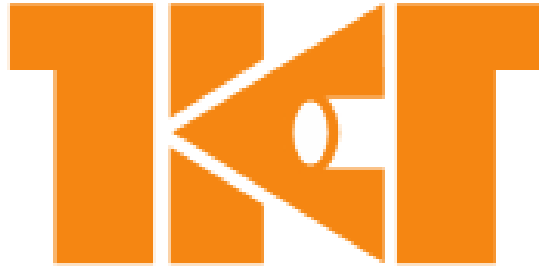




T.KRUNGTHAI INDUSTRIES PUBLIC CO.,LTD.

ANNUAL REPORT
2015



T.Krungthai Industries Public Company Limited

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******: The company had posted 56-1 report at www.sec.or.th and www.tkrungthai.com,
So that investor can learn from both of web sites**

Report from the Chairman

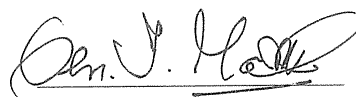
Thailand total automotive production in year 2015 totaled to 1.91 million a increase 1.76 % compared to the same period of last year. Passenger car production totaled to 0.76 million units accounted to 40.18% of the total production, a increase of 3.50 % from the previous year and 1-ton pick up trucks production totaled to 1.11 million units accounted to 58.33 % of total production a increase of 0.09% from year 2014.

Company performance in terms of revenue was Baht 1,380 million down 16.46 % from the previous year due to customer mix adjustment to reduce the risk of reliance on single major customers and the effect of economic slowing down in the country. However, the company is confident that the automotive industry shall continue to grow steadily as the industry is sponsored by the government. Besides, car manufactures have confidence in the competitiveness on assembly plants in Thailand. In addition , the company shall continue to focus on the implementation, increase production efficiency and enhance competitiveness in the long term such as production development, process improvement such as injection and spray painting as well as continuous training to all employees.

In addition, the Board of Directors focuses on the importance of Good Corporate Governance. The company has conducted a self evaluation on the anti corruption and to obtain a certificate from Private Sector Collective Action Coalition Against Corruption. The company shall contribute to social and environmental sector which leads the company to sustainable development.

With its commitment to the implementation of good corporate governance, the company was awarded “ Excellent “ by the Institute of Directors of Thailand and received a “ Certificate of ESG100 Company “ from Thai Pat Institute of Thailand (Public Organization).

On behalf of the Board of Directors may I thank all the stakeholders including all the employees and executives who are the driving force to the company and its business with great success over the years. The Board of Directors assures the organization will operate business with integrity and transparency and make use of the principle of good governance throughout.



General Terdsak Marrome

Chairman

Vision

“To be a leader in service rendering in the automobile plastic parts production and other related industry in terms of quality and service for the interest of all.”

Mission

- ❖ To meet or fulfill the need of customers in quality and service.
- ❖ To have a chance in business expansion.
- ❖ To improve management system, production system and quality system to be of international standard.
- ❖ To improve human resources and provide them continuous knowledge and information.
- ❖ To have good and proper communication both in and out of the company
- ❖ To strengthen our image and have good relationship to our employees customers and shareholders.

Board of Director



General Terdsak Marrome
Chairman



Mr. Pairuch Sahamethapat
Independent Director



Mr. Paotep Chotinuchit
Independent Director



Mr. Virasak Sutanthavibul
Independent Director



Dr. Kosol Surakomol
Independent Director



Mr. Sumate Techakraisri
Director



Mr. Kumpee Chongthurakit
Director



Mrs. Yupa Techakraisri
Director



Mr. Apichart Kasemkulsiri
Director



Mr. Phreecha Techakraisri
Director



Mr. Kowate Limtrakul
Director



Mr. Chumpol Techakraisri
Director



Mr. Prasong Techakraisri
Director

1. Policy and Overall business operation

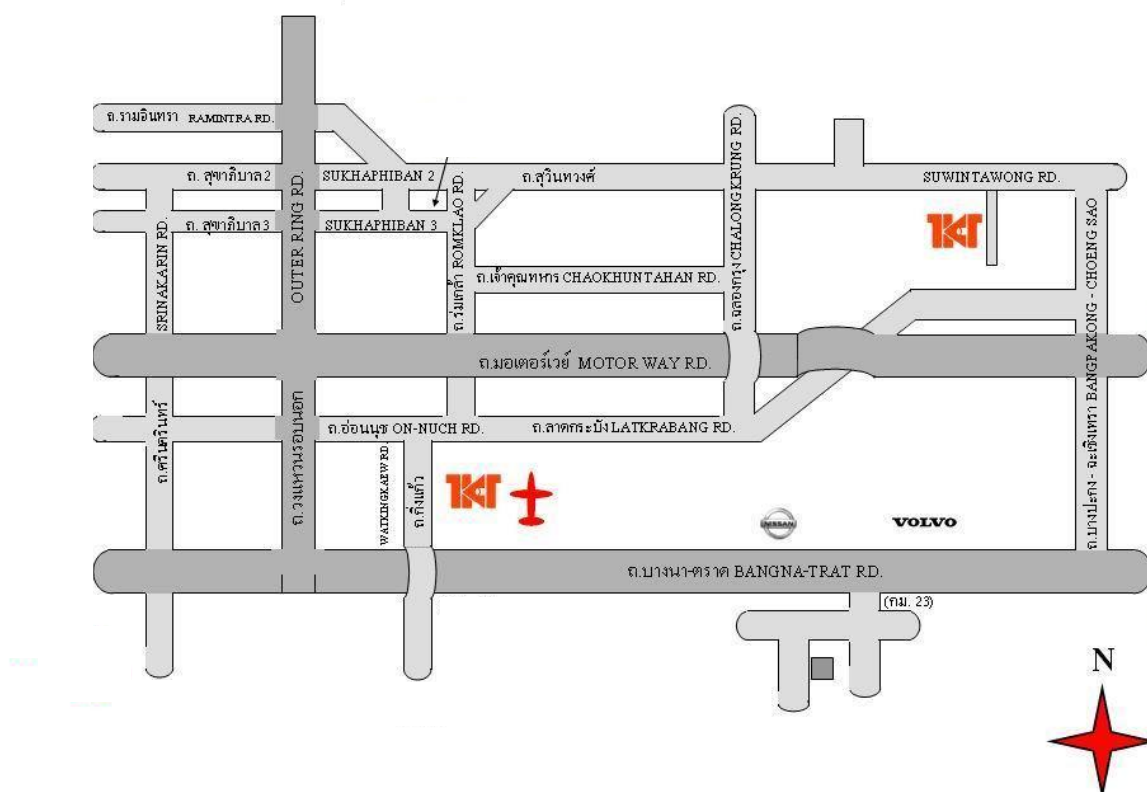
T.Krungthai Industries Public Company Limited (“TKT”) is the producer of plastic parts, including the spray painting, silk-screen & hot stamping and sub assembly, and the service provider on mold design, mold production and mold repair for plastic parts to the leading Automobile, Electrical appliance and Original Equipment Manufacturers (OEM).

Currently, the Company owns 3 production plants.

The first plant is located at Bangplee, Samutprakarn. Its production emphasizes on supporting the demand of plastic parts for automotive and electrical appliance industries.

The second plant is located at Kabinburi, Prachinburi. This plant has been operated since April 2004 and emphasizes on the production to support electrical appliance industry.

The third plant is located on Suwintawong Road, Muang, Chachengshao. This plant has been operated since Quarter 3, year 2005 and emphasizes on production of injection mold. The company purchased machineries to support the increasing production



Policies and long-term goals of the company.

In addition to the annual work plan consisting of annual budget and action plan approved by the Board of Directors. BOD and Management team also pay attention in doing business for long term and to serve needs of all stakeholders. Therefore, the company set policies and business goals in the long term period as follows:

1. Focus on developing competitive advantage by responding to customer needs in terms of quality, delivery, cost, innovation, service and development of new products. Company shall conduct a customer satisfaction survey for all 6 criteria at least 2 times a year.
2. Concentrate on the potential development of the human resources in the company by building core competencies consistent with the values of the organization which support the growth of the company.
3. The company has plans to improve growth both its sale and profit goals annually from year 2014 – 2018 based on the growth of the industry and competitors in the same industry. The Company has a strategic plans to achieve these goals.
4. The Company has established a Corporate Governance Committee to review the corporate governance policy appropriately in fairness to the shareholders as well.
5. Focused on the activities of the organization contribute. And social assistance Activities for philanthropy and events the benefit to society and to focus on the implementation of CSR.

In 2015, the Company had the following significant changes and developments.

1. The company has been awarded “ESG 100 Certificate” as one of the top 100 listed companies from 567 listed companies. A leading position in the business , environmental, social and good governance. (Environmental Social and Governance : ESG)
2. The company has been rated as "excellent" from the assessment of corporate governance (Corporate Governance Report of Thai Listed Companies) by the Institute of Directors of Thailand and The Stock Exchange of Thailand And the Securities and Exchange Commission.
3. The Company has been awarded a "Certificate of Appreciation" from joining the club TPS partnership, Toyota (TOYOTA CO- OPERATION CLUB).

2. Nature of Business

The Company’s products are classified into two categories:

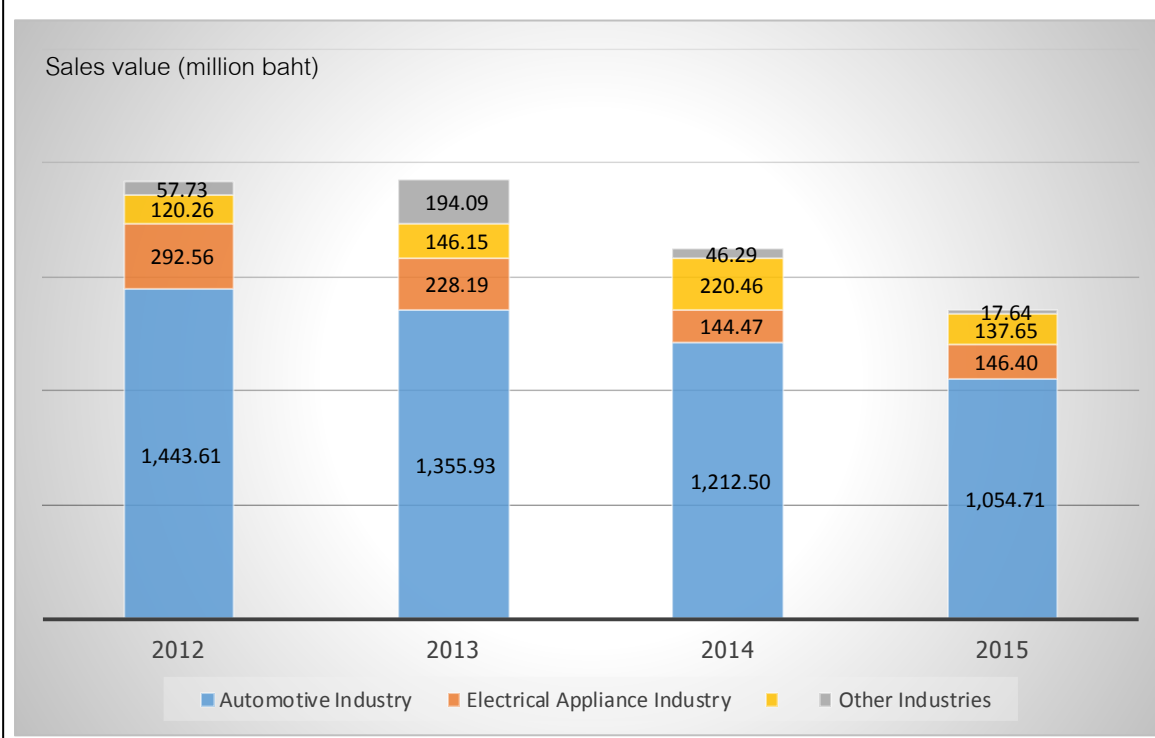
1. Injection Molding
 - Automotive Industry
 - Electric Industries
 - other Industry
2. Mold Production and repair

Income Structure

T.Krungthai Industries Public Company Limited, the Company, supplied all of its products to the domestic customers. The Company’s income structure was as follows:

Income Structure Tables

Value of Salesa	2012		2013		2014		2015	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Sales Income								
Automotive Industry	1,443.61	75.42	1,355.93	70.46	1,212.50	74.67	1,054.71	77.76
Electrical Appliance Industry	292.56	15.28	228.19	11.86	144.47	8.90	146.40	10.79
Other Industries	57.73	3.02	194.09	10.09	46.29	2.85	17.64	1.30
Mold Production Service	120.26	6.28	146.15	7.59	220.46	13.58	137.65	10.15
Total sales Income	1,914.16	100.00	1,924.36	100.00	1,623.72	100.00	1,356.40	100.00



2.1 Types of products and services

The Company's products are classified into two categories:

1. Injection Molding

The Company is the producer of plastic parts for industry. After the process of injection molding, plastic parts would be brought into further processes such as spray painting, silk-screen & hot stamping and sub assembly. The production of plastic parts supports the three groups of industry as follows:

Group 1 Plastic parts for Automotive Industry

- Interior Part Such as, dashboard components/trim, panel, plastic interior parts and door panels.
- Exterior Part Such as, Radiator Grilles, Wheel Cap, Mud guards.
- Engine Room Such as, Cover Engine.

Group 2 Plastic parts for Electrical Appliance Industry

- Products including in this group parts of refrigerators, Door Handle, Base, Top Plate and other parts inside the refrigerator.

Group 3 Plastic parts for other industries

Products including in this group are plastic parts, which are the components of packaging for consumer products such as can covers, etc.

The company's quality control process are monitored and controlled efficiently starting from the import of raw materials, production process, production of good quality products ,best service and up to the time of delivery to the customer for which the company earns the customers confidence, trust and satisfaction.

2. Mold Production for Plastic Injection Production**A) Mold Design and Production**

The Company provides services on mold design and manufacture of plastic injection molds. With professional teams, having more than 10-year experience in mold design and production, computers are used in designing process such as CAE (Mold Flow) which is used to analyze the design of plastic parts and mold. Computer Aid Design (CAD) and Computer Aid Manufacturing (CAM), the Company was able to produce good quality molds, which are right according to designs. Moreover, the Company has sent the technicians, who take care of the mold production, over for training both domestically and abroad. The trainings were aimed to develop on mold production of the Company

Mold making is divided into two groups.

1. New Mold for customers' order

For this, the company will make mold for injection according to the customers specification and make the mold in accordance with the design details agreed by both sides.

2. Customer provide mold for repair and adjustment

For this, the customers provide molds for repair and adjustment , both the company and the customer support each other for the improvement of surface, mold design for injection improvement and adjustment for quicker production or as per the customers requirement. This sort of service build trust from customers in the injection process and if the mold has been damaged the company also give service in this matter.

Production and repair of molds the company give quotation for their service depending on the size of the mold , difficulty and simplicity of the mold repair and the working time / lead time recorded as an income form sales and service.

B) Mold Repair

Besides from services on mold production, the Company also provides services on mold repair.

The Company's professional technicians would provide immediate repair services right at the ours' sites. The customers' time would not be wasted for sending the molds externally for repair. These services are aimed to create creditability towards the Company's mold production.

Investment Support from Board of Investment Directors (BOI)

The Company has received promotional privileges from the Board of Investment (BOI) in Zone 2 (Chachoengsao) for plant Suwinthawong on February 25, 2011 to indicate that the user is encouraged to invest in the business. mold manufacturing and mold repair itself. The gist has been promoted as follows.

1. Exemption in company income tax for the net profit on the BOI privilege for 8 years and reduction on corporate income tax in the Net Profit 50% for 5 years after 8 years.

2. Exemption on dividends paid by the Company has been promoted calculation . To pay income tax for the period that has been promoted is exempted from income tax throughout the BOI privilege period.

3. Reduction on imported machineries and material in the manufacturing and export for 1 year.

4. Reduction import duty for the BOI privilege import and export in 1 year.

On October 25, 2012 , the Company acquired additional type of business from Board of Investment (BOI) That is Manufacture of plastic or plastic coated. Following are the overview of the acquired privileges :

1.Exemption from income tax on profits derived from such business on the BOI privilege which does not exceed 100 percent of the investment , excluding land and working capital for a period of 3 years.

2. Exemption on the dividends paid by the company under the BOI privilege and to pay income tax for the period of the exemption given to the company by BOI.

3. Exempt from import duty on raw and essential materials imported from abroad for use in the production for export for a period of one year.

4. Exemption from import duties for imported be encouraged to return to a period of one year

2.2. Marketing and Competition

1. Marketing

Marketing Strategy

Being 40 years in business the company are already familiar with our customers needs and requirements. Most of the customers are not really concern on prices but more concerned in their trust, quality of the product, service ability and capability so the company came up with a marketing strategy and policy as per our customers requirements and needs be it in short or long term period as follows :

Q (Quality) :	product quality must be standard and accepted by our customers, quality Competitive with other manufacturers.
C (Cost) :	cost in production shall be lower and control production expense by increasing the production and reduce wastes during production.
(Delivery) :	Delivery efficiency by on time delivery and quicker delivery to the customers by setting up a section for quicker and on time delivery

- M (Management) : Management efficiency, policy making and strategy in management from board of directors emphasized on more efficiency in working and in marketing by using standard quality system such as ISO 9001 – ISO/ TS 16949 and ISO 14000 up to TPM and TPS : for customers satisfaction.
- E (Engineering) : Support and improve the ability and capability of engineering of the company in a modern way improve designing of products for (One-Stop Service)
- C (Communication) : Good quality of communication both in and out of the company.

To achieve policies in marketing actuary measure for the satisfaction level of customers yearly. The target score for satisfaction is 85% up and set 5 points for rating they are Quality, Cost, Delivery, Management and Engineering.

Nature of Customers and Customer Target Group

The company has divided target customers into 4 groups as follows :

- 1. Automobile Industry Group** this group consist of : various automobile producers including the parts manufacturers with a total sales of 77.76% such as Toyota Motor Asia Pacific Engineering and Manufacturing Co.,Ltd., Kawasaki Motor Enterprise (Thailand) Co.,Ltd.,
- 2. Electrical Appliances Industry Group** this group consist of electrical appliances producers for household and business sector with a total sales of 10.79% such as Haier Electric (Thailand) PCL, Hitachi Consumer Products (Thailand) Co.,Ltd., Panasonic Home Appliances (Thailand) Co.,Ltd.
- 3. Other Industry Group** this group consist of manufacturers of products made from plastics such as packaging, in the year 2015 revenue was 1.30% of the total income such as Prairie Marketing Co., Ltd.
- 4. Molding Industry Group and Repair in** the year 2015, customer sales portion sale ratio 10.15% of the total income such as Toyota Motor Asia Pacific Engineering and Manufacturing Co.,Ltd., Kawasaki Motor Enterprise (Thailand) Co.,Ltd., Faurecia & Summit Interior Systems (Thailand) Co.,Ltd.

The company has one customer which has a market share of 30 % in the automotive industry that is Toyota Group

Sales & Method of Selling

The company make direct sales to clients (End User) by not going through an agent and it's a domestic sale but other products of the company are being assembled and exported indirectly (Indirect Export) in the form of finished product and parts. Most of our customers are Japanese companies and they normally have representative or affiliate companies to make purchases for them. From our experience our company's plastic products are well accepted and used in the assembly of electrical and automobile industries in Japan. Besides, our company has better know how in the working system of Japanese

companies and use this to improve our products and service in order to be competitive with the Japanese companies, along with the improvement of human resource in all levels. Our company uses production standard, work closely with customers, so we could know directly the requirement of the customers. This is the reason why Thai producers are well accepted in this line of products and service. The company is able to offer its service to other manufacturers on both industry.

Industry Situation and Competition

Industry Structure

The Company commercially produced and distributed the plastic parts to the customers, who further use them as an component of any readymade products that were sold to the end users.

Presently, the business on production of injection molding rapidly grew. With characteristics of being high torsion & impact resistance and light in weight, the demand of the products were rising from various industries such as automotive, electrical appliance and electronics industries. Followings are situations on the Company's principal related industries:-

Condition of Automobile Industry in the year 2015 (Data from newspaper Thai PR.Net).)

Automotive industry in 2015

Car production in 2015 totaled to 1,913,002 units an increase of 1.76 % compared to the same period of 2014. Passenger cars totaled to 768,706 units up 3.5 % compared to year 2014, pickup truck 1 ton production totaled to 1,115,818 units up 0.09 % compared to year 2014. Export Production totaled to 1,200,974 units representing 62.78 % of total production in year 2014 an increase of 7.02 %.

2.3 Exploration / Search of Product or Service

Production : at present the company has a 3 plants to provide services Details as follows :

Factory 1 : Located at 59 Mu 6 Kingkaew Road, Rajateva, Bangplee, Samutprakarn 10540 with an area of 9 rai 10,200 square meter is used for factory bldg. comprise of marketing dept., engineering dept., production dept. For full production capacity we use 3,600 tons / year.

Factory 2 : Located at 517 Moo 9, Nongkee ,Kabinburi Prachinburi 25110. Area -13 rai. 6,000 square meter is used for factory bldg. for better and bigger production for our customers requirement, started on February 2004 and with a full capacity of 5,040 tons/ year.

Factory 3 : Located at 28/4 Moo 1 Suwintawongse Road, Klong Udom Chulachon, Amphur Muang, Chachoengsao 24000. Area -27 rai. 8,700 square meters is used for mold making that can be used in the production of mold for injection ranging from 30 to 1,800 tons and a plastic injection molding machine ranging from 230 to 850 tons

To be able to gain the trust and provide satisfaction to our beloved customers, we have set an important policy for production i.e to concentrate on the quality of product as per customers requirements with on time delivery.

➤ **Search of Raw Material for Plastic Production**

• **Raw material for production of plastic products**

The main raw material used for production of plastic products are Pellets purchased from local representative vendors and the purchase of these materials are composed of the following groups.

• **Plastic Product for automotive industry**

Raw material to be used in the product production, the company purchase the material in advance from local vendors. 95 % purchase of plastic products , the customers and the sellers specify what kind of material is to be used in order to control the material quality according to customers requirement.

The company has 26 raw material vendors.

• **Plastic Product for Electronic Appliances Industry**

Purchase of raw material for the production of electronic appliances plastic parts comprise of two categories : customers provide the company with material and or the company purchase the material. For the year 2015, proportion volume is 38.90 % and 61.10 % respectively.

For the purchase of raw material of the above 2 groups, the company can deal with the customers, the company has no difficulty in finding material vendors who could provide cheaper with the same quality as per customers requirement.

Kind of plastic material are separated into the following groups : Polystyrene – PS, Polypropylene-PP (Engineering Grade), PC/ABS (PC Alloy), Nylon (PA+GF) Poly Acetal (POM),Acrylonitrile Butadiene Styrene-ABS and others.

➤ **Finding material for mold making**

• **Material for Mold Making**

The main material is steel (Mold Base) and steel mould parts, the company purchased from many local vendors. These vendors has been with the company for a long period of time, the steel used are of good quality according to the injection mould specification with less wastes.

➤ **Analysis and Development of Mold Making**

The company got a Mold Flow to support our analysis and help us in the design and the manufacturing of plastic injection molds.and as a result the molds produced higher and better quality . The company made researches to develop new technologies for the higher quality production with lower cost in collaboration with NSTDA which will start in the year 2015

➤ **Repair of Mold**

Besides offering service on mold the company also give service on damage molds during the working process and this kind of service on repair can build trust from customers. Our company's mould section officers can also give service at our customers' factory/plant.

2.4 Undelivered Job (Especially on Project with High Value)

-None –

3. Business Risk

The company had realized that risk management is an important issue and tool to management framework. Risk management is significant to investors, shareholders, business operations therefore a manual has been prepared to be followed. Risk management policy and Risk Management Committee shall assess risks and determine preventive measures along with the responsible officers for monitoring and analyzed the risk practices in the organization. Responsible authorities that has been linked to risk management strategy shall manage the organization to reduce or mitigate the risks that may cause to the organization. The company has set out the risks that may affect the business in six categories as follows :

- Risk in Business Operations and Strategy
- Risk in Operations
- Risk in Accounting and Finance
- Risk in Administration and Management
- Risk in related Rules and Regulations
- Risk in Information Systems

In year 2015, the company has to comply with the regulations of risk management manual and shall conduct a risk assessment in each group every six months and found out that the risk has materialized as follows :

- **Risk in Business Operations and Strategy**
 - **The risk in the change of raw material price**

If the price of raw material become higher our cost of goods sold will also be higher which will make out profit less

Change of material price has no impact to the company operation as prices quoted to the customers are calculated based on the raw material cost and cost structure and the responsibility on this is given to the marketing dept. to follow up the price change of the raw material and quote the price to customers as per the material cost.

- **Risk in Operations**

- **Risk in Cost of Production higher than competitor due to machinery and technology**

If production costs are higher than that of the competitors due to the obsolete / outdated machineries and technology that makes our production waste higher and less production combined with higher maintenance cost and higher cost of goods sold .

Therefore the company has to follow up any changes in technology all the time and send its employees regularly both abroad and locally. In the case of the machineries used for production, we have to check its efficiency on a regular basis and calculate the maintenance cost once a year and make sure that the maintenance expenses won't be high. If the outcome is not satisfactory then the company must take into consideration to purchase new machine

- **Risk in lack of raw materials**

Material used for production is a special kind of raw material for automotive industry, should the material used is not enough it will affect our production and delivery.

The company control this risk by purchasing the material from trusted and reliable suppliers, make plans ahead and must be under control and monitored regularly.

➤ **Risk in Accounting and Finance**

The Company has planned to reduce the liabilities on current loan as to give flexibility in financial management and to provide support for future business to yield satisfactory rate of return As you can see from D/E Ratio with the highest 2.5:1 at present D/E ratio 1.47 for fiscal year 2015.

The Company has focus on monetary regulations and proper financial management. The Company regularly analyzed impacts of all risks in order to prepare for the sudden affects from any unpleasant situations that might happen. Financial risks that the Company put focuses is to closely protect financial risk that can affect our expenses.

- **Risk form interest rate**

Risk from interest rates incurred from the change of interest rates in the future which effects upon results of operation and cash flow of the Company.

However, the Company has planned to reduce such risk by finance at the lower interest rate. The company interest expenses is quite low compared to the total income.

- **Risk from exchange rate**

The Company has certain foreign currency transactions that give rise to significant exposure to market risk from change in foreign exchange rates.

However, the Company has forwarding contract for foreign exchange rated as a hedge against such risk for the purchase of machineries and equipments from foreign country.

- **Risk from credit provision**

The Company constitute risk from the credit offered in respect of trading accounts receivable since trade accounts receivable may not be able to settle debt pursuant to term and covenant agreed upon and also risk from counter party who cannot comply with the term and covenant in the contract of loan which may incur financial loss.

However the Company hold the policy to hedge against such risks via the analysis of financial status and consideration of capability in term of debt repayment of clients and each counter-party. Regarding the consideration of audit granted for trading accounts receivable who are anticipated of uncollectable in debt settlement, the Company sufficiently considered the allowance of doubtful debt.

- **The risk of non-compliance with the agreement**

The company has a potential risk of the counterparties' failure to comply with contract requirements which cause a financial loss .

To avoid this risk, the Company is monitoring the compliance in each contract regularly.

➤ **Risk in related Rules and Regulations**

- **Risk on not complying to the rules and regulation of SET/SEC**

The SET / SEC have set regulations for listed companies to observe and follow rules in

administering companies in appropriate manner including the prohibitions and punishments for the companies who do not observe and follow the rules.

The company has to strictly and closely follow SET / SEC rules and has to appoint someone to be directly responsible to follow up news / reports, and or latest regulations for listed companies for confidence that the company strictly follows the rules of SET / SEC on time.

The risk assessment of this aspect in 2015 found no violation of any rules, regulations or terms and conditions of the Stock Exchange of Thailand.

➤ **Risk in Information Systems**

• **Risk of data loss**

There is a risk of Enterprise Resource Planning (ERP) software database loss and malfunction of computer systems, which could cause damage to the company's operations.

Therefore, the company has applied a preventive method of data loss by improving the ERP to support increased data volumes and ensure the stability of the operation of all segments. The company has ensured that the database system features a backup storage system that is secure, and the availability of backup computers that are able to replace the main computer as soon as there are any malfunctions. The personnel provides authorities for chief information officer to support for training and other issues and let all the employees be aware and carry out effectively and adequately.

4. General Information and Other Important Information

4.1 General Information

Company Name	: T.KRUNGTHAI INDUSTRIES PUBLIC CO.,LTD.
Business	: Production of plastic parts and services of mold design, mold production and mold repair for plastic parts to the leading Automobile manufacturers, Electrical appliance manufacturers and Original Equipment Manufacturers ("OEM").
Authorized Capital	: The Company has an issued and paid-up share capital of 214 million baht to 214 million shares.
Head office	: 23 Soi Chan 43 Yak 21, Chan Road, Tungwatdon, Sathorn, Bangkok 10120
Plants Location	: 1. 59 Moo 6 King Kaew Road, Rajateva, Bangplee, Samutprakarn 10540 : 2. 517 Moo 9 Nongkee, Kabinbure, Prachinburi 25110 : 3. 28/4 Moo 1 Suwintawong Road, Klong-udom-Chonlajorn, Muang, Chachengshao 24000
Company Registration No.	: 0107547000010
Telephone	: 0-2211-2762, 0-2211-3732, 0-2212-4719
Fax.	: 0-2212-4864
Investor relation	: investor@tkrungthai.com
Audit Committee (Independent Director)	: independent@tkrungthai.com
Web Site	: www.tkrungthai.com

Reference

Registrar	: Thailand Securities Depository Co., Ltd. 62 The Stock Exchange of Thailand Building, Rachadapisek Road, Klongtoey, Bangkok 10110 Tel: (66 2) 229 2800, Fax: (66 2) 359 1259
Auditors	: Karin Audit Company Limited 138 Boonmitr 6th Floor Room B1, Silom Road Suriyawong, Bangrak, Bangkok 10500 Tel. 0-2634-2484-6 Fax. 0-2634-2668 Auditor : Mr. Jirote Sirirorote , C.P.A. Thailand No. 5113
Legal Advisor /Consultant	: Far East Law (Thailand) Co., Ltd. 127/74-75 RS Tower Bldg. 24th. Rachadapisek, Dindaeng, Bangkok 10400

4.2 Other Important Information

- None

5. Shareholders

The Company's total registered capital was Baht 214 million (Two Hundreds and Fourteen million Baht), divided into 214 million common shares with par value of Baht 1 (one Baht). Besides, The company has no other shares that is different from common shares such as Preferred shares.

Main Shareholders of the company has no agreement in terms of management of the company and the sales of company's shares.

5.1 List of major shareholders at December 25th 2015

No	Name	Share amount	(%)
1	Mr.Sumate Techakraisri	33,500,000	15.65
2	Mrs.Yupa Techakraisri	24,000,000	11.21
3	Mr.Kam Kwan Koon	12,750,000	5.96
4	Mr.Tanawat Kraipisitkul	12,682,820	5.93
5	Mr.Mit Techakraisri	6,500,000	3.04
6	Miss.Uraiwan Saetae	6,500,000	3.04
7	Mr.Phreecha Techakraisri	6,138,400	2.87
8	Mrs.Taeteasri Saetae	6,000,000	2.80
9	Miss. Siri-on Isarakula Na Ayuthaya	4,293,400	2.01
10	Mr.Noppadol Kasemkulsiri	3,500,000	1.64

Remark: : Major Shareholder (Techakraisri group) : Mr.Sumate Techakraisri, Mrs.Yupa Techakraisri, Mr. Mit Techakrasri, Miss.Uraiwan Saetae, Mr.Phreecha Techakrasri, Mrs.Taeteasri Saetae.

Thai citizen shareholders 191,973,100 shares equal to (%) 89.71

Foreigner shareholders 22,026,900 shares equal to (%) 10.29

Foreign Shareholders' limitation

Foreigners are not allowed to hold more than 40% of total company shares.

5.2 Other Security

- None

6. Policy of Paying Dividends

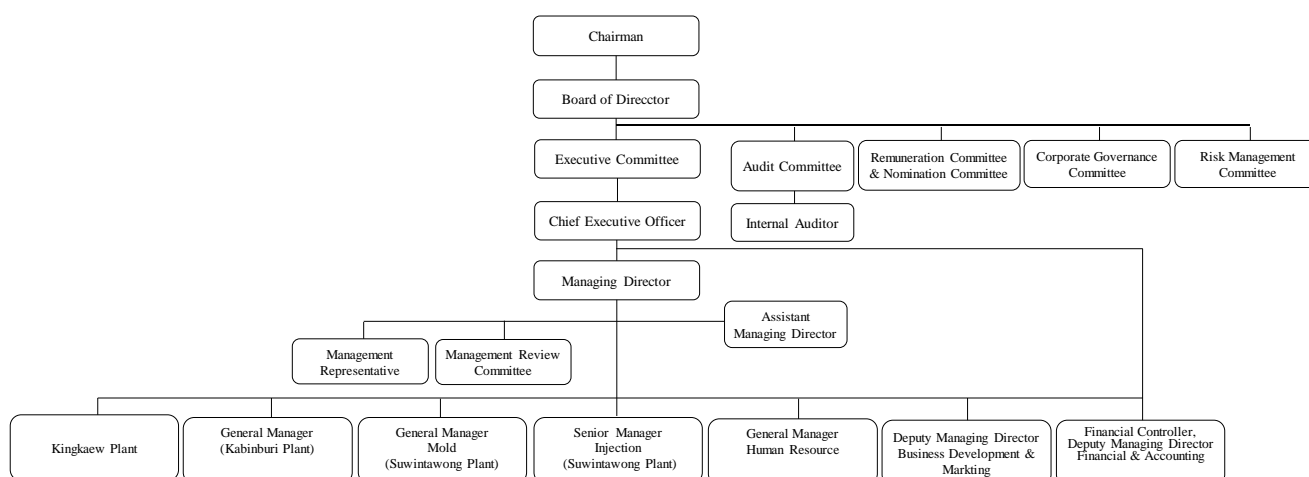
The company has to pay the dividends to the shareholders not less than 40% of net profit of each year except if the company has plans to invest on others investments.

Historical dividend paid date.

Year	2010	2011	2012	2013	2014
Earning per share (Baht)	0.19	-0.07	0.38	0.18	0.09
Dividend per share (Baht)	0.12	0.05	0.18	0.15	0.10
Dividend per EPS (%)	63.19	- NA -	47.12	82.39	- NA -

7. Management structure

Management structure as at 31 December 2015



7.1 The Administration

The Company's directors whose qualifications are right in accordance with Section no. 68 of an act of legislation on public company limited. The Company's directors do not have any actions against the Securities Exchange Commission's prohibited announcement no. kor chor 12/2000 with the subject of requesting for permission and the permission to offer newly issued shares dated 22 March 2000.

Directors of the company as per company registration as at 31st Dec. 2016 consist of knowledgeable, proficient and experienced persons which is essential / vital to the company totaling 13 pax as follows :

Details of attendants in Board of Directors Meeting in Year 2015				
No.	Name - Surname	Position	Director (DCP) & (DAP)	Attendance
1	Gen.Terdsak Marrome	Chairman/ Independent Director	DAP รุ่นที่ 10/2004	7/8
2	Mr.Pairuch Sahamethapat	Director / Independent Director Chairman of Audit Committee	DCP รุ่นที่ 102/2008	8/8
3	Mr.Paotep Chotinuchit	Director / Independent Director Director Audit Committee Chairman of Remuneration Committee and Chairman of Nomination Committee Chairman of Corporate Governance Committee	DAP รุ่นที่ 11/2004	8/8
4	Mr.Sumate Techakraisri	Director / CEO Director Remuneration and Nomination Committee Director Corporate Governance Committee	DCP รุ่นที่ 137/2010	8/8
5	Dr. Kosol Surakomol	Director / Independent Director Remuneration and Nomination Committee Corporate Governance Committee Risk Management Committee	DCP รุ่นที่ 137/2010	9/9
6	Mr.Virasak Sutanthaibul	Director / Independent Director / Audit Committee	DAP รุ่นที่ 21/2004	8/8
7	Mr.Kumpee Chongthurakit	Director Director Remuneration and Nomination Committee Director Corporate Governance Committee	DCP รุ่นที่ 48/2004	8/8
8	Mr.Phreecha Techakraisri	Director / Executive Director / Managing Director Director Risk Management Committee	DAP รุ่นที่ 10/2004	8/8
9	Mr.Chumpol Techakraisri	Director / Executive Director /Asst. Managing Director Company Secretary / Director Risk Management	DCP รุ่นที่ 102/2008	8/8
10	Mr.Kowate Limtrakul	Director / Executive Director Chairman of Risk Management Committee	DCP รุ่นที่ 105/2008	8/8
11	Mrs.Yupa Techakraisri	Director	DCP รุ่นที่ 32/2003	7/8
12	Mr.Apichart Kasemkulsiri	Director	DCP รุ่นที่ 73/2006	7/8
13	Mr.Prasong Techakraisri	Director	DAP รุ่นที่ 11/2004	8/8
Gen.Terdsak Marrome , Mrs.Yupa Techakraisri, Mr. Apichart Kasemkulsiri : Absence due to unexpected reason.				

The secretary to the Company's Board of Directors is Mr.Chumpol Techakraisri

Definition of Independent Director

The Board of Directors had set the qualifications of an independent director which is in equal with the requirement of SEC and at least there must be 3 independent directors with the following qualifications :

1. Hold no more than 0.5% of total voting stocks of TKT, its parent company, its subsidiaries and its associated companies, related juristic entity with conflicts including stocks held by related persons.

* The company has established stricter criteria than the announcement made by The Capital Market Commission in which they can hold a share of not more than 1 percent.

2. Not a Board member or in the management team of the company / employee / wages / consultant who gets regular salary / has the authority to manage and direct the company , parent company , its subsidiaries, and its associated companies or related juristic entity with conflicts (present and for the past 2 years before the appointment)

3. Not related by blood or legal registration such as parents, spouse, brothers, sisters and children

including the directors' children spouses, main shareholders, power to control and juristic entity who is entity who is appointed to manage the company or its subsidiaries.

4. No business relationship with TKT , parent company, its subsidiaries and its associated companies, or related juristic entity in order to have freedom in exercising the rights to express their ideas and opinions on the company performance

5. Is not appointed as a representative of the company's director, major shareholders or shareholders who are related to the major shareholders of the company.

6. No other impediments or impairments to express independent opinions concerning the operations of the company.

7. If qualified for the item 1-6, the independent director may be assigned by the Board of Directors to make decisions relating to business operations of the company, the company's major shareholder, a subsidiary an associate a subsidiary of the same tier or any juristic person with a conflict of interests, on the basis of collective decision.

Authorized Directors

The authorized directors, whose signatures are required in business operation, comprised of Mr. Sumate Techakraisri to jointly-sign with Mrs.Yupa Techakraisri or Mr.Chumpol Techakraisri or Mr.Phreecha Techakraisri. Two signatures together with the Company's logo stamp are required for juristic transactions binding upon the Company.

The variety of the Board of Directors

The Board are aware of the diversity which is the key factor in increasing the efficiency of decision making and the work of the Board of Directors. Diversity is not only about the gender but also to the age, education background, professional experience skills and knowledge.

Appointment and recruitment of company's directors shall be based on their knowledge which take into account the selection of criteria and the benefits of diversity including gender variety.

The duties & responsibilities of the Board of Directors

1. The Board of Directors hold the duties & responsibilities in accordance with regulations stated in civil and commercial laws, including any regulations stated in listed companies.
2. The Board of Directors hold the duties & responsibilities in accordance with the Company's articles of association.
3. To monitor and regulate the Company's principal policies on operations, corporate finance, fund-raising, capital risk, benefit risk, and risk management.
4. To consider for the approval of investment amount and to monitor the Company's operations in pursuant to the plans.
5. Set strategy for the business goal and projection plan
6. To operate under laws, objectives and articles of association of the Company, resolution from the Shareholders Meeting and Statements in the prospects of the Company.
7. Provide for the administration of corporate governance principles.
8. Approval, assign an or several individuals as the Executive Director(s) to act on behalf of the Board of Directors.

9. Approval of company's annual and capital expenditures, budgets, budget costs, manufacturing, selling and administrative expenses for the year, sales of fixed assets between affiliates (market) value of more than 1 million Baht

Followings are exceptional issues that should be raised to and required for approval from the Shareholders Meeting. Moreover, no votes should be made by directors, who may have conflicts of interest with the company or its subsidiaries.

- Legal issues that require resolution from the Shareholders Meeting
- Issues regarding the Directors interests that require resolution from the Shareholders Meeting, according to regulations of the Stock Exchange of Thailand and laws.
- Besides, followings are issues that require approvals from the Board of Directors Meeting and Shareholders Meeting with the votes of no less than $\frac{3}{4}$ or 75% of the total votes from total number of shareholders attended.
 - The sales or transference of all or parts of the Company's business to outsiders
 - The acquisition of other public or private companies
 - The agreement, amendment or termination of contracts relating with the rental, a whole business or some significant parts of business of the Company; assigning outsiders to oversee and manage the business or the merger with purpose of sharing profits and losses
 - Capitalization of the Company's debts by issuing new common shares for the creditors.
 - Decrease of the company's registered capital by the amounts of shares or par value.
 - Increase or decrease of the Company's registered Capital, bond or debenture issuance, merger or wind up of business.
 - Any other law related issues.

7.2 The Management

The Management comprise of 6 persons as follows:

No.	Name -Surname	Position
1	Mr.Sumate Techakraisri	Chief Executive Director
2	Mr.Kowate Limtrakul	Executive Director
3	Mr.Phreecha Tachakraisri	Managing Director
4	Mr. Pongsakon Phetpayullpun	Deputy Managing Director
5	Mr.Chumpol Techakraisri	Assistant Managing Director
6	Mr. Prinya Kaeoluan	Senior Accounting & Financial Manger

The duties & responsibilities of Managing Directors

1. To monitor and control on general operations and promote the qualitative management.
2. To follow up and evaluate the operational performance according to the Company's plan.
3. To be the leader in the review of qualitative management.

The Managing Directors must follow the regulations and limits assigned above from the Board of Directors and/or Executive Directors. Any other issues besides the mentioned duties and responsibilities shall be authorized by the Board of Directors or Executive Directors.

7.3 Corporate Secretary

The company entrusted Mr. Chumpol Techakraisri as the corporate secretary (Resume of Company Secretary, qualifications, working experience is shown on Appendix 1) and the professional Legal Advisory to providing legal matters and advice to the Board and the Management about the rules and regulation that the board has to know. To oversee the activities of the board along with the coordination on the compliance on the resolved matters of the company. Below are the responsibilities and duties of the corporate secretary.

1. Advice and assist the Directors regarding legal matters and corporate governance of the company, to comply with the relevant laws and regulations and make regular follow ups and inform Directors of any changes which will be of relevance to the company
2. Organize Shareholder Meeting and Board of Director as per the company's corporate governance and comply with these rules.
3. Record the minutes of shareholders' meeting and the Board of Directors and monitor the activities if the resolved matters are being followed.
4. Oversee the disclosing of information related to the given responsibility as per the regulations set by the law.
5. Contact and inform the shareholders their rights and information about the company.
6. Oversee the activities of the board.

7.4 Remuneration to Directors and the Management

A) Monetary Remuneration for Company's Director year 2015

The remuneration and nomination committee has approved the company's remuneration with clarity and in accordance with the company's policy and business situation as compared to the same industry before proposing during the annual general meeting respectively.

Table: Monetary Remuneration to the Company's Board of Directors and Executive Directors in Year 2015

No.	Name - Sumame	Position	Remuneration for Director	Bonus
1	Gen.Terdsak Marrome	Chairman/ Independent Director	612,000	20,000
2	Mr.Pairuch Sahamethapat	Director / Chairman of Audit Committee/Independent	511,200	15,000
3	Mr.Paotep Chotinuchit	Director / Director Audit Committee/ Independent Director Chairman of Remuneration Committee and Chairman of Nomination Committee Chairman of Corporate Governance Committee	360,000	15,000
4	Mr.Sumate Techakraisri	Director / CEO Director of Remuneration and Nomination Committee Director Corporate Governance Committee	-	-
5	Dr. Kosol Surakomol	Director / Independent Director Director Remuneration and Nomination Committee Director Corporate Governance Committee Director Risk Management Committee	218,400	15,000
6	Mr.Virasak Sutanthaibul	Director / Director Audit Committee/Independent	309,600	15,000
7	Mr.Kumpee Chongthurakit	Director Director oRemuneration and Nomination Committee Director Corporate Governance Committee	218,400	15,000
8	Mr.Phreecha Techakraisri	Director / Executive Director / Managing Director Director Risk Management Committee	-	-
9	Mr.Chumpol Techakraisri	Director / Executive Director / Asst. Managing Director Company Secretary / Director Risk Management	-	-
10	Mr.Kowate Limtrakul	Director / Executive Director Chairman of Risk Management Committee	-	-
11	Mrs.Yupa Techakraisri	Director	183,600	15,000
12	Mr.Apichart Kasemkulsiri	Director	183,600	15,000
13	Mr.Prasong Techakraisri	Director	183,600	15,000
Total			2,780,400	140,000

B) Management Remuneration

The company has considered a fair and reasonable compensation of the executives based of their job duties, operating results and economic conditions and is in line with other companies the same industry.

The compensation of CEO and management team is based on individual and corporate's performance result, which the target is aligned with company's vision, mission and strategy. The compensation shall motivate CEO and management to build company to grow sustainably. Details are as follows :

- Remuneration of the Chief Executive Officer (CEO) : Remuneration committee assess and evaluate CEO yearly and the salary shall be based on the assessment result. For year 2015, the salary amounted to Baht 2.22 million and no other benefits are included
- Remuneration of the Management of the company : CEO evaluates and consider the remuneration in accordance with the executive's individual performance twice a year in the form of salaries and bonuses.

For remuneration to management in 2015 are as follows.

Item	Remuneration	
	Person	Baht
Salary	6	11,849,808.00
Bonus	6	1,098,881.44

Others Remuneration

Item	Person	Baht
Provident Fund	4	233,756.16

7.5 Employees

As at 31 December 2015, the Company's total numbers of employees (excluding the Management) are as follows:

Department	Total numbers of employees		
	2015	2014	2013
1 Back Office	148	154	212
2 Factories	1,030	906	903
Total	1,178	1,060	1,115

Total Employees in each department :

Department	Amount		
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2013
1. Production	720	620	660
2.Engineer & Research	33	47	55
3. Quality, Planning and Maintenance	174	142	145
4. Purchase & Delivery	42	47	48
5.Raw Material & warehouse	83	80	81
6. Human Resource & Administration	39	34	35
7. Sale & Marketing	11	12	12
8. Accounting & Financial/Information Technology	26	26	29
9. Management & Operation	50	52	50
Total	1,178	1,060	1,115

Remark : The company has no problem with employees for the past year

Employee Remuneration

Remuneration of employees shall be based on the company's policy on evaluation of performance with KPI that have been mutually agreed as well as other benefits such as bonus, providend fund, career path , rewards, policy development, training awareness and continuous development of staffs

The total employees remuneration for year 2015 amounted to Baht 267,148,074.19 less than that of 2014 which was Baht 9,166,177.60 and this include salaries, bonus, social security and other welfares.

Human Resource Development Policy

The Company recognized the importance of employees development not less than the quality of raw materials or production process. With the belief that the quality of products not only comes from good raw materials but quality labor directly and indirectly included into the production process.

The Company recognized the importance of human resources since the beginning of the recruitment process. The Company recruited and hired employees based on their knowledge and skills. The Company also provides a safety working environment and training both internally and externally as well as overseas training to the employees. As indirect development of employees, the Company also set up the policy on recruitment of foreigners as a consultant to help increase the employees proficiency and competency to be up to the international standards.

The Company's training system or in House training such as OJT (On the Job Training), ERP (Enterprise Resource Planning), Qualitative management as ISO/TS 16949, ISO14001 and Public Training will also be available for the employees.

From the progress of employee development, the Company discovered that the employees have higher involvement in reduction of the faulty production and can also be working effectively as shown in the cost reduction of the Company. This cost reduction reflects the competitive advantages of the Company over the competitors in the same industry.

In 2015 the company has conducted training to increase / develop employees knowledge, abilities in all categories. According to the employee details as follows.

Category	Training hour in for each category				
	Senior executives	Executive	Supervisor	Employee	Total
1. Management	58	163	494	338	1,053
2.Information and Technology		27	102	69	198
3. Quality	150	244	284	1,072	1,750
4. Safety, Occupational health and environment in the workplace, Environment, Energy Conservation	60	30	270	343	703
5. Professional Performance	36	156	432	4,312	4,936

Preparation for the Successor

The preparation for the successor is the duty of the directors of the organization to make work chart in order to make it convenience to the successor to go on with the work and prepare human resource to accept the work chart of the management by setting a policy for the candidate with quality and have someone to impart the knowledge and inform the weakness of the business for better quality.

8. Corporate Governance

8.1 Policy Corporate Governance

The company's Board of Directors established the Code of Best Practices for directors of a listed company according to the guidelines of the Stock Exchange of Thailand. After having the company listed on the Stock Exchange of Thailand, the firm launched the "Corporate Governance Policy" and the "Code of Conduct" guides to distribute to the company's directors, executives and employees at all levels to adhere to and follow the practices accordingly.

The company has been operating under good corporate governance and in 2014 it has been evaluated as "Excellent" (granted 5 stars) by Institute of Directors of Thailand. It also received a 100 % score in quality assessment for the Annual General Meeting of Shareholders for five consecutive years from the Thai Investors Association.

In addition, the Company has followed the principles of corporate governance. The guidelines cover the following five categories

1. Rights of Shareholders

Besides the basic shareholder rights are rights to buy, sell or transfer shares ,the company obtained relevant and adequate information on company in a timely manner and on a regular basis, shareholders are given the rights to :

- 1.1 The company allows the shareholders to propose agenda prior to the meeting and raise questions related to the agenda of the General Shareholders Meeting for year 2016 and notify the Stock Exchange of Thailand in advance between October 1, to December 31, 2015 and publish the guidelines under the announcement clearly on the company's website (www.tkrungthai.com)
- 1.2 The company informed shareholders of the invitation and information in Thai and English on company's website in advance 49 days before the meeting occurs to enable the shareholders to examine before the meeting and allows the shareholders to send questions reg. the meeting agenda addressed to Board of Directors before the meeting at www.tkrungthai.com. For the "news" (post March 5, 2015) the company has to pass through the SET news.
- 1.3 An invitation letter notice has been published / posted in the newspaper 3 days before the meeting for 3 consecutive days.
- 1.4 The company respect the rights of shareholders by holding annual general meeting year 2015 on April 23, 2015 at Montien Riverside Hotel for the convenience of shareholders and proxies joining the said meeting.
- 1.5 All the directors attended shareholders meeting totaling 14 pax and Top Management of the company informed and answered all the questions raised by shareholders. Moreover, an auditor representative from Karin Audit was also present during the meeting to answer the question regarding company's financial statement along with one legal counselor from Far East as witness in vote counting for clarity.
- 1.6 Before the meeting the Chairman of the Board introduced to the shareholders all the Board of Directors team along with the Auditor. It was also announced during the meeting on how to vote

and the rights of the shareholders. The Chairman of the Board controls the meeting as set on the agenda which was already sent to the shareholders and allocate appropriate time for discussion for each agenda and encourage shareholders to express their opinions and raise questions related to the company's operation. All the discussions made were recorded accordingly along with the resolution and transparency of voting and counting of votes.

- 1.7 Year 2015, the company cannot append or change any agendas items without notifying other shareholders in advance. Shareholders are given rights to raise questions and free to express their opinions during the meeting before the resolution details as per the annual general meeting 2015.
- 1.8 The company assigned The Thailand Securities Depository Co., Ltd (TSD) to be the registrar and send invitations to the shareholders 21 days before the meeting. The company give rights to the late comers to vote on the agenda that are not resolved yet and counted them as attendees.
- 1.9 Any action that can be considered in violation of the shareholders' right to study the company's information should be prohibited.
- 1.10 The company announced to the shareholders through the invitation letter on how to join the AGM. Voting and counting of votes is not complicated and did not require higher cost.
- 1.11 The chairman of the meeting allocate appropriated time for discussion and encourage shareholders to express their opinions and questions related to the company's operation.
- 1.12 Minutes of meeting was posted in TKT's website 14 days after the meeting for the shareholders to express their opinion and check and shareholders do not have to wait until the next meeting.
- 1.13 The company has set a policy regarding payment of dividends of not less not 40% of the net profit except if the company has made plans for another investment. In the year 2015 the company will propose a payment of dividends from the performance of 2014 at Baht 0.10/share.
- 1.14 The company proposed principles and remunerations for the Board of Directors to the shareholders to consider and approved

2. Equitable Treatment of Shareholders

All shareholders, including those with management positions, non-executive shareholders and foreign shareholders should be treated in an equal way.

The Company continues / sustain to treat shareholders equally

- 2.1 The company allows the shareholders to cast their votes individually for the resigning directors during the annual general meeting to give chance for the shareholders.
- 2.2 The company allows the shareholders to propose an agenda and propose a name for directorship candidacy on September 10, 2014 up to December 31, 2014 through SET news information and also posted on our company's website. In the year 2015, there was no agenda proposal and name for directorship candidacy from the shareholders.
- 2.3 To give rights to the shareholders to cast votes as per their no. of shares equally and fairly.
- 2.4 The company encouraged the use of proxy forms on which shareholders are able to specify their votes and provide an option to shareholders whereby they may appoint an independent director as their proxy.
- 2.5 The company attached proxy form B for the proxy to cast votes for each agenda which was already sent by mail along with the original invitation letter along with proxy form A, B and C both in Thai

and English on our website for the shareholders to download.

- 2.6 The company has a rule to prevent directors, management and employees to disclose or reveal any internal information for their own interest and benefit and make regular follow up. The board of directors and management have to inform the SET their very first shares and changes made as per matra 59 p.r.b SET/SEC 2008.
- 2.7 Board of Directors set guidelines for the executives and managements to disclose their personal assets to stakeholders under Section 89/14 of the Securities and Exchange Act BE 2008 and report for the first time within 30 days after the trade and if there are any changes report must be done every quarter within 15 days of the following month from the last day of each quarter. The secretary must collect and keep these documents and make copies for the Chairman of the Board and Chairman of the Audit Committee within 7 days.
- 2.8 Shareholders with management positions are aware that they can not append any agenda items without notifying other shareholders in advance.
- 2.9 The company use computer in the registration and votes counting for speedy result and for the convenience of the shareholders.
- 2.10 The company use ballots in casting votes. However, the agenda regarding the resigning directors, casting of votes is obligatory for each resigning director.

As the company does not have any subsidiary and did not have any joint venture with any company so no related transaction made to any company which might have a conflict/interest and no financial help rendered to other companies.

3. Role of Stakeholders

The Company respects the rights of all stakeholders. Whether internal stakeholders. And external stakeholders to strengthen the cooperation between the company. With stakeholders To create wealth Financial stability And sustainability of the affairs Including a focus on environmental responsibility. And social well

The Company has a policy in practice is wrong. And responsibilities to all stakeholders. This includes the shareholders or investors, employees, customers, suppliers, competitors, creditors, communities, society, environment, government and companies located other agencies. Related shown clearly. "Code of Conduct" for the Directors, management and employees at all levels. Conducted in the same direction

As well as providing a fund for the employees. Policy on the development of the Company. By sending staff to training courses. A concrete And does not violate human rights, the Company's stakeholders, many groups as follows :

- **Shareholders** The company realizes that the shareholders are the business owners and the company serves to create long-term added value for the shareholders and to treat them equally. The company is operating with integrity as well as making decisions with a pure mind, thoughtfulness and fairness towards both major and minor shareholders for the best interests of the shareholders as a whole. The company is responsible for offering reports of the company's status, earnings, financial data, accounting information and other reports regularly, thoroughly and truthfully including preventing those seeking gain that may use the company's undisclosed

information for their personal/others' benefit, or other, or any action which may cause a conflict of interest in the organization.

- **Employees** The company realizes that employees are valuable keys to success in achieving the company's goals, therefore company policy is made to provide fairness in opportunity and reasonable compensation. The company has launched a performance assessment with KPI indicators for objective measurement. The company also provides other benefits such as a bonus, provident fund, promotion, transfers, rewards including continuation of personnel development policy, and employee potential development and training.
- **Customers** The company focuses on and is responsible to its customers, offering high quality, quick and punctual services. The company is responsible for maintaining customers' confidentiality and providing adequate, accurate and up-to-date information to customers in order for customers to be informed of the products and services. The company also needs to comply with the terms that it has agreed with customers. In the case of an inability to comply with any terms, the customers need to be informed immediately in order to find solutions together.
- **Trading parties** The company has a policy to treat business partners equally and fairly by taking the best interests of the company into account. The policy is based on fair and equal receipt of return for both parties and on avoiding situations that may cause a conflict of interest. The company strictly complies with its commitments, provides accurate information, correct reports and follows negotiations to find solutions for problems based on the level of business relationship. The guidelines are as follows:
 1. Do not request, receive or pay any benefits in a dishonest manner to partners and/or creditors.
 2. Strictly comply with the agreed terms and in the case of an inability to comply with any terms, the creditor needs to be informed immediately in order to find solutions together.
- **Creditors** The Company complies with the conditions stated in the loan agreement Customers The Company constantly pays attention and holds responsibilities towards all customers by providing good quality products, prompt service and keep customers' information confidentially.
- **Competitors** The company acts towards competitors in an honest practice. The company does not breach confidentiality or obtain trade secrets of competitors by fraud. The company operates under the rules of good competition practice, does not damage the reputation of trade competitors by accusations.
- **Environment** The company is concerned with the environment thus determined and has announced a policy to raise the awareness of employees' responsibilities on the environment. The company has been following the standard guidelines and has been certified with the ISO14001 quality standards. The company also applied the Corporate Social Responsibility (CSR) policy until it became corporate culture. In 2015, the company held a campaign to promote the economical use of and to maximize efficiency in resources amongst employees such

as by switching the lights off whenever they are not needed, and switching the air-conditioners off during lunch breaks etc.

- **Community** The Company have activities for the well being of the community such as offering scholarship to employees' children and blood donation and merit offering at employees birth place.
- **Safety, occupational health and environment in the workplace** The company is aware and recognizes the importance of safety, occupational health and the environment in the workplace as well as the life and health of employees at all levels. The company has a policy for employees to follow, including a Safety Officer, who supervises and trains employees to follow the company's policy on safety and occupational health and environment in the workplace. In 2015, the company had a record of ten accidents at work which included eight accidents in the plastic injection factory and zero accident in the mold factory. There were no severe cases or deaths. And Company has been investigated for the cause. ways to prevent recurrence and communicate with stakeholders to realize. To perform the steps carefully strictly.
- **Violation of Human Rights** The company sees the importance of human rights and equality and has determined a policy for related parties in order to treat individuals with fairness and non-discrimination regardless of similarities or differences of a physical or mental kind, race, nationality, religion, sex, age, education, or others, and provides facilities. The company also provides appropriate facilities and benefits for employees with disabilities.
- **Infringement of intellectual property or copyright** The company has determined a policy and practice with regards to the infringement of intellectual property or copyright of products.
- **Conflict of Interest** The company has determined a policy that prohibits directors, executives and employees from seeking for personal interest while working in their positions. The company's directors, executives and employees are required to adhere to the "Code of Conduct".
- **Corruption prevention/anti-corruption** The company does not support any type of corruption that may occur in the organization, such as giving and receiving bribes, contributions, etc. The company has set a policy of anti-corruption by launching guideline materials to use for communicating with the Board and for providing training for employees at all levels to comply with the practice.

The process of risk assessment to prevent and suppress corruption is done by evaluating potential risk and the effects of corruption in order to find preventative measures and monitor them consistently.

The company has guidelines on supervision and control in order to prevent and monitor corruption, with a comprehensive internal control system and risk management for the organization.

There are several channels available for reporting concerns or complaints of corruption for employees. The informant is required to identify details of their concerns or complaint including name, address and valid telephone number to the following channels:

1. Report to the Audit Committee (Independent committee) via email:
independent@tkrungthai.com or

2. Report via the company's website (Investor Relation\Inquiry)
3. Report by sending a letter to Audit Committee of T.Krungthai Industries Public Company Limited, 23 Soi Chan 43, Yak 21 Tungwatdon, Sathorn,Bangkok 10120

The company has employee protection measures for employees who report corruption, illegitimacy or violation of the Securities and Exchange Act. The company is unable to act or treat employees unfairly such as changing job position, job type, workplace, office or termination when the employee reports their concerns/complaint.

The shareholders and stakeholders may contact/raise concerns to the independent committee directly at email address: auditor@tkrungthai.com

The stakeholders may report infringements or complaints at Tel.02-211-3732 central office or contact the company secretary, Mr.Chumpol Techakraisi via email: chumpol@tkrungthai.com or Report by sending a letter to Audit Committee of T.Krungthai Industries Public Company Limited, 23 Soi Chan 43, Yak 21 Tungwatdon, Sathorn,Bangkok 10120.

The company has a policy to protect the informant and maintain their information and details confidentially if the company sees that the disclosure of such information may cause danger to the informer/complainant.

In the year 2015, the company executed an assessment of its measures against corruption to get a certification from Private Sector Collective Action Coalition Against Corruption Council for fighting corruption. However in year 2015, there is no whistle blowing received from employees or any stakeholders.

4. Disclosure and Transparency

The Board of Directors have a policies to make the company a good example by working in transparency which can be verified and disclose .These are IT policy, Environmental policy, Energy policy and others and must be published on the company website (www.tkrungthai.com) under Investor Relations / Corporate

Following have been disclosed to all concerned :

- 4.1 Send financial report to SEC / SET on time and the report was in conformity with generally accepted accounting principles. For year 2015, the company did not receive any order from SEC to change the said financial report or any related documents.
- 4.2 Give significance in disclosing financial status with transparency and other information such as annual report on time both in English and Thai through SET Community portal and company website (www.tkrungthai.com)
- 4.3 The board of directors should provide a summary of the corporate governance policy approved by the board together with the implementation of the policy through various channels such as the company's annual report and company's website
- 4.4 The board of directors provided a statement of its responsibilities concerning the company's financial reports. The statement should be presented along side the auditor report in the company's annual report.
- 4.5 The board of directors and other directors ensured that its roles and responsibilities together

with those of its committees are disclosed in the company's annual report.

- 4.6 The board of directors ensured the disclosure of its remunerations according to related regulations, which is compared with the same industry, company performance and responsibilities of each person.
- 4.7 The board of directors ensured the number of meetings and attendance of each directors.
- 4.8 The board of directors must disclose to the stakeholders their personal and other relatives in case of personal interest with the company.
- 4.9 The company has implemented a whistle blower crime (whistle blowing) to promote cooperation between the company and stakeholders and protect the interest in promoting the operations of the company which serves as an instrument /defines mechanisms to protect the rights of the stakeholders. Board of directors must monitor the accuracy of the financial report, internal control deficiency or unethical practice by the audit committee (Independent Director) independent@tkrunghthai.com and publish on the company's website www.tkrungthai.com
- 4.10 To disclose the no. of shares of the Board of Directors and Top Management, both directly and indirectly and set a policy for directors and executives and report to the Chairman the sale and purchase of shares through the company secretary

Shareholding Details of Board of Directors						
No.	Name - Surname	Position	Number of shares December 31, 2014	Number of shares December 31, 2015	Number of shares changed (Increase/Decrease) 2015	Shareholding (%)
1	Gen.Terdsak Marrome (spouse and children who are underage)	Chairman/ Independent Director	220,000 0	220,000 0	0 0	0.10 0
2	Mr.Pairuch Sahamethapat (spouse and children who are underage)	Director / Independent Director Chairman of Audit Committee	0 0	0 0	0 0	0 0
3	Mr.Paotep Chotinuchit (spouse and children who are underage)	Director / Director Audit Committee/ Independent Director Chairman of Remuneration Committee and Chairman of Nomination Committee Chairman of Corporate Governance Committee	5,000 0	5,000 0	0 0	0.002 0
4	Mr.Virasak Sutanthaibul (spouse and children who are underage)	Director / Director Audit Committee/ Independent Director	0 0	0 0	0 0	0 0
5	Mr.Sumate Techakraisri (spouse and children who are underage)	Director /CEO / Director of Remuneration and Nomination Director Corporate Governance Committee	33,500,000 24,000,000	33,500,000 24,000,000	0 0	15.65 11.21
6	Dr. Kosol Surakomol (spouse and children who are underage)	Director / Independent Director / Director Risk Management Director Remuneration and Nomination Committee Director Corporate Governance Committee	0 0	0 0	0 0	0 0
7	Mr.Kumpee Chongthurakit (spouse and children who are underage)	Director Director Remuneration and Nomination Committee Director Corporate Governance Committee	500,000 0	500,000 0	0 0	0.23 0
8	Mr.Phreecha Techakraisri (spouse and children who are underage)	Director / Executive Director / Managing Director Director Risk Management Committee	6,138,400 3,258,940	6,138,400 3,258,940	0 0	2.87 1.52
9	Mr.Chumpol Techakraisri (spouse and children who are underage)	Direct / Executive Director / Asst. Managing Director Company Secretary / Director Risk Management Committee	956,940 0	956,940 0	0 0	0.45 0
10	Mr.Kowate Limtrakul (spouse and children who are underage)	Director / Executive Director Chairman Risk Management Committee	275,000 0	275,000 0	0 0	0.13 0
11	Mrs.Yupa Techakraisri (spouse and children who are underage)	Director	24,000,000 33,500,000	24,000,000 33,500,000	0 0	11.21 15.65
12	Mr.Apichart Kasemkulsiri (spouse and children who are underage)	Director	0 0	0 0	0 0	0 0
13	Mr.Prasong Techakraisri (spouse and children who are underage)	Director	2,903,606 0	2,903,606 0	0 0	1.36 0

- 4.11 The company give importance to investors so we organize opportunity day every quarter and designated a department to perform the "investor relations" function to communicate with outsiders such as shareholders .The company gives significance on the information of the company performance for transparency whatever the performance of the company on that quarter.

4.12 The company gave chances to investors and analysts to visit our plants and to have a chance meeting and talking with the management during the company visit. In the year 2015 investors and analysts visited our Suwintawongse plant on the 22th of September. The investors can also ask information through IR Contact and can contact at e-mail address : investor@tkrungthai.com, telephone no. 02-211-3732 ext. 104.

5. Responsibilities of the Board

The company gave importance to the role and responsibility of the Board of Directors to protect the benefits of the shareholders and stakeholders for transparency of the business as follows :

5.1 Board Structure

5.1.1 The company's Board of Directors consists of individuals who have knowledge, abilities and experience which benefits the company, for example, knowledge of the industry, accounting and finance, business, management, skills of mold works, etc. The Board of Directors includes both sexes and a wide range of ages of members. There is one female director.

The company has 13 directors details as follows :

○ Independent Directors	4 pax	(30.77%)
○ Directors who are not in the management team	9 pax	(69.23%)
○ Directors who are in the management team	5 pax	(38.46%)

5.1.2 Board Directors must not have any criminal record as per the policy requirement of SEC/SET

5.1.3 Board of Directors set internal control system appropriately where the internal auditor is an independent auditor and report directly to the Audit Committee

5.1.4 Board of Directors set a policy of mismanagement appropriately and follow – up regularly and by appointing mismanagement team for the evaluation of the risk that might occur. In addition to this the team find ways to protect the company from this risk.

5.1.5 The term of service of directors is 3 years, and no limitation of terms and this is clearly stated in the company's corporate governance policy.

5.1.6 The company had disclosed the information details about board positions (details of directors and management)

5.1.7 The roles and responsibilities of the chairman of the board are different from those of the managing director, the two positions to be held by different individuals.

5.1.8 The board of directors appointed independent director to elect chairman of the company.

5.1.9 The company has Mr. Chumpol Techakraisri as the Company Secretary and the professional Legal Advisory Board to provide legal advice and regulations which the Board is required to know and comply with.

5.1.10 The Board of Directors do not serve on not more 5 listed companies and the company must disclosed these information in the Directors Annual Report and Form 56-1

5.1.11 The company has adopted a policy that the Managing Director can serve as a director to other companies of not more than 2 companies. The said company shall not have any conflict with the company prior to the appointment and this has to be informed and reported to the board of directors.

5.1.12 Company policy limiting Director do not serve on not more 3 listed companies.

5.1.13 During the annual general meeting, 1/3 of the company directors will have to resign. Should the directors cannot be divided into 3 groups, then it has to be divided to the nearest no.

5.1.14 The company informed in 56-1 and annual report the names of Directors holding other positions in other companies. The holding of such positions by the directors will not surely affect their position with the company as they have given advices to the company in the past.

5.2 Committees

The Board of Directors appointed 5 committees they are : 1) audit committee 2) executive committee 3) remuneration and nomination committee 4) corporate governance committee and 5) risk committee with clear roles and responsibilities, the chairman is not allowed to be a chairman and member of this committee

5.3 Roles and Responsibilities of the Board

5.3.1 Division of roles of board of directors and other positions are divided clearly. All important matters has to be approved by the board of directors to be fair and clear to all concerned.

5.3.2 The board of directors review and approve of company visions and mission at least every five years.

5.3.3 The board of directors participates in a meeting with the management team annually in order to review, approve of the company's vision and mission as well as establish the company's strategic plans, goals, business plan and budget.

5.3.4 The board of directors set and approve a written corporate governance policy for the company.

5.3.5 The board of directors are free from the management team and no position as independent director.

5.3.6 As one or under separate position the chairman of the board shall not be with the management team and different from the CEO and roles and responsibility is obviously spited. The chairman has to act as the chairman during the meeting of the board, has to set the policy, planning, and the most important is to ensure that management team has to strictly follow. All the directors are free to propose agendas, voice out ideas regarding the company performance along with evaluation and solution of any problems with transparency and must be regularly monitored.

5.3.7 The CEO of the board is the leader of the board, responsible to the company directors in taking care of the business conduct and the company performance to be in compliance with the directors policy. CEO has to monitor the directors performance by holding meetings to report on the success of the performance monthly. Division of power shall be given to the management responsibility and approve financial amount.

5.3.8 The directors ensured that a written code of business conduct be in place so that all directors, executives and employees understand business ethical standards of the company. Compliance to the code should be closely monitored by the board.

5.3.9 The board of directors established a risk management policy to cover all activities of the company and reviewed the risk management system or assess the effectiveness of risk management at least twice a year.

5.3.10 The board of directors ensured that internal control system is in place, including financial, work performance, in compliance with the policy .The board also assigned an external auditor to independently audit and report on the system.

- 5.3.11 The Board of Directors take a responsibility to company's financial statement and information regarding financial status which is in the annual report. This financial statement has to be of standard as per Thai accounting law and has to be posted on the remarks of the financial statement.
- 5.3.12 The Board of Directors has set a policy for all directors and senior executives to report their stock trading to the Board of Directors at least one day in advance of operations.
- 5.3.13 The directors shall set a policy to all the directors to inform the stakeholders to the company.
- 5.3.14 The company directors ensured that internal financial control system, work performance has to be in compliance with the policy by assigning independent internal auditor and report to the auditor committee. On Feb. 24, 2016, the audit committee assessed that we have enough internal control system.
- 5.3.15 The Board of Directors has an annual meeting with senior executives to acknowledge the report of the previous operations of all departments in the company and sets out work plans including the Key Performance Indicators (KPI).

5.4 Board Meetings

- 5.4.1 The board of directors set its meeting schedule in advance and notify each directors of the schedule so that each member of the board can manage time to attend the meeting. For year 2015 set 8 times.

Details of attendants in Directors Meeting in Year 2014								
No.	Name - Surname	Position	BOD	AC	RC & NC	CG	Ex-com	AGM
1	Gen.Terdsak Marrome	Chairman/ Independent Director	7/8	---	---	---	---	1/1
2	Mr.Pairuch Sahamethapat	Director / Independent Director Chairman of Audit Committee	8/8	4/4	---	---	---	1/1
3	Mr.Paotep Chotinuchit	Director / Independent Director Director Audit Committee Chairman of Remuneration Committee and Chairman of Nomination Committee Chairman of Corporate Governance Committee	8/8	4/4	2/2	2/2	---	1/1
4	Mr.Sumate Techakraisri	Director / CEO Director Remuneration and Nomination Committee Director Corporate Governance Committee	8/8	---	2/2	2/2	13/13	1/1
5	Dr. Kosol Surakomol	Director / Independent Director Remuneration and Nomination Committee Corporate Governance Committee Risk Management Committee	8/8	---	2/2	2/2	---	1/1
6	Mr.Virasak Sutanthaibul	Director / Independent Director / Audit Committee	8/8	4/4	---	---	---	1/1
7	Mr.Kumpee Chongthurakit	Director Director Remuneration and Nomination Committee Director Corporate Governance Committee	8/8	---	2/2	2/2	---	1/1
8	Mr.Phreecha Techakraisri	Director / Executive Director / Managing Director Director Risk Management Committee	8/8	---	---	---	12/13	1/1
9	Mr.Chumpol Techakraisri	Director / Executive Director /Asst. Managing Director Company Secretary /Director Risk Management Committee	8/8	---	---	---	12/13	1/1
10	Mr.Kowate Limtrakul	Director / Executive Director Chairman of Risk Management Committee	8/8	---	---	---	12/13	1/1
11	Mrs.Yupa Techakraisri	Director	7/8	---	---	---	---	1/1
12	Mr.Apichart Kasemkulsiri	Director	7/8	---	---	---	---	1/1
13	Mr.Prasong Techakraisri	Director	7/8	---	---	---	---	1/1

- 5.4.2 The number of board meeting are appropriated to the obligations and responsibilities of the board and nature of the company.
- 5.4.3 The chairman of the board and the managing director set the board meeting agenda together.
- 5.4.4 Meeting documents are sent to each director in advance 7 days prior to the meeting date for the directors to have ample time to review the topics before the meeting.
- 5.4.5 The company of the board appropriately allocate the meeting time for complete management's presentation and comprehensive directors' discussion and the CEO shall assess the ideas and give the final resolution.
- 5.4.6 Top executives of the company, other than the managing director, should be able to attend the board meeting to present details on the issues that they are directly responsible for.
- 5.4.7 Non-executive directors are able to meet, as necessary, among themselves without the presence of the management team in order for them to discuss their concerns. The meeting outcome should be notified to the managing director. For year 2015, a meeting was held on Dec. 19th 2015.
- 5.4.8 During the directors meeting, all directors are free to openly discuss their ideas and the chairman shall collect these ideas and the resolution for each topic . For each resolution there must be 2 out of 3 from the total director which shall be recorded by the secretary of the board and after the approval, this record has to be kept on the 2nd floor of the head office at Trokchan in order to have easy access of all the directors.
- 5.4.9 The Board of Directors are also involved along with the Top Management for policy making, mission, strategy, goal, business plan and budgeting of the company through providing independent opinions.

The previous BOD meeting agenda was to approve Financial reports of each quarter, information of company performance and different strategies on business management. In the year 2015, a meeting was held but not the top management on the Dec. 19, 2015

5.5 Assessment of CEO

The company gives importance in assessing the working performance of the CEO and the purpose of this assessment is to improve the working performance in many ways such as planning strategy , leadership, financial , management of the company, planning to replace the resigning staffs, human resource , communication and good relationship among the Board of Directors by having assessment form from the SET to be check for improvement as per our company's requirement

5.6 Board Self Assessment

The Board of Directors sets an annual performance assessment of the company directors to review the performance and governance for adequate and effective determination and/or improvement. By evaluating three types: 1) self-evaluation of the Board, 2) assessment of individual 3) evaluation committees.

. The forms have been developed from the example assessment form from the Stock Exchange of Thailand to be appropriate and consistent with the characteristics of the Board.

Criteria for board self-assessment and individual assessment are as follows:

<u>Score (%)</u>	<u>Level</u>
90 – 100	Very good
80 – 89	Good
70 – 79	Standard
60 – 69	Fair
50 – 59	Need improvement

The process of assessment is conducted by company secretary who encloses the form into an envelope and delivers to each director. The individual assessments are done by the directors randomly, selecting the form from the box and performing the assessment. After completion of the two assessment forms, they are handed back over to the company secretary for the assessment report Evaluation conducted in each committee in year 2015

1. The Board self-assessment included six main areas and the average score was at a good level of 94%. The details as follows:

No.	Topic of Assessment	Result (%)
1	Structure and Qualifications of Director	94
2	Responsibilities and Duties of the Director	91
3	Directors meeting	97
4	Work Performance of Director	95
5	Relationship towards management division	95
6	Self improvement of directors and management	91
Total percentage		94

2. The individual assessment included 3 main areas and the average scores is at the standard level of 96%. The details are as follows:

No.	Topic of Assessment	Result (%)
1	Structure and Qualifications of Director	98
2	Director Meeting	95
3	Responsibilities and Duties of the Director	96
Total Percentage		96

3. Evaluation Committees consist of : 1) Audit Committee 2) Remuneration and Nomination Committee 3) Corporate Governance Committee 4) Risk Management Committee. Annual self-assessment to evaluate the development of the duty and the business operations of the company and the result was satisfactory and productive for year 2015.

Evaluation of Managing Director Performance

There is a regulation from the Board of Directors to assess and evaluate the Managing Director performance annually as per the rules set by the Board of Directors for the success of the administration and approve appropriate salary for the Managing Director.

Orientation of New Director

The company has a rule to have new director's orientation along with the all the directors to explain the scope of our business. The secretary of the Board of Directors has to prepare all the necessary documents, besides, the new director will be introduced and visit the 3 plants including the Head office for them to understand more about the scope of our business. For year 2015, the company did not have any new Director so no orientation was done. The 2015, the company has no new director so no orientation was made.

5.7 Remuneration

The company has to consider the remuneration of the directors as compared to the same industry, company performance and their responsibilities. However, the remuneration committee will assess the managing director's performance and the chairman of the board will be the one to inform the managing director.

5.8 Board and Management Training and successor during their absence

The company recognized the significance on Directors' know-how, ability and capability so the company supports and give convenience to the directors and the secretary of the board to have regular and continuous training held by Director Accreditation Program (DAP) and Director Certification Program (DCP).

In year 2015, Directors of the company had attended the following ::

1. Audit Committee Joined : Seminar topic "Challenges to the role of the Audit Committee on Financial and Non- Financial Information" held by the Securities and Exchange Commission
2. Managing Director attended the "Sec for CEO forum 1/2014" regarding the role of the management for listed companies on the capital market development Thailand held by the Securities and Exchange Commission
3. Managing Director joined the meeting topic "The New Enhancement to join Alliance certifies private companies in Thailand against Corruption (CAC) held by the Institute of Directors in Thailand.
4. Director Joined CG Forum 3/2015 seminar topic " Risk Oversight : High Priority Roles of the Board held by the Stock Exchange of Thailand

In additional, there are succession plan to ensure the business continuity when one of the directors is not able to perform his/her duties. Further, a meeting is held on our plants on rotation basis for the directors to see and observe the work performance of the employees.

8.2 Committee

The Board of Directors appointed 5 committees :

1. Executive Directors
2. Audit Committee
3. Remuneration and Nomination Committee
4. Corporate Governance Committee
5. Risk Management Committee

The chairman is not allowed to be a chairman and member of this committee

1. Executive Directors

Executive Directors as at 31 December 2015 comprise of:

No	Name -Surname	Position
1	Mr.Sumate Techakraisri	Chief Executive Director
2	Mr.Phreecha Techakraisri	Executive Director / Managing Director
3	Mr.Chumpol Techakraisri	Executive Director
4	Mr.Kowate Limtrakul	Executive Director

The duties & responsibilities of Executive Directors

1. To make decision on the Company's significant operations such as to limit and regulate the Company's objectives, dimension of missions, policies; to monitor the overall operations including products and customers relationship all of which should be done within the Company's plan and budget set by the Board of Directors.
2. To consider and give approval on procurement, investment and sales & purchase of the Company's fixed assets. Proposal to the Board of Directors is needed in the case of procurement, investment and sales & purchase of the Company's fixed asset is not in plan or budget assigned.
3. To be the representative of the Company to agree upon with outsiders on any related issues that are beneficial to the Company's business.
4. To propose to the Board of Directors the issue on fund raising.
5. To authorize any consultancies that are necessary to business operations.
6. To manage the general operations of the Company.
7. To consider and authorize any duties and plans of each department together with considering the approval on each department requests that are beyond the department's decision authority
8. To propose and ask for approval from the Executive Directors if the operations according to the Company's plan exceeds 10% of the proposed budget.

The Executive Directors must follow the regulations and limits assigned above and shall not approve any transactions that self or other will have benefits over the Company or approve any transactions that will create a loss to the Company. All approvals must be reported to Board of Directors. Any other limits that do not include in the above, the authority from the Board of Directors is needed.

2. Audit Committee

Company's audit committee who has qualification according to the rules set by SET / SEC totaling 3 persons and one of them must have accounting and financial knowledge for which at present there are 3 directors, all of which are independent directors and set that audit committee will serve 3 years term. Names of these directors are as follows :

No	Name -Surname	Position
1	Mr. Pairuch Sahamethapat	Chairman of Audit Committee
2	Mr.Paotep Chotinuchit	Audit Committee
3	Mr.Virasak Sutanthavibul	Audit Committee

The secretary to the Company's Board of Directors is Mr.Chumpol Techakraisri

The duties & responsibilities of Audit Committee

1. To examine and ensure that the Company's financial reports were correct, complete and sufficiently disclosed. This was to do with the cooperation from the external auditor and the management, who were responsible for providing quarterly and annually financial reports.
2. To examine and ensure that the Company operated the proper and effective internal control system and internal audit. This was to do with cooperation from both external and internal auditors.
3. To examine and ensure that the Company's operations were conducted in accordance with the regulations of the Stock Exchange of Thailand (SET) or any regulations related with the Company's business.
4. To recruit, assign and termination the Company's auditor together with his/her remunerations through the consideration of creditability, sufficiency of resources, quantity of auditing works of the particular audit office and the experience of the individual assigned for the Company's auditing.
5. To examine and ensure that the Company's related transactions or any issues that might incur conflict of interests to be clearly and completely revealed.
6. To proceed according to the delegation of the Board of Directors (if Audit Committee deemed appropriate to do so) such as to review the policies on financial and risk management; to review the implementation on code of conduct of the management; to review with the management on any significant reports (such as the executive report and analysis, etc.) that should be publicized according to the legal regulations.
7. To provide report on activities of Audit Committee and reveal the report in the Company's annual report. The report should attach the signature of the Chairman of Audit Committee and contain the following information:
 - point of view on process of report composition and disclosure in the Company's financial reports (with consideration on correctness, completeness and reliability)
 - point of view on sufficiency of internal control system of the Company
 - reasons to support whether The Company's auditor is appropriate to be assigned for another term
 - point of view on the Company's operations whether they were conducted in accordance with the regulations of the Stock Exchange of Thailand (SET) or any regulations related with the Company's business
 - other reports that deemed appropriate to publicize according to duties and responsibilities assigned from the Board of Directors
 - Report on the performance of the Audit Committee, the Board of Directors acknowledged every quarter

3. Remuneration Committee and Nomination Committee

In looking after the business and better administration of the Board of Directors for listed companies, Company Directors appointed remuneration committee and nomination committee to be responsible in finding qualified candidates for directorship and be responsible in director and board of directors remuneration as per the rules set as follows :

Rules in determination of board of directors remuneration

"Determination of this remuneration, the company has to consider the suitability and the duty and

responsibility that has been assigned to him and able to compare with other listed companies in the same industry and similar size for which the remuneration of the director is enough to persuade them to have quality and capability in their assigned job with honesty”

Limitation and Power of Remuneration Committee Directors

1. To consider and determine the standard procedure for the company’s directors’ remuneration
2. To consider the remuneration of directors and propose to the company’s board of directors and put as an agenda during the shareholder meeting.
3. To consider and propose the remuneration of CEO during the Directors’ meeting for consideration and approval.
4. To be responsible in the job assigned by the Board of Directors.

Policy in Nomination Committee Candidates

“Search of Directors :-the company has to consider the qualification , ability, experience, good work history, and a leader having broad vision along with virtue and morality including good attitude to the organization, able to dedicate sufficient time which is essential to the company’s activities with clear procedures”

Limitation and Power of Nomination Directors

1. To determine the qualification of the candidates for directorship.
2. To propose the qualified candidates for the directorship and propose during the Annual General Meeting for approval.
3. To propose successor CEO, together with the President. for presentation to Board of Director approval
4. Consider successor Managing director. presented by the president for presentation to the board of director approved the company
5. Consider the appropriateness of the Board of Directors. To be presented to the conference board approval
6. To be responsible in the job assigned by the Board of Directors.

The Board of Directors has approved the remuneration committee and nomination committee. The term of office in 3 years commencing from 15 August 2013 to 14 August 2016 with 4 Directors as follows :

No	Name -Surname	Position
1	Mr.Paotep Chotinuchit	Chairman of Remuneration Committee and Nomination Committee (Independent)
2	Dr. Kosol Surakomol	Executive Director of Remuneration and Nomination Committee (Independent)
3	Mr.Sumate Techakraisri	Executive Director of Remuneration and Nomination Committee
4	Mr.Kumpee Chongthurakit	Executive Director of Remuneration and Nomination Committee

The secretary to the remuneration and nomination committee is Mr.Chumpol Techakraisri

4. Corporate Governance Committee

Board of Directors give importance for good corporate governance and on Feb. 20th, 2013, governance committee has been appointed to help promote on the corporate governance and management to be the best under the principles of good Corporate Governance. To focus on maximizing the shareholders. Taking into

account the stakeholders as a whole integrity in business practices, with transparency, accountability, monitoring the implementation of the social responsibility for the community and environment. The commission are to provide good governance to the stakeholders and efficiently. There are 4 committee members with two independent directors as follows :

No	Name -Surname	Position
1	Mr.Paotep Chotinuchit	Chairman of Corporate Governance Committee (Independent)
2	Dr. Kosol Surakomol	Corporate Governance Committee (Independent)
3	Mr.Sumate Techakraisri	Corporate Governance Committee
4	Mr.Kumpee Chongthurakit	Corporate Governance Committee

The secretary to the remuneration and nomination committee is Mr.Chumpol Techakraisri

Limitation and Power of Corporate Governance Committee

1. Rules and Regulations and best practices of effective corporate governance processes appropriately.
2. Propose and practice good corporate governance to the Board of Directors of the company.
3. Follow up new announcements involved and to determine the appropriate improvements.
4. To review and consider the practice and principles of corporate governance that are appropriate to the business.
5. Propose Code of Conduct regulations in business ethics for the management and staffs to practice.
6. Provide policies and practices in the area of corporate social responsibility (CSR)and to the surrounding environment

5. Risk Management Committee

On 26th February 2014, BOD appointed Risk Management Committee. The term of office is 3 years commencing from 26 February 2014 to 25 February 2017 comprising 7 members of the company director and senior management

No	Name - Surname		Position
1	Mr. Kowate	Limtrakul	Chairman of Risk Management Committee
2	Dr. Kosol	Surakomol	Risk Management Committee
3	Dr. Phreecha	Techakraisri	Risk Management Committee
4	Mr. Chumpol	Techakraisri	Risk Management Committee
5	Mr. Pongsakron	Phetpayullpun	Risk Management Committee
6	Mr. Pitsanu	Vilawanjit	Risk Management Committee
7	Mr. Saksit	Lerthasdeerat	Risk Management Committee

And committee secretary of the Risk Management Committee is Miss Pornthip Puangsab

Scope and Authority of the risk management committee

1. To study, review and evaluate the risks that may occur which may affect the company.
2. To set a risk management policy and propose to the Board of Directors.
3. To formulate strategies to meet the risk management policy and strategic direction of the

company.

4. To review the adequacy of the risk management policy and to assess with continuous control and monitoring of the system.
5. To seek and push the support, cooperation and to monitor the set policy in order to mitigate or eliminate the risk according to the set target.
6. To continue develop the risk management, monitor regularly throughout the company in consistent with the international standard.
7. To analyze the damage which may occur in a systematic way both normal or abnormal to ensure that the survey has covered all stages of the risk in doing business and report to the BOD at least twice a year.

8.3 Recruitment and appointment of director and management

Remuneration and Nominating Committee are responsible to look for new directors or replace the directors who resigned / retired and fill in the vacated position based on knowledge, integrity, experiences in a related business which conform with the requirement of the Securities and Exchange Commission

The remuneration and nomination committee propose the recruitment to the company directors that deemed appropriate and to approve the said appointment as per the company's requirement and standard during the company's shareholders meeting

In considering candidates for the directorship position, the Nominating Committee shall consider individual candidates from various sources

1. Shareholders who hold shares of not less than 5 % with voting rights are entitled to cast their votes.
2. Database of Directors of the Institute of Directors of Thailand.
3. Consulting outside firm.
4. The Board of Directors recommend.

The Nomination Committee Considers that appropriate Therefore, the Board of Directors. The approval and be appointed as Directors to the AGM. By Following the regulations of the company

Appointment process of the Board of Directors.

Board of Directors must be appointed by the shareholders in the shareholder meeting and comprised of at least 5 persons. The Board of Directors will select Chairman, Deputy Chairman, Managing Director and any other positions that deemed appropriate. At least, half of the Board of Directors must reside in Thailand.

Methods of election are as follows :

1. Each shareholder has the voting right of one share per one vote.
2. The election of the Board of Directors may be done for one or more directors at a time at the discretion of the Company's shareholders' meeting. Nevertheless, for each shareholders' resolution, all shareholder's votes shall be given to a particular candidate or group of candidates. Each shareholder's votes cannot be divided for each candidate or group of candidates.
3. Persons who receive the highest votes arranged in order from highest to lowest in a number equal to that of directors are to be appointed and or elected as directors of the company. In the event of a tie at a lower place, which would make the number of directors greater than that required the Chairman shall cast his vote to be considered as final

Yearly evaluation of Managing Director's Responsibilities

The Board of Directors set a policy to yearly assess and evaluate the responsibilities of Managing Director by using the objective and criterion as set by the company for remuneration consideration.

8.4 Preventative usage of Company's internal information by the Management

The company has a strict internal security measures. Particularly information that has not made public. Or data that affects business operations and stock price by the directors, management and employees inside information to use. The Company has established policies for personal following

1. The Company has set up policy of not to reveal any information to non related persons or business groups.
2. The Company's Management who are involved with the financial information must not take any advantages prior the information has been revealed to public. Moreover, the Company's management is not allowed to make any transactions on the Company's share 1 month prior to the public announcement of financial information.
3. After the Company was enlisted in the Stock Exchange of Thailand (SET), Directors and the Management must report the holding of Company's shares according to code no. 59 of the announcement made by the Securities and Exchange Commission at Sor.Chor. 14/2540 with the subject of provision and disclosure of report on share holding status dated 12 of May 1997.
4. The responsibilities of the first 4 levels of directors and management team is to reveal the information on gain and loss for their own and relatives interests.

In this connection, the company has a punishment procedure should a certain director and managements do not follow the set rules.

8.5 Audit Fee

1. The fee Auditing complete on 31 December 2015

List	The payer company	Auditors	Audit Fee
1	T. Krungthai Industries Public Company Limited.	Karin Audit Company Limited.	908,000.00
Total Audit fee			908,000.00

2. Non-Audit Fee

- None

8.6 Investor Relationship

The Company's Board of Directors realized that either Company's financial or non financial information has an influence on the decision making of the investors as well as all of the stakeholders. The Company has always stressed out to the management to provide regular, complete, correct, accurate, and prompt information to the public. Moreover, the Company has appointed Mr. Chumpol Techakraisri, Assistant Managing Director, to be a contact person with financial institutions, shareholders, analysts and related government sectors on the investors' relations related issues.

In this connection, the company held an activity who are interested in the company's performance by inviting them to visit our Suwintawong plant on September 22, 2015.

Besides, the company holds “Opportunity Day” every quarter for the investors and analyst to regularly be informed the performance of the company.

9 Corporate Social Responsibility

For the company, regarding social responsibility, it is not just an activity but responsibility. For this, our company follows the words of Mr Bjorn Stigson, Chairman of the World Business Council for Sustainable Development or (WBCSD) that “ Business cannot succeed in a society that fails” :

Social responsibility , Safety, Health and Environment policies

The company operates under principle and good governance along with attentive care of the environment and society and aims to contribute to the development of sustainable business with transparency and social responsibility. Board of Directors have approved the policy on social responsibility in business ethics of the company.

The objective is to run a business that is beneficial to the economy and society. The importance on the preservation of local traditions is the company’s policy to adhere, to behave as a good citizen , law- abiding and committing oneself to follow regulations, cooperate with the government and community to enhance the quality of society to follow regulations.

The Implementation and Report Preparation

The company has implemented and report corporate social responsibility. Details of these implementation of principles and 8 guidelines set by the SET has been published on the company website (www.tkrungthai.com) In year 2015 the company had conducted its activities to communities and environment as follows:

1. Respect the human rights of the employees

Better business foundation depends on the foundation of the employees which is significant for the success of the business, Meaning, business has to show the importance of employees by giving them proper and good working environment, good and better life and offering them good privileges and respect their human rights and fair treatment to the employees. The company has to improve the working environment, offer better life as follows :

- 1.1 Have to follow human rights and not to use underage children and not use illegal labor.
- 1.2 Give support by offering better privileges to the employees in terms of salary/wages, bonus, social security system like giving free rice, discounted lunch cost, diligent allowance, fund for family death, give support on education of our employees’ children from kindergarten up to 3rd year high school (mathayom3), yearly health check-up, give presents to the employees’ children..
- 1.3 Define security policies within workplace such as in the factory and organize annual fire prevention practice, fire evacuation drills and regular checking the availability of firefighting equipments The company shall provide personal protective equipment to workers according to their job description for their confidence and safety in the workplace.
- 1.4 Safety measures for the working area environment like production safety not to affect the health of the employees, working safety measure week, put exhaust fans to reduce the heat in production line, small relaxing area and resting place during the break.

- 1.5 Provide adequate, appropriate, safe and hygienic consumer amenities and conduct assessment on the scheduled rota such as canteen, drinking water machine, toilets, etc.
- 1.6 Supervise, monitor, and measure the environment within the factory and production process such as wastewater treatment systems to prevent any bad effects on the health of employees and people in the factory and nearby community such as wastewater treatment system .
- 1.7 Officer to listen to the problems of the employees on fair treatment of the company.
- 1.8 Sending employees to a seminar in and out of the organization to prepare the suitable person for the position.
- 1.9 To improve the human resource in all levels as per the policy of the company for short and long term basis under Knowledge Management to make our company as Learning Organization.
- 1.10 To improve the management and leadership for all management level through training and coaching.
- 1.11 Merit offering in temples at employees birthplace and meditation practice and listen to monk sermon during mother and father's day at company premises.
- 1.12 Encourage the employees to use sufficiency economy along and well done Social.
- 1.13 Promote sport activities to keep employees healthy and do not use drugs.
- 1.14 There is bone mass check-up and pap smear.
- 1.15 Factory safety in join "The security establishment" in honor of Her Royal Highness Princess Maha Chakri Sirindhorn
- 1.16 Carry on the Thai customs and tradition such as New Year, Songkran Festival, Father and Mother's day

2. Environmental Protection

The company pays attention to and is aware of environmental effects that may affect employees and the nearby community and therefore complies with related laws and regulations continuously and measures environmental quality annually.

In the year 2015, the benchmark company hired C.E.M. Technology (Thailand) Co., Ltd. which is an outside agency to conduct environmental measurement as follows :

C.E.M Technology (Thailand) Co., Ltd. was hired to do the effluent (waste matter) to do the measurement and the result was within the standard level required by law.

The light and sound intensity level and the amount of hot air contaminants including the ecosystem are of standard required by law by C.E.M Technology (Thailand) Co., Ltd.

The company has held training with regards to the environment and effects, and promotes the economical use of resources to reduce global warming and the impact to the employees in all areas. A campaign has been launched to use resources sparingly and wisely such as turning lights off after use, shuttle carpool by rotation and using recycle papers and to avoid color printing , etc.

The company has arranged to for a consultant on electrical power consumption reduction and has allocated funds to invest in energy-saving devices as well as rigorously complying with the ISO 14001 standard.

3. Community Development

Business can be successful if it is with strong community, long time improvement so the company holds community improvement by searching proper way as per our kind of business such as :

- 3.1 Giving presents on childrens' day at Bupram School.
- 3.2 Cooperate with the institutions by giving students internship in accordance with the relevant agencies from King Mongkut's University of Technology North Bangkok, HuaChiew chalmprakiet University, Suranaree University of Technical College, Thai Japan Techonology, Siam University, Rajamangala University of Technology Krungthep.
- 3.3 Encourage students to have professional experience and sign memorandum of cooperation with the Institute of Vocational College of Technology in Automotive industry Mahachai, Chachoengsao Technology College and Chulabhorn (Ladkhwang) Technical College
- 3.4 Donate drinking water tank and computer and other school supplies to support youth education at Sal Noi School Amphur Dan Sai , Loei
- 3.5 Blood Donation with Red Cross Very Quarter
- 3.6 Support and give chance to Autistic Children from Yowaprasart Hospital to work at the company
- 3.7 Giving a chance for the Disabled from Bang Klang and Khlong khoi Disabled Club to sell OTOP products in the factory , proceeds goes to support the disabled as per international project for disabled people.
- 3.8 Merit and Candle Offering at Samnak Song Saeng Tam Song Jai
- 3.9 Support 'donation to hometown project' to employees who inform their intention to develop their hometown.
- 3.10 To support the prevention of drug problems in the workplace and perform screening on drug addictions and should there are addicted employees they will be sent for therapy at public hospital. However the company got a certification on its drug free area / white area from 2013-2016.

☺ Various Activities For Year 2015 ☺

☺ New Year Party ☺



☺ **Songkran Day Festival** ☺



☺ **off-Season Offering of robes offered to employees hometown** ☺



☺ **Buddhist Lent Candle Offering** ☺



☺ Lectures on religion ☺



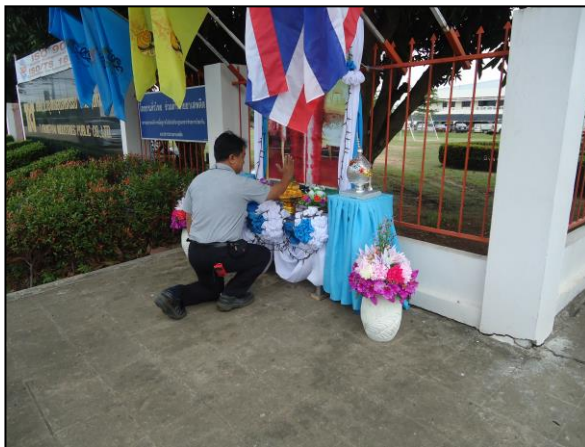
☺ Education support for employees' children ☺



☺ Donation drinking water tank and Teaching aids at Sala Noi school ☺



☺ **Mother's Day** ☺



☺ **Father's Day** ☺



★ **Blood Donation** ★



★ **Giving presents on childrens' day at Bupram School** ★



★ **Learn about living under the sufficiency economy.** ★
Landscape Conservation Nature Center Pumirut, Nakhon Nayok



❖ **Training : Safety, occupational health and environment / Fire Protection** ❖



❖ **First Aid Training Rescuers** ❖



❖ **Supervisor Safety training** ❖



❖ **Big Cleaning Day** ❖



❖ Research Study at Lab Monodzukuri , Thai-Japan Technology ❖



❖ MOU signing with Institute of Vocational Education ❖



❖ Awards for the improvement and increase of productivity. ❖



The company was awarded
“ ESG 100 Certificate” as one of the
top listed companies from 567 listed
companies for its prominent business
and its policy for environmental,
social and good governance
(Environmental Social and Governance: ESG)



COMPANY VISIT



10. Control System and Internal Audit

The Company recognized the importance of internal control system for the management as well as the operation level so that they could work effectively. The Company has already, put clearly in writing, set duties and responsibilities for operators and management as well as the usage of Company's assets. The duties in operation and monitor, control & evaluation were separated. This was to balance and cross check each function easily. Moreover, there was a financial control system, where a financial report was required to be submitted to the line responsible person at each sector.

At the meeting for Audit committee on 24 February 2016, No.1/2016 hired IVL as our Internal Audit Officers, and their duties and responsibilities are to ensure that the key operation and financial activities have effectively pursued the Company's objectives. This would also include the examination on law enforcement in operation and compliance control. To ensure the independency and effectiveness on working of internal audit, the Internal Audit Department would be directly reported and evaluated to the Audit committee.

Risk Management

To reach our goal in good governance and protect the interest of company's stakeholders the company made a rule for risk management in controlling related to management of the organization in order to control the risk of the company.

1. Risk in Business Operations and Strategy
2. Risk in Operations
3. Risk in Accounting and Finance
4. Risk in Administration and Management
5. Risk in related Rules and Regulations
6. Risk in Information Systems

In 2015 present the results of the meeting and action plans. To the Board of Directors is two times.

11. Related Transactions

Disclosure of Related Transactions

Details on individual accounting or related activities have been attached to the sixth (6)th note to financial statements:

Necessities and Reasonable of related-transactions

The related transactions in Year 2015 were reasonable and necessary to bring about the best benefit to the Company. It was making a full use of the production capacity on machine. This related transaction was examined by the Audit committee which deemed the transaction as a common nature of business and the Company has received and paid the fees at fair prices.

Rules and Procedure in approval of related transactions

As the Rules and Procedure in approval of related transactions, any transactions that involve with the individuals, who might have conflicts of interest with the Company's business should be proposed to and taken into consideration by the Audit committee and get approval from the Board of Directors. The Audit committee should be presented in any meeting regarding the related transactions. In addition, votes from directors that might have conflict of interests will not be counted.

Policy and Trend of Related Transactions

If there is a necessity to have related transaction with individuals that might have conflict of interests with the Company in the future, the Company would set up policy to ensure the normal transaction and prices shall be marked to market and can be comparing with the outsiders. Hence, the Company's Audit Committee or the Company's auditor should help consider whether the prices are suitable and reasonable for having this related transaction.

For any related transactions that might occur in the future, the directors shall follow the Company's rules and regulations and shall not approve any transactions in which themselves will have conflict with the

Company's interests. The Company must follow the rules and regulations set by the Stock Exchange of Thailand (SET) and must disclose all related information on any gains or losses of assets in related transactions of the Company or the affiliates.

If there are any related transactions with individuals that may have conflict of interests with T.Krungthai Industries Public Company Ltd. now or in the future, the Audit committee will be responsible to give suggestion or advise on price, compensation and necessity of such transactions. In the case that the Audit Committee lacks of knowledge in considering, the Company directors will make decision by opinion of independent specialists or the auditor. The Company will also disclose any related transactions in the note to financial statements that has been given approval from Company auditor.

Name / Description of business	Relationship	The nature and amount of the transaction	Necessary and reasonable
1. Prairie Marketing Co., Ltd. Business trade - Consumer Goods	Mr. Sumate Techakraisri, Director and a shareholder with a ratio of 6 % of the paid up capital and is authorize to sign documents of Prairie Marketing.	Prairie Marketing Co., Ltd. purchase gear boxes for plastic tampon, cotton bowl. In 2015, TKT company acquired total sales of 2.09 million Baht and as at December 31, 2015 the outstanding balance of trade account receivable was 0.55 billion Baht.	The business is about selling a piece of plastic to its regular customer which is sold at a market price locally. The audit committee has considered that transaction being reasonable with a fair price.
2. The office building of Mr.Sumate Techakraisri	Mr.Sumate Techakraisri Director of the Company	The company has rented a 3 storey building located at 23, Soi Chan 43, Yak 21, Tungwatdon, Sathorn, Bangkok 10120. The rental term is 3 years commencing from 1 st April 2013 to 31 st of March 2016 at Baht 66,550.- / month .	Leasing office space to facilitate business contacts and rental rate is not different from the rate around the vicinity. The Audit Committee has considered and regarded that rental charge is reasonable and fair.
3. T.Thai Snack Foods Co.,Ltd. : Baked seasoned squid, Coated peanut	Mr. Sumate Techakraisri and Phreecha Techakraisri are director and share holder in T.Thai Snack Foods Co.,Ltd details as follow; 1.) Mr. Sumate Techakraisri Hold 1.38% 2.) Phreecha Techakraisri Hold 4.62%	The Company distributed baked seasoned squid, coated peanut. In 2015TKT company purchased baked seasoned squid amounting Baht 123,734.80 and as at December 31,2015 , The outstanding balance of intercompany transaction is zero.	The business about buying baked seasoned squid for customers in new year. Buying condition comply with market price locally. The audit committee has considered that transaction being reasonable with fair price.

12. Financial Highlights

		2015	2014	2013
Performance				
Revenue from sales - Plastic products	'000 Baht	1,218,751	1,403,258	1,778,213
Revenues from sales - Moulds	'000 Baht	137,646	220,462	146,146
Net profit	'000 Baht	12,396	19,447	38,966
Balane sheet highlight				
Total Assets	'000 Baht	1,138,498	1,216,373	1,212,256
Total liabilities	'000 Baht	677,687	746,558	732,777
Shareholders' equity	'000 Baht	460,811	469,815	479,479
Common stock highlight				
Authorized share capital	Mil' share	214,000	214,000	214,000
Par value	Baht / share	1	1	1
Book value	Baht / share	2.15	2.19	2.24
Basic earning per share	Baht / share	0.06	0.09	0.18
Financial Ratio				
Current Ratio	Times	0.67	0.81	0.89
Account Receivable Turnover	Times	5.23	4.79	5.88
Inventory Turnover	Times	6.54	8.48	9.18
Account Payable Turnover	Times	7.25	6.69	6.89
Debt to Equity Ratio	Times	1.47	1.59	1.53
Sale's Growth (%)	%	-16.46	-15.64	0.53
Profit before interest and income tax expenses (%)	%	2.38	2.63	3.52
Net profit (%)	%	0.91	1.19	2.01

13. Analysis on Financial Status & Operational Performance

From analysis, the Operational Performance & Financial Status :

The company is a plastic parts manufacturer, designs mold, make and repair of molds which are used to manufacture plastic parts. These parts are sold to automobile and electrical appliances producers of original equipment manufacturer (Original Equipment Manufacturer OEM) in the country. In the year 2015 the company's revenue slightly decreased by Baht 267.32 million due to an economic deceleration that affected the business and household sectors, making them cautious in investing and spending,

1. Operational Performance

Income

In the year 2015, our total revenue for sales and service amounted Baht 1,356.40 million, lower than last year of Baht 267.32 million or equal to 19.71% from sales index of 70.84 % compared to the same period of year (2012)

As a result of the economic downturn company's revenue decreased. The main factor of the decrease is due to the consumers' purchasing power slowed down, household debts is high and the number of homes due for transfer also slowed down. Consumers and businesses are cautious in their spending and investments. Moreover, sales of electrical appliances did not meet its target and export markets also suffered from this economic problems. After ending the measure QE (financial relief in Europe and USA) which resulted negatively in the global economy. Export value on electrical appliances of Thailand and other countries declined.

From the Financial Statement the revenue on sales products in the year 2015 and 2014, the revenue in automobile parts amounts to Baht 1,054.71 million and Baht 1,212.50 million (respectively). The revenue on electrical appliances parts and components amounts to Baht 146.40 million and Baht 144.47 million, (respectively). Income from mold amounts to Baht 137.65 million and Baht 220.46 million, (respectively). The revenue from other Baht 17.64 million and Baht 46.29 million (respectively)

Cost of Sales and Expenses

Cost of Sales and Service

In the year 2015, the company's cost of sales and service totaled to Baht 1,166.48 million an decrease of Baht 251.61 million than that of last year which was 17.74%. The cost of sales index 72.11% compared to the same period of (2012) Cost of sales to the total sales of 2015 which was equal to 86.02% there is an decrease of 1.31% The company made a policy to enhance the productivity and cost control in line with the sales decline

Selling and Administrative Expenses

The company had selling and administrative expenses for year 2015 totaled to Baht 165.92 million lower than last year of Baht 2.80 million equal to 1.66%, the selling and administrative index which is equal to 88.08 % compared to the period of 2012. Selling and administrative expenses are close to the previous year's figures due to the company's attempts to reduce expenses to balance with declining sales volumes such as reducing office expenses and consumables expenses, reducing shipment costs by minimizing the number of shipment trips to realign with the declining sales volumes. These resulted in the proportion of selling and administrative expenses to be close to the previous year's levels.

Finance Costs

The company has a finance costs for year 2015 equal to Baht 17.93 Million decreased year 2014 to Baht 1.98 million or 0.12% As the company has the ability to pay the interest for year 2015, equal to 1.80 times decreased from last year of 0.34 as for year 2015 because of sales target was not met.

Corporate Income Tax

In the year 2015 the company will have a corporate income tax of Baht 1.95 million due to the yearend profit, the company's tax liability for year 2015 is equal to Baht 0.30 million and Baht 1.60 million arising from the temporary deferred tax assets and also the liabilities of the company that may arise in the future.

Net Profit

In the year 2015, net profit of Baht 12.39 million or equivalent to 0.91% of total revenue. Net profit ratio reduced from 1.19 % in year 2014.

1. Due to the political situation net sales decreased and the economic slumping down continues. Prices of agricultural crops are also affected, household debts is high impacting the purchasing decision of consumers. Moreover, sales of electrical appliances did not meet its target especially the export market. Global economy suffered after the QE measures (financial relief in Europe and the USA) which was a negative factor to the economy. Export value on electrical appliances reduced not only Thailand but also other countries.

2. Financial Status

Assets

The company's Financial Statement stated that total asset as at December 31, 2015 and December 31, 2014 equaled to Baht 1,141.97 million and Baht 1,216.37 million (respectively) higher of Baht 74.40 million or equal to 6.12%

Trade Accounts and Notes Receivable

The company's value on trade accounts and net notes receivable at December 31, 2015 and year 2014 amounted to Baht 184.19 million and Baht 340.52 million There is reclassification of the outstanding trade accounts receivable, net. as at December 31, 2015 and year 2014 amounted to Baht 182.78 million with proportion of trade accounts of total assets equivalent to 16.01% and 27.82% (respectively).

Collection period for year 2015 is about : 70 days and for 2014 it was 74 days which as some major customers have 30 days credit on collection period from the company but the customers' term of payment is within the 10th of next month. This causes an outstanding account receivable and some customers even requested postponement of the payment due to the economic deceleration. However this still stayed in the company's credit term from 60 – 90 days period as many customers are leading automobile and electrical appliance manufacturers with the exact payment due period, therefore the company did not experience any difficulty in billing in the past. The company, however will maintain the collection period to be consistent with the company's policy. The trade accounts and notes receivable for years 2012 to 2015 can be divided into receivable aging as below:

Unit : Million Baht

Receivable aging	2012	2013	2014	2015
Within the due date	229.20	193.01	240.81	126.39
Over 90 days	126.29	102.17	95.11	54.59
Over 90 days but less than 180 days	0.14	0.003	0.0001	1.30
Over 180 days but less than 365 days	1.23	-	0.18	0.48
Over 365 days	2.21	-	2.30	0.02
Total	359.07	295.18	338.40	182.78

Inventories

The company's net inventories as December 31, 2015 totaling Baht 191.10 million and Baht 158.63 million as at December 31, 2014 as the portion of total assets which is equal to 16.73% and 13.04% (respectively) Company's stock volume as conducted in accordance with the increased orders.

The company's average inventory turnover for year 2015 is 55 days including molds during production, but if excluding molds during production the company's average inventory turnover in year 2015 is 33 days. The company well recognized on the importance of controlling the inventories as well as not having a policy on over production and purchase of raw material . The company will make a production plan weekly, specify the quantity of product for production and the amount of raw material required. On top of that the company has to research, plan, improve production system and delivery for maintaining the selling period at an appropriate level.

Non-Current Assets

As at December 31, 2015, the company property, plant and equipment and intangible assets (net) of Baht 727.27 million and Baht 706.80 million as at December 31, 2014. The total value of property, plant and equipment and intangible assets (net) of total assets which is equal to 63.88 % and 58.11 (respectively)

Total Liabilities

Total liabilities as at December 31, 2015 amounts to Baht 677.69 million divided into current liability and total liability. Current liability equal to Baht 612.52 million and the non-current liabilities amounts to Baht 65.17 million, decrease from last year of Baht 68.87 million or equal -9.22%.

Shareholders Equity

Shareholders' Equity as at December 31, 2015, totaling Baht 460.81 million an decrease from last year by Baht 9.00 million or equal to 1.92 %.

The Annual General Meeting 2015 on 23th April 2015 has a resolution to distribute the annual dividend of 2014 at Baht 0.10 per share of 214 million shares, the total amount of dividend is equal to Baht 21.40 million. The company distributed the dividend on 8th May 2015.

As at December 31, 2015, the company legal reserved combined the total liability amounts to Baht 677.69 million and the shareholders' equity amounts Baht 460.81 million or equal to 1.47 times of the liabilities and the shareholder equity.

3 Analysis of Statement of Cash Flow

Cash Flows and Liquidity

The cash flows and liquidity as at December 31, 2015 increased by Baht 26.39 which is different from 2014, when they decreased by Baht 27.74 The company received payments on time which made our accounts receivable and other receivables decreased by Baht156.33 million. Net cash from operations is Baht136.62 million higher than that of the same period last year by Baht 94.86 million. Investments activities amounted to Baht 59.02 million lower over the same period of previous year by Baht 7.7 million from reduction of investment of assets by Baht 6.5 million. The control of the use of bank overdraft and short term loans resulted made the short term loans decreased by Baht 46.70 million. The cash and cash

equivalents carried over amounted to Baht 8.83 million which made the company to retain cash and cash equivalent in the balance of 35.22 million at the end of year 2015

Investments Expenses

In the year 2015, the company increased its fixed asset totaling Baht 58.43 million. Most of the investments are in machineries and tool, order to accommodate the new customer, including payments for machineries due for payment

Source of Capital

Source of capital for year 2015 was derived from accounts receivable and reduce trade account. Account receivable management be within in the company policy and for collection period of about 70 days for year 2015 which is more than that of 2014 in which the collection period is 74 days, However the company allows the customers to have a credit term from 60 -90 days which is the policy of the company. In year 2014 the credit term was 55 days and in year 2015 it was 50 days. Differences between the collection period and the payment period occurred, due to some of the major customers having their payment terms on the 10th of the following month but the company's credit terms in the system stated a 30-day collection period hence there were outstanding accounts receivable. However, the payment collection issue has never occurred. When some customers request an extension of the collection period, it is expected to be a period of time corresponding to the economic deceleration.

The ratio of liability to shareholders equity for year 2013, 2014, 2015 is equal 1.53 times, 1.59 times, 1.47 times respectively. The company can still maintain the proportion of liabilities and the number of shareholders at the same level.

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
AND AUDITOR'S REPORT

REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To The Shareholders of T.Krungthai Industries Public Company Limited

I have audited the accompanying of financial statements of T.Krungthai Industries Public Company Limited which comprise the statement of financial position as at December 31, 2015, the statements of comprehensive income, changes in equity and the cash flows statements for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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.



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Opinion

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

Other matters

The statement of financial position for the year ended December 31, 2014, of T.Krunghai Industries Public Company Limited, presented herewith for comparative purpose only, were audited by another auditor whose report dated on February 25, 2015, expressed an unqualified opinion on those financial statements. The statement of comprehensive income, changes in shareholders' equity and cash flows of T.Krunghai Industries Public Company Limited for the year then ended.



(Mr. Jirote Sirirorote)

Certified Public Accountant

Registration No. 5113

Karin Audit Company Limited

Bangkok

February 24, 2016

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

		Baht	
		December 31, 2015	December 31, 2014
	Note		"Reclassify"
ASSETS			
Current assets			
Cash and cash equivalents	5	35,226,588.16	8,838,312.14
Trade accounts receivable and other receivable	6	184,189,792.27	340,520,624.98
Inventories - net	7	191,103,578.59	158,628,094.48
Other current assets	8	707,575.80	1,590,082.17
Total current assets		411,227,534.82	509,577,113.77
Non-current assets			
Property, plant and equipment - net	9	665,493,862.10	673,593,137.35
Intangible assets - net	10	11,847,570.63	9,920,225.25
Other non-current assets - net	11	49,928,662.38	23,282,853.64
Total non-current assets		727,270,095.11	706,796,216.24
Total assets		1,138,497,629.93	1,216,373,330.01

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

		Baht	
		December 31, 2015	December 31, 2014
	Note		"Reclassify"
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Bank overdrafts and short-term loans from financial institutions	13	397,531,146.74	349,613,492.71
Trade accounts payable and other payables		164,755,415.85	216,586,953.24
Payable for purchase on assets		4,833,985.92	2,595,112.73
Current portion of long-term loans	13	41,355,768.00	49,857,768.00
Current portion of liabilities under hire - purchase and financial lease contracts	14	1,454,761.40	1,861,371.56
Current portion of employee benefit liabilities	15	218,401.00	204,664.00
Deposit received		2,371,732.54	11,118,290.00
Total current liabilities		612,521,211.45	631,837,652.24
Non-current liabilities			
Long-term loans - net	13	45,908,992.00	95,213,760.00
Liabilities under hire - purchase and financial lease contracts - net	14	1,680,769.89	1,775,817.31
Deferred tax liabilities	12	4,063,037.56	2,408,131.05
Employee benefit liabilities	15	13,512,814.86	15,323,125.00
Total non-current liabilities		65,165,614.31	114,720,833.36
Total liabilities		677,686,825.76	746,558,485.60
Shareholders' equity			
Share capital			
Authorized share capital			
Common share 214,000,000 shares Baht 1.00 par value		214,000,000.00	214,000,000.00
Issued and paid-up share capital			
Common share 214,000,000 shares Baht 1.00 par value		214,000,000.00	214,000,000.00
Premium on ordinary shares		144,236,932.71	144,236,932.71
Retained earnings			
Appropriated			
Legal reserve	17	21,400,000.00	21,400,000.00
Unappropriated		81,173,871.46	90,177,911.70
Total shareholders' equity		460,810,804.17	469,814,844.41
Total liabilities and shareholders' equity		1,138,497,629.93	1,216,373,330.01

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	Baht	
		2015	2014
Revenue from sales - Plastic Parts		1,218,750,938.45	1,403,258,195.11
Revenue from rendering of services - Moulds		137,645,633.00	220,462,114.74
Total Revenue from sales and rendering of services		1,356,396,571.45	1,623,720,309.85
Cost of sales of goods and rendering of services		(1,166,489,189.22)	(1,418,094,413.74)
Gross profit		189,907,382.23	205,625,896.11
Other income		8,298,435.80	5,747,801.54
Profit before expenses		198,205,818.03	211,373,697.65
Selling expenses	18	(32,259,900.28)	(35,169,355.63)
Administrative expenses		(115,275,620.69)	(115,815,288.86)
Director and Management ' s remunerations	4	(18,393,314.36)	(17,737,047.33)
Total expenses		(165,928,835.33)	(168,721,691.82)
Profit before finance costs and income tax expense		32,276,982.70	42,652,005.83
Finance cost		(17,930,465.14)	(19,912,955.15)
Profit before income tax expense		14,346,517.56	22,739,050.68
Income tax expense	12	(1,950,557.80)	(3,291,941.47)
Profit for the year		12,395,959.76	19,447,109.21
Other comprehensive income			
Defined benefit plan actuarial gain		-	3,735,924.07
Income tax on other comprehensive income		-	(747,184.81)
Other comprehensive income for the year - net of income tax		-	2,988,739.26
Total comprehensive income for the year		12,395,959.76	22,435,848.47
Basic earnings per share			
Net profit (Baht per share)	19	0.058	0.091

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2015

		Baht				
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
				Appropriated Legal reserve	Unappropriated	
Balance as at January 1, 2014		214,000,000.00	144,236,932.71	20,714,112.95	100,527,950.28	479,478,995.94
Dividend	16	-	-	-	(32,100,000.00)	(32,100,000.00)
Appropriated for legal reserve	17	-	-	685,887.05	(685,887.05)	-
Profit for the year		-	-	-	19,447,109.21	19,447,109.21
Comprehensive income for the year		-	-	-	2,988,739.26	2,988,739.26
Balance at December 31, 2014		214,000,000.00	144,236,932.71	21,400,000.00	90,177,911.70	469,814,844.41
Dividend	16	-	-	-	(21,400,000.00)	(21,400,000.00)
Appropriated for legal reserve	17	-	-	-	-	-
Profit for the year		-	-	-	12,395,959.76	12,395,959.76
Comprehensive income for the year		-	-	-	-	-
Balance at December 31, 2015		214,000,000.00	144,236,932.71	21,400,000.00	81,173,871.46	460,810,804.17

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht	
	2015	2014
		"Reclassify"
Cash flows from operating activities		
Profit (Loss) net	12,395,959.76	19,447,109.21
Adjustments for to net profit (loss) for cash received (paid) from operations		
Depreciation	68,088,287.64	70,664,756.21
Amortization	1,574,214.62	1,955,392.82
Loss from decline in inventory value	658,433.02	2,589,267.09
Reversal allowance for decline in inventory value	(173,460.37)	(2,210,418.46)
(Profit) loss on sale of assets	(354,891.32)	595,091.98
(Profit) loss unrealized gain on exchange	-	13,772.59
Employee benefit expense	(1,796,573.14)	758,916.07
Interest income	(100,609.62)	(108,796.48)
Financial cost	17,930,465.14	19,912,955.15
Written off withholding income tax deducted at source	-	18,000.00
Income tax expense	1,950,557.80	3,291,941.47
Profit provided by operating activities before changes in operating assets and liabilities	100,172,383.53	116,927,987.65
(Increase) decrease in operating assets		
Trade accounts receivable and other receivable	156,330,832.69	(45,330,889.06)
Inventories	(32,960,456.76)	16,746,590.79
Other current assets	882,506.37	6,484,289.12
Other non-current assets	(9,599,530.20)	(4,410,811.16)
Increase (decrease) in operating liabilities		
Trade accounts payable and other payables	(52,117,273.40)	(16,068,154.72)
Deposit received	(8,746,557.46)	(18,593,518.37)
Income tax received (paid)	(17,341,929.83)	(14,002,389.49)
Net cash provided by operating activities	136,619,974.94	41,753,104.76

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht	
	2015	2014
		"Reclassify"
Cash flows from investing activities		
Interest received	100,609.64	108,796.48
Purchase of assets	(56,195,635.71)	(65,819,400.85)
Proceeds from disposal of assets	567,359.79	255,101.06
Advance payment for acquisition of land	(3,501,560.00)	(1,246,208.70)
Net cash used in investing activities	(59,029,226.28)	(66,701,712.01)
Cash flows from financing activities		
Interest paid	(17,715,397.04)	(19,954,844.65)
Bank overdrafts and short-term loans from financial institutions increase	47,917,654.03	94,613,492.71
Received long-term loans from financial institutions increase	-	15,000,000.00
Payment for long-term loans from financial institutions	(57,806,768.00)	(57,227,768.00)
Payment for liability - hire purchases and financial lease agreement	(2,268,629.54)	(3,129,399.74)
Dividend	(21,329,332.09)	(32,089,227.14)
Net cash used in financing activities	(51,202,472.64)	(2,787,746.82)
Net increase (decrease) in cash and cash equivalents	26,388,276.02	(27,736,354.07)
Cash and cash equivalents, at beginning of year	8,838,312.14	36,574,666.21
Cash and cash equivalents, at end of year	35,226,588.16	8,838,312.14

Supplemental disclosures of cash flows information :

Non - cash transaction

Purchases of asset for under hire - purchases agreement	1,766,971.96	1,085,625.00
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T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

1. GENERAL INFORMATION

(a) Legal status and address for company

The Company established as juristic person in accordance with the public company limited on January 22, 2004, while the Head Office is located at 23 Soi Chan 43, Yak 21, Tungwatdon, Sathorn, Bangkok. There are 3 factories which are located as follow:

Factory 1 was located at 59 Mu 6, King Kaew Road, Rajateva, Bangplee, Samutprakarn.

Factory 2 was located at 517 Mu 9, Nongki, Kabinburi, Prachinburi.

Factory 3 was located at 28/4 Mu 1, Sunwinhawong Road, Khlong Udom Chonlachon Muang, Chacheangsoa.

The major shareholders of the Company are Techakraisri family (owned 48.81%)

(b) Nature of the Company's business

The principal business activities of the Company are manufacturing plastic part products and plastic part moulds.

(c) Overview

Since January 1, 2015, the Company has adopted new and revised accounting standards which its implementation of such new and revised accounting standards has no significant effect on Company's financial statements as said in Notes to Financial Statements No. 2

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statements of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

2.2 Adoption of new accounting standards

The FAP has issued the following new and revised TFRS relevant and effective for accounting periods beginning on or after January 1, 2015:

<u>TFRS</u>	<u>Topic</u>
TAS 1 (revised 2014)	Presentation of Financial Statements
TAS 2 (revised 2014)	Inventory
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

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>TFRS</u>	<u>Topic</u>
TAS 12 (revised 2014)	Income Taxes
TAS 16 (revised 2014)	Property, Plant and Equipment
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue Recognition
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 Reports
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 4 (revised 2014)	Insurance Contracts
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2014)	Exploration for and Evaluation of Mineral Resources
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; Disclosures

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

<u>TFRS</u>	<u>Topic</u>
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)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
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	TAS 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	Stripping Costs in the Production Phase of a Surface Mine

Management has considered above new interpretations in accordance with the FAP's announcement that there has no material impact on the financial statements for current year.

2.3 Financial reporting standard that became effective in the current year.

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company already recognise actuarial gains and losses immediately in other comprehensive income.

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2015****TFRS 13 Fair Value Measurement**

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. This standard has no impact to the group, except for disclosures.

2.4 Financial reporting standard issued during the period and not yet effective

During the years, the Federation of Accounting Professions issued a number of the revised financial reporting standards (revised 2015) which is effective for fiscal years beginning on or after January 1, 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised financial reporting standards will not have any significant impact on the financial statements when it is initially applied.

<u>TFRS</u>	<u>Topic</u>
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventory
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 Recognition
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 Reports
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

<u>TFRS</u>	<u>Topic</u>
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 Resources
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: Disclosures
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)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
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	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

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

<u>TFRS</u>	<u>Topic</u>
TFRIC 21	Levies

2.5 Basis of measurement

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

2.6 Functional and presentation currency

The financial statements are prepared and presented in Thai Baht unless otherwise stated.

2.7 Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follows:

Allowance for doubtful accounts

Allowances for doubtful accounts are intended to adjust the value of receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of specific reviews, collection experience, and analysis of debtor aging, taking into account changes in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

Impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management judgment.

Depreciation

In calculating depreciation of plant and equipment, the management estimates useful lives and salvage values of the plant and equipment and reviews estimated useful lives and residual values if there are any changes.

Fair value estimation

The Group estimates fair value for available for sale investments, investment property and long-term borrowings from financial institutions. The different levels of fair value estimation have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).
- The Group discloses the fair value measurement of above items in related notes to financial statement.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except in Note 2.

3.1 Foreign currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated into Baht at the exchange rates ruling on the financial position date.

Gains and losses on exchange are included in determining comprehensive income.

3.2 Financial instruments

The Company does not engages in the trading of any derivative financial instruments. The accounting policies on recognition and measurement of financial assets and financial liabilities are disclosed in the related notes to financial statements.

3.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, and highly liquid short-term investments that are readily convertible to known amount or that are subject to an insignificant risk of change in value, but not include time deposits with maturity exceed three-month period (fixed deposits).

Time deposits with maturity exceed three-month period but less than twelve-month period are recorded as current investment (if any).

3.4 Trade account receivables

Trade account receivables are presented at realizable value. The Company provides allowance for doubtful accounts equal to the amount of expected uncollectible receivable which are based on management evaluation of ability to pay of each receivable.

3.5 Inventories

Inventories are presented at the lower of cost or net realizable value. Cost of inventories is recorded under the basis as follows:

Finished goods and work in process	First in first out (By standard cost which approximate to actual cost)
Raw materials	First in first out

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventories. The Company estimates net realizable value from the estimated selling price in the ordinary course of business, less the estimated expenses necessary to make the sale.

3.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. In addition, cost also may include transfers from other comprehensive income. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that Property, Plant and Equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items for major components.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Leased assets

Leases in terms of which the Company substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value or the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss statement of income.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment as follows:

Land improvement	20 years
Buildings and structures	20 years
Buildings and land	20 years
Machinery and equipment	10-20 years
Tools and equipment	10 years
Fixtures and equipment	3-10 years
Vehicles	5 years
Moulds	5 years

3.7 Intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Computer software	5 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.8 Impairment of assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same times.

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.9 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

3.10 Employee Benefits

Post-employment benefit plan other than a defined contribution plan. The Company's obligation in respect of post employment benefits under defined benefit plans recognized in the financial statements based on calculations by a independent actuary using the projected unit credit method estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

actuarial gain or loss are recognized in Other Comprehensive Income and recognises gains and losses on the settlement of a defined benefit when the settlement occurs.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be reasonably estimated. The Company recognizes salary, wages, bonus, social and security and provident fund as transaction incurred.

3.11 Liabilities, provisions and expenses

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

The Company recognizes liabilities, provisions and expenses in the financial statements when the Company has a legal obligation or probable obligation as a result of past events. It is probable that to settle the obligation the Company's outflow resources may be required, and a reliable estimate amount of that obligation can be determined.

The Company recognizes dividends payable in the period when dividends are proposed, declared, and approved by the shareholders.

3.12 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

3.13 Revenue recognition

The Company recognizes revenue as sale when title to the goods sold passed to buyer and the invoice amount has been used to record the sale. Estimated discount and goods return are deducted from sale (if any). Revenue from service agreement is recorded under the completion method and invoice, because the service agreements are normally in a short-term period.

Interest income is recognized under the accrual basis. The Company will discontinue to record accrued interest when collectability is in doubt.

Dividend income is recognized when dividend is proposed and declared

3.14 Expenses

Expenses are recognized on an accrual basis.

3.15 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.16 Lease – where the Company is the lessees

Leases of vehicles and equipment where the Company assume substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the fair value of the leased assets or estimated present value of the underlying lease payments, whichever is lower. Each lease payment is allocated

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between the liability and finance charges so as to achieve a constant rate on the outstanding finance balance. Lease payments deducted by financial charges are recognized as liabilities under finance lease agreements. The financial expense is charged to the statement of comprehensive income over the lease period. Assets acquired under finance lease agreements are depreciated over the useful lives of the assets.

Leases of assets in which the lessor effectively retains all the risks and benefits of ownership, are classified as operating leases. Payments made under operating leases are charged to the statement of comprehensive income on the straight – line basis over the lease period. When an operating lease is terminated before expiry date of the lease period, any payment required by the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

3.17 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group/Company determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group/Company the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Company separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Company's incremental borrowing rate.

3.18 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

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transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group/Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities.

Such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.19 Basic earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of paid-up ordinary shares in issue during the year.

4. TRANSACTIONS WITH RELATED PARTIES

Significant related parties transactions can be summarized as follows:

- 4.1 The Company and other related parties are related by share the same of directors or shareholders and as the Company's directors as follows:

Related parties	Type of business	Type of relation
Prairie Marketing Co., Ltd.	Consumer products trader	Share the same directors
Chai Wattana Construction Co., Ltd.	Construction materials	Share the same directors
Sri Sam Ank Supplier Co., Ltd.	Footwear manufacturer	Share the same directors
T.Thai Snack Foods Co.,Ltd.	Baked seasoned squid, Coated peanut	Share the same directors
Mr. Sumate Techakraisri	-	Director

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Key management personnel	-	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company
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4.2 Significant related parties transactions can be summarized as follows:

Revenues and expenses transactions with the related parties for the year ended December 31, 2015 and 2014, are as follows:

		Baht	
	Pricing Policy	2015	2014
Office rental			
Mr. Sumate Techakraisri	- April 2013 to March 2016 Bath 66,550 per month	798,600.00	798,600.00
Key management personnel compensation			
Short-term employee benefit		18,089,029.40	17,471,246.33
Long-term employee benefit		304,284.96	265,801.00
Total		18,393,314.36	17,737,047.33

The Company has the pricing policy for purchase, sale and services with the related parties at the market price the same basis as to other parties in the normal course of business.

5. CASH AND CASH EQUIVALENTS

Consists of :

	Baht	
	As at December 31, 2015	As at December 31, 2014
Cash	180,000.00	180,000.00
Saving deposit accounts	8,436,050.96	8,378,589.76
Current deposit accounts	26,610,537.20	279,722.38
Total	35,226,588.16	8,838,312.14

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

6. TRADE ACCOUNTS RECEIVABLE AND OTHER RECEIVABLE

Consists of :

	Baht	
	As at	As at
	December 31, 2015	December 31, 2014
The aging of the outstanding trade account receivable are as follows :-		
Not yet due	126,393,568.92	241,517,539.37
Over due		
Less than 3 months	54,588,786.59	95,215,843.64
Over 3 months to 6 months	1,302,687.05	143.01
Over 6 months to 12 months	483,392.13	183,872.83
Over 12 months	18,286.89	2,295,475.22
Trade account receivable	182,786,721.58	339,212,874.07
Other receivable	1,403,070.69	1,307,750.91
Trade accounts receivable and other receivable	184,189,792.27	340,520,624.98

There is no provision set up for the whole amount of doubtful accounts for overdue trade account to based on the past experience and current situation of collection performance, the management has closely monitored and believed that the overall overdue trade accounts will eventually be collected.

7. INVENTORIES - NET

Consists of :

	Baht	
	As at	As at
	December 31, 2015	December 31, 2014
Raw materials and others	92,101,337.10	63,771,665.51
Work in process	66,095,743.22	77,358,092.80
Finished goods	36,568,812.25	20,675,677.50
Total	194,765,892.57	161,805,435.81
<u>Less</u> Allowance for declining in inventory valuation	(3,662,313.98)	(3,177,341.33)
Net	191,103,578.59	158,628,094.48

Allowance for declining in inventory valuation is changed during the period as follows:

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	Baht	
	As at	As at
	December 31, 2015	December 31, 2014
Beginning balance	(3,177,341.33)	(2,528,492.70)
Increase	(658,433.02)	(2,859,267.09)
Decrease	173,460.37	2,210,418.46
Ending balance	(3,662,313.98)	(3,177,341.33)

In 2015 and 2014, the Company has recorded allowance for declining in inventory valuation amount of Baht 0.66 million and Baht 2.86 million, respectively and reversed allowance amount of Baht 0.17 million and Baht 2.21 million, respectively. This is due to the Company has use to produce and destructed inventories which has been previously set up allowance.

8. OTHER CURRENT ASSETS

Consisted of :

	Baht	
	As at	As at
	December 31, 2015	December 31, 2014
Undue Refundable Input Tax	699,475.80	937,620.10
Others	8,100.00	652,462.07
Total	707,575.80	1,590,082.17

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

9. PROPERTY, PLANT AND EQUIPMENT - NET

Movements of property, plant and equipment during year ended December 31, 2015 and 2014, are summarized below:

	Baht										
	Land	Land improvement	Buildings and structures	Buildings and land	Machineries and equipments	Tools and equipments	Fixtures and equipments	Vehicles	Moulds	Work in progress	Total
At Cost											
Balance as at January 1, 2014	45,191,709.76	11,267,753.05	210,327,763.92	3,274,906.0	656,133,788.35	182,363,845.96	39,394,645.49	29,601,684.26	93,314,098.02	32,537,752.26	1,303,407,947.07
Acquisitions	-	-	463,500.00	-	8,016,040.00	12,044,060.93	4,583,320.89	1,447,500.00	-	39,501,744.24	66,056,166.06
Disposal	-	-	-	-	(2,386,684.35)	(197,000.00)	(727,917.29)	-	-	-	(3,311,601.64)
Transfer in (out)	-	-	825,986.24	-	5,077,487.95	3,246,818.14	9,545.00	-	-	(9,359,787.88)	(199,950.55)
Balance as at December 31, 2014	45,191,709.76	11,267,753.05	211,617,250.16	3,274,906.0	666,840,631.95	197,457,725.03	43,259,594.09	31,049,184.26	93,314,098.02	62,679,708.62	1,365,952,560.94
Acquisitions	-	312,800.00	15,941,208.85	-	6,796,383.90	3,442,804.03	837,715.02	1,770,242.99	-	33,832,436.32	62,933,591.11
Disposal	-	-	-	-	(440,000.00)	(1,002,500.00)	(161,613.33)	(959,813.08)	-	-	(2,563,926.41)
Transfer in (out)	-	-	-	-	60,434,173.01	27,322,295.50	1,229,520.00	-	2,519,161.72	(91,885,802.20)	(380,652.32)
Balance as at December 31, 2015	45,191,709.76	11,580,553.05	227,558,459.01	3,274,906.0	733,631,188.86	227,220,324.21	45,165,215.78	31,859,614.17	95,833,259.74	4,626,342.74	1,425,941,573.32

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	Baht										
	Land	Land improvement	Buildings and structures	Buildings and land	Machineries and equipments	Tools and equipments	Fixtures and equipments	Vehicles	Moulds	Work in progress	Total
<u>Accumulated depreciation</u>											
Balance as at January 1,											
2014	-	(5,149,581.98)	(109,430,128.26)	(1,532,496.58)	(263,704,247.82)	(111,459,320.15)	(27,786,340.98)	(13,445,637.05)	(91,848,273.71)	-	(624,356,026.53)
Depreciation for the year	-	(560,126.29)	(10,814,733.58)	(162,122.05)	(35,881,378.73)	(17,841,485.34)	(3,928,351.60)	(1,021,054.41)	(455,504.21)	-	(70,664,756.21)
Disposal	-	-	-	-	1,779,527.15	177,053.60	704,778.40	-	-	-	2,661,359.15
Balance as at December 31,											
2014	-	(5,709,708.27)	(120,244,861.84)	(1,694,618.63)	(297,806,099.40)	(129,123,751.89)	(31,009,914.18)	(14,466,691.46)	(92,303,777.92)	-	(692,359,423.59)
Depreciation for the year	-	(562,081.99)	(11,072,364.77)	(162,119.87)	(36,933,074.98)	(16,426,650.53)	(3,900,251.24)	(1,146,043.81)	(787,167.45)	-	(70,989,754.65)
Disposal	-	-	-	-	183,136.24	1,049,748.36	708,770.33	959,812.08	-	-	2,901,467.01
Balance as at December 31,											
2015	-	(6,271,790.26)	(131,317,226.61)	(1,856,738.50)	(334,556,038.14)	(144,500,654.06)	(34,201,395.09)	(14,652,923.19)	(93,090,945.37)	-	(760,447,711.22)
<u>Net book value</u>											
Balance as at December 31,	45,191,709.76	5,558,044.78	91,372,388.32	1,580,287.37	369,034,532.55	68,333,973.14	12,249,679.91	16,582,492.80	1,010,320.10	62,679,708.62	673,593,137.35
2014											
Balance as at December 31,	45,191,709.76	5,308,762.79	96,241,232.40	1,418,167.50	399,075,150.72	82,719,670.15	10,963,820.69	17,206,690.98	2,742,314.37	4,626,342.74	665,493,862.09
2015											

Depreciation for the year 2105 and 2014 of the Company are totalling Baht 70.99 million and Baht 70.66 million, respectively. The amount of Baht 65.58 million and Baht 65.69 million was included in cost of sales and service, respectively and the amount of Baht 5.41 million and Baht 4.97 million was included in administrative expenses, respectively

As at December 31, 2015 and 2014, Land, buildings, machineries and equipments in the cost amount of Baht 720.71 million and Baht 720.55 million, respectively the net book value of Baht 328.50 million and Baht 355.51 million, respectively are pledged as collateral for loans from financial institutions as described in Note 13.

As at December 31, 2015 and 2014, a part of vehicles in the cost amount of Baht 9.88 million and Baht 14.07 million, respectively were assets under hire-purchase contracts and financial leases agreements.

As at December 31, 2015 and 2014, a part of equipments in the cost amount of Baht 297.35 million and Baht 269.87 million, respectively, which are fully depreciated but still operated

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

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10. INTANGIBLE ASSETS – NET

Consisted of :

	Baht			
	Balance as at January 1, 2015	Increase	Decrease	Balance as at December 31, 2015
Software copyright	25,396,000.90	876,000.00	-	26,272,000.90
Work in progress	6,899,760.00	2,625,560.00	-	9,525,320.00
Net cost	32,295,760.90	3,501,560.00	-	35,797,320.90
<u>Less</u> Amortization	(22,375,535.65)	(1,574,214.62)	-	(23,949,750.27)
Net	<u>9,920,225.25</u>			<u>11,847,570.63</u>

As at December 31, 2015, a part of intangible assets in the cost amount Baht 20.75 million which are fully amortized but still operated.

11. OTHER NON-CURRENT ASSETS - NET

Consisted of:

	Baht	
	As at December 31, 2015	As at December 31, 2014
Withholding tax refundable	33,819,661.47	16,773,382.93
Deferred Expenses	15,878,673.62	6,284,143.42
Others	230,327.29	225,327.29
Total	<u>49,928,662.38</u>	<u>23,282,853.64</u>

12. DEFERRED TAX

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 20%

Consisted of:

	Baht	
	As at December 31, 2015	As at December 31, 2014
Deferred tax assets		
Inventories	732,462.78	635,468.26
Employee benefit obligations	2,746,243.17	3,105,557.80
Total	<u>3,478,705.95</u>	<u>3,741,026.06</u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht	
	As at	As at
	December 31, 2015	December 31, 2014
Deferred tax liabilities		
Property, plant and equipment	(7,541,743.51)	(6,149,157.11)
Total	(7,541,743.51)	(6,149,157.11)
Net	(4,063,037.56)	(2,408,131.05)

The movement on the deferred income tax is as follows:

	Baht	
	2015	2014
Deferred tax assets		
Beginning	3,741,026.08	4,206,657.94
Income tax recognized in profit or loss	(262,320.11)	281,552.93
Income tax recognized in other comprehensive income	-	(747,184.81)
Ending	3,478,705.97	3,741,026.06
Deferred tax liabilities		
Beginning	(4,670,072.89)	(3,217,540.39)
Income tax recognized in profit or loss	(1,479,084.22)	(1,452,532.50)
Ending	(6,149,157.11)	(4,670,072.89)
Income tax recognized in statement of income net	(1,197,531.29)	(1,184,050.26)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right and the income taxes relate to the same fiscal authority.

	Baht	
	2015	2014
Income tax :		
Income tax for the period	295,651.29	(2,094,410.18)
Deferred tax :		
Relating to origination and reversal of temporary differences	1,654,906.51	(1,197,531.29)
Income tax in statements of comprehensive income	1,950,557.80	(3,291,941.47)

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Reconciliation for Effective Tax Rate

	Baht			
	Rate (%)	2015	Rate (%)	2014
Profit before income tax expense		14,346,517.56		22,739,050.68
Income tax using the Thai corporation tax rate	20	2,869,303.51	20	4,547,810.14
Profit from investment promotional benefit and privileges		(1,279,257.87)		(1,442,606.95)
Expenses not deductible for tax purposes		2,016,272.99		2,026,172.91
Expenses deductible increases for tax purposes		(1,655,760.83)		(1,839,434.63)
Total	14	1,950,557.80	14	3,291,941.47

In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent from 2014. In addition, in order to comply with the resolution of the cabinet, in December 2011, the decreases in tax rate for 2012 – 2015 were enacted through a Royal Decree. The Company and its subsidiaries have reflected the changes in the income tax rates in its deferred tax calculation, as presented above.

It is understood that the Government will proceed to amend the law in order to maintain the corporate income tax rate at not higher than 20% for the accounting period 2015 which begins on or after January 1, 2015 and onwards in order to give full effect to the Cabinet resolution dated October 11, 2011 to increase Thailand's competitiveness.

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the profit before tax of the period. The Company's effective tax rate in respect of continuing operations for the twelve-months ended December 31, 2015 was 14% (December 31, 2014 : 14%).

There is no change in effective tax rate was caused mainly by ratio between income tax and net profit before income tax is stable.

13. LOANS

Consists of :

	Baht	
	As at December 31, 2015	As at December 31, 2014
Bank overdrafts	2,531,146.74	6,947,874.21
Trust receipt payable	-	40,065,618.50
Short-term loan from financial institutions	395,000,000.00	302,600,000.00
<u>Total</u> short-term loan from financial institutions	397,531,146.74	349,613,492.71
Current portion of long-term loans	41,355,768.00	49,857,768.00
Long-term loans-net	45,908,992.00	95,213,760.00
<u>Total</u> Long-term loans	87,264,760.00	145,071,528.00

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NOTES TO FINANCIAL STATEMENTS

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Total	484,795,906.74	494,685,020.71
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- a) As at December 31, 2015 and 2014, the Company has credit facilities with financial institutions covering overdraft and short-term loans in amount of Baht 870 million and Baht 635 million, respectively. For the short-term loans are loans in promissory notes. The Company bears interest at the rate of 3.00% - 7.40% per annum which have maturity date during January 5, 2015 to May 13, 2016 and 3.55 – 7.425 % per annum which have maturity date during January 12, 2015 to March 25, 2015, respectively.
- b) As at December 31, 2015 the Company has credit facilities for long – term loan amount of Baht 292.16 million which interest rate of MLR – 2% to MLR - 1.5% per annum for a period of 5 years to purchase machines and additional machinery equipment. Such loans are securitized by such machines and additional machinery equipment.
- c) As at December 31, 2015 and December 31, 2014, Long-term loans from two local financial institutions, respectively bears interest at the rate of MLR – 2% to MLR - 1.5% . The repayment of the loans will be paid as specified in the loan agreements. The loan’s maturity will not be later than year 2019. Amounts of Baht 41.36 million and Baht 57.81 million, respectively will be repayable in the next 12 months and presented as “current liabilities”.
- d) The Company has to comply with the loan covenants such as maintaining the Debt and Equity ratio at 2.5 to 1 since the accounting period ended December 31, 2004. As of December 31, 2015, D/E ratio was 1.48 to 1.
- e) Land, buildings, machineries and equipment (as described in Note 9) are pledged as collateral for loans from financial institutions.

14. ACCOUNTS PAYABLE UNDER HIRE – PURCHASES AND FINANCIAL LEASES AGREEMENTS - NET

Consists of :

	Baht	
	As at	As at
	December 31, 2015	December 31, 2014
Accounts payable for assets	3,135,531.29	3,637,188.87
<u>Less</u> Current portion of accounts payable for assets	(1,454,761.40)	(1,861,371.56)
Net	1,680,769.89	1,775,817.31

As at December 31, 2015 and 2014, The Company has signed hire-purchases and financial leases contracts for total 13 vehicles and 20 vehicles, respectively. The installment is ranging from 48 months at approximately Baht 171,769.76 per month and Baht 344,597.56 per month, respectively. The remaining unpaid is scheduled to be paid within next 12 months and was presented as current liabilities.

15. EMPLOYEE BENEFIT OBLIGATIONS

The Company operates a post-employment benefit based on the requirement of Thai Labor Protection Act B.E. 2541 (1998) to provide post employee benefit to employees based on pensionable remuneration and length of service.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht	
	2015	2014
Current portion of employee benefit obligations	218,401.00	204,664.00
Employee benefit obligations - net	13,512,814.86	15,323,125.00
Defined benefit obligations	13,731,215.86	15,527,789.00

Movement in the present value of the defined benefit obligations:

	Baht	
	2015	2014
For the year ended December 31		
Defined benefit obligations at January 1	15,527,789.00	18,504,797.00
Current service costs and interest	764,126.00	758,916.07
Benefits paid by the plan	(2,560,700.00)	-
Actuarial gains in other comprehensive income	-	(3,735,924.07)
Defined benefit obligations at December 31	13,731,215.00	15,527,789.00

Post-employee benefit expenses included in the statements of comprehensive income for the years ended December 31, 2015 and 2014 were as follows:

	Baht	
	2015	2014
Recognised in profit or loss:		
Current service costs and interest	764,126.00	758,916.07
Recognised in other comprehensive income:		
Actuarial gains in the year	-	(3,735,924.07)

Principal actuarial assumptions at the reporting date

For the year ended December 31		
Discount rate (%)	3.12 – 3.99	4.28-4.47
Salary increase rate (%)	4.20 – 6.10	4.68-6.52
Retirement age (year old)	60	60

In 2015, the Company reviews the estimation of employee benefit due to the employee resign before retirement due. The outsource actuary estimates its obligation and discloses such information according to Actuary Report dated December 29, 2015.

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2015****16. DIVIDEND PAYMENT**

According to the resolution of ordinary shareholders meeting for 2015 held on April 23, 2015, the shareholders resolved to appropriate the net profit for the year 2014 at rate Baht 0.10 per share with 214 million shares totaling amount Baht 21.40 million. The Company has paid dividend to the entitled shareholders on May 8, 2015.

According to the resolution of ordinary shareholders meeting for 2014 held on April 10, 2014, the shareholders resolved to appropriate the net profit for the year 2013 at rate Baht 0.15 per share with 214 million shares totaling amount Baht 32.10 million. The Company has paid dividend to the entitled shareholders on April 29, 2014.

17. LEGAL RESERVE

According to the Public Companies Act, the Company has appropriated its reserve as a legal reserve not less than five percent of the annual net profit until the reserve reaches the reserves mentioned in the articles of associate. Currently, the reserve is fully appropriated.

18. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	Baht	
	2015	2014
Salary and wages and other employee benefits	308,957,479.33	303,266,942.00
Depreciation and Amortization	72,563,969.27	72,620,149.03
(Gain)Loss on exchange	270,402.60	151,767.38
Raw materials and consumables used	704,731,743.85	883,887,573.33
Changes in inventories of finished goods and work in progress	10,788,142.03	14,964,048.32
Selling expenses	32,259,900.28	35,169,355.63

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

19. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of paid-up ordinary shares in issue during the periods.

For the year ended December 31, 2015 and 2014 :

	Net Profit		The Weighted Average Number Of Ordinary Shares		Profit Per Share	
	2015	2014	2015	2014	2015	2014
	<u>Thousand</u>	<u>Thousand</u>	<u>Thousand</u>	<u>Thousand</u>		
	<u>Baht</u>	<u>Baht</u>	<u>Share</u>	<u>Share</u>	<u>Baht</u>	<u>Baht</u>
Basic Profit Per Share						
Net Profit	12,395	19,447	214,000	214,000	0.058	0.091

20. DISCLOSURE OF SECTORAL BUSINESS OPERATION

The Company's operations are manufacturing and distribution of plastic products as well as moulds design, moulds production and moulds repairing in which separate as follows :-

	Million Baht					
	For the year ended December 31, 2015					
	Manufacturing and distribution of plastic products				Moulds	
	A motor vehicle	Electricity	Other	Total	production and	Total
Revenue	1,054.71	146.40	17.64	1,218.7	137.65	1,356.40
Operation Earning (Loss)	(3.28)	(0.45)	(0.12)	(3.85)	36.13	32.28
Finance costs						(17.93)
Income tax expenses						(1.95)
Net Profit						12.40
As at December 31, 2015						
Property, plant and equipment and Intangible assets-net				615.24	61.85	677.09
Other assets						461.41
Total assets						1,138.50

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Million Baht					
	For the year ended December 31, 2014					
	Manufacturing and distribution of plastic products				Moulds	
	A motor vehicle	Electricity	Other	Total	production and moulds	Total
Revenue	<u>1,212.50</u>	<u>144.47</u>	<u>46.29</u>	<u>1,403.2</u>	<u>220.46</u>	<u>1,623.72</u>
Operation Earning (Loss)	<u>(8.54)</u>	<u>(1.02)</u>	<u>(0.34)</u>	<u>(9.90)</u>	<u>52.55</u>	<u>42.65</u>
Finance costs						(19.91)
Income tax expenses						(3.29)
Net Profit						<u>19.45</u>
As at December 31, 2014						
Property, plant and equipment and Intangible assets-net				<u>620.78</u>	<u>62.73</u>	689.68
Other assets						<u>532.86</u>
Total assets						<u>1,216.37</u>

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

21. INVESTMENT PROMOTIONAL BENEFITS AND PRIVILEGES

By virtue of the Investment Promotion Act, B.E. 2520 (1977), the Company was granted some promotional privileges from the Board of Investment as follows :

1. Promotional certificates Nos.	1899(2)/2553	1965(2)/2553	1241(1)/2554	2593(2)/2555
2. Date of promotional certificates	27/8/2010	8/9/2010	25/2/2011	19/9/2012
3. Date of generating income	12/1/2011	14/9/2010	15/9/2011	16/5/2013
4. The promotional privileges for manufacturing of	plastic products or plastic mould	plastic products or plastic mould	moulds and repairing self-manufactured moulds	plastic products plastic mould
5. Important privileges and benefits which are granted				
5.1 Exemption from corporate income tax on net profit from promotional operations and totaling is not amount exceed 100 % of investment commencing from the generating revenue date.	3 years	8 years	8 years	3 years
5.2 Exemption from income tax on dividends from Promoted business which was exempted from income tax as 5.1	3 years	8 years	8 years	3 years
5.3 Exemption from import duty on raw materials and necessary supplies imported from overseas for export manufacturing.	-	-	1 year	1 year
5.4 Exemption from import duty on materials imported for export manufacturing at the first time of import date.	-	-	1 year	1 year
5.5 Exemption of import duty for necessary machineries upon the approval of the Board of Investment.	-	import on March 8, 2014	import on August 25, 2014	-
5.6 Exception at 50% from import duty on machineries approved by the Board of Investment, except for machineries which import duty rate is below 10%	import on February 27, 2014	-	-	import on April 25, 2015
5.7 Allowance of reduction the corporate income tax from promotional net profit at 50% of normal rate after the exemption for corporate income tax's period is expired as per 5.1.	-	5 years	5 years	-
5.8 The companies are entitled for allowance to double deduction of annual transportation expenses, electricity expenses and water supplies expenses from the generating revenue date.	-	10 years	10 years	-

As a promoted company, the Company has to strictly comply with certain terms and conditions outlined in the promotional certificate

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Statement of income divided by the promoted and non promoted activities are as follows :

	Baht		
	For the year ended December 31, 2015		
	Investment promotional	Non-investment promotional	Total
Revenue from sales-plastic products	18,946,104.90	1,199,804,833.55	1,218,750,938.45
Revenue from rendering of services - Moulds	70,279,300.00	67,366,333.00	137,645,633.00
Total revenue from sales and services	89,225,404.90	1,267,171,166.55	1,356,396,571.45
Cost of sales and services	65,845,855.16	1,100,643,334.06	1,166,489,189.22
Gross profit margin	23,379,549.74	166,527,832.49	189,907,382.23
Other income	-	8,298,435.80	8,298,435.80
Profit before expenses	23,379,549.74	174,826,268.29	198,205,818.03
Selling expenses	(1,790,659.12)	(30,469,241.16)	(32,259,900.28)
Administrative expenses	(11,206,149.03)	(104,069,471.66)	(115,275,620.69)
Directors and Management's remuneration	(1,103,598.86)	(17,289,715.50)	(18,393,314.36)
Total expenses	14,100,407.01	151,828,428.32	(165,928,835.33)
Profit before finance costs and income tax expenses	9,279,142.73	22,997,839.97	32,276,982.70
Finance costs	2,882,853.39	15,047,611.75	(17,930,465.14)
Profit before income tax expenses	6,396,289.34	7,950,228.22	14,346,517.56
Income tax expenses	-	1,950,557.80	(1,950,557.80)
Net profit for the year	6,396,289.34	5,999,670.42	12,395,959.76

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht		
	For the year ended December 31, 2014		
	Investment promotional activities	Non-investment promotional Activities	Total
Revenue from sales-plastic products	52,343,167.38	1,350,915,027.73	1,403,258,195.11
Revenue from rendering of services - Moulds	82,967,845.00	137,494,269.74	220,462,114.74
Total revenue from sales and services	135,311,012.38	1,488,409,297.47	1,623,720,309.85
Cost of sales and services	(109,183,276.48)	(1,308,911,137.26)	(1,418,094,413.74)
Gross profit margin	26,127,735.90	179,498,160.21	205,625,896.11
Other income	-	5,747,801.54	5,747,801.54
Profit before expenses	26,127,735.90	185,245,961.75	211,373,697.65
Selling expenses	(2,591,888.82)	(32,577,466.81)	(35,169,355.63)
Administrative expenses	(9,323,738.28)	(106,491,550.58)	(115,815,288.86)
Directors and Management's remuneration	(1,418,963.79)	(16,318,083.54)	(17,737,047.33)
Total expenses	(13,334,590.89)	(155,387,100.93)	(168,721,691.82)
Profit before finance costs and income tax expenses	12,793,145.01	29,858,860.82	42,652,005.83
Finance costs	(5,580,110.25)	(14,332,844.90)	(19,912,955.15)
Profit before income tax expenses	7,213,034.76	15,526,015.92	22,739,050.68
Income tax expenses	-	(3,291,941.47)	(3,291,941.47)
Net profit for the year	7,213,034.76	12,234,074.45	19,447,109.21

The Company holds the basis of expense allocation and interest, which cannot be classified as which type of business in accordance with the proportion of revenue of each entity.

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

22. FINANCIAL INSTRUMENT

22.1 Regarding the management policy of financial risk

The Company is exposed to the fluctuation of interest rate and foreign exchange rate. The Company will consider the utilization of appropriate financial instrument so as to hedge against the risk from foreign exchange rates. However, the Company does not constitute any policy to hold or issue financial instrument so as for trading.

22.2 Risk form interest rate

Risk from interest rates incurred from the change of interest rates in the future which effects upon results of operation and cash flow of the Company. Bank deposit, short-term loan and long-term loan. However, the Company has planned to hedge against such risk by finance at the interest rate of the lower market rate.

22.3 Risk from exchange rate

The Company has certain foreign currency transactions that give rise to significant exposure to market risk from change in foreign exchange rates. However, the Company has committed purchase-sell forward contract for foreign exchange rated as a hedge against such risk.

As at December 31, 2015, the Company did not have any forward contract.

22.4 Risk from credit provision

The Company constitute risk from the credit offered in respect of trading accounts receivable since trade accounts receivable may not be able to settle debt pursuant to term and covenant agreed upon and also risk from counter party who cannot comply with the term and covenant in the contract of loan which may incur financial loss. However the Company hold the policy to hedge against such risks via the analysis of financial status and consideration of capability in term of debt repayment of clients and each counter-party. Regarding the consideration of audit granted for trading accounts receivable who are anticipated of uncollectible in debt settlement, the Company sufficiently considered the allowance of doubtful debt.

22.5 Fair Value

The following method and assumptions were used by the Company in estimating fair value of financial instruments as disclosed herein. The management believes that the fair of the financial assets and financial liabilities do not materially differ from their carrying value.

- Deposits at financial institutions and trade account receivables carry values approximately at the fair value because these monetary assets will be due in a short period.
- Short-term loans from financial institutions and trade account payables carry values approximately at the fair value because these monetary liabilities will be due in a short period.

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2015**

- Long-term loans from financial institutions carry values approximately at the fair value because these loans bear interest at floating rates close to current market rates.

22.6 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. To control the risk, the Company has a prudent credit control policy, constant follow up account receivables, vary large number of customers base. Therefore, the management of the Company does not anticipate significant losses from debt collection

23. CAPITAL MANAGEMENT

The primary objectives of the Company's capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2015, debt to equity ratio in the financial statements is 1.48 : 1

24. COMMITMENTS AND CONTINGENCY LIABILITIES

- 24.1 As at December 31, 2015 and 2014, the Company has commitments to bank according to letter of guarantee as follows.

	Million Baht	
	As at	As at
	December 31, 2015	December 31, 2014
Electricity Guarantee	9.82	9.82

- 24.2 As at December 31, 2015 and 2014, the Company had other contingent liabilities as follows:

	Million Baht	
	As at	As at
	December 31, 2015	December 31, 2014
Letters of Guarantee		
- Credit Line Baht 12.50 Million in 2015 and 2014		
- Outstanding Credit not used	17.68	2.68
Unused long term loan	-	29.93

- 24.3 As at December 31, 2015 and 2014, the Company has capital commitments as follows:

	Million Baht	
	As at	As at
	December 31, 2015	December 31, 2014
- Purchasing raw materials	91.26	37.75
- Purchasing assets	4.38	1.51

T. KRUNGTHAI INDUSTRIES PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2015**

24.4 As at December 31, 2015 and 2014, the Company has commitments under operating lease contracts are as follows:

	Baht	
	As at	As at
	December 31, 2015	December 31, 2014
Within 1 year	3,290,340.00	4,389,890.00
More than 1 to 3 years	-	1,341,450.00
Total	3,290,340.00	5,731,340.00

25. RECLASSIFICATIONS

The financial statement as at December 31, 2014 have been reclassified to conform with the presentation in the financial statement as follows:

STATEMENT OF FINANCIAL POSITION	Million Baht		
	Before Reclass.	Reclass.	After Reclass.
As at December 31, 2014			
Trade and notes receivable	338.41	(338.41)	-
Trade accounts receivable and other receivable	-	340.52	340.52
Other current assets	3.70	(2.11)	1.59
Trade and notes payable	191.25	(191.25)	-
Trade accounts payable and other payable - other	-	216.58	216.58
Other current liabilities	36.45	(36.45)	-
Deposit received	-	11.12	11.12

26. APPROVAL OF THE FINANCIAL STATEMENTS

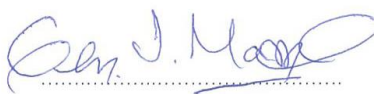
These financial statements have been approved for issue by Board of Directors the Company's on February 24, 2016.

Report of the Board of Directors on financial statements.

The Board of Directors' duty and responsibility is to appraise the financial reporting in the annual report and to ensure that it is prepared in accordance with the international financial reporting standards by selecting appropriate accounting policies and shall be practiced regularly along with prudence in the preparation as well as sufficient information disclosed in the notes to the financial statement to provide benefits to the shareholders and investors with greater transparency.

The Board of Directors realize that the financial reporting must be effectively reviewed. Responsible knowledgeable authorities shall review the quality of financial reporting and accounting policy, risk management system, internal control system and consider the disclosures and transactions to prevent or reduce the risk for fraud or irregular operation. To ensure that the accounting information is accurate and sufficient to maintain the company's assets.

The Board is of the opinion that the company's internal control system is sufficient and ensure the accuracy of the financial statement as at December 31th, 2015. The auditor of the company confirm and checked in accordance with the generally accepted auditing standard and express their opinion that the financial statements, presented the financial position and results of operations as it should be according to generally accepted accounting principles.



General Terdsak Marrome
Chairman



Mr. Phreecha Techakraisri
Managing Director

Message from Chairman of the Audit Committee

T. Krungthai Industries Public Company Limited has appointed Audit Committee comprise of 3 competent and qualified non executive directors.

- | | |
|------------------------------|-----------------------------|
| 1. Mr. Pairuch Sahamethapat | Chairman of Audit Committee |
| 2. Mr. Paotep Chotinuchit | Audit Committee |
| 3. Mr. Virasak Sutanthavibul | Audit Committee |

And committee secretary of the Audit Committee is Mr.chumpol Techakraisri

The Audit Committee has 4 meetings in Year 2015 to audit and give comments on the following items as;

1. To review the quarterly financial statements and annual financial statements including those transaction items that may have conflict of interests with executives. Auditors are requested to attend every meetings in order to let the committee inquire on the accuracy of the statements and to improve significant transactions, adequacy and scope of audit disclosure .To ensure that the preparation of financial statements is in accordance with the generally accepted accounting standards with reliability for the investors and users of financial statements.

2. To consider and revise the internal control system based on the wastes, leakage, corruption, material defects, errors and lost in the operation. Both internal auditors and management shall revise its internal control system as appropriated and effective to the organization.

3. To plan and improve the effectiveness of Risk Management and provide feedback to the management.

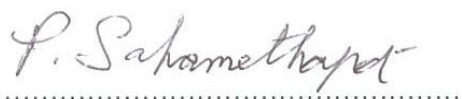
4. To consider the self evaluation on measures against corruption in order to be able to process the request of certification from Private Sector Collective Action Coalition Against Corruption (CAC).

5. To Select and propose appointment the Company's auditor including consideration on remuneration of the Company's auditor to the Board of Directors. In year 2015 Karin Audit Co., Ltd. was proposed for approved from annual general shareholder meeting.

6. To Report the result of operation to Board of Directors and suggest the improvement of internal control system.

Besides the above, in the year 2015 Audit Committee held a meeting with auditors and internal auditors without the presence of management on November 12th, 2015 to consider and acknowledge the scope of the annual audit plan and information on important issues freely and without restrictions.

In conclusion, the Audit Committee has performed its duties according to their authority and responsibilities as assigned by the Board of Directors with due care and knowledge and are given enough independence for the benefit of all stakeholders equally. According to the results of the evaluation of the internal auditors and the auditor's report, the Audit Committee believe that the company's preparation and disclosure in financial reporting is appropriate and reliable. The method of internal control and risk management is adequate, and no significant flaws.



Mr. Pairuch Sahamethapat

Chairman of the Audit Committee

Message from Chairman of Remuneration and Nomination Committee

Remuneration and Nomination Committee appointed by the Board of Directors with a term of 3 years from August 13th, 2015 to August 14th, 2018 comprising / encompass of the following 4 persons.

- | | |
|-----------------------------|---|
| 1. Mr. Paotep Chotinuchit | Chairman of Remuneration and Nomination Committee
(Independent Director) |
| 2. Dr. Kosol Surakomol | Remuneration and Nomination Committee (Independent Director) |
| 3. Mr. Sumate Techakraisri | Remuneration and Nomination Committee |
| 4. Mr. Kumpee Chongthurakit | Remuneration and Nomination Committee |

And committee secretary of the Remuneration and Nomination Committee is Mr. Chumpol Techakraisri

In the year 2015, Remuneration and Nomination Committee had 2 meetings for follow up and considered important matters from the Board of Directors as follows:

The Remuneration

1. To consider the remuneration of the Directors and sub-committee in accordance with the rules for compensation taking into account the company's operations result compared to the other company with the same level. Compensation and benefits shall be suitable for responsibilities which will be presented to the shareholders meeting for approval.
2. To review the compensation policy of the board according to their responsibilities.
3. To set a guidelines in evaluating the performance of the Chairman of Executive Committee and to consider the compensation and proposed to Board of Directors for approval.

The Nomination

1. To select a person to be elected as directors to replace those retiring. Presented to the Board of Directors Company to propose to the AGM approval.
2. Review the size and composition of Board of Director.
3. Follow up the succession plan for Managing Director and propose to the Board of Directors.



Mr. Paotep Chotinuchit

Chairman of Remuneration and Nomination Committee

Message from Chairman of Corporate Governance Committee

Corporate Governance Committee consist of board of directors with a term of 3 years from December 19th, 2015 to December 18th, 2018 comprise of four members as follows:

- | | |
|-----------------------------|---|
| 1. Mr. Paotep Chotinuchit | Chairman of Corporate Governance Committee (Independent Director) |
| 2. Dr. Kosol Surakomol | Corporate Governance Committee (Independent Director) |
| 3. Mr. Sumate Techakraisri | Corporate Governance Committee |
| 4. Mr. Kumpee Chongthurakit | Corporate Governance Committee |

And committee secretary of the Corporate Governance Committee is Mr. Chumpol Techakraisri

In the year 2015, Corporate Governance Committee had 2 meetings for follow up and considered important matters as follows:

1. To propose the criteria for assessment of corporate governance to the Board of Directors and to develop continuous improvement.
2. To review and update the Code of Conduct Policies and Corporate Governance Policy. To keep them updated and aligned with SET regulation and put into practice for the approval of the Board of Directors
3. To make sure that the management do communicate the Code of Conduct policy and Corporate Governance policies to every employee and make sure everyone is practice them accordingly.
4. To monitor and supervise the performance of the directors and management in order to adhere to the principles of corporate governance.
5. To approve the anti corruption policies and a self-evaluation on anti corruption and to obtain a certification from Private Sector and be put into practice.

The Corporate Governance Committee maintain and continually improve the policy and the company is now rated as EXCELLENT. Company believes that the implementation of the principle will continue and create stability and solid foundation for the organization in the long run.

The Board of Directors will monitor and review the company's corporate governance policies and promote sustainable business practice to assure the confidence of stakeholders and is recognized internationally.



Mr. Paotep Chotinuchit

Chairman of Corporate Governance Committee

Message from Chairman of Risk Management Committee

Risk Management Committee appointed by the Board of Directors with a term of 3 years from February 26th 2014 to 25th February 2017 comprising / encompass of the following 6 persons.

- | | |
|---------------------------------|--|
| 1. Mr. Kowate Limtrakul | Chairman of Risk Management Committee |
| 2. Dr. Kosol Surakomol | Risk Management Committee (Independent Director) |
| 3. Mr. Phreecha Techakraisri | Risk Management Committee |
| 4. Mr. Pongsakron Phetpayullpun | Risk Management Committee |
| 5. Mr. Chumpol Techakraisri | Risk Management Committee |
| 6. Mr. Pitsanu Vilawanjit | Risk Management Committee |
| 7. Mr. Saksit Lerthasdeerat | Risk Management Committee |

And committee secretary of the Risk Management Committee is Miss. Pornthip Puangsab

In the year 2015, Risk Management Committee has 2 meetings for follow up, consider important matters and report to the Board of Directors as follows:

1. Chairman of the Risk Management Committee informed the policy of the risk management and assessment method to every concerned department.
2. To monitor and ensure compliance with the policy and procedure specified in the risk management. Set Risk Management meeting and the let every concerned department presents assessment and report to the committee every six months.
3. The Board of Risk Management Committee shall review the risk assessment and identify and additional risk that may occur. Then find out how to prevent or minimize the impact of risk and how to improve the risk policy continuously.
4. Risk Management Committee shall be presented to the Board of Directors twice a year (every six months)
5. The Risk Management Committee conducted a thorough review of the risk procedures and assessment along with the risk control. Presently, the result of the review is sufficient and in line with the current situation.



(Mr. Kowate Limtrakul)

Chairman of Risk Management Committee



Details of the Directors, the Management and the Authorized Directors, Company Secretary

No.	Name –Surname / Position / Date of Appointment	Age	Education	Share holding Structure (%)	Relationship	Working Experience	
						Year	Position -Company
1	General Terdsak Marrone • Chairman • Independent Director January 6, 2004	79	<ul style="list-style-type: none"> • Bachelor of Science, Chulachomklao Royal Military Academy • Command and General Staff College • Royal Thai army war college • Law Program of Commander, Ministry of defence • National Defence College of Thailand • Director Accreditation Program (DAP) 10/2004, Thai Institute of Directors (IOD) • Doctor of Science in Innovation and Technology Education (honorary), Rajamangala University of Technology Phra Nakhon. 	0.10	N/A	2013 - Present Chairman Lions Club Thailand 2012 - Present Chairman East Coast Furnitech Public Company Limited 2012 - Present President, Sahapant Santiphap International (Thailand) 2004 - Present President, Vietnam War Veteran Association under Royal Patronage 2004 - Present Chairman, T.Krungthai Industries Public Company Limited 2004 - Present Global Vice Presidents Sun Moon University, Chungnam Republic of Korea. 1997 - Present Royal Guard 1992 - Present President Tai Kaew Foundation, Tamwati School 1987 - Present Chairman of the Advisory and Director, Eastern Technological college (E-Tech)	
2	Mr. Pairuch Sahamethapat • Director • Chairman of Audit Committee • Independent Director January 6, 2004	71	<ul style="list-style-type: none"> • Bachelor of Accountant , Chulalongkorn University • Director Certification Program (DCP) 102/2008, Thai Institute of Directors (IOD) 	N/A	N/A	2004 - Present Chairman of Audit Committee T.Krungthai Industries Public Company Limited 2004 - Present Audit Committee, Siam Sport Syndicate PLC. 2004 - 2009 Audit Committee, Bangkok Ranch PLC. 2000 - 2004 Director of Region Revenue 1, The Revenue Department	
3	Mr. Paotep Chotinuchit • Director • Chairman of Remuneration Committee and Nomination Committee • Chairman of Corporate Governance Committee • Director of Audit Committee • Independent Director January 6, 2004	81	<ul style="list-style-type: none"> • M.Sc Metallurgical engineer, University of Arizona, USA. • Director Accreditation Program (DAP) 11/2004, Thai Institute of Directors (IOD) 	0.002	N/A	2004 - Present Audit Committee, T.Krungthai Industries Public Company Limited 1996 - Present Audit Committee, Technology Suranaree University 1995 - Present President, Qualine Management Co., Ltd.	



Details of the Directors, the Management and the Authorized Directors, Company Secretary

No.	Name –Surname / Position / Date of Appointment	Age	Education	Share holding Structure (%)	Relationship	Working Experience	
						Year	Position -Company
4	Mr. Sumate Techakraisri • Director • Chief Executive Director • Director of Remuneration and Nomination Committee • Director of Corporate Governance Committee January 6, 2004	67	<ul style="list-style-type: none"> Bachelor of Economics, Thammasat Univesity Mini MBA Chulalongkorn University Director Accreditation Program (DAP) 137/2010, Thai Institute of Directors (IOD) Program Executives Capital Market Academy (CMA) Class 17, Thai Institute of Directors (IOD) 	15.65	Father of Mr. Chumpol Techakraisri	2003 - Present 1987 - Present 1985 - Present 1984 - 2015 1980 - Present 1978 - Present	Director, Cinkara Co., Ltd. Executive Directors, Prairie Marketing Co., Ltd. Chief Executive Directors of PEACE & LIVING Co., Ltd. Executive Directors, Data Products Toppan Form Co., Ltd. Chief Executive Directors and Authorized Director, T.Krunghai Industries Public Company Limited Chief Executive Directors of Greenland Marketing Co., Ltd.
5	Dr. Kosol Surakomol • Independent Director • Director of Remuneration and Nomination Committee • Director of Corporate Governance Committee • Director of Risk Management Committee January 6, 2004	74	<ul style="list-style-type: none"> M.S. in Chemical Engineering, Wayne State University, Detroit, Michigan, U.S.A. Director Accreditation Program (DCP) 137/2010, Thai Institute of Directors (IOD) 	N/A	N/A	2013 - Present 2010 - Present 2008 - Present 2003 - 2006 2001 - 2003 1979 - 2000 1972 - 1978 1965 - 1969	Advisors office of The President, Loxley Public Company Limited. Independent Director, T.Krunghai Industries Public Company Limited Chief Executive Officer, Fuji Asia Co., Ltd. Operations Director, Summit Auto Seats Industry Co., Ltd. Executive Director, Thonburi Automotive Assembly Plant Co., Ltd. Managing Director, Bangchan General Assembly Company Limited Engine & Powertrain Department, Design Engineer Ford Motor Company, Michigan, U.S.A Chemical Engineer, Thailand Smelting and Refining Co., Ltd.
6	Mr. Virasak Sutanthavibul • Director of Audit Committee • Independent Director • Director January 6, 2004	57	<ul style="list-style-type: none"> Master Degree, Industrial Engineering, Texas A&M University, Texas, USA. Director Accreditation Program (DAP) 21/2004, Thai Institute of Directors (IOD) 	N/A	N/A	2013 - Present 2011 - Present 2009 - Present 2004 - Present 2001 - Present 2001 - Present 2001 - Present 1997 - Present	Director, Bangpakong Terminal Public Company Limited. Director, Bangkok Insurance Public Company Limited. Director, The Grand-UB Co., Ltd. Audit Committee, T.Krunghai Industries Public Company Limited Director, Toyota Leasing (Thailand) Co., Ltd. Director, Asia Lamp Industry Co., Ltd. Director, Thai Indo Kordsa Co., Ltd. Senior Executive Vice President in charge of Commercial Bangkok Bank Public Company Limited



Details of the Directors, the Management and the Authorized Directors, Company Secretary

No.	Name –Surname / Position / Date of Appointment	Age	Education	Share holding Structure (%)	Relationship	Working Experience	
						Year	Position -Company
7	Mr. Kumpee Chongthurakit <ul style="list-style-type: none">• Director• Director of Remuneration and Nomination Committee• Director of Corporate Governance Committee January 6, 2004	60	<ul style="list-style-type: none">• Bachelor of Marketing Assumption University• Director Certification Program (DCP) 48/2004, Thai Institute of Directors (IOD)	0.23	Uncle of Mr. Chumpol Techakraisri	1992 - Present 1992 - Present 1992 - Present 1989 - Present 1987 - Present	Director & Executive Director, LPN Development PLC Director, Lumpini Property Management Co., Ltd. Director, SSA Industries Co., Ltd Director, T.Krungthai Industries Public Company Limited Director, Sri Sum-Ank Supplier Co., Ltd
8	Mr. Phreecha Techakraisri <ul style="list-style-type: none">• Director• Executive Director• Managing Director• Director of Risk Management Committee January 6, 2004	52	<ul style="list-style-type: none">• Master of marketing Youngstown State University ,USA• Director Accreditation Program (DAP) 10/2004, Thai Institute of Directors (IOD)	2.87	Nephew of Mr.Sumate Techakraisri	2015 - Present 2010 - Present 1993 - Present 1996 - Present 1997- 2015	Managing Director , T.Krungthai Industries Public Company Limited Authorized Director, T.Krungthai Industries Public Company Limited Deputy Managing Director, T.Krungthai Industries Public Company Limited Director, T. Thai Snack Food Co., Ltd Director, Sri Sam-Ank Supplier Co., Ltd.
9	Mr. Chumpol Techakraisri <ul style="list-style-type: none">• Director• Director of Risk Management Committee• Executive Director• Company Secretary• Asst. Managing Director January 6, 2004	34	<ul style="list-style-type: none">• Bachelor of Finance and Banking, Chulalongkorn, University• Director Certification Program (DCP) 102/2008, Thai Institute of Directors (IOD)• Fundamentals Practice for Corporate Secretary (FPCS) 21/2009, Thai Listed Companies Association	0.44	Son of Mr. Sumate and Mrs. Yupa Techakraisri	2011 - Present 2004 - Present 2003 - Present	Director of Pace Development Corporation PLC. Director and Authorized Director, T.Krungthai Industries Public Company Limited Asst. Managing Director, T.Krungthai Industries Public Company Limited
10	Mr. Kowate Limtrakul <ul style="list-style-type: none">• Director• Chairman of Risk Management Committee• Executive Director January 6, 2004	62	<ul style="list-style-type: none">• Master of Business Administration, Chulalongkorn University• Director Certification Program (DCP) 105/2008, Thai Institute of Directors (IOD)	0.12	N/A	2014 - Present 1998 - Present	Audit Committee, Multibax Public Company Limited Director, T.Krungthai Industries Public Company Limited



Details of the Directors, the Management and the Authorized Directors, Company Secretary

No.	Name –Surname / Position / Date of Appointment	Age	Education	Share holding Structure (%)	Relationship	Working Experience	
						Year	Position -Company
11	Mrs. Yupa Techakraisri • Director January 6, 2004	64	<ul style="list-style-type: none"> Bachelor of Economics, Ramkamheang University Accounting Advance of Pitman Examination Institute Director Certification Program (DCP) 32/2003, Thai Institute of Directors (IOD) 	11.21	Mother of Mr. Chumpol Techakraisri	1992 - Present 1992 - Present 1992 - Present 1989 - Present 1989 - Present 1987 - 2015	Director of Lumpini Property Management Co.,Ltd Director of Lumpini Project Service Management Co.,Ltd Director of Pornsanti Co.,Ltd Director and Authorized Director, T.Krunghthai Industries Public Company Limited Director and Executive Director of LPN Development PLC. Executive Director of Sri Sam-Ank Supplier Co.,Ltd
12	Mr. Apichart Kasemkulsiri • Director January 6, 2004	48	<ul style="list-style-type: none"> MBA National of business administration of Sasin Chulalongkorn university Director Certification Program (DCP) 73/2006, Thai Institute of Directors (IOD) 	N/A	Cousin of Mr. Phreecha and Mr. Chumpol Techakraisri	2007 - Present 2005 - Present 2005 - Present 2004 - Present	Executive Director Sri Sam Ank Supplier Co., Ltd. Director ICBF Leasing Co., Ltd. Senior Executive Vice President, ICBC PLC. Executive Director, T.Krunghthai Industries Public Company Limited
13	Mr. Prasong Techakraisri • Director January 6, 2004	46	<ul style="list-style-type: none"> Bachelor of Economics Ritsumeikan University, Japan Director Accreditation Program (DAP) 11/2004, Thai Institute of Directors (IOD) 	1.36	Nephew of Mr.Sumate Techakraisri	1996 - Present 2004 -Present	Managing Director, Chaiwattana Accessories Co., Ltd. Director, T.Krunghthai Industries Public Company Limited
14	Mr. Pongsakron Phetpayullpun • Deputy Managing Director April 18, 2014	44	<ul style="list-style-type: none"> BA in Cost Factory Accounting : 1987 UTCC(Thai & Australia Project), Bangkok (GPA 3.67) MBA in Business Administration : 1998 Chulalongkorn University,Bangkok (GPA 3.95) SCG Project CERT. Accounting Public - CIA , 1994 Melbourne University, Australia 	N/A	N/A	1991 - 1995 1996 - 2003 2004 - 2008 2009 - 2013 2014 - Present	Operating Cost Manager, SGC Public LTD Financial and Accounting Manager, GE International LTD CFO (Asia Pacific), Robert Bosch LTD, Singapore CFO Administration, AMS Group LTD Deputy Managing Director Accounting & Financial, T.Krunghthai Industries Public Company Limited
15	Mr. Prinya Kaeoluan • Accounting & Financial Senior Manager • Risk Management Committee May 2, 2012	47	<ul style="list-style-type: none"> Bachelor of Accounting Ramkhamhaeng University Master of Accountancy Kasetsart University 	N/A	N/A	2012 - Present	Senior Accounting & Financial Manager, T.Krunghthai Industries Public Company Limited