.,Ltd.
5. Mr. Chaiyanandh Lapitananuvat Director Age 61 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold -none- Attendance of Board's Meetings : 7/8	MBA, University of South Alabama, USA	Present Former	- Chairman of the board of Adviser Islamic Bank of Thailand. - Executive Vice President Thanachart Bank Public Co., Ltd.

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

The Leading Company for Plastic Products in Thailand

Name	Education	Working Experiences	
		Period	Position/Agencies/Company
6. Miss Piyatida Mangkornkarn Director Age 49 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold 3.84 Attendance of Board's Meetings : 7/8	Master of Business Administration, Mercer University Atlanta, USA	Present Former	- Manager, Credit Underwriting Dept (for MBXCB), TMB Bank Public Co.,Ltd. - Manager, Credit Analysis Dept., - Manager, Investment Business Dept, TMB Bank Public Co.,Ltd.
7. Mr. Vorathep Vithayavroj Independent Director and Chairman of the Audit Committee Age 71 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold -none- Attendance of Board's Meetings : 8/8	Master of Science (Management), Mississippi State University, USA	Former	- Senior Management the debt, Bank of Thailand - Assistant Director of the South Branch, Bank of Thailand - Head of Branch Office of the Governor, Bank of Thailand
8. Mr. Peesak Prapaiporn Independent Director and Member of the Audit Committee Age 62 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold -none- Attendance of Board's Meetings : 8/8	BA in Accountin (Costing) Chulalongkorn University	Former	- Vice President (senior), TMB Bank Public Co.,Ltd. - Vice President (senior), The Industrial Financial Corporation of Thailand.
9. Mr. Wutipong Vechayanon Independent Director and Member of the Audit Committee Age 54 Years old Nationality Thai Trainings: - Participating the Director Accreditation Program (DAP) Percent of Shares hold -none- Attendance of Board's Meetings : 6/8	Master of Law, Harvard University, USA	Present Former	- Risk Management Committee - General Counsel, SME Bank. - Audit Committee, the Cambodian Commercial Bank. - Executive Director, Siam Commercial Plus Co.,Ltd. - President, Siam-Niti Law Office - Executive Vice President, Siam Commercial Bank Public Co.,Ltd.

Name	Education	Working Experiences	
		Period	Position/Agencies/Company
10. Miss Somsuan Khondon Company's secretary Age 50 Years old Nationality Thai Trainings: - Company Secretary Program (CSP) - Effective Minute Taking (EMT) Percent of Shares hold -none- Attendance of Board's Meetings : 8/8	BA in Accounting, Wongchawalitkul University	Year 1991 - Present	- Information Department Manager Thai Nam Plastic Public Co., Ltd.
11. Mr. Chairaj Kongsiripanich Secretary of the Audit Committee Age 52 Years old Nationality Thai Trainings: - Fundamental Practice for Corporate Secretary Percent of Shares hold 0.02 Attendance of Board's Meetings : 8/8	MBA, Thammasat University	Year 1996 - Present	- Office of Internal Audit Manager Thai Nam Plastic Public Co., Ltd.

Remark In 2015, There were 8 times of the Company's Board's Meeting.

Scope of duties & responsibilities of the Board of Directors

1. To carry on the Company business in accordance with the laws.
2. To appoint a director or directors or any person to be manager, managing director, vice president to perform their duties under the Board of Directors' control, and to make a power of attorney to director, manager, managing director, vice president and/or any other person to empower.
3. To remove or revoke, change a manager, superintendent or other senior employees of the Company and/or to correct such powers when considered not suitable to manage the Company's business.
4. To sell or mortgage any of the Company's immovable property or hire out any of the Company's immovable property for more or less than 3 years and/or the Company's benefits.
5. To fix the amount of salary, remuneration, reward, bonus or any other benefit for the Company's employees.
6. To appoint attorneys or to be a party in a litigation in a civil suit and a criminal case and/or a bankruptcy case, to compromise a claim and to submit to arbitration any claim.
7. To set the employees' regulation and the Company's operation.
8. To fix the interim dividends payable to the shareholders.
9. To select a person or persons whose qualifications not prohibited by Public Laws to be a director to be filled in a vacancy among the directors other than a retirement by rotation.
10. To select a number of appropriate directors to be executive directors.

Appointment of Directors

To appoint the Company's directors, it shall be followed by the resolution of the shareholders' meeting according to the following principles and methods:

1. One shareholder shall have one vote for each share.
2. By electing the director, each shareholder shall vote all his votes (According to Item 1.) by voting for one or more director(s). This is according to resolution from the shareholders' meeting. However, by each voting, each shareholder shall vote all his votes and shall not give or separate his vote to certain person unequally.
3. By voting to appoint the directors, the persons who will be voted to be director shall have majority votes. The person who receive highest votes respectively shall be elected to be directors of which the number of the directors shall be equal to the number of directors available in that election. In case that the next elected persons, having the same number of votes, are more than the number of available directors in that election, the arbitration will be given by the Chairman of the meeting.

Additionally, in case that the position of director is vacant because of other reasons with the exception of periodical resignation, the appointment of the director can be resolved by the resolution from Company directors with votes not less than $\frac{3}{4}$ from the number of available directors. Directors shall elect appropriate persons to be replaceable directors in the next meeting with the exception that the period of directors is less than 2 months. Besides, the persons who are entitled to be the replaceable directors shall be entitled to be the directors only within the remaining period of the previous directors.

Directors' Remuneration

Name	Position	Remuneration (Baht)		
		Directors	Audit Committee	Total
1. Mrs. Siriphorn Mangkornkarn	Chairman and Managing Director	120,000	-	120,000
2. Mr. Kong Mangkornkarn	Executive Director	120,000	-	120,000
3. Mr. Kritasorn Mangkornkarn	Executive Director	120,000	-	120,000
4. Mr. Thawat Treewanakul	Director	120,000	-	120,000
5. Mr. Chaiyanandh Lapitananuvat	Director	120,000	-	120,000
6. Miss Piyatida Mangkornkarn	Director	120,000	-	120,000
7. Mr. Vorathep Vithayaviraj	Independent Director and Chairman of the Audit Committee	120,000	240,000	360,000
8. Mr. Peesak Prapaiporn	Independent Director and Member of the Audit Committee	120,000	120,000	240,000
9. Mr. Wutipong Vechayanon	Independent Director and Member of the Audit Committee	120,000	120,000	240,000
	Total	1,080,000	480,000	1,560,000

Remark According the AGM 2015, the shareholder's had approve the remuneration of the Directors not exceeding Baht 1,320,000 and the remuneration of the Audit Committee not exceeding Baht 480,000.

Audit Committee

Names of members of the Audit Committee are as following:

Names			Position	Attendance of the Audit Committee Meetings 2015
1	Mr. Vorathep	Vithayaviroj	Chairman of the Audit Committee	8/8
2	Mr. Peesak	Prapaiporn	Member of the Audit Committee	8/8
3	Mr. Wutipong	Vechayanon	Member of the Audit Committee	6/8
4	Mr. Chairroj	Kongsiripanich	Secretary to the Audit Committee	8/8

Remark : In 2015, There were 8 times of the Audit Committee Meeting.

Scope of Duties and Responsibilities of Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
4. To consider, select and nominate the Company's independent auditors and set their fee giving consideration to reliability and adequacy of resources, and amount of audit work by such independent auditors, including experiences of personnel assigned to audit the Company's accounts as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
6. To prepare, and to disclose in the Company's annual statements (Form 56-1) and the annual report (Form 56-2), an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report;
 - (b) an opinion on the adequacy, of the Company's internal control system;
 - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business;
 - (d) an opinion on the suitability of a auditor;
 - (e) an opinion on the transactions that may lead to conflicts of interests;

- (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member
 - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter;
 - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
7. To perform any other act as assigned by the Company's Board of Directors, with the approval of the audit committee.
8. To report its performance of the audit committee to the Board of Directors at least once a quarter.
9. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts which may materially effect the Company's financial condition and operating results, the audit committee shall report it to the Board of Directors for rectification within the period of time that the audit committee thinks fit:
- a. a transaction which causes a conflict of interest;
 - b. any fraud, irregularity, or material defect in an internal control system ; or
 - c. an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.

If the Board of Directors or its management does not rectify within the determined period, any member of the audit committee may report the transaction or any of the above-mentioned acts to the Securities Exchange Commission or the Stock Exchange of Thailand.

10. In order to let the audit committee act its duties through its objectives, the audit committee shall have the following powers:
- (a) The power relating to the management;
The audit committee shall have its power to invite the management, chief of the unit or concerned employees for any meetings, declaration, giving an opinion or delivery the related and necessary documents.
 - (b) The power relating to the internal auditor;
 - 1) to co-ordinate and set the good understandings between the external auditors, the Board of Directors and the internal audit unit.
 - 2) to give an opinion to appoint, transfer, dismiss and propose the remuneration of chief of the internal audit unit.
 - 3) to guarantee the independence of the internal auditor.
 - 4) to determine the acts of internal audit unit under the governance and direct control of the audit committee.
 - (c) The power relating to the external auditor;
 - 1) to review and appraise the performance of the external auditor.
 - 2) to recommend the names of the external auditors as well as the annually auditing remuneration for the annual general shareholders' meeting's consideration.
 - 3) to determine other service fees and advisory fees of the external auditors.

- 4) whenever receiving the facts from the external auditors regarding doubtful behavior of Managing Director or concerned persons in doing faults, the audit committee shall report the initial investigation to the Securities Exchange Commission and the external auditors within 30 (thirty) days since the information date.

If the audit committee does not perform as the external auditors indicate, the external auditors shall inform to the Securities Exchange Commission.

- (d) Powers in other area;

The audit committee has the power to investigate concerned persons in the scope of its duties and responsibilities as well as to employ independent professional advisors when necessary.

Dividend Payment Policy

Dividend Payment Policy of the Company

According to the dividend pay-out policy of the company, the annual dividend pay-out shall not exceed 50% of the net profit after income tax. This policy may be revised depended on company operation, financial situation and future investment projects. When the Board of Directors has its resolution to pay the dividend, the resolution shall be put as an agenda and shall be approved by the shareholder's meeting.

<u>Year</u>	<u>Dividend per share (Baht)</u>	<u>Total Amount (Baht Million)</u>
2015	0.07	23.57
2014	0.60	32.87
2013	0.60	29.71
2012	0.10	4.95
2011	0.20	9.90

Remark In 2015, The Company has to change in the par value from Baht 5 per share to Baht 1 per share

Dividend Payment Policy of the subsidiary companies

➤ Taweewattana Logistics Company Limited

The subsidiary company does not fix dividend payment policy to shareholders. It will consider year by year according to its yearly net profit after corporate income tax.

➤ Thai Nam-Kyowa Company Limited

The subsidiary company does not fix dividend payment policy to shareholders. It will consider year by year according to its yearly net profit after corporate income tax.

<u>Year</u>	<u>Dividend per share (Baht)</u>	<u>Total Amount (Baht Million.)</u>
2015	1.50	6.00
2014	2.00	8.00
2013	3.75	15.00
2012	3.50	14.00
2011	3.50	14.00

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➤ TNV Plastics (Proprietary) Limited

The subsidiary company does not fix dividend payment policy to shareholders. It will consider year by year according to its yearly net profit after corporate income tax.

➤ T.N.P. Industry Company Limited

The subsidiary company does not fix dividend payment policy to shareholders. It will consider year by year according to its yearly net profit after corporate income tax.

Auditor's Remuneration

Auditing Fee

In the year 2015, auditing fee provided by the Company and its subsidiary companies was as follows:

(Baht)

Companies	Auditors	Fee in 2015	Fee in 2014	+ / - from 2015 (%)
☐ Thai Nam Plastic Public Company Limited	Mr. Thanawut Piboonsawat Dharmniti Auditing Co.,Ltd.	880,000.-	860,000.-	2.33
☐ Subsidiary Companies:				
- Taweewattana Logistics Company Limited	Mr. Thanawut Piboonsawat Dharmniti Auditing Co.,Ltd.	70,000.-	70,000.-	-
- Thai Nam-Kyowa Company Limited	Mr. Thanawut Piboonsawat Dharmniti Auditing Co.,Ltd.	270,000.-	270,000.-	-
- TNV Plastics Proprietary Ltd.	Mr. Thanawut Piboonsawat Dharmniti Auditing Co.,Ltd.	100,000.-	100,000.-	-
- T.N.P. Industry Company Limited	Mr. Thanawut Piboonsawat Dharmniti Auditing Co.,Ltd.	310,000.-	310,000.-	-
Total		1,630,000.-	1,610,000.-	1.24

Other Fee - None -

The Management

The Management as of 31st December 2015

Names		Position	Number of Shares Hold
			On 31 st December 2015
1. Mrs. Siriphorn	Mangkornkarn	Managing Director	8,635,045
2. Mr. Kong	Mangkornkarn	Executive Director	12,134,890
3. Mr. Kritasorn	Mangkornkarn	Executive Director	13,469,951
4. Mr. Viroat	Anantachotkakul	Assistant Managing Director	-
5. Mr. Pranot	Kotchabhakdi	Sales & Marketing Group Director	-
6. Mr. Suriya	Ruangsamret	R & D and QA Group Director	-
7. Mr. Hemsuwan	Padcha	Factory Group Director	-
8. Miss Apiradee	Tangsattit	Finance & Accounting Manager	151,525

The Management's Remuneration in the year 2015

- Total remuneration of the Management 17.20 Bath Million
- Forms of remuneration Salary and Bonus
- Other forms of remuneration Insurance, Health Insurance, Contribution to provident fund and Social security fund

Major Shareholders

Major Shareholders as of 31st December 2015

Names		Number of Shares hold	Percent
1	Group "Mrs. Siriphorn Mangkornkarn" (2)	46,511,326	14.56
2	Bangkok Bank Public Company Limited	31,351,994	9.81
3	Mr. Somsakul Asawacharoenthavorn	29,348,800	9.19
4	Mrs. Siriwan Sriphahol	15,590,229	4.88
5	Mr. Paisan Sumrangitdumrong	14,674,678	4.59
6	Miss Noi Saetang	14,451,557	4.52
7	Miss Umaphorn Sawangwan	12,163,541	3.81
8	Krung Thai Bank Public Company Limited	12,115,088	3.79
9	Mr. Makorn Suwanarpa	11,890,138	3.72
10	Mr. Kobkhun Thienpreecha	7,512,800	2.35
Sub-total		195,610,151	61.22
Other		123,906,290	38.78
Grand Total		319,516,441	100.00

Remark (1) Source: Thailand Securities Depository Co.,Ltd. (TSD)

(2) Group "Mrs. Siriphorn Mangkornkarn" including : Mr.Kong Mangkornkarn,
Mr. Kritasorn Mangkornkarn and Miss Piyatida Mangkornkarn

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Corporate Governance

The Board of Directors realises the importance of corporate governance in order to ensure that the Company has good and sound management which consists of efficiency, transparency and traceability. This is also to ensure that the shareholders, investors and stakeholders are treated fairly and equally according to the guidelines for corporate governance (CG) of Stock Exchange of Thailand. The Company has followed this guideline strictly and continuously.

From this commitment in applying guidelines for corporate governance continuously in the business management and operation of the Company, in 2015 the Company was assessed on the quality of organizing the general shareholder meeting according to the AGM checklist. The Company was rated “Very Good” by Securities and Exchange Commission together with the Thai Investors Association and Listed Companies Association.

Rights of Shareholders and Treatment of Shareholders

The Company realises the importance of the right of shareholders as the owner of the Company. It follows all the regulations and basic rights of the shareholder strictly as prescribed. The Company follows strictly the AGM checklist which stipulate how the general shareholder meeting should be organized e.g. right of the shareholders, right to give opinion and make important decisions together with the Company and easy access to the location of the meeting for instance. The AGM checklist guidelines is prepared by Securities and Exchange Commission (SEC) together with Thai Investor Association and Thai Listed Companies Association.

Additionally, the Company also disclosure important information on the Company website at www.thainam.com in Thai and in English in order that the shareholders all have access to the Company information and in this year the Board of Directors has set out the guidelines to promote the right of shareholders as follows:

- The Company has assigned Thailand Securities Depository Co., Ltd. Which is the registrar of the Company to circulate appointment for shareholder meeting with all the agenda, information and attachments 14 days prior the meeting day. The same information is also available both in Thai and in English on the Company website 30 days prior the meeting days in order to facilitate the shareholders for accessing the information.
- The Company will give chances for the minority shareholders to propose new agenda in the general shareholder meetings in advance and to nominate a suitable person to become director of the Company. The activities can be done through Stock Exchange of Thailand and through the Company website.
- In the announcement or invitation for the shareholder meeting, it must contain the following information e.g. agenda of the meeting, nomination of company directors, directors' compensation, appointment of the accounting auditor and remuneration and dividend payment where the Company shall give the appropriate reasons and facts to facilitate decision making of the shareholders.
- The Company shall follow the AGM checklist when organizing the general shareholder meeting. The Company shall announce the regulations and procedure for meeting including how to vote and procedure for proxy. The relevant documents and required form for proxy must be sent to shareholders along with the appointment for meeting prior the meeting

- The Company shall nominate at least one independent director to be a choice for shareholders for proxy.
- The Board of Directors shall allow any shareholder to exercise his right to nominate each company director individually as appeared in the proxy form sent to the shareholders.
- During the shareholder meeting, the Chairman of the Board shall introduce independent director(s) and directors including audit committee and accounting auditors. The Company executives shall be invited to join the meeting in case there is questions arised from the shareholders. The Chairman of the Board shall give shareholders chance to ask their question equally. All the questions and comments shall be recorded in the meeting report.
- The Company shall not have any policy to deprive the right of shareholders in accessing the Company information and participation in the shareholder meeting. These activities are for instance such as -not distributing additional important documents in the shareholder meeting abruptly, –not adding agenda of meeting, -not informing shareholders in advance when there is any change of information, –not depriving right of shareholders when he attends the meeting late.
- Board of Directors has set out preventive measures to prevent directors, executives and employees to use inside information of the Company for their own advantages or relevant persons.
- The Company secretary and his/her team is responsible to prepare shareholder meeting report which is complete both content and format. The report has to be sent to the Stock Exchange of Thailand and to be published in the Company website within 14 days from the date of shareholder meeting.
- The Board of Directors has set out the guidelines for disclosure of information for internal stakeholders e.g. directors, managing director etc. and set out the regulation to prevent these stakeholders to join the decision making process on the relevant agenda.
- In the shareholder meeting, the Company has to distribute the document for voting for the shareholder prior meeting session for voting in important agenda. These agenda are relevant transactions, any transaction related to acquiring or disposing of assets for instance. This is to give transparency and traceability in the meeting in case there is any dispute afterwards.

Roles of Stakeholders

The Company gives importance and fully preserves stakeholders' rights. Because of different expectations by each group of stakeholders e.g. internal which are employees both in the Company and its subsidiary companies and external which are customers, competitors, creditors, governmental bodies and other institutions. The Company has focused on their rights and benefits fairly and paid prudent attention to the satisfaction of stakeholders and ensured that its treatment do not cause others trouble or unfair actions. This will increase stability and for the Company in long run.

- **Shareholders**

The Company is committed to serving as a good representative of the shareholders by conducting transparent business, taking into account long-term growth in its value, providing good returns, and treating all shareholders fairly; The Company listens to shareholders' views and recommendations.

- **Employees**

The Company realises the importance of human resources as invaluable resources to drive the Company to the bright future, therefore the Company supports competency development for professional job performance, treats them fairly, provides welfare together with safe and sound workplaces, and compensation compatible with similar businesses. The Company makes sure that all the basic benefits are available for all levels of employees e.g. buses, canteen, uniforms, annual physical check-up etc.

Additionally, the employees may participate in setting the Company objectives together with management so that they realise their own importance and know which direction the Company is aiming to.

- **Customers**

The Company satisfies its customers by keeping its promises and delivering quality and punctual services under fair pricing; The Company shares views with their customers to foster maximum mutual interests and does not collude with competitors on prices.

- **Competitors**

The Company observes free-market business competition, promotes free trade, observe rules in line with its code of conduct, and observes the law; The Company refrains from inappropriate behavior that could lead to the detriment of competitors.

- **Communities and Environment**

The Company takes prudent business conduct most seriously while avoiding causing impacts on communities, society, and the environment through taking efficient measures - apart from strict observance of laws and regulations e.g. Department of Industrial Works, Ministry of Industry, pollution Control Department, Ministry of Natural Resources and Environment.

The Company also supports surrounding communities' activities e.g. giving scholarship for good students but financially handicapped, joining children day activities at the school within the community.

The Company has never been involved in such disputes in 2015.

Disclosure on Information and Transparency

The Company give importance to the disclosure of information and company information including financial information and news on the basis of correctness, completeness, consistency, and transparency of information. This is according to regulations set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Anybody can access to the information easily and equally. Details are as follows:

- The Company information is disclosed in (56-1 form) and annual report (56-2 form) according to the regulation from by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

- The Board of Directors is responsible for the validity and correctness of the financial statement and financial reports of the Company which is prepared according to the generally accepted accounting standard. The accounting policy is selected suitably to the business of the Company with consistency and due diligence. The financial statements must disclose sufficient important information in the annexes to the financial statements. The financial statements have to be certified by accounting auditor where the audit committee is responsible for the quality of the financial statements.
- The Company has to disclose any important information both in Thai and in English on the Company website. The information has to be updated periodically.
- The Company has assigned the following persons to be responsible for communication with shareholders, investors including analysts and other concerning government institutions:

Miss Somsuan Khondon

Secretary Company

Telephone No. (66 2) 810 3935

Fax No. (66 2) 810 3933, 02 420 1827

E-mail : somsuank@hotmail.com, somsuank@thainam.com

Responsibilities of the Board of Directors

□ Structure of the Board of Director

- The Board of Directors consists of 9 persons. There are 3 directors who are executives and there are 3 directors who are not executives. Additionally, there are 3 independent directors and 3 appointed independent directors to be audit committee. The names are listed on page 109-111 of this annual report.
- The selection process for the directors of the Company does not go through the selection committee because the selection committee has not been set up. However, the Board of Directors gives opportunity for any minority shareholder to nominate any suitable person according to become director as prescribed by regulations and guidelines from the Stock Exchange of Thailand. This information shall be informed to the shareholders through the information channel of the Stock Exchange of Thailand and on the Company website.
- Each member of the Board of Directors is qualified and eligible to become the Company director as required by the Company, the Stock Exchange of Thailand and the law. The Board of Directors consists of group of people who have good education background, experience and abilities where they come from different backgrounds and occupations. This multi-disciplinary team of director is beneficial to the business of the Company.
- There are 3 independent directors in the Company or one-third of the total number of directors in the board as the set out by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- The definition of independent director(s) as defined by the Company has met the minimum requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) in term of the number of shares hold by the independent director within the company. An Independent director shall not have more than 5 per cent of the number of shares that can be voted.

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- Any high-ranking executive who is going to be elected to be a director in the subsidiary company has to be approved from the Board of Director.
- This position provides advice on laws and regulations that the Board needs to be aware of, supervises Board activities, coordinates compliance with Board resolutions, and performs other responsibilities under the principles defined by securities and exchange laws. Additionally, the company secretary is a full-time employee.

❑ The Sub-Committee

- The Company Board of Directors has appointed a sub-committee to work on examination and scrutiny in some assignments as necessary in certain situation. Currently, there is only Audit Committee who is all independent directors.

❑ Roles of the Board of Directors

- The Board endorses and approves significant matters dealing with Company business, including vision, missions, strategy, financial goals and budget as well as the corporate governance apart from efficiently and effectively supervising the management's operation against plans.
- The Board also ensures sound internal control system, internal audit system including efficient risk management and always follows up in the Board's meeting.

❑ Corporate Governance Policy and Business Ethics

- The Company performs its duty following the defined business ethics in order to communicate every employee to understand its standard performance of the Company as expected by its shareholders. The Board declares the business ethics among the shareholders, clients, employees, suppliers, competitors, society and the environment including the declaration of ethics to its employees so that the employees should follow and practice among themselves, the related persons, the organization and its society.

❑ Items that may have conflict of interest

- The Board, the management and its shareholders have considered and thoroughly organized system to get rid of the conflict of interest with trust and independency in the frame of good ethics as well as to completely disclose the information.

❑ Internal Control and Risk Management

- The Company has established, revise and develop the internal control system continuously. This includes financial control and monitoring process including the assessment of internal control system.
- The board gives the importance on risk management. Each executive from each departmental function has to assess risk of each function and scope of work in order to make sure that all the risk assessments are all well covered. The organization has preventive measures and mechanism to handle risks.

❑ Board Meeting

- Each director may express their view and opinion independently. When the number of votes are equal, chairman of the board may exercise his right to vote arbitrarily.
- Chairman of the board will consider the agenda for the board meeting and each board member may add new agenda to the board meeting.
- The Company secretary will make an appointment for the board meeting where the agenda and meeting paper is enclosed 7 days prior the meeting date so that the directors have enough time to study.
- The board meeting reports which are approved by the board meeting are kept by the Company secretary and are readily investigated by any board member. The reports cannot be modified without the approval from the board meeting.
- In 2015, the Company scheduled the board meeting of 8 times. The number of meetings held in advance of the date time and place each year to each director can arrange their schedules to attend simultaneously.

❑ Directors' Remuneration

- Directors' remuneration is defined clear and transparent at the suitable rate with the resolution of the Annual Ordinary Shareholders' Meeting. Directors who are assigned as audit committee members also has additional remuneration at proportional rate.
- In 2015, the Company paid director's remuneration as declared in the 56-1 form and the Company annual report (56-2 form).
- The Company has no remuneration committee. So, the performance assessment of Chief Executive Officer (CEO) or Managing Director each year is depended on the Board of Directors' duty to make the decision under the condition that CEO or Managing Director is not present in the meeting.

❑ Training and Development for Directors and Executives

- The Company has policy to promote and support the Directors to develop knowledge by attending the Directors training course at the Thailand Institute of Directors (IOD) and other training courses to increase awareness of their roles and to give knowledge about the business of the Company.
- Additionally, the Company also promote its executives and related person to develop their knowledge such as the Company secretary, the internal audit officer etc by always supporting them to attain the related courses in order to increase their knowledge and other new technology.

❑ Succession Plan

- The company has planned for the succession of work by appointing the personnel who have knowledge, competency and experience to take a position of the top executive that can succeed to the company's management appropriately in the future.

Corporate Social Responsibilities : CSR

The company gives priority to Corporate Social Responsibility which emphasizes on conducting both corporate activities and social activities continually and also realizes for social responsibilities throughout 46 years of our business operation by using the good principle of corporate governance to define the business management policy of the company effectively, unambiguously and verifiably. The company also supports activities that are beneficial for society all the time. The company has operated according to 8 CSR guidelines as follows:

1. Operating the business with fairness
2. Anti-corruption
3. Respecting human rights
4. Treating labor fairly
5. Being responsible to consumers
6. Caring for the environment
7. Joining in developing communities and society
8. Creating and promoting innovations that were achieved through operations that are responsible to society, the environment and stakeholders

The company has been using such 8 CSR guidelines as the framework for business operation as well as to support the interested persons which consist of shareholders, employees, customers, communities, society and environment to be developed with sustainable growth as follows:

Shareholders

The company has made the written Corporate Governance Policy including handbooks of Business Ethics and Code of Conduct in order that the committees, executives and employees can impel our business to be operated according to the framework of the fair covenant and to guard the legal rights of all interested persons.

Employees

The company has the policy of caring and practicing for all employees as if they are members of the same family by treating them equally and fairly as well as providing remuneration and various fringe benefit properly in order to develop for the better quality of lives of all employees.

Customers

The company is concentrated in creating the greatest satisfaction for customers by producing the products with the world class standard quality which are in accordance with the customers' demand and provide the delivery service as the specified time and place. The company gives priority to consumers' privilege and stands for the honesty and fairness for both quality and price of products.

Community, Society and Environment

The company places importance on quality of life and community's environment by creating the good relationship along with community and society development. The company has arranged the social activities in the nearby community continuously. In the year 2015, the company had given the scholarship and arranged activities on a National Children's Day for students of various schools in Samut Sakhon Province in order to support children's education and to strengthen their quality of lives as well as an arrangement of activity to support and maintain the religion which the company and employees have together joined with the temples in the nearby community to present robes to monks at the end of Buddhist Lent every year.

The company has realized for the importance of environment conservation all the time which the company has improved the production process and used non-toxic raw materials that can meet with the customers' demand. Furthermore, the company also indoctrinates all employees to take part in environment conservation and using energy worthily which leads to the way of practice for environment conservation with the project of energy conservation to support and indoctrinate employees in using energy and resources of corporation economically, efficiently and with value appreciation.

Anti-corruption

The company has been operating business with responsibility, unambiguity, equality and fairness with every interested persons by defining as an important topic in handbooks of Business Ethics and Code of Conduct in order to be the operation guidelines for the company's executives and employees. In addition, the company also prepares for consideration to declare for our intention to join a project of Private Sector Collective Action Coalition Against Corruption further.

Related Transactions

Details of the related transactions between the Company, the subsidiary companies were appeared in the Notes to financial statements item 22.

Reference Persons

1. Custodian

Thailand Securities Depository Co., Ltd.
14 floor, Stock Exchange of Thailand Building
93 Rachadapisek Road, Dindaeng,
Dindaeng, Bangkok 10400
Tel. : (66 2) 009 9000
Fax : (66 2) 009 9992

2. Auditor

Mr. Thanawut Piboonsawat
Certified Public Account No. 6699
Dharmniti Auditing Co.,Ltd.
267/1 Pracharaj Sai 1 Road, Bangsue,
Bangkok 10800
Tel. : (66 2) 587 8080
Fax : (66 2) 586 0301

3. Lawyer

Mr. Teerasak Ch.Rojprasert
Chom Thong 47 Lawyer and Accounting Office
43/55 Soi Wutakard 47 Railway side Road,
Bangkaw, Khet Chom Thong, Bangkok
Tel. : (66 2) 875 6026-7
Fax : (66 2) 875 6028

4. Company Secretary

Miss Somsuan Khondon
Thai Nam Plastic Public Company Limited
40 Moo 7, Petchakasem Road, K.M. 23, Omnoi,
Amphur Kratumban, Samutsakorn Province 74130
Tel. : (66 2) 810 3935, 8103000 # 185
Fax : (66 2) 810 3933, 420 1827, 420 5055

Report of The Auditor

To The Shareholders and Board of Directors of Thai Nam Plastic Public Company Limited

I have audited the accompanying financial statements of Thai Nam Plastic Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and the separate financial statements of Thai Nam Plastic Public Company Limited which comprise the statement of financial position as at December 31, 2015, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the consolidated financial statements of Thai Nam Plastic Public Company Limited and its subsidiaries and the separate financial statements of Thai Nam Plastic Public Company Limited referred to above present fairly, in all material respects, the financial position as at December 31, 2015, and the financial performance and the cash flows for the year then ended in accordance with the Financial Reporting Standards.

Emphasis of Matter

I draw attention to Note 1.3 to the financial statements. Two subsidiary companies had incurred continuous operation losses. As at December 31, 2015 and 2014, current liabilities were higher than current assets and deficits were significant amounts. These factors indicate the existence of material uncertainties which cast significant doubt over these subsidiaries' ability to operate and continue as a going concern.

My opinion to the financial statements is not qualify in respect of these matters.



(Mr. Thanawut Piboonsawat)

Certified Public Accountant

Registration No. 6699

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 25, 2016

2016/0111/0327

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

		ASSETS			
		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2015	2014	2015	2014
Current assets					
Cash and cash equivalents	4	37,047,696.73	39,081,085.43	1,122,455.63	1,195,978.10
Trade and other accounts receivable					
Related parties	5, 22	-	-	154,950,841.71	112,967,451.12
Other companies	6	180,415,164.69	218,927,914.50	116,687,565.45	152,312,041.91
		180,415,164.69	218,927,914.50	271,638,407.16	265,279,493.03
Short-term loans to related parties	7, 22	-	-	6,484,265.34	54,004,201.33
Inventories	8	383,331,048.37	384,099,506.49	326,623,283.56	341,944,843.13
Other current assets	9	7,147,052.78	4,701,716.51	2,082,781.61	3,543,237.84
Total current assets		607,940,962.57	646,810,222.93	607,951,193.30	665,967,753.43
Non-current assets					
Investments in subsidiaries	10	-	-	24,280,871.58	24,280,871.58
Other long-term investment	11	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Property, plant and equipment	12	377,816,614.64	407,966,826.60	528,367,802.06	561,698,495.20
Deferred tax assets	13	147,220,069.26	116,646,921.64	89,730,146.10	75,024,958.73
Other non-current assets		306,566.05	870,566.05	96,781.05	648,781.05
Total non-current assets		526,343,249.95	526,484,314.29	643,475,600.79	662,653,106.56
TOTAL ASSETS		1,134,284,212.52	1,173,294,537.22	1,251,426,794.09	1,328,620,859.99

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

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THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2015

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2015	2014	2015	2014
Current liabilities					
Bank overdraft and short-term loans from financial					
institutions	14	211,900,192.37	150,040,327.81	211,894,477.57	150,040,327.81
Trade and other account payable					
Related parties	22	-	-	2,091,427.16	737,155.17
Other companies		118,289,569.08	164,637,345.53	114,169,046.34	157,810,478.19
		118,289,569.08	164,637,345.53	116,260,473.50	158,547,633.36
Current portion of long-term liabilities					
Long-term loans from financial institution	16	68,000,000.00	96,000,000.00	68,000,000.00	96,000,000.00
Finance lease agreement	17	-	238,179.45	-	238,179.45
Income tax payable		9,804,177.08	11,150,510.43	9,804,177.08	11,150,510.43
Other account payable		4,431,709.71	5,299,115.08	4,260,807.96	5,155,278.91
Total current liabilities		412,425,648.24	427,365,478.30	410,219,936.11	421,131,929.96
Non-current liabilities					
Long-term loans from financial institution	16	29,517,718.27	81,517,718.27	29,517,718.27	81,517,718.27
Employee benefit obligation	18	67,378,902.69	70,634,997.45	60,626,374.49	64,509,150.58
Non-current liabilities		603,215.44	603,215.44	603,215.44	603,215.44
Total non-current liabilities		97,499,836.40	152,755,931.16	90,747,308.20	146,630,084.29
TOTAL LIABILITIES		509,925,484.64	580,121,409.46	500,967,244.31	567,762,014.25

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

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

The Leading Company for Plastic Products in Thailand

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2015

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2015	2014	2015	2014
Shareholders' equity					
Share capital	19				
Authorized share capital					
319,526,925 ordinary shares, Baht 1.00 each		319,526,925.00		319,526,925.00	
59,909,612 ordinary shares, Baht 5.00 each			299,548,060.00		299,548,060.00
Issued and fully paid-up share capital					
319,516,441 ordinary shares, Baht 1.00 each		319,516,441.00		319,516,441.00	
59,909,413 ordinary shares, Baht 5.00 each			299,547,065.00		299,547,065.00
Retained earnings					
Appropriated					
Legal reserve		27,231,641.00	27,231,641.00	27,231,641.00	27,231,641.00
Unappropriated		219,858,540.93	205,663,467.20	403,711,467.78	434,080,139.74
Other components of equity		34,438,348.89	33,754,294.52	-	-
TOTAL EQUITY ATTRIBUTABLE TO OWNERS					
OF THE PARENT		601,044,971.82	566,196,467.72	750,459,549.78	760,858,845.74
NON-CONTROLLING INTERESTS		23,313,756.06	26,976,660.04	-	-
TOTAL SHAREHOLDERS' EQUITY		624,358,727.88	593,173,127.76	750,459,549.78	760,858,845.74
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,134,284,212.52	1,173,294,537.22	1,251,426,794.09	1,328,620,859.99

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

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

The Leading Company for Plastic Products in Thailand

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2015

		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2015	2014	2015	2014
Revenues					
Revenue from sales	22	1,020,009,909.10	1,129,166,773.56	987,070,754.30	1,086,128,027.46
Dividend incomes	22	-	-	3,000,001.50	4,000,002.00
Other incomes	22	8,381,442.66	12,735,362.01	26,886,567.88	23,288,572.72
Total revenues		1,028,391,351.76	1,141,902,135.57	1,016,957,323.68	1,113,416,602.18
Expenses					
Cost of sales	22	801,426,612.15	918,336,059.63	780,289,479.02	872,746,695.87
Selling expenses		36,377,206.13	37,345,268.20	29,382,589.20	29,287,297.99
Administrative expenses	22	156,353,234.55	155,284,496.91	107,934,245.45	112,258,989.91
Doubtful debt (reversal)		894,637.36	(1,934,922.58)	84,810,796.28	70,570,742.50
Finance costs		18,231,202.90	24,462,220.07	18,161,955.42	24,424,101.07
Total expenses		1,013,282,893.09	1,133,493,122.23	1,020,579,065.37	1,109,287,827.34
Profit (loss) before income tax (tax income)		15,108,458.67	8,409,013.34	(3,621,741.69)	4,128,774.84
Tax expense (income)	24	(18,359,530.51)	19,434,199.96	6,907,402.94	23,528,979.68
Profit (loss) for the year		33,467,989.18	(11,025,186.62)	(10,529,144.63)	(19,400,204.84)
Other comprehensive income					
Item that will not be reclassified to profit or loss :					
Actuarial gain (losses) on define					
employee benefit plans	18	4,535,685.00	1,836,952.00	4,656,052.00	1,470,157.00
Income tax relating to item that will not be					
reclassified	24	(907,137.00)	(367,390.40)	(931,210.40)	(294,031.40)
		3,628,548.00	1,469,561.60	3,724,841.60	1,176,125.60
Item that may be reclassified subsequently to profit or loss :					
Currency translation differences of the financial					
statements of foreign subsidiary		684,054.37	13,307,527.52	-	-
		684,054.37	13,307,527.52	-	-
Other comprehensive income for the year, net of tax		4,312,602.37	14,777,089.12	3,724,841.60	1,176,125.60
Total comprehensive income (loss) for the year		37,780,591.55	3,751,902.50	(6,804,303.03)	(18,224,079.24)

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

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

The Leading Company for Plastic Products in Thailand

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2015	2014	2015	2014
Profit (loss) attributable to					
Owners of the parent		34,058,995.50	(9,336,744.17)	(10,529,144.63)	(19,400,204.84)
Non-controlling interests		(591,006.32)	(1,688,442.45)	-	-
		<u>33,467,989.18</u>	<u>(11,025,186.62)</u>	<u>(10,529,144.63)</u>	<u>(19,400,204.84)</u>
Total comprehensive income (loss) attributable to					
Owners of the parent		38,443,497.03	5,440,344.95	(6,804,303.03)	(18,224,079.24)
Non-controlling interests		(662,905.48)	(1,688,442.45)	-	-
		<u>37,780,591.55</u>	<u>3,751,902.50</u>	<u>(6,804,303.03)</u>	<u>(18,224,079.24)</u>
Basic earnings (loss) per share	25				
Attributable to owners of the parent		<u>0.11</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.06)</u>

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

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

The Leading Company for Plastic Products in Thailand

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2015

		Baht							
		Consolidated financial statements							
		Equity attributable to owners of the parent				Non - controlling	Total		
		Ordinary shares, issued and paid-up	Retained earnings		Other components of equity	interests	Shareholders' equity		
			Appropriated legal reserve	Unappropriated	Currency translation differences of the financial statements of foreign subsidiary	Total equity attributable to owners of the parent			
Note									
		Beginning balance as at January 1, 2014	272,316,410.00	27,231,641.00	246,208,618.97	20,446,767.00	566,203,436.97	32,665,100.49	598,868,537.46
	19	Increase in share capital	27,230,655.00	-	-	-	27,230,655.00	-	27,230,655.00
	20	Dividend	-	-	(32,677,969.20)	-	(32,677,969.20)	(3,999,998.00)	(36,677,967.20)
		Total comprehensive income (expense) for the year							
		Profit (loss) for the year	-	-	(9,336,744.17)	-	(9,336,744.17)	(1,688,442.45)	(11,025,186.62)
		Other comprehensive income for the year, net of tax							
		Gains from changing actuarial estimates	-	-	1,469,561.60	-	1,469,561.60	-	1,469,561.60
		Exchange difference on translating financial statements	-	-	-	13,307,527.52	13,307,527.52	-	13,307,527.52
		Ending balance as at December 31, 2014	299,547,065.00	27,231,641.00	205,663,467.20	33,754,294.52	566,196,467.72	26,976,660.04	593,173,127.76
	19	Increase in share capital	19,969,376.00	-	-	-	19,969,376.00	-	19,969,376.00
	20	Dividend	-	-	(23,564,368.93)	-	(23,564,368.93)	(2,999,998.50)	(26,564,367.43)
		Total comprehensive income (expense) for the year							
		Profit (loss) for the year	-	-	34,058,995.50	-	34,058,995.50	(591,006.32)	33,467,989.18
		Other comprehensive income for the year, net of tax							
		Gains (loss) from changing actuarial estimates	-	-	3,700,447.16	-	3,700,447.16	(71,899.16)	3,628,548.00
		Currency translation differences	-	-	-	684,054.37	684,054.37	-	684,054.37
		Ending balance as at December 31, 2015	319,516,441.00	27,231,641.00	219,858,540.93	34,438,348.89	601,044,971.82	23,313,756.06	624,358,727.88

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

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

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THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

		Baht			
		Separate financial statements			
		Ordinary shares, issued and paid-up	Retained earnings Appropriated legal reserve	Unappropriated	Total Shareholders' equity
	Note				
Beginning balance as at January 1, 2014		272,316,410.00	27,231,641.00	484,982,188.18	784,530,239.18
Increase in share capital	19	27,230,655.00	-	-	27,230,655.00
Dividend	20	-	-	(32,677,969.20)	(32,677,969.20)
Total comprehensive income (expense) for the year					
Profit (loss) for the year		-	-	(19,400,204.84)	(19,400,204.84)
Other comprehensive income for the year, net of tax					
Gains from changing actuarial estimates		-	-	1,176,125.60	1,176,125.60
Ending balance as at December 31, 2014		299,547,065.00	27,231,641.00	434,080,139.74	760,858,845.74
Increase in share capital	19	19,969,376.00	-	-	19,969,376.00
Dividend	20	-	-	(23,564,368.93)	(23,564,368.93)
Total comprehensive income for the year					
Profit (loss) for the year		-	-	(10,529,144.63)	(10,529,144.63)
Other comprehensive income for the year, net of tax					
Gains from changing actuarial estimates		-	-	3,724,841.60	3,724,841.60
Ending balance as at December 31, 2015		319,516,441.00	27,231,641.00	403,711,467.78	750,459,549.78

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

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

The Leading Company for Plastic Products in Thailand

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit (loss) for the year	33,467,989.18	(11,025,186.62)	(10,529,144.63)	(19,400,204.84)
Reconciliations of net income to net cash provided by (used in) operating activities:				
Increase (decrease) in allowance for doubtful accounts	894,637.36	(1,934,922.58)	84,810,796.28	70,570,742.50
Increase (decrease) in allowance for obsolete inventories	22,968,320.05	30,537,145.73	22,026,697.14	28,285,069.45
Depreciation and amortized	52,338,956.94	55,488,001.70	51,154,394.20	53,177,225.10
(Gains) loss on disposal of fixed assets	1,717,010.43	841,883.91	2,213,177.98	658,413.65
Unrealized (gain) loss on exchange rate	497,945.70	3,589,627.90	(14,506,324.95)	(507,728.10)
Interest income	(262,838.99)	(302,718.50)	(43,758.99)	(8,447,039.75)
Withholding tax written-off	187,366.63	56,846.18	-	-
Employee benefit expense	5,618,945.99	5,852,949.01	4,996,507.00	5,196,540.01
Dividend income from subsidiary	-	-	(3,000,001.50)	(4,000,002.00)
Finance costs	18,231,202.90	24,462,220.07	18,161,955.42	24,424,101.07
Tax expense (tax income)	(18,359,530.51)	19,434,199.96	6,907,402.94	23,528,979.68
Profit provided by operating activities before changes in operating assets and liabilities	117,300,005.68	127,000,046.76	162,191,700.89	173,486,096.77
(Increase) decrease in operating assets				
Trade and other account receivable	33,665,445.29	(8,992,876.45)	(31,612,407.29)	(22,330,334.81)
Inventories	(25,597,625.12)	30,694,472.68	(6,705,137.57)	29,827,714.00
Other receivable and current assets	728,110.55	2,618,474.48	1,460,456.23	1,703,584.03
Other non-current assets	564,000.00	12,000.00	552,000.00	-
Increase (decrease) in operating liabilities				
Trade and other accounts payable	(46,381,411.89)	(23,799,882.74)	(42,320,798.97)	(24,235,899.17)
Other current liabilities	(867,405.37)	53,766.45	(894,470.95)	131,564.67
Employee benefit obligation	(4,339,353.75)	(4,144,656.00)	(4,223,231.09)	(4,144,656.00)
Cash received from operations	75,071,765.39	123,441,345.18	78,448,111.25	154,438,069.49
Interest income received	262,838.99	302,718.50	43,758.99	43,752.12
Income tax expense paid	(24,125,492.58)	(27,323,762.21)	(23,890,134.06)	(26,523,172.91)
Net cash provided by operating activities	51,209,111.80	96,420,301.47	54,601,736.18	127,958,648.70

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

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THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Dividend received from investment in subsidiary company	-	-	3,000,001.50	4,000,002.00
Increase (decrease) in short-term loan to related company	-	-	3,045,700.00	(13,950,784.18)
Cash receipts from disposal of fixed assets	9,345.79	-	227,421.68	551,828.44
Cash payments for purchase of fixed assets	(28,022,829.35)	(22,687,545.77)	(20,393,682.08)	(19,999,390.06)
Net cash used in investing activities	(28,013,483.56)	(22,687,545.77)	(14,120,558.90)	(29,398,343.80)
Cash flows from financing activities				
Increase (decrease) in bank overdraft and short-term loan from financial institutions	61,430,982.22	23,703,078.23	61,425,267.42	23,771,869.00
Cash payments for repayment of long-term loan from financial institutions	(80,000,000.00)	(92,000,000.00)	(80,000,000.00)	(92,000,000.00)
Cash payments for repayment of liabilities under finance lease agreements	(238,179.45)	(295,832.52)	(238,179.45)	(295,832.52)
Dividend paid	(3,559,217.19)	(5,447,314.20)	(3,559,217.19)	(5,447,314.20)
Dividend paid for non-controlling interest	(2,999,998.50)	(3,999,998.00)	-	-
Interest expense paid	(18,251,818.01)	(24,462,220.07)	(18,182,570.53)	(24,424,101.07)
Net cash used in financing activities	(43,618,230.93)	(102,502,286.56)	(40,554,699.75)	(98,395,378.79)
Net increase (decrease) in cash and cash equivalents	(20,422,602.69)	(28,769,530.86)	(73,522.47)	164,926.11
Cash and cash equivalents - beginning of year	37,047,696.73	55,385,210.07	1,195,978.10	1,031,051.99
Effect of translation adjustment on foreign currency financial statements	18,389,213.99	12,465,406.22	-	-
Cash and cash equivalents - ending of year	35,014,308.03	39,081,085.43	1,122,455.63	1,195,978.10
Supplement disclosures of cash flows information				
1. Reconciliation of cash paid for acquisition of property, plant and equipment				
Acquisition of plant and equipment for the year	(27,893,447.99)	(21,786,763.89)	(20,264,300.72)	(19,098,608.18)
Increase (decrease) in payable from acquisition of assets	(129,381.36)	(900,781.88)	(129,381.36)	(900,781.88)
Cash payments for acquisition of plant and equipment	(28,022,829.35)	(22,687,545.77)	(20,393,682.08)	(19,999,390.06)
2. Non-cash transaction				
- Stock dividend	19,969,376.00	27,230,655.00	19,969,376.00	27,230,655.00
- Received from short-term loan to related company by transfer the land and plant	-	-	-	78,630,000.00

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

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The Leading Company for Plastic Products in Thailand

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

1. GENERAL INFORMATION

1.1 Legal status and address of the Company and its subsidiaries

The Company had registered to be a limited company on May 25, 1970. The Company's status had been changed to be the public company limited and registered with the Ministry of Commerce on February 7, 1992.

The address of its registered office is as follows:

Head office is located at 40 Moo 7, Petchkasem Road, KM.23, Omnoi, Kratumban, Samutsakorn 74130 Thailand.

The four addresses of its subsidiaries are as follows:-

Direct shareholding

- (1) Taweewattana Logistics Company Limited had registered to be a limited company on November 6, 2007. Its head office is located at 40 Moo 7, Petchkasem Road, KM.23, Omnoi, Kratumban, Samutsakorn 74130 Thailand.
- (2) Thai Nam-Kyowa Company Limited had registered to be a limited company on January 24, 2002. Its head office is located at 40 Moo 7, Petchkasem Road, KM.23, Omnoi, Kratumban, Samutsakorn 74130 Thailand. The branch office is located at 89/1 Moo 4, Bangpla Road, K.M. 3, Bankoh, Samutsakorn 74000 Thailand.
- (3) T.N.P. Industry Company Limited had registered to be a limited company on November 3, 1983. Its head office is located at 87/9 Bangpla Road, Bankoh, Samutsakorn 74000 Thailand.

Indirect shareholding

- (4) TNV Plastics (Proprietary) Limited had registered in South Africa. Its head office is located at 1106 Courtyard Gants Centre Building, Somerset West 7140, South Africa.

1.2 Nature of the Company's operations

Its main business operations are the production and distribution of flexible plastic, synthetic leather and car mat

Its subsidiaries operate business as follows :-

Direct shareholding

- (1) Taweewattana Logistics Company Limited, its business operation is a distributor all kinds of plastic.
- (2) Thai Nam-Kyowa Company Limited, its business is a manufacturing and distributing of PVC, Foam sheet, PP foam leather and TPO (Thermo plastic olefin).
- (3) T.N.P. Industry Company Limited, its business is a manufacturing and distributing of rigid PVC.

Indirect shareholding

- (4) TNV Plastics (Proprietary) Limited, its business operation is an importer and exporter of polyvinyl chloride products (PVC).

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1.3 Going concern of two subsidiary companies

Two subsidiary companies had incurred continuous operation losses, As at December 31, 2015 and 2014, current liabilities were higher than current assets and deficits were significant amounts. These factors indicate the existence of material uncertainties which cast significant doubt over these subsidiaries' ability to operate and continue as a going concern. However, the management has a plan to solve the problem by adjusting the plan and production process to control product manufacturing costs including finding marketing channels to increase sale. The Company will provide financial support to both subsidiaries. The above event has caused the uncertainty situation of going concern to be relieved. Therefore, these financial statements are prepared on the going concern basis. Accordingly, they do not include any adjustments relating to the recoverability of the carrying value of assets and reclassification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for the preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

2.2 Basis for the preparation of consolidated financial statements

2.2.1 The consolidated financial statements have included the financial statements of Thai Nam Plastic Public Company Limited and its subsidiaries as follows:-

Company name	Type of business	Percentage of holding		Country of Establishment
		2015	2014	
Direct shareholding				
Taweewattana Logistics Co., Ltd.	Selling of PVC	99.99	99.99	Thailand
Thai Nam-Kyowa Co., Ltd.	Production of PVC, Foam sheet, PP foam leather and TPO	50.00	50.00	Thailand
TNV Plastics (Proprietary) Limited	Operations of PVC and manufacture of PVC	100.00	100.00	South Africa
Indirect shareholding				
T.N.P. Industry Co., Ltd.	Production and sale of rigid PVC	99.29	99.29	Thailand

บริษัทชั้นนำด้านผลิตภัณฑ์พลาสติกในประเทศไทย

The Leading Company for Plastic Products in Thailand

- 2.2.2 The consolidated financial statements are prepared by using uniform accounting policies. So that the transaction and the others event which are the same or the similar circumstances have been used the identical policies to record those transaction.
- 2.2.3 The financial statements of an overseas subsidiary is translated into Thai Baht at the closing exchange rate as to assets and liabilities, and at monthly average exchange rates as to revenues and expenses. The resultant differences have been shown under the caption of “Currency translation changes of the financial statements of foreign entity” in shareholders’ equity.
- 2.2.4 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- 2.2.5 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The new and revised accounting standards are not yet effective in the current year
- The Federation of Accounting Professions (FAP) has issued Notifications to mandate the new and revised accounting standards, financial reporting standards, and interpretations of accounting and financial reporting standards.
- These new and revised accounting standards which are effective for the fiscal year beginning on or after January 1, 2015 are as follows :-

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

TAS 40 (revised 2014)	Investment Property
TFRS 2 (revised 2014)	Share-based Payment
TFRS 3 (revised 2014)	Business Combinations
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2014)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement
TSIC 10 (revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2014)	Operating Leases - Incentives
TSIC 25 (revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2014)	Service Concession Arrangements: Disclosure
TSIC 31 (revised 2014)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (revised 2014)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2014)	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyper inflationary Economics
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2014)	Service Concession Arrangements
TFRIC 13 (revised 2014)	Customer Loyalty Programmes
TFRIC 14 (revised 2014)	IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2014)	Transfers of Assets from Customers
TFRIC 20 (revised 2014)	Stripping Costs in the Production Phase of a Surface Mine

The management of the Company and its subsidiaries has assessed the effect of the above accounting standards, financial reporting standard, accounting standard interpretations and financial reporting standards interpretations, and believe that do not have any significant impact on the financial statements for the current year.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue and expenses recognition

The Company and its subsidiaries recognizes the revenues on sales when significant risks and rewards of ownership of the goods are transferred to the buyer. The revenues on sales are recorded on invoicing price net of output tax, rebate and discounts.

The Company recognizes the revenues from rendering services when the services are rendered.

The Company and its subsidiaries recognized the interest income on the period and accrual basis.

The Company and its subsidiaries recognized other income and expenses on the accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

3.3 Trade accounts receivable and others receivable

Trade and other accounts receivable (including balances with related parties) are initially recognized by the invoice amount and subsequently measured at the remaining amount less an allowance for doubtful accounts (if any) based on a review of all outstanding amounts at year end. The allowance for doubtful accounts is the difference between the carrying amount of trade accounts receivable and the amount expected to be collectible. Bad debts are immediately recognized in the income statement as part of administrative expenses.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Allowances made are based on historical write-off patterns and the aging of accounts receivable. Bad debts are written off when incurred.

3.4 Inventories

Inventories are presented at the lower of cost or net realizable value, cost of inventories is calculated as follow :-

- Raw material has calculated cost by moving average method.
- Finished good, work in process and maintenance and factory supplies have calculated cost by first in - first out method.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of conversion above include an appropriate share of production overheads based on normal production capacity.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties, transportation charges and other direct costs incurred in acquiring the inventories less all trade discounts, allowances or rebates.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete production and the estimated costs to complete the sale.

Allowance for obsolete stocks is set up based on the outstanding inventories balance at the end of year which estimated from consideration of states and quality of inventories.

3.5 Investment in subsidiaries

Subsidiaries are entities over which the Company has the power to control their financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The financial statements of the subsidiaries are consolidated from the date the Company exercises control over the subsidiaries until the date that control power ceases.

Investment in subsidiaries in separate financial statement

Investment in subsidiary is accounted for under the cost method less allowance for impairment loss on the investment, (if any). The Company recognizes impairment loss (if any) on the investment in the statement of comprehensive income.

3.6 Property, plant and equipment and depreciation

Land is stated at cost.

Plant and equipment are stated at cost less accumulated depreciation and impairment loss (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company.

Allowance for impairment loss of assets will be made when there is any event or circumstance indicating that the recoverable values of these assets are less than their carrying values.

Expenditure incurred in addition, renewal or betterment are recorded add in involve fixed asset, if it is certainly probable the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Repair and maintenance costs are recognized as an expense when incurred.

Depreciation is calculated by cost less residual value on the straight-line method over the estimated useful life of the assets as follows :-

Land improvement	10 years
Building and building improvement	10 - 20 years
Machinery and equipment	5 - 12 years
Utility system	10 years
Office equipment and equipment and tools	2-5 years
Vehicles	5 years

The Company and its subsidiaries has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income. No depreciation is provided on land, construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

3.7 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

3.8 Impairment of assets

As at the statement of financial position date, the Company assesses whether there is an indication of asset impairment. If any such indication exists, the Company will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell.

3.9 Trade accounts payable and others payable

Trade and other accounts payable (including balances with related parties) are stated at cost.

3.10 Finance lease

The contract of leased asset carried the risk and owner remuneration is mainly transferred to lessors will be classified as financial leased contract. The contract of financial lease is recorded as capital expenditure by fair value of leased asset or present value of minimum amount which has to repay in accordance with the leased contract whichever amount is lower. The amount which has to repay in each time is divided as liability portion and financial expenditure so that fixed interest rate over outstanding liability obligation burden in accordance with the financial leased contract will be recorded as long term liability. Interest payable will be recorded in the statement of income throughout the leased contract life.

3.11 Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.12 Financial instruments

The Company and its subsidiaries have no policy to speculate in and or engage in the trading of any financial derivative instruments.

Details of significant accounting policies and methods adopted, including criteria for recognition of revenues and expenses relating to financial assets and financial liabilities are disclosed in note 26.

3.13 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect amounts reported in the financial statements and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows :-

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for declining in value of inventory

The determination of allowance for declining in the value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense. The provision for obsolete slow-moving and deteriorated inventory, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in the allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

Impairment of investment in subsidiary

The Company reviews the impairment of investment in the subsidiary, which requires management to prepare projections of the cash flows expected to be generated by the investment in the future, and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement in evaluating the conditions and details of the agreement whether significant risk and rewards of ownership of the leased asset has been transferred.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review the estimated useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

3.14 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3.15 Foreign currency transactions

3.15.1 Currency transactions

Transactions in foreign currencies throughout the years are recorded in Baht at prevailing Bank of Thailand rates at the transaction dates. Outstanding monetary assets and liabilities denominated in foreign currencies at the statement of financial position dates are translated into Baht at the prevailing rates at those dates. Gain or loss arising from translation are credited or charged against current operations.

3.15.2 Foreign operations

The financial statements of overseas subsidiary companies is translated into Thai Baht at the closing exchange rate as at statements of financial position date to assets and liabilities, and market exchange rates in which the transaction took place as to revenues and expenses. The resultant differences are recorded in statements of comprehensive income and shown as gain (loss) on exchange rate and convert financial statement in equity until investment are sold out.

3.16 Employee benefits

Short-term employment benefits

The Company and its subsidiaries recognizes salary, wage, bonus and contributions to social security fund as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company and its subsidiaries have obligations in respect of the severance payments that it must pay to the employees upon retirement under the Company's and its subsidiaries's article and the labor law and other employee benefit plans. The Company and its subsidiaries treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees will be recognized immediately in other comprehensive income as a part of retained earnings.

3.17 Operating Lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense on a straight-line basis over the lease term.

3.18 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company and its subsidiaries records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates (20%) of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company and its subsidiaries will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realised or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company and its subsidiaries will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.19 Basic earning per share

Basis earnings per share is determined by dividing profit (loss) for the year by the weighted average number of ordinary shares held by outsiders and outstanding during the year.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash and deposits at financial institutions				
Cash on hand	197,300.56	130,712.00	90,000.00	90,000.00
Deposits at financial institutions - current accounts	4,840,967.03	1,537,534.44	1,031,702.13	1,104,851.39
- savings accounts	32,009,429.14	37,412,838.99	753.50	1,126.71
Total	<u>37,047,696.73</u>	<u>39,081,085.43</u>	<u>1,122,455.63</u>	<u>1,195,978.10</u>

5. TRADE AND OTHER ACCOUNTS RECEIVABLE - RELATED PARTIES

Trade and other accounts receivable - related parties consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Account receivable				
Subsidiaries company - domestic	-	-	110,773,986.13	87,456,579.51
Subsidiaries company - overseas	-	-	99,415,501.30	53,061,782.55
Total	-	-	210,189,487.43	140,518,362.06
Less Allowance for doubtful debts	-	-	(56,101,064.59)	(27,931,100.18)
Account receivable, net	-	-	154,088,422.84	112,587,261.88
Other receivable	-	-	862,418.87	380,189.24
Total	<u>-</u>	<u>-</u>	<u>154,950,841.71</u>	<u>112,967,451.12</u>

Trade and other accounts receivable - related parties classified by currency consisted of :-

	Separate financial statements			
	Foreign currencies		Baht	
	2015	2014	2015	2014
Trade accounts receivable, domestic;				
Baht	-	-	110,773,986.13	87,456,579.51
Trade accounts receivable, overseas;				
U.S. Dollars	2,901,172.32	1,655,595.77	99,415,501.30	53,061,782.55
			<u>210,189,487.43</u>	<u>140,518,362.06</u>

Trade and other accounts receivable - related parties classified by ages of accounts consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Not over due	-	-	53,834,579.42	48,818,257.20
Over due not over 1 months	-	-	5,639,624.63	14,588,157.23
Over due 1 months to 2 months	-	-	4,003,261.62	10,167,270.76
Over due 2 months to 6 months	-	-	52,681,649.36	29,779,078.92
Over due 6 months to 12 months	-	-	39,360,091.17	9,234,497.77
Over due more than 12 months	-	-	54,670,281.23	27,931,100.18
Total	<u>-</u>	<u>-</u>	<u>210,189,487.43</u>	<u>140,518,362.06</u>

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6. TRADE AND OTHER ACCOUNTS RECEIVABLE - OTHER COMPANIES

Trade and other accounts receivable - other companies consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade accounts receivable	190,873,796.32	220,092,509.73	127,146,197.08	153,413,541.38
Note receivable	660,796.63	9,060,195.67	660,796.63	9,060,195.67
Total	191,534,592.95	229,152,705.40	127,806,993.71	162,473,737.05
<u>Less</u> Allowance for doubtful accounts	<u>(11,119,428.26)</u>	<u>(10,224,790.90)</u>	<u>(11,119,428.26)</u>	<u>(10,161,695.14)</u>
Net	<u>180,415,164.69</u>	<u>218,927,914.50</u>	<u>116,687,565.45</u>	<u>152,312,041.91</u>

Movement of the change in the allowance for doubtful accounts for the years ended December 31, 2015 and 2014 were summarized as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance of the year	10,224,790.90	12,159,713.48	10,161,695.14	12,159,713.48
Additional during the year	957,733.12	275,822.46	957,733.12	212,726.70
Deduction during the year	(63,095.76)	(2,210,745.04)	-	(2,210,745.04)
Ending balance at end of year	<u>11,119,428.26</u>	<u>10,224,790.90</u>	<u>11,119,428.26</u>	<u>10,161,695.14</u>

Trade and other accounts receivable - other classified by currency consisted of :-

	Consolidated financial statements			
	Foreign currencies		Baht	
	2015	2014	2015	2014
Trade accounts receivable, domestic;				
Baht	-	-	157,891,043.10	191,293,654.19
Trade accounts receivable, overseas;				
U.S. Dollars	908,517.38	1,108,848.57	31,862,740.92	36,519,661.21
Rand	755,124.00	471,413.00	1,780,808.93	1,339,390.00
			<u>191,534,592.95</u>	<u>229,152,705.40</u>
	Separate financial statements			
	Foreign currencies		Baht	
	2015	2014	2015	2014
Trade accounts receivable, domestic;				
Baht	-	-	95,944,252.79	125,954,075.84
Trade accounts receivable, overseas;				
U.S. Dollars	908,517.38	1,108,848.57	31,862,740.92	36,519,661.21
			<u>127,806,993.71</u>	<u>162,473,737.05</u>

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Trade and other accounts receivable - other companies classified by ages of accounts consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Not over due	128,310,686.09	177,722,259.68	78,518,577.72	123,142,033.59
Over due not over 1 months	45,150,996.96	36,744,588.87	32,526,588.72	25,903,838.66
Over due 1 months to 2 months	5,933,715.24	3,598,152.93	4,647,147.24	2,403,256.64
Over due 2 months to 6 months	1,002,946.25	945,017.63	978,431.62	945,017.63
Over due 6 months to 12 months	-	-	-	-
Over due more than 12 months	11,136,248.41	10,142,686.29	11,136,248.41	10,079,590.53
Total	191,534,592.95	229,152,705.40	127,806,993.71	162,473,737.05

Movement of the change in the allowance for doubtful accounts for the years ended December 31, 2015 and 2014 were summarized as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance of the year	-	-	27,931,100.18	21,129,234.39
Additional during the year	-	-	28,169,964.41	6,801,865.79
Deduction during the year	-	-	-	-
Ending balance at end of year	-	-	56,101,064.59	27,931,100.18

7. SHORT-TERM LOANS TO RELATED PARTIES

Chages in short-term loans to related company for the year ended December 31, 2015 and 2014 are as follows :-

	Baht				
	Separate financial statements				As at December 31, 2015
	As at December 31, 2014	Increase	Decrease	Gain (loss) on exchange rate	
<u>Subsidiary company</u>					
TNV Plastics (Proprietary) Limited	96,279,148.12	4,803,400.00	(7,849,100.00)	9,478,265.51	102,711,713.63
<u>Indirect subsidiary company</u>					
T.N.P. Industry Co., Ltd.	99,854,058.58	-	-	-	99,854,058.58
Total	196,133,206.70	4,803,400.00	(7,849,100.00)	9,478,265.51	202,565,772.21
<u>Less Allowance for doubtful accounts</u>					
TNV Plastics (Proprietary) Limited	(70,272,943.96)	(25,954,504.33)	-	-	(96,227,448.29)
T.N.P. Industry Co., Ltd.	(71,856,061.41)	(27,997,997.17)	-	-	(99,854,058.58)
Total	(142,129,005.37)	(53,952,501.50)	-	-	(196,081,506.87)
Net	54,004,201.33				6,484,265.34

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	Baht			
	Separate financial statements			
	As at December	During the year		As at
	31, 2013	Increase	Decrease	December 31, 2014
				on exchange rate
<u>Subsidiary company</u>				
TNV Plastics (Proprietary) Limited	82,485,110.68	13,970,127.90	-	(176,090.46)
<u>Indirect subsidiary company</u>				
T.N.P. Industry Co., Ltd.	178,484,058.58	-	(78,630,000.00)	-
Total	260,969,169.26	13,970,127.90	(78,630,000.00)	(176,090.46)
<u>Less Allowance for doubtful accounts</u>				
TNV Plastics (Proprietary) Limited	(63,566,218.61)	(6,706,725.35)	-	-
T.N.P. Industry Co., Ltd.	(37,312,611.08)	(34,543,450.33)	-	-
Total	(100,878,829.69)	(41,250,175.68)	-	-
Net	160,090,339.57			54,004,201.33

TNV Plastics (Proprietary) Limited

The Company made loan to TNV Plastics (Proprietary) Limited at the interest rate Prime rate + 2 per annum and due at call.

T.N.P. Industry Co., Ltd.

The Company made loan to T.N.P Industry Co., Ltd. in the form of promissory notes with the interest rate at MLR per annum.

For the year ended December 31, 2015 and 2014, the Company records an allowance for doubtful accounts of the loan and accrued interest to TNV Plastics (Proprietary) Limited in the amount of Baht 20.91 million and Baht 25.21 million and T.N.P. Industry Co., Ltd. in the amount of Baht 28.00 million and Baht 40.56 million, respectively.

The Company has stopped the recognition of interest in the financial statements from July 1, 2014, onwards, as the two subsidiaries will not have the ability to repay the interest in the near future.

On December 23, 2014, the Company was transferred the ownership in land and building to receive for the loan to related party - T.N.P Industry Co., Ltd. The fair value of the land and building for this debt settlement is derived from the appraisal value by an independent appraiser in the total amount Baht 78.63 million, which consists of land for Baht 63.53 million and building for Baht 15.10 million. The Company has record to receive the transfer of land and building and deducted the balance of loan to T.N.P Industry Co., Ltd. by such amount.

8. INVENTORIES

Inventories consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Finished goods	364,347,448.81	342,455,975.14	327,774,031.95	321,170,076.87
Work in process	60,373,879.65	65,930,554.45	43,090,703.66	46,468,333.11
Raw materials	164,205,311.07	153,827,575.09	137,129,980.66	133,225,564.04
Maintenance and factory supplies	21,781,821.29	24,188,947.40	18,751,455.63	20,961,592.52
Goods in transit	5,654,717.73	7,760,264.54	5,654,717.73	3,870,185.52
Total	616,363,178.55	594,163,316.62	532,400,889.63	525,695,752.06
<u>Less Allowance for obsolete stock</u>	(233,032,130.18)	(210,063,810.13)	(205,777,606.07)	(183,750,908.93)
Net	383,331,048.37	384,099,506.49	326,623,283.56	341,944,843.13

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Movement of the change in the allowance for obsolete stock for the years ended December 31, 2015 and 2014 were as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance of the year	210,063,810.13	179,526,664.40	183,750,908.93	155,465,839.48
Additional during the year	22,968,320.05	30,537,145.73	22,026,697.14	28,285,069.45
Deduction during the year	-	-	-	-
Ending balance at end of year	<u>233,032,130.18</u>	<u>210,063,810.13</u>	<u>205,777,606.07</u>	<u>183,750,908.93</u>

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Decline in value of inventory recognized as cost of goods sold for the year	22,968,320.05	30,537,145.73	22,026,697.14	28,285,069.45

9. OTHER RECEIVABLE AND OTHER CURRENT ASSETS

Other receivable consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Revenue Department receivable	3,250,329.89	1,170,689.16	30,789.02	46,764.68
Advance payment	2,145,691.25	1,485,152.09	1,380,422.90	1,485,152.09
Prepaid expenses	1,751,031.64	2,045,875.26	671,569.69	2,011,321.07
Accrued Interest	-	-	96,999,045.68	95,268,448.43
<u>Less</u> Allowance for doubtful accounts	-	-	(96,999,045.68)	(95,268,448.43)
Total	<u>7,147,052.78</u>	<u>4,701,716.51</u>	<u>2,082,781.61</u>	<u>3,543,237.84</u>

Movement of the change in the allowance for doubtful accounts - accrued Interest for the years ended December 31, 2015 and 2014 were summarized as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance of the year	-	-	95,268,448.43	70,751,729.06
Additional during the year	-	-	1,730,597.25	24,516,719.37
Deduction during the year	-	-	-	-
Ending balance at end of year	<u>-</u>	<u>-</u>	<u>96,999,045.68</u>	<u>95,268,448.43</u>

10. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries consisted of :-

Subsidiary Companies name	Type of Business	Paid up shares	Percentage of ownership (%)		Separated financial statements At cost method (Baht)	
			2015	2014	2015	2014
Taweewattana Logistics Co., Ltd.	Selling of PVC	Baht 3 million	99.99	99.99	2,999,700.00	2,999,700.00
Thai Nam-Kyowa Co., Ltd.	Production of PVC, form sheet and TPO	Baht 40 million	50.00	50.00	20,000,010.00	20,000,010.00
TNV Plastics (Proprietary) Limited	Production and sale of polyvinyl chloride products	Rand 1million	100.00	100.00	4,280,861.58	4,280,861.58
<u>Less</u> Allowance for impairment of investments					(2,999,700.00)	(2,999,700.00)
Net					<u>24,280,871.58</u>	<u>24,280,871.58</u>

Dividend income from subsidiaries for the year ended December 31, 2015 and 2014 are presented as follow :-

Subsidiary Companies name	Baht	
	2015	2014
Thai Nam-Kyowa Co., Ltd.	3,000,001.50	4,000,002.00

The subsidiaries that have material non-controlling interests

The Company has consolidated Thai Nam-Kyowa Co., Ltd. that have material non-controlling interest :-

Name of Company	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Baht			
				Profit(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2015	2014	2015	2014	2015	2014
Thai Nam-Kyowa Co., Ltd.	Thailand	50.00	50.00	(662,905.48)	(1,688,442.45)	23,278,816.25	26,941,720.23
Other				-	-	34,939.81	34,939.81
Total				<u>(662,905.48)</u>	<u>(1,688,442.45)</u>	<u>23,313,756.06</u>	<u>26,976,660.04</u>

Summarized financial information in respect of Thai Nam-Kyowa Co., Ltd. of the subsidiaries that has material non-controlling interests. The summarized financial information represents amounts before intragroup eliminations.

	Baht	
	2015	2014
Current assets	87,139,926.62	91,378,611.93
Non-current assets	4,134,082.51	4,803,690.19
Current liabilities	41,679,478.25	39,713,421.57
Non-current liabilities	3,036,928.23	2,585,466.27
Non-Controlling interests	23,278,816.25	26,941,720.23
Revenue	266,436,228.87	275,283,096.40
Profit(loss) attributable to the non-controlling interests	(591,006.32)	(1,688,442.45)
Other comprehensive income to the non-controlling interests	(71,899.16)	-
Dividends paid to non-controlling interests	(2,999,998.50)	(3,999,998.00)
Net cash inflow(outflow) from operating activities	744,352.26	(5,184,771.51)
Net cash inflow(outflow) from investing activities	(100,590.00)	(1,053,080.15)
Net cash inflow(outflow) from financing activities	(5,994,285.20)	(8,068,790.77)
Net cash inflow(outflow)	(5,350,522.94)	(14,306,642.43)

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11. OTHER LONG-TERM INVESTMENTS

Other long-term investment consisted of :-

	Baht	
	Consolidated/separate financial statement	
	Cost method	
	2015	2014
Investments in debt securities held to maturity :		
Subordinated debentures of Bangkok Bank Public Company Limited No.1/2012 (Interest rate of 4.375% per annum, maturity date, December 7, 2022)	1,000,000.00	1,000,000.00
Total	1,000,000.00	1,000,000.00

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of :-

	Baht				
	Consolidated financial statements				
Balance per book as at Dec. 31, 2014	Movement during the year				Balance per book as at Dec. 31, 2015
	Additions	Deduction	Transferred in (out)	Exchange difference on transtating financial statement	
<u>At cost</u>					
Land	19,682,012.70	-	-	-	19,682,012.70
<u>Land improvement</u>	8,012,923.51	485,827.50	-	-	8,498,751.01
Building and building improvement	363,814,970.96	412,884.07	869,004.41	-	365,096,859.44
Machines and equipment	1,305,322,128.15	1,552,184.53	11,864,422.16	(6,754,097.49)	1,311,984,637.35
Utility system	26,316,255.96	90,484.00	1,709,450.90	-	28,116,190.86
Vehicles	10,165,974.61	1,951,000.00	-	(53,105.50)	12,063,869.11
Office equipment	48,177,788.58	1,622,274.96	(59,000.00)	(146,881.33)	49,594,182.21
Equipment and tools	197,989,261.22	6,357,632.69	20,618,387.99	-	224,965,281.90
Assets in progress and assets in transit	45,089,035.30	15,421,160.24	(1,721,280.51)	(35,061,265.46)	23,727,649.57
Total	2,024,570,350.99	27,893,447.99	(1,780,280.51)	(6,954,084.32)	2,043,729,434.15
<u>Accumulated depreciation</u>					
<u>Land improvement</u>	(7,069,660.33)	(109,475.93)	-	-	(7,179,136.26)
Building and building improvement	(196,440,877.00)	(11,277,245.67)	-	-	(207,718,122.67)
Machines and equipment	(1,172,249,338.12)	(24,394,724.53)	-	2,899,440.79	(1,193,744,621.86)
Utility system	(21,683,705.31)	(852,684.66)	-	-	(22,536,389.97)
Vehicles	(9,293,241.34)	(383,408.38)	-	9,897.96	(9,666,751.76)
Office equipment	(42,254,092.51)	(2,032,545.15)	53,924.29	66,398.78	(44,166,314.59)
Equipment and tools	(167,612,609.78)	(13,288,872.62)	-	-	(180,901,482.40)
Total	(1,616,603,524.39)	(52,338,956.94)	53,924.29	2,975,737.53	(1,665,912,819.51)
Property, plant and equipment, net	407,966,826.60				377,816,614.64

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Baht						
Consolidated financial statements						
	Balance per book as at Dec. 31, 2013	Movement during the year				Balance per book as at Dec. 31, 2014
		Additions	Deduction	Transferred in (out)	Exchange difference on Transtating financial statement	
<u>At cost</u>						
Land	19,682,012.70	-	-	-	-	19,682,012.70
<u>Land improvement</u>	7,559,699.51	453,224.00	-	-	-	8,012,923.51
Building and building improvement	362,812,928.96	149,546.30	-	852,495.70	-	363,814,970.96
Machines and equipment	1,296,242,837.74	1,964,485.91	-	7,114,804.50	-	1,305,322,128.15
Utility system	24,313,526.96	1,413,561.00	-	589,168.00	-	26,316,255.96
Vehicles	9,888,830.61	277,144.00	-	-	-	10,165,974.61
Office equipment	46,361,608.83	1,816,179.75	-	-	-	48,177,788.58
Equipment and tools	193,142,637.12	4,391,900.37	-	454,723.73	-	197,989,261.22
Assets in progress	43,621,388.58	11,320,722.56	(841,883.91)	(9,011,191.93)	-	45,089,035.30
Total	2,003,625,471.01	21,786,763.89	(841,883.91)	-	-	2,024,570,350.99
<u>Accumulated depreciation</u>						
<u>Land improvement</u>	(6,962,047.85)	(107,612.48)	-	-	-	(7,069,660.33)
Building and building improvement	(184,729,967.87)	(11,710,909.13)	-	-	-	(196,440,877.00)
Machines and equipment	(1,146,385,357.64)	(25,863,980.48)	-	-	-	(1,172,249,338.12)
Utility system	(20,891,460.55)	(792,244.76)	-	-	-	(21,683,705.31)
Vehicles	(8,966,365.38)	(326,875.96)	-	-	-	(9,293,241.34)
Office equipment	(41,065,183.34)	(1,188,909.17)	-	-	-	(42,254,092.51)
Equipment and tools	(152,115,140.06)	(15,497,469.72)	-	-	-	(167,612,609.78)
Total	(1,561,115,522.69)	(55,488,001.70)	-	-	-	(1,616,603,524.39)
Property, plant and equipment, net	442,509,948.32					407,966,826.60

Baht						
Separate financial statements						
	Balance per book as at Dec. 31, 2014	Movement during the year				Balance per book as at Dec. 31, 2015
		Additions	Deduction	Transferred in (out)		
<u>At cost</u>						
Land	160,601,077.70	-	-	-	-	160,601,077.70
<u>Land improvement</u>	8,012,923.51	485,827.50	-	-	-	8,498,751.01
Building and building improvement	349,656,227.05	412,884.07	-	869,004.41	-	350,938,115.53
Machines and equipment	856,917,088.03	100,000.00	-	11,864,422.16	-	868,881,510.19
Utility system	19,878,681.24	90,484.00	-	1,709,450.90	-	21,678,616.14
Vehicles	7,623,079.66	1,951,000.00	-	-	-	9,574,079.66
Office equipment	37,817,618.05	1,392,688.00	(59,000.00)	-	-	39,151,306.05
Equipment and tools	174,762,955.25	6,046,512.69	-	20,618,387.99	-	201,427,855.93
Assets in progress	49,669,482.69	9,784,904.46	(2,435,523.95)	(35,061,265.46)	-	21,957,597.74
Total	1,664,939,133.18	20,264,300.72	(2,494,523.95)	-	-	1,682,708,909.95
<u>Accumulated depreciation</u>						
<u>Land improvement</u>	(7,069,660.33)	(109,475.93)	-	-	-	(7,179,136.26)
Building and building improvement	(162,789,172.72)	(12,374,695.31)	-	-	-	(175,163,868.03)
Machines and equipment	(733,944,566.21)	(22,474,277.41)	-	-	-	(756,418,843.62)
Utility system	(15,429,584.68)	(804,684.66)	-	-	-	(16,234,269.34)
Vehicles	(7,009,021.39)	(332,243.61)	-	-	-	(7,341,265.00)
Office equipment	(32,965,025.04)	(1,775,847.06)	53,924.29	-	-	(34,686,947.81)
Equipment and tools	(144,033,607.61)	(13,283,170.22)	-	-	-	(157,316,777.83)
Total	(1,103,240,637.98)	(51,154,394.20)	53,924.29	-	-	(1,154,341,107.89)
Property, plant and equipment, net	561,698,495.20					528,367,802.06

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	Baht			
	Separate financial statements			
	Balance per book	Movement during the year		
	as at Dec. 31, 2013	Additions	Deduction	Balance per book as at Dec. 31, 2014
			in (out)	
<u>At cost</u>				
Land	97,070,677.70	63,530,400.00	-	160,601,077.70
<u>Land improvement</u>	7,559,699.51	453,224.00	-	8,012,923.51
Building and building improvement	333,680,332.55	15,249,146.30	-	349,656,227.05
Machines and equipment	850,190,132.44	390,111.50	(777,960.41)	856,917,088.03
Utility system	17,875,952.24	1,413,561.00	-	19,878,681.24
Vehicles	7,623,079.66	-	-	7,623,079.66
Office equipment	36,320,030.30	1,497,587.75	-	37,817,618.05
Equipment and tools	170,865,746.51	3,873,855.07	(431,370.06)	174,762,955.25
Assets in progress	47,938,198.95	11,320,722.56	(703,994.39)	49,669,482.69
Total	<u>1,569,123,849.86</u>	<u>97,728,608.18</u>	<u>(1,913,324.86)</u>	<u>1,664,939,133.18</u>
<u>Accumulated depreciation</u>				
<u>Land improvement</u>	(6,962,047.85)	(107,612.48)	-	(7,069,660.33)
Building and building improvement	(150,809,075.85)	(11,980,096.87)	-	(162,789,172.72)
Machines and equipment	(711,084,305.02)	(23,522,064.84)	661,803.65	(733,944,566.21)
Utility system	(14,685,339.92)	(744,244.76)	-	(15,429,584.68)
Vehicles	(6,700,621.43)	(308,399.96)	-	(7,009,021.39)
Office equipment	(31,628,135.55)	(1,336,889.49)	-	(32,965,025.04)
Equipment and tools	(128,896,970.03)	(15,177,916.70)	41,279.12	(144,033,607.61)
Total	<u>(1,050,766,495.65)</u>	<u>(53,177,225.10)</u>	<u>703,082.77</u>	<u>(1,103,240,637.98)</u>
Property, plant and equipment, net	<u>518,357,354.21</u>			<u>561,698,495.20</u>

	Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Depreciation for the year				
Cost of sales	49,083,380.18	52,314,129.76	49,019,849.73	51,472,907.02
Selling and administrative expenses	3,255,576.76	3,173,871.94	2,134,544.47	1,704,318.08
Total	<u>52,338,956.94</u>	<u>55,488,001.70</u>	<u>51,154,394.20</u>	<u>53,177,225.10</u>
Gain (loss) from sale of assets	<u>(1,717,010.43)</u>	<u>(841,883.91)</u>	<u>(2,213,177.98)</u>	<u>(658,413.65)</u>

The whole amount of land and building, some machinery and equipment of the Company and subsidiaries were pledged as collaterals against short-term and long-term loans from financial institutions. (see note 14 and 16)

As at December 31, 2015 and 2014, the Company and the subsidiary had building and equipment, which were the fully depreciated but they are still in use with value of Baht 1,391.73 million and Baht 1,354.43 million (for the Company's only amounting to Baht 926.30 million and Baht 889.61 million), respectively.

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13. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Changes in deferred tax assets and deferred tax liabilities for the year ended December 31, 2015 and 2014, were summarized as follows :-

	Baht			
	Consolidated financial statements			
	As at December	Income (expense) during the year		
	31, 2014	In profit or loss	In other comprehensive income	As at December 31, 2015
			Exchange difference on translating financial statement	
Deferred tax assets :				
Allowance for doubtful accounts	25,385,565.98	11,063,784.01	-	36,449,349.99
Allowance for decline in value of obsolete stocks	38,050,371.70	4,945,731.29	-	42,996,102.99
Employee benefit obligation	13,364,637.96	263,283.37	(907,137.00)	12,720,784.33
Loss carried forward on tax bases	41,229,662.00	24,495,209.81	-	56,082,758.24
Total	118,030,237.64	40,768,008.48	(907,137.00)	148,248,995.55
Deferred tax liabilities :				
Accelerated capital allowances for tax purposes	(1,383,316.00)	135,322.74	-	(1,028,926.29)
Total	(1,383,316.00)	135,322.74	-	(1,028,926.29)
Deferred tax assets (liabilities) , net	116,646,921.64			147,220,069.26

	Baht			
	Consolidated financial statements			
	As at December	Income (expense) during the year		
	31, 2013	In profit or loss	In other comprehensive income	As at December 31, 2014
			Exchange difference on translating financial statement	
Deferred tax assets :				
Allowance for doubtful accounts	32,367,406.10	(6,981,840.12)	-	25,385,565.98
Allowance for decline in value of obsolete stocks	35,905,332.89	2,145,038.81	-	38,050,371.70
Allowance for impairment of investment	1,195,490.62	(1,195,490.62)	-	-
Employee benefit obligation	14,152,731.28	(420,702.92)	(367,390.40)	13,364,637.96
Loss carried forward on tax bases	32,208,202.00	9,021,460.00	-	41,229,662.00
Total	115,829,162.89	2,568,465.15	(367,390.40)	118,030,237.64
Deferred tax liabilities :				
Accelerated capital allowances for tax purposes	(1,182,622.00)	(200,694.00)	-	(1,383,316.00)
Total	(1,182,622.00)	(200,694.00)	-	(1,383,316.00)
Deferred tax assets (liabilities) , net	114,646,540.89			116,646,921.64

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	Baht		
	Separate financial statements		
	As at December	Income (expense) during the year	As at December
	31, 2014	In profit or loss	31, 2015
		In other comprehensive income	
Deferred tax assets :			
Allowance for doubtful accounts	25,372,946.84	11,076,403.15	-
Allowance for decline in value of obsolete stocks	36,750,181.79	4,405,339.43	-
Employee benefit obligation	12,901,830.10	154,655.19	(931,210.40)
Total	75,024,958.73	15,636,397.77	(931,210.40)
			89,730,146.10

	Baht		
	Separate financial statements		
	As at December	Income (expense) during the year	As at December
	31, 2013	In profit or loss	31, 2014
		In other comprehensive income	
Deferred tax assets :			
Allowance for doubtful accounts	32,367,406.10	(6,994,459.26)	-
Allowance for decline in value of obsolete stocks	31,093,167.90	5,657,013.89	-
Allowance for impairment of investment	599,940.00	(599,940.00)	-
Employee benefit obligation	12,985,484.70	210,376.80	(294,031.40)
Total	77,045,998.70	(1,727,008.57)	(294,031.40)
			75,024,958.73

14. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Bank overdrafts	26,684,852.48	22,879,150.14	26,679,137.68	22,879,150.14
Trust receipts	40,215,339.89	21,161,177.67	40,215,339.89	21,161,177.67
Short-term loans	145,000,000.00	106,000,000.00	145,000,000.00	106,000,000.00
Total	211,900,192.37	150,040,327.81	211,894,477.57	150,040,327.81

As at December 31, 2015 and 2014, short-term loans were in the form of a promissory note less than 6 months with interest rate at MLR-1.50 per annum and MLR per annum, respectively.

As at December 31, 2015, the Company had short-term credit facilities with a bank comprised with : bank overdrafts at the amount of Baht 30 million with interest rate at MOR per annum, letter of credit and/or trust receipt at the amount of Baht 60 million with interest rate at MLR-1.50 per annum, and selling-promissory note at the amount of Baht 150 million with interest rate at MLR-1.50 per annum, (as at December 31, 2014 : bank overdraft at the amount of Baht 30 million with interest rate at MOR per annum, letter of credit and/or trust receipt at the amount of Baht 95 million with interest rate at MLR per annum, and selling-promissory note at the amount of Baht 115 million with interest rate at MLR per annum).

Above short-term credit facilities were secured by mortgage land, building and some part of machineries of the Company and its subsidiaries, and jointly guaranteed by director of the company and its subsidiaries.

15. TRADE ACCOUNT PAYABLE

Trade account payable classified by currency consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accounts payable	110,881,619.28	156,077,146.43	110,497,680.25	152,295,773.60
Assets payable	-	129,381.36	-	129,381.36
Accrued expenses	7,407,949.80	8,430,817.74	5,762,793.25	6,122,478.40
Total	118,289,569.08	164,637,345.53	116,260,473.50	158,547,633.36

Trade account payable classified by currency consisted of :-

	Consolidated financial statements			
	Foreign currencies		Baht	
	2015	2014	2015	2014
Trade accounts payable, domestic;				
Baht	-	-	107,235,119.81	145,133,121.66
Trade accounts payable, oversea;				
U.S. Dollars	138,457.15	420,264.70	5,019,597.81	13,916,309.06
Euro	134,863.20	111,072.00	5,367,487.93	4,482,332.78
Rand	282,985.00	388,865.00	667,363.53	1,105,582.03
Total			118,289,569.08	164,637,345.53

	Separate financial statements			
	Foreign currencies		Baht	
	2015	2014	2015	2014
Trade accounts payable, domestic;				
Baht	-	-	105,873,387.76	140,148,991.52
Trade accounts payable, oversea;				
U.S. Dollars	138,457.15	420,264.70	5,019,597.81	13,916,309.06
Euro	134,863.20	111,072.00	5,367,487.93	4,482,332.78
Total			116,260,473.50	158,547,633.36

16. LONG-TERM LOANS FROM FINANCIAL INSTITUTION

Long-term loans from financial institution consisted of :-

	Baht	
	Consolidated /Separate financial statements	
	2015	2014
Long-term loans from financial institution	97,517,718.27	177,517,718.27
Less Current portion due within one year	(68,000,000.00)	(96,000,000.00)
Long-term loans, net	29,517,718.27	81,517,718.27

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The Company entered into 4 loan agreements with a local commercial bank at the amount of Baht 518.80 million and the Company had withdrawn the full amount of the loan. Such loans were scheduled to pay interest on a monthly basis at MLR per annum. As of June 30, 2015, the Company had repaid the principal until the 18th period in June 2015. Later on September 29, 2015, the Company entered into the amendment on credit agreement No. 8, the loan has interest at the rate of MLR-1.50 per annum from July 1, 2015 to June 31, 2016, and the details of the principal repayment of each credit facility were as follows :-

Installment period	Date of repayment (the last business day of the month)	Repayment amount per period (Baht)			
		Credit limit	Credit limit	Credit limit	Credit limit
		Baht 36.5 million	Baht 17.8 million	Baht 329.8 million	Baht 134.7 million
13	March 2014	1,625,000	785,000	14,627,000	5,963,000
14 and 15	June and September 2014	1,625,000	785,000	14,627,000	5,963,000
16	December 2014	1,625,000	785,000	14,627,000	5,963,000
17 and 18	March and June 2015	1,696,000	820,000	15,262,000	6,222,000
19 and 20	September and December 2015	1,130,000	547,000	10,175,000	4,148,000
21 and 22	March and June 2016	1,130,000	547,000	10,175,000	4,148,000
23, 24 and 25	September, December 2016 and March 2017	1,272,000	615,000	11,447,000	4,666,000
26	June 2017	Pay the rest	Pay the rest	Pay the rest	Pay the rest

Under the terms of the loan agreement, the Company is required to maintain certain financial ratios of total liabilities ratio to shareholders' equity not exceeding 2 times.

Such loans were secured by the mortgage of land, buildings and structures and some part of the Company and its subsidiaries' machineries, including to provide joint guarantee by the directors of the Company and its subsidiaries.

17. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Liabilities under finance lease agreements	-	267,380.00	-	267,380.00
<u>Less</u> Deferred interest	-	(29,200.55)	-	(29,200.55)
	-	238,179.45	-	238,179.45
<u>Less</u> Current portion due within one year	-	(238,179.45)	-	(238,179.45)
Net	-	-	-	-

As at December 31, 2014, the Company has 3 finance lease agreements of rental vehicles with local leasing company in the total lease amount of Baht 1.33 million. Installments are due on a monthly basis over 36-48 months in monthly of Baht 0.03 million.

Under the term of the lease agreements, the Company shall have to comply with certain conditions and restrictions as specified in the lease agreements.

18. EMPLOYEE BENEFIT OBLIGATIONS

The statements of financial position

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance	70,634,997.45	70,763,656.44	64,509,150.58	64,927,423.57
Benefits paid by the plan during the year	(4,339,353.75)	(4,144,656.00)	(4,223,231.09)	(4,144,656.00)
Current service costs and interest during the year	5,618,945.99	5,852,949.01	4,996,507.00	5,196,540.01
Actuarial (gains) losses	(4,535,687.00)	(1,836,952.00)	(4,656,052.00)	(1,470,157.00)
Ending balance	67,378,902.69	70,634,997.45	60,626,374.49	64,509,150.58

Expense recognized in the statements of comprehensive income :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current service costs				
Cost of sales	1,745,308.96	1,703,171.00	1,525,632.00	1,455,944.01
Selling expense	138,357.00	82,356.00	107,040.00	82,356.00
Administrative expenses	913,701.03	1,230,207.00	768,299.00	1,057,693.00
Interest on obligation	2,821,579.00	2,837,215.01	2,595,536.00	2,600,547.00
Total	5,618,945.99	5,852,949.01	4,996,507.00	5,196,540.01

Principal actuarial assumptions at the reporting date

	2015		2014	
	Percentage		Percentage	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Discount rate	4.00	4.00	4.00	4.00
Salary increase rate	5.11 - 5.65	5.11	5.11 - 5.65	5.11
Employee turnover rate	0.50 - 4.48	4.48	0.50 - 5.00	5.00
Disability rate	15.00 of mortality rate	15.00 of mortality rate	15.00 of mortality rate	15.00 of mortality rate
Mortality rate	100.00 of Thai mortality table 2008	100.00 of Thai mortality table 2008	100.00 of Thai mortality table 2008	100.00 of Thai mortality table 2008

19. SHARE CAPITAL

2015

19.1 Decrease of registered capital of the Company

At the Annual General Meeting of Shareholders of the Company for the year 2015, held on April 24, 2015, the shareholders approved the decrease of registered capital of the Company from the existing amount of Baht 299,548,060 to Baht 299,547,065, by Cutting-off 199 outstanding ordinary shares from dividend payment of the company, at par value of Baht 5 per share in the total amount of Baht 995. The Company registered decrease of capital with Department of Business Development, Ministry of commerce on April 27, 2015.

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19.2 Change of the par value of the Company's shares

At the Annual General Meeting of Shareholders of the Company for the year 2015, held on April 24, 2015, the shareholders approved the change of the par value of the Company's shares from the existing par value of 5 Baht per share to 1 Baht per share by splitting 1 ordinary share with the par value of 5 Baht per share, into 5 ordinary shares with the par value of 1 Baht per share and the change of the Company's registered share capital and issue and paid-up share capital being in the amount of baht 299,547,065 which divided into 299,547,065 shares with a par value of 1 Baht. The Company registered the change of the par value and the registered share capital of the Company's shares with the Department of Business Development, Ministry of Commerce on April 28, 2015.

19.3 Increase of registered capital of the Company

At the Annual General Meeting of Shareholders of the Company for the year 2015, held on April 24, 2015, the shareholders approved the increase of registered capital of the Company in order of support the dividends payment from the existing amount of Baht 299,547,065 to Baht 319,526,925 by issuing 19,979,860 ordinary shares at Baht 1 per share in the total amount of Baht 19,979,860. The Company registered increase of capital with Department of Business Development, Ministry of Commerce on April 29, 2015.

2014

19.4 Decrease of registered capital of the Company

According to the General Meeting of Shareholders for the year 2014 date April 25, 2014, the shareholders approved the decrease of registered capital of the Company from the existing amount of Baht 272,317,035 to Baht 272,316,410, by cutting-off 125 outstanding ordinary shares from dividend payment of the company, at par value of Baht 5 per share in the total amount of Baht 625. The Company registered decrease of capital with Department of Business Development, Ministry of commerce on May 23, 2014.

19.5 Increase of registered capital of the Company

According to the General Meeting of Shareholders for the year 2014 date April 25, 2014, the shareholders approved the Company registered increase of capital of the Company in order of support the dividends payment from the existing amount of Baht 272,316,410 to Baht 299,548,060 by issuing 5,446,330 ordinary shares at Baht 5 per share in the total amount of Baht 27,231,650. The Company registered increase of capital with Department of Business Development, Ministry of Commerce on May 23, 2014.

20. APPROPRIATION OF RETAINED EARNINGS

2015

At the Annual General Meeting of Shareholders of the Company for the year 2015, held on April 24, 2015, the shareholders approved the payment of dividends to the shareholders of the Company for the performance result of the fiscal year 2014, at the rate of Baht 0.0787 per share, totaling Baht 23.57 million by the ordinary shares paid as dividends at the rate of 15 original share to 1 share dividend and the cash paid at Baht 0.0120 per share. The shareholders whose names appear in the Share Register as at May 13, 2015 shall be entitled to receive the dividends. The Company will pay the dividends to the shareholders on May 22, 2015.

2014

According to the General Meeting of Shareholders for the year 2014 date April 25, 2014, the shareholders approved the payment of dividends to the shareholders of the Company for the performance result of the fiscal year 2013, at the rate of Baht 0.60 per share, totaling Baht 32.68 million by the ordinary shares paid as dividends at the rate of 10 original share to 1 share dividend and the cash paid at Baht 0.10 per share. The shareholders whose names appear in the Share Register as at May 7, 2014 shall be entitled to receive the dividends. The Company will pay the dividends to the shareholders on May 23, 2014.

21. OPERATING SEGMENT

The Company and its subsidiaries operate in 2 main report by products operating segments in main geographical area, Thailand as follows :-

Type of operating segment	Nature of operating segment
- Manufacturing of plastic parts of automobile industry group	Artificial leather and automobile rubber flooring
- Others-plastic parts of other industry group such as packaging manufacture industry and pharmaceutical, etc.	Various types of plastics both soft and rigid, rolls and plate

The operating segment's performance is regularly reviewed by the chief operating decision maker who is the Executive Directors in order to make decisions about the allocation of resources to the segment and assess its performance. The Company and its subsidiaries assess the performance of the operating segment by using the operating profit or loss as the same basis to assess operating profit or loss in the financial statements.

Details of financial information by segment operations for the year ended December 31, 2015 and 2014 were as follows :-

	Baht					
	Consolidated financial statements					
	Automobile industry group		Others		Total	
	2015	2014	2015	2014	2015	2014
Revenue from sales	944,234,847.59	1,010,406,573.74	75,775,061.51	118,760,199.82	1,020,009,909.10	1,129,166,773.56
Cost of sales	(723,129,056.21)	(798,777,909.05)	(78,297,555.94)	(119,558,150.58)	(801,426,612.15)	(918,336,059.63)
Gross profit (loss)	221,105,791.38	211,628,664.69	(2,522,494.43)	(797,950.76)	218,583,296.95	210,830,713.93
Selling expenses	(33,862,570.30)	(33,826,340.23)	(2,514,635.83)	(3,518,927.97)	(36,377,206.13)	(37,345,268.20)
Administrative expenses	(146,020,451.82)	(145,132,762.34)	(10,332,782.73)	(10,151,734.57)	(156,353,234.55)	(155,284,496.91)
Operating profit (loss)	41,222,769.26	32,669,562.12	(15,369,912.99)	(14,468,613.30)	25,852,856.27	18,200,948.82
Other income (other expenses)					7,486,805.30	14,670,284.59
Finance cost					(18,231,202.90)	(24,462,220.07)
Income tax expenses					18,359,530.51	(19,434,199.96)
Profit (loss) for the year					33,467,989.18	(11,025,186.62)

Information about geographical areas

The Company and its subsidiaries' revenue from sales separated by geographical area for the year ended December 31, 2015 and 2014, were summarized as follows :-

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	Baht	
	Consolidated financial statements	
	2015	2014
Domestic	863,549,311.24	990,415,711.37
Export	156,460,597.86	138,751,062.19
Total	<u>1,020,009,909.10</u>	<u>1,129,166,773.56</u>

Non-current assets of the Company and its subsidiaries separated by geographical area as at December 31, 2015 and 2014 were as follows :-

	Baht			
	Consolidated financial statements			
	Automobile industry group		Others	
	2015	2014	2015	2014
Property, plant and equipment				
- Thailand	364,977,499.34	397,727,562.99	7,375,891.67	912,746.61
- South Africa	5,463,223.63	9,326,517.00	-	-
	<u>370,440,722.97</u>	<u>407,054,079.99</u>	<u>7,375,891.67</u>	<u>912,746.61</u>

Information about major customers

The Company and its subsidiaries' revenue from sales and services from their major customers for the year ended December 31, 2015 and 2014, were summarized as follows :-

Type of customers	Baht	
	Consolidated financial statements	
	2015	2014
Domestic automobile parts manufacturing	718,302,391.72	743,309,335.25
Export automobile parts manufacturing	107,462,126.88	81,314,745.53

22. RELATED PARTIES TRANSACTION

The Company and its subsidiaries have certain transactions with its related parties. A portion of the Company's assets, liabilities, revenues and expenses are represented by transactions with its related parties.

The nature of relationship with related parties were summarized as follows :-

Related parties	Relationship
<u>Subsidiary companies</u>	
Taweewattana Logistics Co., Ltd.	Shareholder and have common shareholder and director
Thai Nam-Kyowa Co., Ltd.	Shareholder and have common shareholder and director
TNV Plastics (Proprietary) Limited	Shareholder and have common shareholder and director
<u>Indirect subsidiary company</u>	
T.N.P. Industry Co., Ltd.	Indirect shareholding by Taweewattana Logistics Co., Ltd and have common shareholder and director
<u>Related person</u>	
Key management personnel	Persons having authority and responsibility for management

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The Company and its subsidiaries have pricing policy for transaction with related parties as follows :-

Transactions	Pricing policies
Revenue from sales	- Thainam-Kyowa Co., Ltd. and Taweewattana Logistics Co.,Ltd. : Market price - TNV Plastics (Proprietary) Limited : Cost plus 5 - 30 % profit - TNP Industry Co.,Ltd. : Cost
Rental income and service	- Agreed price according to agreement
Others income	- Agreed price
Purchase products	- Market price
Loan	- TNV Plastics (Proprietary) Limited : Prime rate plus 2% per annum - TNP Industry Co.,Ltd. : MLR per annum
Transfer of asset	- The appraisal value by an independent appraiser
Compensation to management	- According to be approved by director and/or shareholders

Balances as at December 31, 2015 and 2014 with the related parties consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Assets				
Trade account receivable				
Subsidiaries				
Taweewattana Logistics Co., Ltd.	-	-	269,850.83	53,750.65
Thai Nam-Kyowa Co., Ltd.	-	-	39,848,704.34	38,310,590.14
TNV Plastics (Proprietary) Limited	-	-	99,415,501.30	53,061,782.55
T.N.P. Industry Co., Ltd.	-	-	70,655,430.96	49,092,238.72
Total	-	-	210,189,487.43	140,518,362.06
Less Allowance for doubtful debts	-	-	(56,101,064.59)	(27,931,100.18)
Net	-	-	154,088,422.84	112,587,261.88
Other account receivable				
Subsidiary				
Thai Nam-Kyowa Co., Ltd.	-	-	862,418.87	380,189.24
Liabilities				
Short-term loans to				
Subsidiaries				
T.N.P. Industry Co., Ltd.	-	-	99,854,058.58	99,854,058.58
TNV Plastics (Proprietary) Limited	-	-	102,711,713.63	96,279,148.12
Total	-	-	202,565,772.21	196,133,206.70
Less Allowance for doubtful accounts	-	-	(196,081,506.87)	(142,129,005.37)
Net	-	-	6,484,265.34	54,004,201.33
Accrued Interest				
Subsidiaries				
T.N.P. Industry Co., Ltd.	-	-	76,769,453.57	76,769,453.57
TNV Plastics (Proprietary) Limited	-	-	20,229,592.11	18,498,994.86
Total	-	-	96,999,045.68	95,268,448.43
Less Allowance for doubtful accounts	-	-	(96,999,045.68)	(95,268,448.43)
Net	-	-	-	-
Trade account payable				
Subsidiaries				
Thai Nam-Kyowa Co., Ltd.	-	-	1,640,051.59	318,353.36
T.N.P. Industry Co., Ltd.	-	-	451,375.57	418,801.81
Total	-	-	2,091,427.16	737,155.17

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Significant business transactions for the year ended December 31, 2015 and 2014 were, as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements,	
	2015	2014	2015	2014
Sale of goods				
Subsidiaries				
Taweewattana Logistics Co., Ltd.	-	-	540,642.66	1,318,001.58
Thai Nam-Kyowa Co., Ltd.	-	-	244,848,728.29	256,210,082.40
TNV Plastics (Proprietary) Limited	-	-	42,558,311.87	24,483,997.46
T.N.P. Industry Co., Ltd.	-	-	58,751,766.67	81,048,970.04
Total	-	-	346,699,449.49	363,061,051.48
Rental income				
Subsidiary				
Thai Nam-Kyowa Co., Ltd.	-	-	2,160,000.00	2,160,000.00
T.N.P. Industry Co., Ltd.	-	-	2,456,400.00	-
Total	-	-	4,616,400.00	2,160,000.00
Dividend income				
Subsidiary				
Thai Nam-Kyowa Co., Ltd.	-	-	3,000,001.50	4,000,002.00
Interest Income				
Subsidiaries				
TNV Plastics (Proprietary) Limited	-	-	-	3,160,010.30
T.N.P. Industry Co., Ltd.	-	-	-	9,054,398.49
Total	-	-	-	12,214,408.79
Other incomes				
Subsidiaries				
Thai Nam-Kyowa Co., Ltd.	-	-	2,513,740.87	2,951,148.88
T.N.P. Industry Co., Ltd.	-	-	704,269.02	663,059.58
Total	-	-	3,218,009.89	3,614,208.46
Sale of assets				
Subsidiaries				
T.N.P. Industry Co., Ltd.	-	-	-	384,000.00
TNV Plastics (Proprietary) Limited	-	-	809,943.44	167,828.44
Total	-	-	809,943.44	551,828.44
Gain (loss) on disposal of asset				
Subsidiaries				
TNV Plastics (Proprietary) Limited	-	-	(498,297.19)	45,580.74
Cost of sale (purchase of goods)				
Subsidiaries				
Thai Nam-Kyowa Co., Ltd.	-	-	17,800.00	119,801.04
T.N.P. Industry Co., Ltd.	-	-	858,401.52	258,099.73
Total	-	-	876,201.52	377,900.77

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	Baht			
	Consolidated financial statements		Separate financial statement	
	2015	2014	2015	2014
Cost of sale (Manufacturing expenses)				
Subsidiaries				
Thai Nam-Kyowa Co., Ltd.	-	-	8,225,988.25	3,012,351.22
T.N.P. Industry Co., Ltd.	-	-	4,331,639.27	4,286,380.62
Total	-	-	12,557,627.52	7,298,731.84
Land lease				
Subsidiary				
T.N.P. Industry Co., Ltd.	-	-	-	815,265.00
Transfer of asset - land and building				
Subsidiary				
T.N.P. Industry Co., Ltd.	-	-	-	78,630,000.00

Expenses for director and management personal

Expenses for director and management personal for the year ended December 31, 2015 and 2014 were as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Director remuneration	1,560,000.00	1,560,000.00	1,560,000.00	1,560,000.00
Management's benefits				
Short-term employee benefit	17,992,698.00	19,054,971.00	17,200,398.00	18,281,731.00
Post-retirement benefits	494,580.00	887,821.00	451,832.00	843,358.00
Total	20,047,278.00	21,502,792.00	19,212,230.00	20,685,089.00

Management benefit expenses represents the benefits paid to the Company's management and directors such as salaries, related benefit and directors' remuneration, including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act. The management is comprised managing director or the managements who have the top position at the management level from the four lists following by the manager level.

23. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2015 and 2014 were as follows :-

	Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Changed in inventories of finished goods and work in process	(12,467,520.38)	(4,051,592.34)	(3,226,325.63)	3,945,250.18
Raw materials and consumables used	545,403,513.74	565,635,278.25	537,431,535.56	552,693,140.34
Staff expenses	216,137,757.26	227,270,099.80	186,062,730.53	202,282,594.67
Depreciation and amortization charges	52,338,956.94	55,488,001.70	51,154,394.20	53,177,225.10
Electricity - Water supply	39,664,165.80	42,764,411.79	30,403,197.22	31,449,989.29
Directors and managements' remuneration	20,047,278.00	21,502,792.00	19,212,230.00	20,685,089.00
Bad debts and doubtful debts	894,637.36	(1,998,018.34)	84,810,796.28	70,570,742.50
Maintenance expense	23,168,215.41	18,749,841.29	17,543,627.89	15,656,877.79

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24. TAX EXPENSE (INCOME)

24.1 Major component of tax expense (income)

Major components of tax expense (income) for the years ended December 31, 2015 and 2014 included :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Income tax expense (income) shown in profit or loss :				
Current tax expense:				
Income tax expense for the year	22,543,800.71	21,801,971.11	22,543,800.71	21,801,971.11
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	(40,903,331.22)	(2,367,771.15)	(15,636,397.77)	1,727,008.57
Total	<u>(18,359,530.51)</u>	<u>19,434,199.96</u>	<u>6,907,402.94</u>	<u>23,528,979.68</u>
Income tax relating to components of other comprehensive income:				
Actuarial gain (loss)	907,137.00	367,390.40	931,210.40	294,031.40
Total	<u>907,137.00</u>	<u>367,390.40</u>	<u>931,210.40</u>	<u>294,031.40</u>

24.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate

A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate for the years ended December 31, 2015 and 2014 which were summarized as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accounting profit (loss) for the year	15,108,458.67	8,409,013.34	(3,621,741.69)	4,128,774.84
The applicable tax rate (%)	20%	20%	20%	20%
Tax expense (income) at the applicable tax rate	3,021,691.73	1,681,802.67	(724,348.34)	825,754.96
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	5,720,161.58	8,452,027.16	5,984,456.55	8,238,924.90
Tax effect of income that are required in determining taxable profit:				
- Interest income	2,247,295.03	1,667,987.42	2,247,295.03	1,667,987.42
Tax effect of income that are not required in determining taxable profit:				
- Exemption of non - taxable dividend income	(600,000.30)	(800,000.40)	(600,000.30)	(800,000.40)
Write-off deferred tax assets	-	18,721,889.52	-	13,596,312.80
The amount of previously unrecognized tax losses for a prior period that is used to reduce current tax expense	-	(10,419,930.46)	-	-
Unrecognized tax losses on deferred tax assets	3,534,343.90	349,967.89	-	-
Effect on deferred tax from progressive tax rate	(11,619.26)	(53,414.31)	-	-
Effect on deferred tax from elimination	(25,181,115.70)	5,145,691.47	-	-
Revaluation of the deferred tax resulting from difference in tax rates	(7,036,002.09)	(2,799,255.00)	-	-
Others	(54,285.40)	(2,512,566.00)	-	-
Total reconciliation items	<u>(21,381,222.24)</u>	<u>17,752,397.29</u>	<u>7,631,751.28</u>	<u>22,703,224.72</u>
Total tax expense (income)	<u>(18,359,530.51)</u>	<u>19,434,199.96</u>	<u>6,907,402.94</u>	<u>23,528,979.68</u>

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As at December 31, 2015, a subsidiary had an accumulated loss (in tax) from 2012-2015 that was still unused of approximately Baht 37.03 million. The subsidiary above did not record deferred tax assets from such loss because there was an uncertainty whether the subsidiary would have enough profit to utilize the benefits from deferred tax assets or not.

24.3 A numerical reconciliation between tax average effective tax rate and the application tax rate

A numerical reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2015 and 2014 were summarized as follows :-

	Consolidated financial statements			
	2015		2014	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	15,108,458.67		8,409,013.34	
Tax expense (income) at the applicable tax rate	3,021,691.73	20.00	1,681,802.67	20.00
Reconciliation items	(21,381,222.24)	(141.52)	17,752,397.29	211.11
Tax expense (income) at the average effective tax rate	(18,359,530.51)	(121.52)	19,434,199.96	231.11

	Separate financial statement			
	2015		2014	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	3,621,741.69		4,128,774.84	
Tax expense (income) at the applicable tax rate	(724,348.34)	(20.00)	825,754.96	20.00
Reconciliation items	7,631,751.28	210.72	22,703,224.72	549.88
Tax expense (income) at the average effective tax rate	6,907,402.94	190.72	23,528,979.68	569.88

25. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit (loss) for the year by the number of ordinary shares in issued as at the statements of financial position date, after adjusting the number of ordinary shares to reflect the impact of change of the par value and the stock dividend as discussed in note 20 to the financial statement. The prior period's basic earnings per share has been recalculated as if change of the par value and the stock dividend had been distributed at the beginning of the earliest year reported.

	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Profit (loss) for the year of parent company (Baht)	34,058,995.50	(9,336,774.17)	(10,529,144.63)	(19,400,204.84)
Weighted average number of ordinary shares (Shares)	319,516,441	319,516,441	319,516,441	319,516,441
Basic earnings per share (Baht per share)				
Profit (loss) attributable to owners of the parent	0.11	(0.03)	(0.02)	(0.06)

26. FINANCIAL INSTRUMENTS

26.1 Risk management

The Company and its subsidiaries manage their financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, and the Company and its subsidiaries do not hold or issue derivative financial instruments for speculative or trading purposes.

26.2 Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term loans and long-term and machine payable. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market. However, the management believed that the future fluctuation on market interest rate would not provided significant effect to their operations and cash flows, therefore; no financial derivative was adopted to manage such risks.

As at December 2015, the significant financial assets and financial liabilities classified by types of interest rates were as follows :-

Baht				
Consolidated financial statements				
As at December 31, 2015				
	Floating interest rate	Fixed interest rate	Interest - free	Total
<u>Financial assets</u>				
Cash and cash equivalents	32,009,429.14	-	5,038,267.59	37,047,696.73
Trade and other accounts receivable	-	-	180,415,164.69	108,415,164.69
Other long-term investment	-	1,000,000.00	-	1,000,000.00
<u>Financial liabilities</u>				
Bank overdraft and short-term loans from financial institutions	211,900,192.37	-	-	211,900,192.37
Trade and other accounts payable	-	-	118,289,569.08	118,289,569.08
Long-term loan from financial institutions	97,517,718.27	-	-	97,517,718.27

Baht				
Separate financial statements				
As at December 31, 2015				
	Floating interest rate	Fixed interest rate	Interest - free	Total
<u>Financial assets</u>				
Cash and cash equivalents	753.50	-	1,121,702.13	1,122,455.63
Trade and other accounts receivable	-	-	271,638,407.16	271,638,407.16
Short-term loans to related parties	-	-	13,261,443.97	13,261,443.97
Other long-term investment	-	1,000,000.00	-	1,000,000.00
<u>Financial liabilities</u>				
Bank overdraft and short-term loans from financial institutions	211,894,477.57	-	-	211,894,477.57
Trade and other accounts payable	-	-	116,260,473.50	116,260,473.50
Long-term loan from financial institutions	97,517,718.27	-	-	97,517,718.27

26.3 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily relating to trade accounts receivable. The management of the Company and its subsidiaries manage this risk by establishing appropriate credit control policies and procedures. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for doubtful accounts.

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26.4 Foreign currency risk

The Company and its subsidiary companies incurred risk foreign currencies exchange due to the Company and its subsidiary companies constitutes cash at banks, trade accounts receivable, trust receipts and trade accounts payable in foreign currencies which the Company had hedged as they believed appropriate the foreign currencies risk using forward contract against risk on exchange rates. As of December 31, 2015 and 2014, the Company and its subsidiary has no outstanding foreign exchange contracts and constitutes foreign currencies assets and liabilities which mainly due within one year as follows :-

	Baht			
	Consolidated financial statements			
	As at December 31, 2015		As at December 31, 2014	
	Asset	Liabilities	Asset	Liabilities
Foreign currency				
US Dollar	908,517.38	355,182.24	1,108,848.57	530,237.95
Euro	-	205,565.44	-	211,355.20
Singapore dollar	-	832,426.40	-	590,908.60
Rand	3,411,113.00	282,985.00	1,719,988.00	388,865.00

	Baht			
	Separate financial statements			
	As at December 31, 2015		As at December 31, 2014	
	Asset	Liabilities	Asset	Liabilities
Foreign currency				
US Dollar	7,232,017.43	355,182.24	6,261,772.07	530,237.95
Euro	-	205,565.44	-	211,355.20
Singapore dollar	-	832,426.40	-	590,908.60

26.5 Liquidity risk

The Company manages its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

26.6 Fair value

The carrying amount of financial assets and financial liabilities as presented in the statement of financial position are mostly bear floating interest rates or fixed interest rates which are close to market rate. The management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying amount.

27. COMMITMENTS AND CONTINGENT LIABILITIES

27.1 Outstanding letters of credit

As at December 31, 2015 and 2014, the Company and its subsidiaries had commitments for the outstanding letters of credit amounting equivalent to Baht 2.53 million and equivalent to Baht 18.23 million (Separate financial statement amounting equivalent to Baht 2.53 million and equivalent to Baht 18.23 million), respectively.

27.2 Letter of guarantee

As at December 31, 2015 and 2014, the Company and its subsidiaries had contingent liabilities for the letter of guarantees issued by the bank in the total amount of Baht 5.24 million and Baht 5.24 million (Separate financial statement amount of Baht 4.04 million and Baht 4.04 million), respectively.

28. CAPITAL MANAGEMENT

The primary objective of capital management of the Company and its subsidiaries is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern. According to the statement of financial position as at December 31, 2015, the Group's debt-to-equity ratio was 0.82 : 1 (as at December 31, 2014 was 0.98 : 1) and the Company's was 0.67 : 1 (as at December 31, 2014 was 0.75 : 1).

29. The revised accounting standards are not yet effective in the current year

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the use of new accounting standards, financial reporting standards, and interpretations of accounting and financial reporting standards that are issued and revised.

These revised accounting standards which are effective for the fiscal year beginning on or after January 1, 2016 are as follows :-

	Conceptual Framework for Financial Reporting (revised 2015)
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates And Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture

TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases - Incentives
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2015)	Service Concession Arrangements: Disclosure
TSIC 31 (revised 2015)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2015)	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economics
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

The management of the Company and its subsidiaries believe that these accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standards interpretations which are issued and revised will not have any significant impact on the financial statements for the year when they are initially applied.

30. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's board of directors on February 25, 2016.



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