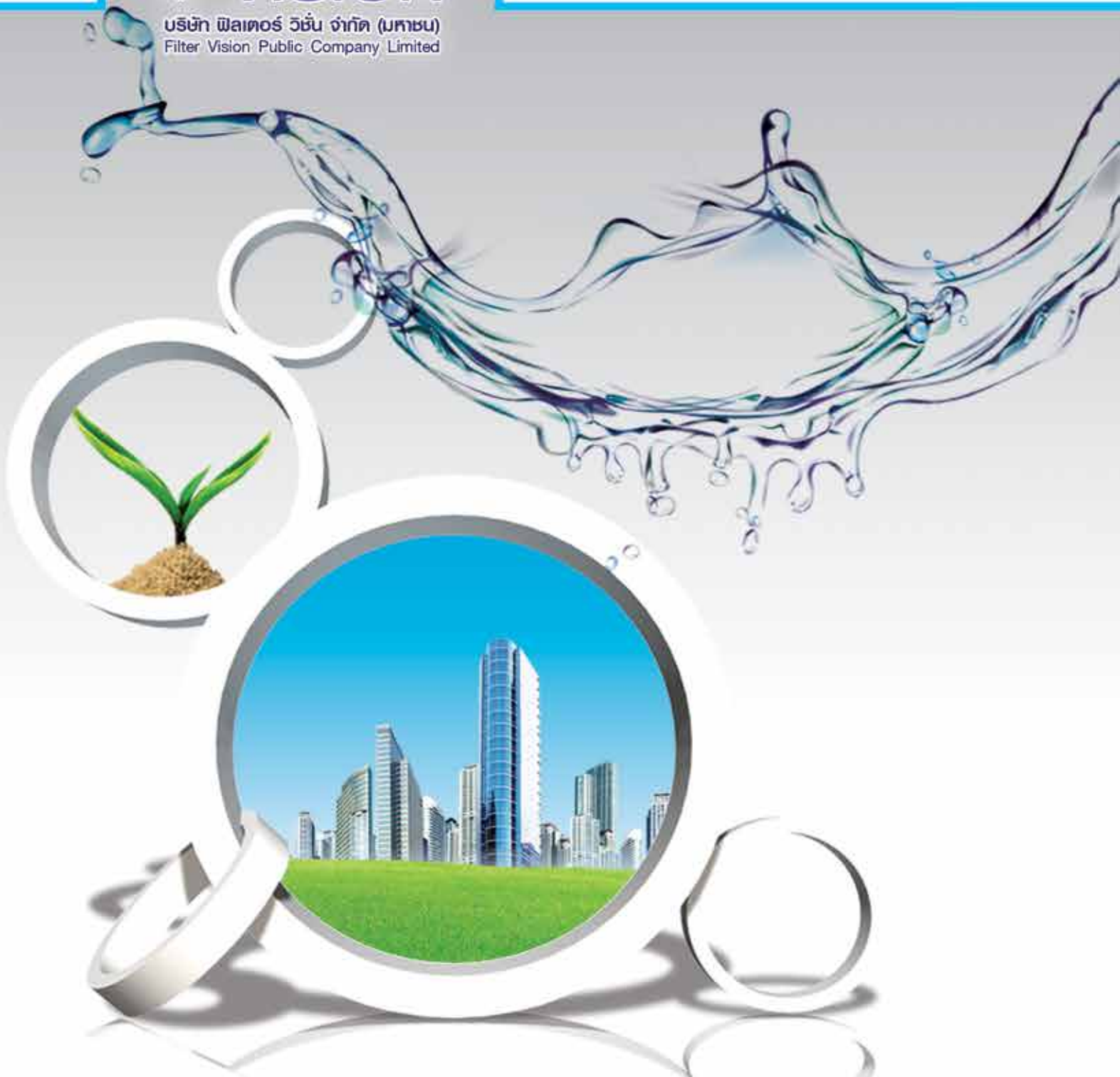


ANNUAL REPORT 2015



บริษัท ฟิลเตอร์ ویژัน จำกัด (มหาชน)
Filter Vision Public Company Limited



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Investors can study on further issuer information from Annual Information Disclosure (Form 56 - 1)
on www.sec.or.th or www.filtervision.co.th



Vision

"To be the leader of the water treatment equipment distribution and services for the life quality of domestic and regional consumer, community, and society"

Mission

1. To develop the organization to get across domestic and regional market by distributing the proper standard and innovation of products and services created by the best technical specialists.
2. To make profit and return on the management by applying a good governance to the business transaction for stakeholders and community.
3. To share success to improve the quality of life in community and society.

Values

- F – Fast & Quality
- I – Integrity
- L – Leadership
- T – Trust
- E – Excellent
- R – Responsibility
- V – Vision
- I – Innovation
- S – Satisfaction
- I – Information Transformation
- O – Optimistic
- N – Nationwide



Message from Chairman



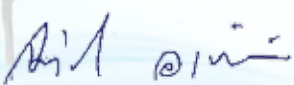
The year 2015, many parties expect to see an economic recovery will moving in a positive direction after pass the political uncertainty occurred in the year 2014. Anywise, an economic expansion which occurred in the year 2015 not good as expected from many parties. Due to external factors, the global economy has slowed and internal factors such as reducing price of agricultural products, reduced productivity in many industries, the confidence of tourists reduced from Erawan shrine bombing event and Thailand begin experiencing drought conditions etc.

Although there are many events do not in a positive direction as above mentioned but in the year 2015, the Company continued to gain the confidence from shareholders for company ability in business expanding which be the origin of capital increase during the year. Also be a pleasure in the year 2015, the Company has two subsidiaries newly. In part of operating results, the company does not have revenue

growing rate in range of 15% - 20 % as previous years. Under an economy in currently, the Company can sustain revenue for the year 2015 increased from the year 2014 slightly. These achievements would not have happened if without the FVC's unity which is the keys to push the company's development and sustainable growth in the future.

The Company still emphasizes on the opening of Asean Economics Community - AEC on December 31, 2015 with the expectation be able accepted in regional markets in part of distributor leadership and service provider related water in the region in the near future. "Water is fundamental element in human's life", the Company is trying development and enhance company to the leader of water by comprehensive in regional relentlessly. To someday will get to see people in Asean region able to use pure water thoroughly.

On behalf of Board of Directors, I would like to thank every segment of stakeholders that support the operations of Filter Vision Public Company Limited to have the sustainable business growth for over 20 years, and the customer that always supports and encourages the company to constantly improve and increase the efficiency of service. And I also thank to shareholders, business partners, and financial institutions that have confidence in the company and always support the company all along. Thanks to all staff that is the main role as the element of the strong success. I hope that everyone will believe that the company will work hard to do the business with a good governance, honesty and morality, and will manage under the corporate governance for the highest benefit of all parties.


(Mr. Chotisak Asapawiriya)
Chairman

Message from

Chairman of Executive Committee and Managing Director



The year of 2015 was another year which I and our executive committee would like to make an announcement to shareholders and everyone that we had walked through the year with determination, enthusiasm, and ambition to improve the quality of our works as always. Under many circumstances interm of business and the fast pace of social change in the year of 2015, including sharing advantages to shareholders and the society.

In the previous year, we had taken a move by the capital increased and issued the warrants to purchase ordinary shares No. 1 (FVC-W1). Which was lead to the expansion in our current business; therefore, new products had been introduced into the new market, by the new way of approaching customers, such as Biowell : Hydro-Ozonizer, a machine that can produce both

hydrogen water for anti-oxidant drinking water and ozone water for sanitizing & hygiene purpose. Also, the investment we'd put to our subsidiaries like KT Medical Service Co., Ltd. : hemodialysis center and Medical Vision Co., Ltd. : medical device trading and service. Therefore, I and our executive committee are having an expectation that our subsidiaries will become a long term value and worthy to our organization.

The overall operation in the year of 2015, the gross income of the company and its subsidiaries were slightly increased with 1.15% and the net profits of 12.65 million baht or 0.88% increased. Even though, the number may not seem much or close to nothing, but I would give all the credit to our management team and all of our employees for their hard work and got through many obstacles in term of business, politic, and society in the whole year. And even our subsidiaries were not yet in revue recognition, but I can give you my word that these companies will begin its revenue recognition in the following year.

Finally, I would like to say "thank you krab" (big time) to everyone who has been supporting Filter Vision PCL. I and our executive committee wil always put all the efforts for the sustainable growth of the company through the idea of social practice and environment, along with the growth of business profits.

A handwritten signature in black ink, appearing to be 'Wijit Techakasem', written over a faint background of green trees.

(Dr. Wijit Techakasem)
Chairman of Executive Committee
and Managing Director



Information of Board of Directors, Audit Committee, Nomination and Remuneration Committee, Executive Board and Secretary



Mr. Chotisak Asapawiriya (The President)



Age : 61 years old

Educational qualifications/
Training courses

- Judicial Management at High Level, 9th batch, Judicial Training Institute
- The National Defence College, The Joint State Private Sector Course, 9th batch
- M.S.T. (Business Ed.) Portland, Oregon, U.S.A. Portland State University
- Master of Arts Program in Communication Management for Public and Business Sectors, Thammasat University
- Bachelor of Laws, Thammasat University
- Director Accreditation Program (DAP) batch#90/2011, Thai Institute of Directors

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

2012 - Present	:	The President of Filter Vision PCL. Director of S. Knowledge Co., Ltd.
Oct 2015-Present	:	Marketing Consultant Krung Siam Beverage Co., Ltd.
2009 - Present	:	Director of Nara Holding Co., Ltd.
2011 - 2015	:	Director of TV Direct Indochina Co., Ltd
2013 - 2015	:	The Chair of Business and Marketing Development Subcommittee, Honorable Committee Member, Pinkanakorn Development Agency (Public Organization)
	:	Director's Consultant Smart Wi Asia Co., Ltd
	:	The Chair of Executive Board of Asia Cinema Network Co., Ltd
	:	Banking Consultant, Islamic Bank of Thailand
	:	Director of Universal Utilities Co., Ltd.
	:	Director of Executive and Investment Committee, Director of Evaluation and Remuneration Committee, Director of Risk Management Committee Eastern Water Resources Development and Management PCL.
	:	Director's Consultant of Asian Air Co., Ltd.
	:	Executive Committee of Startup Fund
	:	Director's Consultant of Intertrade Park Co., Ltd.
	:	Director's Consultant of DNA Trooper Co., Ltd.
	:	Director's Consultant of Fanix Appraisal Co., Ltd.
	:	Principal Consultant of Studio 92 Co., Ltd.
	:	Director's Consultant of Asawattana Co., Ltd.
	:	Director's Consultant of 124 Communications Consulting Co., Ltd.
	:	Director's Consultant of Pornsak Group (Laos) Co., Ltd.
	:	Director's Consultant of KPN Music Co., Ltd.
	:	Advisor to The Deputy Minister of Finance
2011 - 2014	:	Director's Consultant of TV Direct Indochina Co., Ltd.
2010 - 2014	:	Senior Consultant of Piyavate Hospital PCL
	:	Director's Consultant of Business Air Center Co., Ltd.

Dr. Wijit Techakasem
(Director, Managing Director,
and The Chair of Executive Board)



Age : 52 years old

Educational qualifications/ :
Training courses

- DODT. (The Organization Development and Transformation) Cebu Doctors University, Philippines
- Master of Business Administration Oklahoma City University
- Bachelor of Economics, Thammasat University
- Director Certification Program (DCP) batch#32/2003, Thai Institute of Directors

Percentage of shareholding : 29.90%

Family relationship with the executive : Older brother of Ms. Thanapha Techakasem

Working experience during the past 5 years :

1995 - Present	:	Director, Managing Director, and The Chair of Executive Board of Filter Vision PCL.
1991 - Present	:	Director and Managing Director of Irving Corporation Ltd.
Jul 2015 - Present	:	Director and Managing Director of Medical Vision Co., Ltd.
Jun 2015 - Present	:	Director and Managing Director of KT Medical Service Co., Ltd.
2007 - 2014	:	Director, Independent Director, and The Chair of Audit Committee of Capital Engineering Network PCL.

Mr. Rapeepat Suansilpong
(Independent Director and The Chair of Audit Committee)



Age : 51 years old

Educational qualifications/ : - Master of Business Administration, Finance, Chulalongkorn University
Training courses : - Bachelor of Economics, Thammasat University
: - Director Accreditation Program (DAP) batch#71/2008, Thai Institute of Directors
: - Audit Committee Program batch#22/2008, Thai Institute of Directors

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

Jan 2014 - Oct 2014	:	Managing Director of Platinum Auto Service Co., Ltd.
Feb 2014 - Oct 2014	:	Director and Executive Committee of Wattana Capital PCL.
	:	Director of Aqua Ad PCL.
	:	Director of Top Line Living Co. Ltd.
	:	Director of Tangerine Property Co., Ltd.
	:	Director of Nanthapop Co., Ltd.
Feb 2013 - Aug 2013	:	The President of Tong Hua Communications PCL.
2011 - Present	:	Independent Director and The Chair of Audit Committee of Filter Vision PCL.
	:	Director of Lomchai Development Co., Ltd.
2008 - 2013	:	Independent Director and Audit Committee of Thai Rotary Engineering PCL.
2007 - 2013	:	Managing Director of Altimate Success Advisory Co., Ltd.
Apr 2012 - Dec 2012	:	Independent Director and Audit Committee of Pandinthong Property Development PCL.
Dec 2014 - Present	:	Director of Malachi Co., Ltd.
Apr 2015 - Present	:	Managing Director of Ruamjai Plantation Co.,Ltd.

Mr. Kiattiporn Sirichaisakul
(Independent Director and Audit Committee)



Age : 47 years old

Educational qualifications/ : - Bachelor's Degree, Faculty of Commerce and Accountancy,
Training courses Thammasat University
- Director Accreditation Program (DAP) batch#50/2006, Thai
Institute of Directors

Percentage of shareholding : None

Family relationship with the executive: None

Working experience during the past 5 years:

2011 - Present	:	Independent Director and Audit Committee of Filter Vision PCL.
2009 - 2015	:	Director of Piyavate Hospital PCL.
2006 - Present	:	Independent Director and Audit Committee of Mida-Leasing PCL.
1992 - Present	:	Certified Public Accountant of Finer Accounting Office
Dec 2014 - Present	:	Director of Malachi Co., Ltd.

Mr. Thanet Khamcherdchoochai
(Independent Director and Audit Committee)



Age : 51 years old

Educational qualifications/ : - Master of Business Administration, Chulalongkorn University
Training courses : - Bachelor of Accountancy, Chulalongkorn University
- Bachelor of Laws, Thammasat University
- Director Certification Program (DCP) batch#101/2008
- Role of the Compensation Committee (RCC) batch#1/2006
- Director Accreditation Program (DAP) batch#6/2003, Thai Institute of Directors

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

2011 - Present	:	Independent Director and Audit Committee of Filter Vision PCL.
Sep 2015 - Present	:	Logistics Manager of Thai Poly Acrylic PCL.
2006 - Aug 2015	:	Commercial Manager of Thai Poly Acrylic PCL.
Dec 2014 - Present	:	Director of Malachi Co., Ltd.

Dr. Mani Theeratanthanon
(Independent Director)



Age : 65 years old

Educational qualifications/ : - Master of Primary Health Care Management, Mahidol
Training courses University
- Doctor of Medicine, Faculty of Medicine Siriraj Hospital, Mahidol
University
- Bachelor of Science, Faculty of Medicine Siriraj Hospital,
Mahidol University
- Director Accreditation Program (DAP) batch#99/2012, Thai
Institute of Directors

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

2012 - Present	:	Independent Director of Filter Vision PCL.
2009 - 2014	:	Director – General of Department of Disease Control
2007 - 2009	:	Director – General of Department of Medical Science
2005 - 2007	:	Deputy Permanent Secretary, The Ministry of Public Health

Mr. Tosit Wisarnset
(Independent Director)



Age : 50 years old

Educational qualifications/ : - Master of Business Administration, Chulalongkorn University
Training course - Bachelor Degree, Faculty of Social Science, Srinakharinwirot University
- Director Accreditation Program (DAP) batch#99/2012, Thai Institute of Directors

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

2012 - Present : Independent Director of Filter Vision PCL.
2015 - Present : Project Director of Junior MBA Chula. MBA Alumni Association, Faculty of Commerce and Accountancy. Chulalongkorn University

Mr. Montri Prajanpanit
(Director)



Age : 51 years old

Educational qualifications/ : - DODT. (Organization Development and Transformation)
Training courses Cebu Doctors University, Philippines
- Master of Business Administration, Sripatum University
- Bachelor of Engineering, King Mongkut's University of
Tevhnology Thonburi
- Director Accreditation Program (DAP) batch#99/2012, Thai
Institute of Directors

Percentage of shareholding : 3.26%

Family relationship with the executive : None

Working experience during the past 5 years :

2011 – Present	:	Director of Filter Vision PCL.
	:	Director of VR Stephy Co., Ltd.
2012 – Present	:	Executive Committee of Alternate Co., Ltd.
2010 – Present	:	Executive Committee of Vamp Intelligent Products Co., Ltd.
2007 – Present	:	Executive Committee of Panovision Co., Ltd.
2005 – Present	:	Executive Committee of PMAV Marketing Co., Ltd.

Mr. Thanapat Tantiwattanawijit
(Director, Executive Committee, and General Manager)



Age : 45 years old

Educational qualifications/ : - Bachelor Degree, Agro-Industry Technology Management
Training courses Prince of Songkla University
- Director Accreditation Program (DAP) batch#99/2012, Thai
Institute of Directors

Percentage of shareholding : 4.07%

Family relationship with the executive: None

Working experience during the past 5 years :

1996 - Present : Director, Executive Committee, and General Manager of Filter
Vision PCL.
2014 - Present : Director of Irving Corporation Ltd.
Jul 2015 – Present : Director of Medical Vision Co., Ltd.
Jun 2015 – Present : Director of KT Medical Service Co., Ltd.

Ms. Thanapa Techakasem
(Director, Executive Committee,
and Administration Manager)



Age : 49 years old

Educational qualifications/ : - Bachelor Degree, School of Communication Arts
Training courses Bangkok University
- Director Accreditation Program (DAP) batch#99/2012, Thai
Institute of Directors

Percentage of shareholding : 3.73%

Family relationship with the executive : Younger sister of Dr. Wijit Techakasem

Working experience during the past 5 years :

1996 - Present : Director, Executive Committee, and Administration Manager of
Filter Vision PCL.
2014 - Present : Director of Irving Corporation Ltd.

Ms. Parnjit Chimpalee

(Director, Executive Committee,
Assistant to General Manager
(Accounting and Financial Department), Financial Manager,
Accounting Manager (Acting), and Secretary)



Age : 41 years old

Educational qualifications/ : - Master of Accountancy, Thammasat University
Training courses - Bachelor of Accountancy, Thammasat University
- Director Accreditation Program (DAP) batch#99/2012, Thai Institute of Directors
- Company Secretary Program batch#56/2014, Thai Institute of Directors

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

Dec 2013 - Present : Secretary of Filter Vision PCL.
2010 - Present : Director, Executive Committee, Assistant to General Manager
(Accounting and Financial Department), Financial Manager, Accounting
Manager (Acting) of Filter Vision PCL.
2009 - 2010 : Accounting Manager of Asia Soft PCL.

Ms. Supapan Yiamlaengarmkul
(Executive Committee)



Age : 50 years old

Educational qualifications/ : - Master of Engineering, Chulalongkorn University
Training courses : - Bachelor of Science, Chulalongkorn University

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

1996 - Present : Executive Committee of Filter Vision PCL.
1991 - Present : General Manager of Irving Corporation Ltd.

Mr. Anupong Tangpanitarnnan
(Executive Committee)



Age : 45 years old

Educational qualifications/ : - Bachelor of Engineering, Electrical Engineering, Mahanakorn University of Technology

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

2012 - Present : Executive Committee of Filter Vision PCL.

2012 - Present : Assistant General Manager of Irving Corporation Ltd.

1997 - 2011 : Maintenance Senior Manager of Nephrocare (Thailand) Co., Ltd.

Mr. Pattanapong Kongkarat

(Executive Committee, B2 Business Manager,
Human Resources and General Affair
Manager (Acting), and Technical
Services Manager)



Age : 53 years old

Educational qualifications/ : - Bachelor of Laws, Ramkhamhaeng University
Training courses

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

2015 - Present	:	B2 Business Manager and Technical Services Manager of Filter Vision PCL.
2001 - Present	:	Executive Committee and Human Resources and General Affair Manager (Acting) of Filter Vision PCL.
2001 - 2014	:	Sales and Marketing Manager of Filter Vision PCL.

Mr. Somchai Hongsa

(Executive Committee and Project and Innovation Manager)



Age : 45 years old

Educational qualifications/ : - Master of Business Administration (Marketing)
Training courses Ramkhamhaeng University
- Bachelor Degree, Faculty of Science, Agro-Industry Technology
Management, Prince of Songkla University

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

2015 - Present : Project and Innovation Manager of Filter Vision PCL.
2002 - Present : Executive Committee of Filter Vision PCL.
2002 - 2014 : Technical Services Manager of Filter Vision PCL.

Mr. Rattapon Thathong
(Executive Committee and
B1 Business Manager)



Age : 46 years old

Educational qualifications/ : - Master of Engineering Program in Environmental Engineering
Training courses Chulalongkorn University
- Bachelor of Engineering Program in Sanitary Engineering,
Chulalongkorn University

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

2015 - Present : Executive Committee and B1 Business Manager of Filter Vision PCL.
2012 - 2014 : Innovation and Project Manager of Filter Vision PCL.
2008 - 2012 : General Manager of Biogas Forerunner Co., Ltd.

Mr. Rapee Muangnont
(Nomination and Remuneration Committee)



Age : 50 years old

Educational qualifications/ :
Training courses

- Certificate Management Consultant (CMC) Institute of Management Consultants Association of Thailand (IMCT)
- M.B.A. Indiana University, U.S.A.
- Bachelor of Accountancy, Thammasat University

Percentage of shareholding : None

Family relationship with the executive : None

Working experience during the past 5 years :

May 2012 - Present	:	Nomination and Remuneration Committee of Filter Vision PCL.
Feb 2010 - Present	:	Director (Dean) of College, Director of Academic Council, Executive Committee of Doctor of Business Administration Program and Doctor of Public Administration Program, College of Innovation Management, Rajamangala University of Technology Rattanakosin
2009 - Present	:	Chair of Audit Committee and Director of Piyavate Hospital PCL.
2011 - Present	:	Honorable Consultant of Committee on Human Rights, Rights and Liberties and Consumer Protection and Honorable Consultant of Subcommittee on Consumer Protection
2011 - Present	:	Executive Committee and Assistant Secretary of Suankularb College Alumni Association under the Royal Patronage

Corporate Governance Report of Audit Committee

Dear Shareholders of Filter Vision Public Company Limited,

Audit Committee of Filter Vision Public Company Limited consists of 3 Independent Directors who are proficient at finance, accounting, legal, and management. Those are Mr. Rapeepong SuanSilpong, the Chair of Audit Committee, Mr. Kiattiporn Sirichaisakul and Mr. Thanet Khamcherdchoochai as the Audit Committee. All Audit Committee is completely qualified as specified by the license which harmonizes with code of conduct and guideline for audit committee outlined by Securities and Exchange Commission and Stock Exchange of Thailand.

Audit Committee operates according to the terms of responsibilities assigned by Board of Directors independently to audit and verify for adequate management making the operation go on for the benefit of entire shareholders without conflict of interest. Audit committee will check that the company has sufficient internal system and directors perform their duty honestly and responsibly following the company's policies.

In 2015, Audit Committee meetings were arranged for 4 times. Audit Committee's attendant information as below;

- | | |
|---------------------------------|-------------------|
| 1. Mr. Rapeepat Suansilpong | attended 4 times. |
| 2. Mr. Kiattiporn Sirichaisakul | attended 4 times. |
| 3. Mr. Thanet Khamcherdchoochai | attended 4 times. |

Audit Committee has discussed and shared ideas with Executives, internal auditor, and accounting auditors as concluded below;

1. Financial audit

Audit Committee has audited financial budget and the consolidated financial statements of the company and subsidiary company by quarters and annual that have been verified already by accounting auditors and presented to the Board of Directors for approval consideration. Executive and accounting auditors were invited to the meeting for financial approve after checking accuracy, completeness, and reliability of the financial statement in financial report, the validity of some significant items that happened during the year, and a sufficient correctness for accounting disclosure. In addition, the meeting was for the acknowledgement about auditor's plan and it was the official meeting with accounting auditors for 4 times to independently discuss about important information for financial statement.

Audit Committee considered that accounting and financial report process of the company has a sufficient internal controlling system to assure that the financial report of financial statement and overall operation are accurate in materiality according with accounting standard prescribed by law. There is a sufficient and punctual accounting disclosure for the benefit of shareholders, investors, or who regards the financial statement for investing consideration.

2. Internal controlling system audit

Audit Committee has considered, audited, and followed up continuously on the internal controlling system cooperating with internal audit company. The report of internal audit is regarded, covering following up on the result and adjusting any significant points according to the report to evaluate the sufficiency of internal controlling system and business management ability to control the risk of operation that the company can be operated continually.

3. Internal audit regulation

Audit Committee has verified internal audit company to perform efficiently by encouraging the independence of them to express their opinion openly, review and approve the internal audit plan according with organization environment, and give suggestions that are useful to increase the efficiency of internal audit system.

4. Related Party Transaction audit

For the integrity and accordance with the regulations of Stock Exchange of Thailand, Audit Committee has added the topic of related party transaction audit as the main agenda in Audit Committee meeting. The process to account items that were in the term of related transaction during the year has been audited to assure that it was the ordinary process of business as well as processing with other party or business that were not related and there was no other transaction that might contain the conflict of interest.

5. Annual Auditor Assessment

Audit Committee has considered, selected, appointed, and proposed remuneration of Auditors as of 2015 by evaluating independence, audit performance quality as of 2014, skills and knowledge, experience, and the current supporting team of auditor's audit office. Moreover, the remuneration appropriation has been also considered.

Audit Committee considered that Auditor from BPR Audit and Advisory Co., Ltd. has an independent opinion with being educated and experienced in auditing. In addition, work performance in the last year was desirable and their remuneration is appropriate. Therefore, a resolution was proposed to the Board of Directors to ask for approval from the ordinary meeting of shareholders as of 2015 to appoint Mr. Boonlert Kaewpanpreuk, Auditor with license no.4165 from BPR Audit and Advisory Co., Ltd. as the Auditor as of 2015 with the remuneration of 950,000 baht.

6. Audit Committee Report

Audit Committee has done the report of the committee approved by the Chair of Audit Committee to be disclosed with company's annual report.

7. Other operations as assigned

Audit Committee has performed other duties as assigned by the Board of Directors with the consent of Audit Committee.

Audit Committee has performed duties and responsibilities as assigned by applying knowledge and abilities with carefulness and sufficient independence, without limitation of information from directors, staff, and concerned persons. The committee also gave opinions and suggestions creatively for the benefit of all stakeholders equally.

In conclusion, Audit Committee considered that Board of Directors and Executive Board have morality and determination to professionally perform their duties to achieve company's objective. They pay attention to operate under the corporate governance system efficiently, apparently, and reliably. Moreover, they have risk management system and concise internal controlling system.



(Mr. Rapeepat Suansilpong)
The Chair of Audit Committee

Report of Nomination and Remuneration Committee

Nomination and Remuneration Committee of Filter Vision Public Company Limited was appointed in the Board of Director meeting 3/2012 on May 14th, 2012. At the moment, Nomination and Remuneration Committee has 3 members including of 2 Independent Directors and a non-interested third person as below;

1. Dr. Mani Teeratanikanont, Independent Director as the Chair of Nomination and Remuneration Committee
2. Mr. Rapeepat Suansilpong, Chair of Audit Committee and Independent Director
3. Mr. Rapee Muangnont, non-interested third person

Anyhow, in 2015, there was the Nomination and Remuneration Committee meeting for 1 time.

Nomination and Remuneration Committee has the scope of work to consider the structure, elements, and Board of Director qualification, and consider offering remuneration structure of Directors, Managing Directors according to regulations or procedures to consider fair and reasonable remuneration.

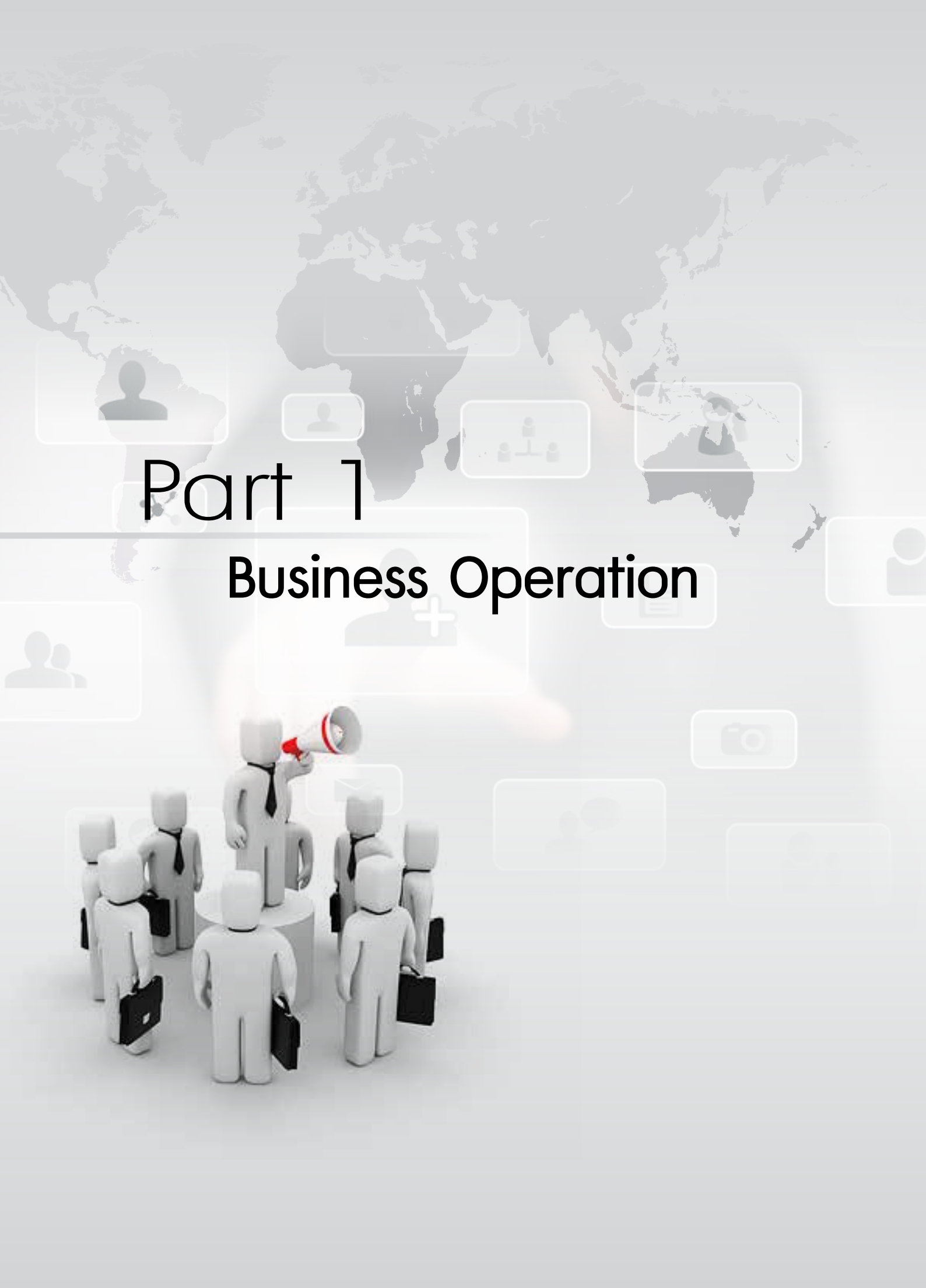
Besides, to consider remuneration as mentioned, Nomination and Remuneration Committee saw that it is appropriate to Board of Director's duties and responsibilities by considering thoroughly about every aspect, the size of business, the number of Directors, and compared with same type of industry for reference, and overall economic circumstance.

On behalf of Nomination and Remuneration Committee
Filter Vision Public Company Limited



(Dr. Mani Teeratanikanont)

Chair of Nomination and Remuneration Committee

A light gray world map serves as the background. Scattered across the map are several white, rounded rectangular icons. These icons include: a single person silhouette, a group of three people silhouettes, a person silhouette with a plus sign, a person silhouette with a speech bubble, a camera, and a group of two people silhouettes.

Part 1

Business Operation



1. Policy and Business Overall

Company Background

Filter Vision Public Company Limited ("company") was established on May 11th 1995 by Techakasem family with initial registered capital of 1.00 million baht including 10,000 shares of common stock for 100THB per share. The company operates importing and distributing purified water treatment system equipments. It is managed by Dr. Wijit Techakasem as the Managing Director with talented abilities to communicate and negotiate with international top companies that distribute purified water treatment system products and equipments. The company is also managed by Ms. Supapan Yiamlaengamkul, Managing Director, who has chemical scientific knowledge and has an experience in chemical products for industrial factory business. At the beginning, the target of the company was to reach industrial factory group that required purified water treatment system products and equipments for water consumption. Then, the Managing Director was aware of the importance of production process in every part of each industry that had water conveying process into production process because the rating of damaged machine caused by poor quality water in production process was greater than by filtered water. The company realized about the target trend that more focused on entrepreneur's reliability and readiness to provide the service. To meet customer's satisfaction that required one stop service, the company began to develop staff and service quality to meet international standard.

The company gives priority to the staff development because they are an important element who provides the standardized service of this business. Therefore, the company has been developing our staff continuously and also cooperates with company's main dealer to arrange product knowledge training for the staff in domestic and abroad to enhance company's service to be qualified as international standard. With the mentioned structures, the company has growth a great leap forward with more requirement of investment for working capital and increasing manpower and the development of the staff.

In year 2010, the company was restructured. It invested to buy the common stock of New McArthur Company Limited and Irving Corporation Company Limited for 100% from the shareholders who were in the same group of the major shareholders and/or the CEO. This investment is to increase capital by issuing shares of the company to pay the shares of New McArthur Co., Ltd. and Irving Cor., Co., Ltd. After restructure of the company that operated importing and distributing purified water treatment system products and equipments, the company assigned New McArthur Co., Ltd. to provide maintenance service for purified water treatment system and assigned Irving Cor., Co., Ltd. to distribute products and equipments, design, install, and provide maintenance service for medical purified water treatment system.

In 2011, the company was restructured once again to increase potential to have more flexibility and efficiency to provide service to customer. In the board meeting, there was the resolution to stop the business of New McArthur Co., Ltd. and took over its all staff and business asset.

In 2013 the company was listed company on the Stock Exchange of Thailand (SET). The Company's common stock have been approved by SET to listed on the Market for Alternative Investment (mai), which is an important step in funding to improve liquidity and strength for business expansion as well.

During the 3th Quarter of 2014, the company was internal restructure to have the food equipment division for the food equipment group (food equipment group) for installation new equipment and maintenance all food equipment

Later in 2015, the company has the opportunity to expand new business in medical services. and for continues to expand our business, the company increased registered capital by offering shares to specific persons (Private Placement) "PP". The company has issued the warrants to purchase ordinary share No.1 (FVC-W1), which enabled the company invest for a new business about medical services in the same year with two companies are "KT Medical service Co., Ltd", which is Nursing homes dialysis centers and "Medical Vision Co., Ltd", which is vendor lessor and service provider to maintenance of equipment include analysis diagnostics to healthcare providers, including pharmaceuticals and medical devices

In conclusion, in the past 20 years, the company has increased registered capital intermittently. From the initial registered capital of 1.00 million baht to 20.00 million baht, 30.00 million baht, 44.00 million baht, 60.40 million baht, 70.40 million baht 100.00 million and 195 million , consecutively in year 2002, year 2007, year 2009, year 2010, year 2011, year 2013 and year 2015. At the present, the company has the registered capital of 195.00 million baht and paid-in capital of 129.03 million baht as of March 15th 2016 when was the closing date of the latest share register book. Techakasem family is holding shares of 38.32% of the paid-in capital.

The overall business of the company and subsidiary companies

The company and the subsidiary companies have the head office located on 95 Soi Ram-Intra 117, Ram-Intra Rd., Min buri, Min buri, Bangkok. The companies own the purified water treatment system business. The companies import purified water treatment system products and equipments from abroad and are expert at system design and able to be consultant for simple purified water treatment system up to the system that requires engineering skill for customer. The KT Medical Services Co., Ltd is a subsidiary that operates a Nursing homes dialysis center operations providing dialysis with artificial kidneys. To patients with chronic kidney disease stage (on the process), Moreover the Medical Vision Co., Ltd is another subsidiary one of the business is vendor lessor and service provider to maintenance of equipment include analysis diagnostics to healthcare providers, including pharmaceuticals and medical devices (on the process). The company's products and services can be divided into 5 categories as follow;

1) Distribution, improvement, and purified water treatment system maintenance

The company distributes purified water treatment system products and equipments that are ready to be installed connecting with the already designed water supply system that customer has. The company also provides service for improvement, maintenance, and water supply system addition with products distribution. The major target customers are convenience stores, restaurant, and bar. The minor customers are the industrial business group and original equipment manufacturer and medical service business group. The product sources can be divided into 4 categories as follow;

- 1.1 Importing purified water treatment system products and equipments for distribution including water filter system, fiberglass filter housing tank, automatic filter strainer, filter, ultraviolet disinfection. All the products and equipments have standard certification from independent entities, such as NSF standard and international standard certification from government authority, such as FDA standard. Mostly those are the products under top foreign company's trademarks, such as Pentair, Wedeco, Sterilight, Trojan UV, Sekiso, CSM, Shelco Filters etc.
- 1.2 Domestic supply for purified water treatment system products for distribution, such as bun steamer, beverage dispenser, ice making machine etc.
- 1.3 Equipment manufacturer for purified water treatment system equipment distribution, such as filter, housing filter under the company's trademarks including Toreda, Water Care, and Hydra Mate.
- 1.4 Assembly for medical purified water treatment system products distribution. The company is designing and on process to register a patent for portable purified water treatment machine to use for dialysis machine. It is the company's intellectual property for distribution and rental. It has the portable purified water treatment system with purification that controls bacteria from raw water by automatic disinfection system. Moreover, the company also produces and distributes dialysis solution with the standard certified from the Ministry of Public Health and Thai Nephrology Association. The company aims to distribute to customer with the competitive price.

2) Distribution with designing, assembly, and purified water treatment system installation

The company distributes with designing, assembly, and purified water treatment system installation from the beginning of the process to purify raw water into the water as same as tap water. And tap water can be also purified into water for consumption mostly amongst hospital target group and some industrial business that has water system concerning in the production process. The installation time is average at 1 - 2 months. The resource of the product using in installation is the same as no.1) Distribution, improvement, and purified water treatment system maintenance. The service can be divided into 2 categories;

2.1 Distribution with designing, assembly, and purified water treatment system installation for the customer with normal payment.

2.2 Distribution with designing, assembly, and purified water treatment system installation for the customer paying as rental with interest. The rental agreement term is for 5 years. Once the contract is expired, the company will remove the purified water treatment system for dialysis machine and take it back. This will be operated by Irving Corp., Co., Ltd., the subsidiary company.

3) Maintenance service for purified water treatment system

The company is aware of the importance of after sales service. We will provide the maintenance service to make our customer convenient. The purified water treatment system needs to have the maintenance constantly for the efficient operation, such as replace filter and other damaged equipments. The company has the action plan to give maintenance to customer by calculating water flow rate and the equipment's period of using. Not only in Bangkok and surrounding provinces, the company also has technical centers and service departments in charge of all area in Thailand. There are 2 technical centers at Lampoon that are in charge of the northern part, and at KonKaen that is in charge of the northeastern part. There are also technical service departments at 4 locations including Chonburi, Phuket, Samui (Suratthani), Hat Yai (Song Kla) that are in charge for the southern part. The customer can call for the service and emergency for 24 hours.

4) Hemodialysis Center

The Company performed by subsidiary company "KT Medical Service Co.,Ltd." will service Hemodialysis Center for patients with end-stage chronic kidney disease. As Of December 31,2015 the subsidiary company is on the process of obtaining permits from the relevant governmental action.

5. The Distributer of medical products & instruments (on the process)

The company performed by subsidiary company" Medical Vision Co.,Ltd., is a distributor/rental and maintenance of equipment, equipment for diagnostics to healthcare include various of pharmaceuticals and medical as of December 31,2015 the subsidiary company is on the process.

1.1 Company's operation policies

The business purpose

The company aims to be the leader of distribution, designing, assembly, installation, improvement, repair, and providing the purified water treatment system maintenance service. The company has a skilled and experienced team and also has a good and efficient management system. The company provides a convenience and immediate service and runs the business morally and honestly to make the customer assured and satisfied in the quality of service as the company's motto "We provide more than just a filter."

The company aims to be continuously and strongly growing by expanding the target customer to other industries. The company also increases product categories to provide various and complete service to meet customer's satisfaction and creates the brands named Filter Vision and House Brand as a good quality purified water treatment system service provider to be more acquainted widely.

Vision

"To be the leader of the water treatment equipment distribution and services for the life quality of domestic and regional consumer, community, and society"

Mission

1. To develop the organization to get across domestic and regional market by distributing the proper standard and innovation of products and services created by the best technical specialists.
2. To make profit and return on the management by applying a good governance to the business transaction for stakeholders and community.
3. To share success to improve the quality of life in community and society.

Values

- F – Fast & Quality
- I – Integrity
- L – Leadership
- T – Trust
- E – Excellent
- R – Responsibility
- V – Vision
- I – Innovation
- S – Satisfaction
- I – Information Transformation
- O – Optimistic
- N – Nationwide

1.2 Important development and progress

- | | |
|-----------|--|
| Year 1995 | <ul style="list-style-type: none"> - On May 11th 1995, the company was established with the registered capital of 1 million baht to run a business for the purified water treatment system products and equipments which its office is located at Wang Thong Lang, Bangkok. - In the same year the company began to be a dealer for Ametek Company and marketed under Ametek brand. The major target customer was industrial factories. The company imported plastic fiber filter housing. Later, Ametek was taken over by Plymouth Production Division. Then in year 2002 Plymouth Production Division was taken over by Pentair Pacific Rim (Water) Limited. At the present, the company is a dealer for Pentair Pacific Rim (Water) Limited by cooperating with Pentek's purified water treatment system distributor for industrial factory. |
| Year 1996 | <ul style="list-style-type: none"> - The company was confided by Rcan Environment Inc. and was appointed to be a dealer for water purification products under brand Sterilight that then changed its name to Viqua at the present. |
| Year 1998 | <ul style="list-style-type: none"> - On December 28th 1998, New McArthur Co., Ltd. was established with the registered capital of 1.00 million baht to provide maintenance and installation service for purified water treatment system. |
| Year 1999 | <ul style="list-style-type: none"> - The company was confided by Wedecco Company who was an expert at UV disinfection products and Ozone machine. The company was appointed to be a dealer. Later in year 2004 Wedeco Company was taken over by ITT Water and Wastewater. Wedeco then changed its name to Xylem Water Solution. At the moment, the company was not a dealer for this company anymore. |

- Year 2000 - The company began the marketing in the target of commercial business customer group, such as convenience store, restaurant, coffee house etc. by cooperating with Everpure Inc. and marketing under brand of Everpure. Later in year 2003, Everpure Inc. was taken over by Pentair Filtration Solution, LLC. At the present, the company is still a dealer for Pentair Filtration Solution, LLC for commercial business group.
- Year 2002 - On November 28th, 2002, the company increased the registered capital from 1.00 million baht to 20.00 million baht by offering for sale of share to the former shareholders and used it in working capital.
- Year 2004 - New McArthur Co., Ltd. began expanding the business in the northern part of Thailand. A building was rented to locate the service center at Lampoon.
- Year 2006 - On May 19th 2006, the company signed an agreement for the purchasing of land and office building to use it as a new company's office and warehouse which is located on 95 Soi Ram Intra 117, Ram Intra Rd., Min Buri, Min Buri, Bangkok. It still is at the present.
- Year 2007 - On December 11th 2007, the company increased the registered capital from 20.00 million baht to 30.00 baht by offering sale of share to the former shareholders. The purpose of this offering is to spend for working capital.
- Year 2008 - On September 26, 2008 New McArthur Co., Ltd. purchased land with building to use it as the technical service center in charge of the northeastern part of Thailand. The center is located in Kon Kaen.
- Year 2009 - March 27th, 2009, the board meeting approved the technical service department opening in Phuket to be in charge of the southwestern part of Thailand. It has been operating since August 2009
- On October 5th 2009, New McArthur Co., Ltd. purchased land with building to use it as the technical service center in charge of the northern part of Thailand. The center is located in Lampoon.
- On December 8th 2009, the company increased the registered capital from 30.00 million baht to 44.00 million baht by offering sale of share to the former shareholders. The purpose of this offering is to spend for working capital and invest in Enterprise Resource Planning (ERP) which supported the company to have more efficient service and data storage.
- Year 2010 - On July 29th 2010, the board meeting approved the technical service department opening in Samui, Surat Thani to be in charge of the southeastern part of Thailand. It has been operating since August 2010
- On November 24th 2010, in the extraordinary meeting of shareholders, a resolution was made to increase the registered capital from 44 million baht to 60.40 million baht by issuing new common stock for 163,986 shares, the par value was 100 baht per share, with new offering share price at 148.53 baht per share, refer to the book value in company's financial statement on June 30th 2010. The purpose was to take over Irving Cor., Co., Ltd. and New McArthur Co., Ltd. The increased capital stock 163,986 shares, could be divided as follow;
- New McArthur Co., Ltd. has the paid-in registered capital for 5.00 million baht including common stock for 50,000 shares, the par value was 100 baht per share. New McArthur Co., Ltd. has brought in 49,998 shares that had the

book value in the financial statement of New McArthur Co., Ltd. for 167.66 baht per share since June 30th 2010. Compared with the book value of the company on June 30th 2010, the company has allocated shares to New McArthur for 56,435 shares at 148.53 baht per share. The value was 8,382,348 baht (5,643,500 baht for issued capital and 2,738,848 baht for premium on common stock)

- Irving Cor., Co., Ltd. has the paid-in registered capital for 25.00 million baht including common stock for 250,000 shares, the par value was 100 baht per share. Irving Cor., Co., Ltd. has brought in 249,998 shares that had the book value in the financial statement of Irving Cor., Co., Ltd. for 63.90 baht per share since June 30th 2010. Compared with the book value of the company on June 30th 2010, the company has allocated shares to Irving Cor., Co., Ltd. for 107,551 shares at 148.53 baht per share. The value was 15,974,661 baht (10,755,100 baht for issued capital and 5,219,561 baht for premium on common stock)

The total common stock has to be paid by other assets not by money. New McArthur Co., Ltd. and Irving Cor., Co., Ltd. were regarded that they have paid up the increased capital and have already registered for it to the Department of Business Development, Minister of Commerce on December 7th 2010.

- On December 29th 2010, in the extraordinary meeting of shareholders, a resolution was made to increase the registered capital from 60.40 million baht to 70.40 million baht by issuing new common stock for 100,00 shares, the par value was 100 baht per share, with new offering share price at 139.00 baht per share. The common stock was offered for sale to 4 former shareholders. The company spent the money from the increased capital for working capital. The increased capital was registered to the Department of Business Development, Minister of Commerce on January 12th 2011.

Year 2011-

On March 17th 2011, in the Board's meeting, a resolution was made to pay dividend for annual operation result as of 2010 for 703,986 shares of common stock at 14 baht per share. The total was 9.9 million baht. The dividend was paid on March 23rd 2011.

- On August 15th 2011, in the Board's meeting, a resolution was made to merge New McArthur Co., Ltd. to the company to increase potential in the business and more efficiency in management. The merging included taking over all staff and buying business assets and balance stock. The process started on September 30th 2011 and the business of New McArthur Co., Ltd. stopped within 2 years after that.
- On October 14th 2011, in the Board's meeting, a resolution was made to open a technical service department at Chonburi to be in charge of the Eastern part of Thailand. It has been operating since December 2011 onward.
- On December 15th 2011, Irving Cor., Co., Ltd. made a rental agreement for 2 warehouses to keep products. The warehouses are located at Klong Samwa, Bangkok to support the expanding business and increasing customer.

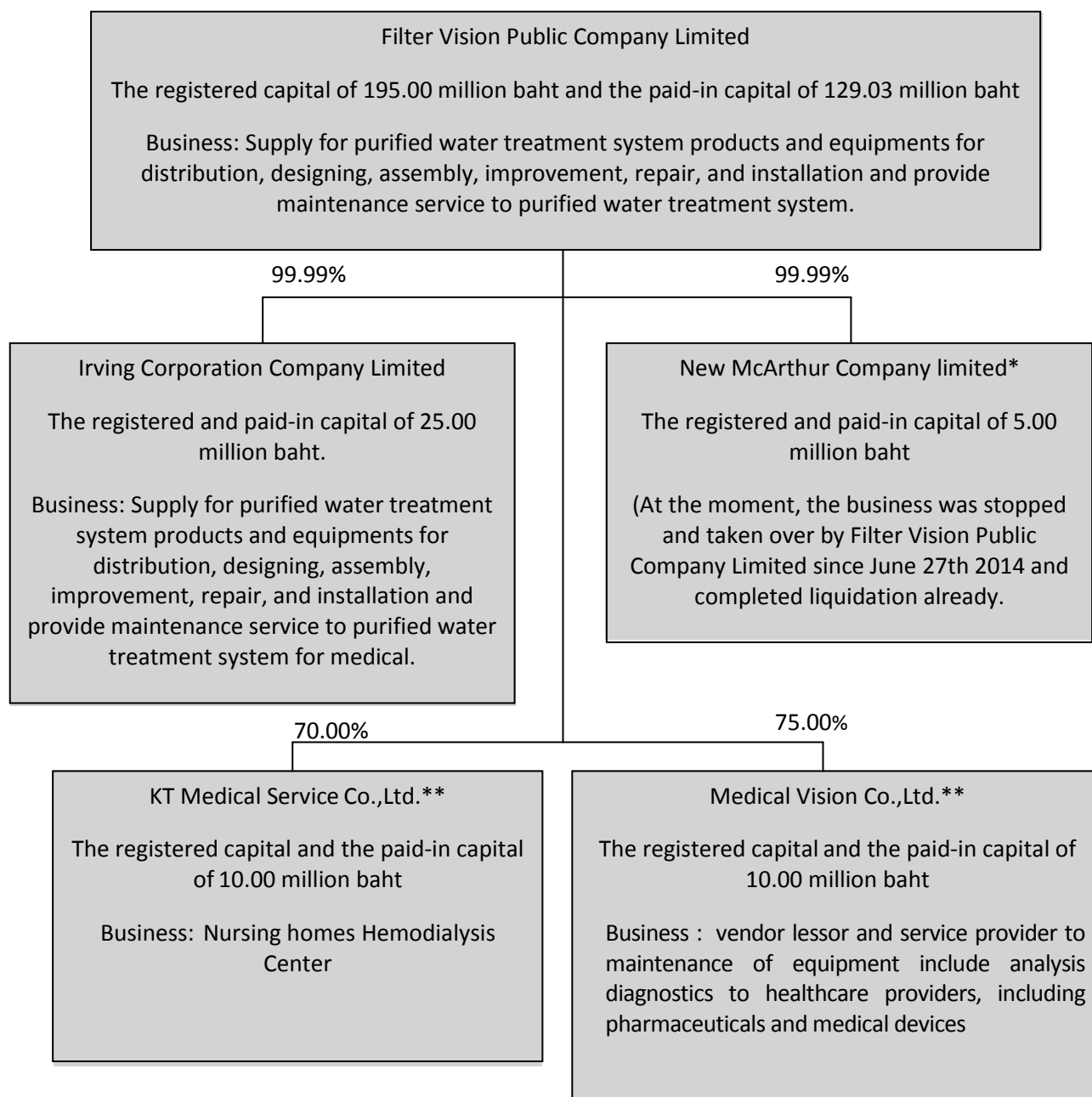
Year 2012

- On April 15th 2012, the company got a certification from TRACE (WWW.TRACEINTERNATIONAL.ORG), an international independent entity that evaluated and audited the company's background and directors and all concerned for company's operation, opportunities, and risks that company might get involved in corruption during April 15th 2012 until April 14th 2013.

- On April 26th 2012, in the ordinary meeting of shareholders, a resolution was made to transform the company to public company to prepare for registering the company to be sucritized. The company was registered in mai stock exchange and changed the par value from 100 baht per share to 0.50 baht per share. The company also increased the registered capital from 70.40 million baht to 100.00 million baht and allocated to offer for sale to public for 59.02 million shares.
 - On July 6th 2012, the company appointed the committee and officers of safety, occupational health, and work environment following the standard and management of safety, occupational health, and work environment, year 2006, assigned by the Ministry of Labour for staff's life standard, health, and a good work environment.
 - On July 6th 2012, the company joined Splash International project (former as A Child's Right), a nonprofit organization. The SPLASH cooperated with Filter Vision Public Co., Ltd. and partners (schools, orphanage, and community home). The purpose was to install water filter for charity. The SPLASH put money for water filter and the company put labour for installation. During year 2013 - 2014, the company cooperated with orphanage and schools in need to install water filter system for 19 locations.
 - On August 10th 2012, in the Board's meeting, a resolution was made to open a technical service department at Hat Yai, Songkla to be in charge of the Southeastern part of Thailand. It has been operating since September 2012 onward.
- Year 2013
- On April 15th 2013, the company got a certification from TRACE for the second year. TRACE is an international independent entity that evaluated and audited the company's background and directors and all concerned for company's operation, opportunities, and risks that company might get involved in corruption during April 15th 2013 until April 14th 2014.
 - On September 24th 2013, the company purchased land with building to open the technical service center to be in charge of the Northern part of Thailand. It is located in Lampoon. This location was bought from New McArthur Co., Ltd.
 - On September 25th 2013, the company purchased land with building to open the technical service center to be in charge of the Northeastern part of Thailand. It is located in Kon Kaen. This location was bought from New McArthur Co., Ltd.
 - On September 30th 2013, New McArthur Co., Ltd. registered for the company's liquidation to the Ministry of Commerce and stopped the business and was during on the process of liquidation.
 - On October 18th 2013, a subsidiary company made a rental agreement of warehouse to keep product. It is located at Klong Samwa, Bangkok to support expanding business and increasing customer.
 - On October 21th 2013, the company offered for sale of common stock for 59.20 million shares, par value at 0.50 baht, for the offering price at 1.20 baht to initial public offering. The company registered to change the issued and paid-in capital from 70.40 million baht (common stock for 140.8 shares, the par value at 0.50 baht) to 100.0 million baht (common stock for 200 million shares, the par value at 0.50 baht) to the Ministry of Commerce on October 24th 2013. The total amount receiving from share offering for sale is 67.00 million baht (total from share issuing cost for 4.0 million baht). The company recognized the total share premium of common stock for 37.4 million baht.
 - On October 29th 2013, the company registered to be listed on the stock exchange of Thailand. The company's common stock was approved as the registered security on the mai stock exchange (mai: Market for Alternative Investment).

- Year 2014
- On April 15th 2014, the company got a certification from TRACE for the third year. TRACE is an international independent entity that evaluated and audited the company's background and directors and all concerned for company's operation, opportunities, and risks that company might get involved in corruption during April 15th 2014 until April 14th 2015.
 - On June 27th 2014, New McArthur Co., Ltd. completed the process of liquidation.
 - On July 6th 2014, the company made a rental agreement of a warehouse to keep products. It is located at Klong Samwa, Bangkok to support expanding business and increasing customer.
 - In August 2014, the company added Food Equipment Department to handle the customer for this product category especially. This department can efficiently support to install new equipment and provide the maintenance service.
- Year 2015
- The issuance of the new ordinary shares of 60 million shares to be offered to the private placement (Private Placement) at a price of 2.56 baht per share by selling a total of 43 million shares to get money from the capital 110.08 million baht.
 - The company has issued the warrants to purchase ordinary share No.1 (FVC-W1) of 130 million units to be offered to the existing shareholders of the Company in proportion to their shareholding. Without charge by allocating a total of 121.50 million units
 - The company established two new subsidiary companies, and holding shares in The KT Medical Services Co.,Ltd amount 70,000 shares, representing 70.00% and The Medical Vision Co.,Ltd amount 75,000 shares, representing 75.00 %
 - The 2nd Quarter of 2015, we launched innovative products: "Bowell" and "Waterlogic" to serve customer's requirements in terms of commercial& residential.
 - We bought 4 units of commercial buildings to build 3 units of "Hemodialysis Center" and 1 unit of "Distribution Center".
 - We bought 4 Rai of land to build warehouse and new office.
 - On 5 January 2015, our subsidiary company signed the contract of warehouse rental applied as the "Dualysis Solution Center", located at Klongsamwa-Bangkok to support business growth and customer increment.
 - We opened "Technical Service Center" in central city of Suratthani to provide services covering all over eastside areas of Southern Thailand starting from March 2015 onwards

1.3 The Shareholding Structure of the Companies



Remarks *The Board's meeting 2/2013 on May 15th 2013 had a resolution to approve New McArthur Co., Ltd. to stop its business within September 2013. The subsidiary company already registered for the company's liquidation to The Ministry of Commerce on September 30th 2013. It stopped the business on June 27th 2014 and completed the liquidation.

**The Board's meeting 4/2015 on May 14th 2013 had approved to the company for established two subsidiary companies is KT Medical Services Co., Ltd. and Medical Vision Co., Ltd.

1.4 Business Group

-None-

2. Nature of Business

Revenue structure

The revenue structure of the company and subsidiary company is divided according to the nature of business in the period of 3 years during December 31st 2013 - 2015 as follows;

(Unit: Thousand Baht)

Revenue	2013		2014		2015	
	Amount	%	Amount	%	Amount	%
Revenue from distribution, improvement, and system repair	259,794.07	84.93%	321,073.70	88.38%	297,931.27	80.86%
Revenue from distribution with design, assembly, and installation						
Revenue from selling with normal payment	28,150.20	9.20%	24,833.32	6.84%	40,812.28	11.08%
Revenue from selling and rental agreement with interest	3,525.00	1.15%	2,318.50	0.64%	15,140.13	4.11%
Revenue from maintenance	11,389.72	3.72%	12,526.58	3.45%	11,021.70	2.99%
Other revenue*	3,037.02	1.00%	2,515.94	0.69%	3,539.42	0.96%
Total revenue	305,896.01	100.00%	363,268.04	100.00%	368,444.80	100.00%

Remarks *Other revenue includes interest and profit (and loss) from issued asset and profit (and loss) from currency exchange etc.

2.1 Nature of products and services

The company and Irving Corporation Co., Ltd. (subsidiary company) run a business of purified water treatment system. Both companies run the same business but have different customer targets. Filter Vision Public Co., Ltd., head office, handles the customer in commercial and residential business and the customer in industrial and original equipment manufacturer business (OEM). Irving Cor., Co., Ltd., subsidiary company, handles the customer in medical service business, and the subsidiary also supplies for purified water treatment system products and equipments from domestic and import, such as filter system, fiber glass housing tank, automatic strainer, filter, UV purification, and purified water treatment system products, such as bun steamer, beverage dispenser and ice making machine etc. The company is expert at system design and able to be consultant for simple purified water treatment system up to the system that requires engineering skill for customer. Moreover, We capped our businesses in terms of

Medical services with our products and services from our 2 subsidiary companies that we started the investment and opened business in 2015, on 31 December 2015. One of our business on the process is the " Hemodialysis Center " to provide the service of "Hemodialysis" This business was capped from our experiences and experts in installation and maintenance services of Water Treatment System for artificial kidney machine operated by Irving Corporation Ltd., our sub-company. And one more sub-company is the distributor of medical products & instruments. The company's products and services can be divided into 5 categories as follow;

- 1) Distribution, improvement, and purified water treatment system maintenance
- 2) Distribution with designing, assembly, and purified water treatment system installation
- 3) Maintenance service for purified water treatment system
- 4) Hemodialysis Center (on the process)
- 5) The Distributer of medical products & instruments (on the process)

The purified water treatment system products and equipments can be divided into 3 categories

1. Filtration 2. Disinfection 3. Other products and equipments as details below;

Filtration

Fleck Automatic Control Valve For Water Treatment	
Water Care Water Treatment Plant Package System	
DMI 65 Super Deiron /Manganese Filter Media	
All Kind of Liquid Filtration For Every Industrial Application	

Everpure Water Purification System For Food & Beverage Business	
Claris Water Filter For Coffee Application	
Everpure Reverse Osmosis System For Food & Beverage Service	

Disinfection

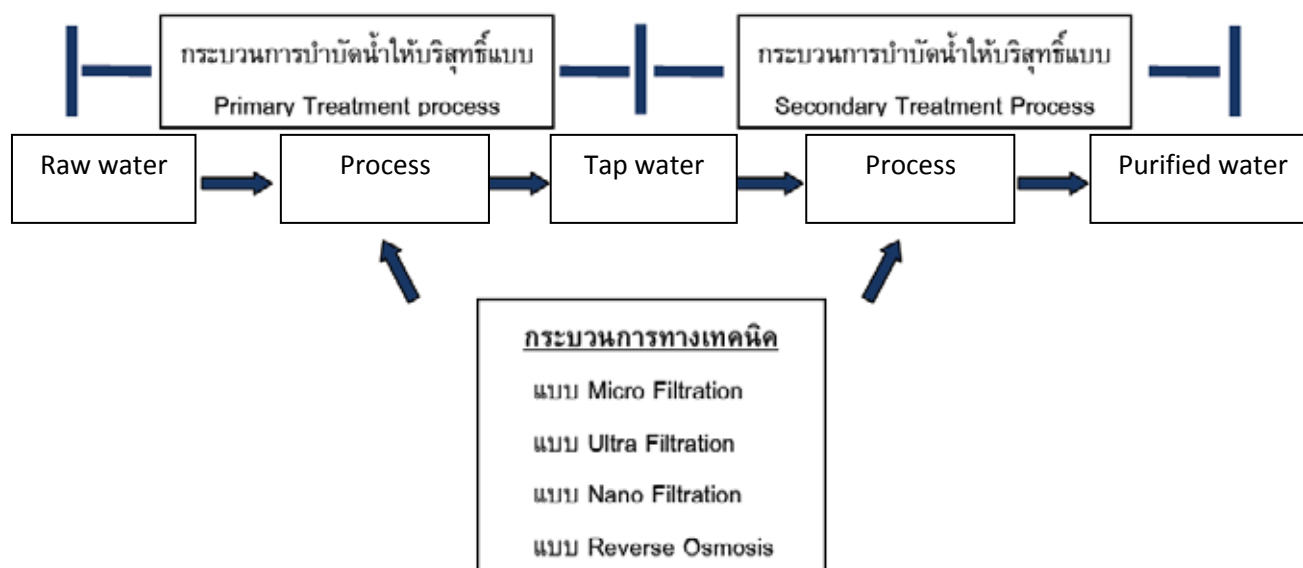
VIQUA UV Disinfection For Commercial Use	
VIQUA SM UV Disinfection For Industrial Use	
ATG UV System For Water & Waste Water Application	
ATG SX UV System for Water & Waste Water Application	

Biosure High Concentration Ozonated Water For Foods & Beverage Industrail	
Biospin High Concentration Ozonated Water For Comerical Laundry Application	
Biowell High Concentration Ozonated Water For Medical Service	

Others

Water logic High performance Hot/Cold water dispenser. Water logic fire wall technology is only water purification system that has been tested and certified to met international requirement of NSF international & WHO (World health organization).	
CELLI COUNTER BEVERAGE DISPENSER	
CELLI DROP IN BEVERAGE DISPENSER	

The company supplies advanced technology products and equipments that help to purify water and can control water quality. The company can design various purified water treatment systems according to customer's requirement. To design the purified water treatment system, the company will do the study beginning from studying on the resource of raw water to extract and find compounds in raw water and the company will use the purified water treatment system technology to purify the water to meet customer's requirement of water quality as shown in the below diagram;



The company will study on the water quality from the resource of raw water in the company's water analysis laboratory to find contaminant and substances. Initially, if the raw water has a lot of substance and its quality is lower than the tap water quality specified by World Health Organization, the primary treatment is required for water purification. Water treatment will start from the less complicated process to more complicated process depending on water quality from different resources that will get different technical process for the treatment. The primary treatment will treat raw water to have the same quality as tap water. And the second treatment will treat tap water into pure water according to customer's purpose of usage. The technology of water treatment can be divided into 3 categories;

Micro filtration

The technology uses filter unit with 0.1 micron membrane. It is capable to filter any substances larger than 0.1 micron, such as sand, suspension substance, bacteria and also virus.

Ultra filtration

The technology uses filter unit with 0.01 micron membrane. It is capable to filter any substances larger than 0.01 micron. This unit is smaller than micro filtration. It can filter sand, suspension substance, bacteria, virus, and organic substance, such as protein and grease.

Nano filtration

The technology uses filter unit with 0.001 micron membrane. It is capable to filter any substances larger than 0.001 micron. This unit is smaller than micro and ultra filtration. It can filter sand, suspension substance, bacteria, virus, organic substance, salt, and some minerals.

Reverse osmosis

The technology uses filter unit with 0.0001 micron membrane. It is capable to filter any substances larger than 0.0001 micron. It can filter bacteria, virus, and solution such as mercury, lead, and other heavy metals in water.

For the pre-treatment of raw water might need to use a single-technology or multi-technology to turn it to have the same quality as tap water depending on the original quality. For instance, customer's factory is located in the area that has tap water but the quality of tap water in each area is different, so if the untreated tap water is used with machine and equipment in production process, it might cause damages. Therefore, it is necessary to apply those technologies above in single or multi to treat water until it has the proper quality according to each industry's requirement or the standard specified by the Ministry of Public Health.

Initially, the Ministry of Public Health specified that consuming water and beverage are the quality controlled food. The water production process must meet the proper quality and standard including physical quality such as having pH range during 6.5 to 8.5, no smell, but chlorine is excepted, turbidity not over than 5.0 NTU, discoloration not over than 20 Hazen units, and for chemical quality such as having total solid not over than 500 miligram. per litre, having arsenic, chromium, manganese and silver not over than 0.05 mg per litre, and etc. For the microorganism quality, it is specified that coliform bacteria must less than 2.2 per 100 ml. and has no E coli and other microorganism that causes illness.

However, the standard requirement of purified water in each industry is quite different. Generally, it will stick to the standard from the Ministry of Public Health. Purified water treatment system products and equipments that are imported have their standard depending on the purposes of water purification usage that is approved internationally. The standard of purified water treatment system products and equipments imported by representative and dealers can be divided into 2 major groups regarding industrial business as follow;

Standard for food and beverage

NSF standard

NSF is an independent foundation founded in The United States of America to audit and certify products concerning with human health, and food and beverage. At the time, NSF has the biggest human resources for food and beverage product and the environment testing that is accepted generally. The purified water treatment system products and equipments that the company imports pass NSF standard on 3 main standards, as follow

- The standard no. 42 – Physical effects, is to test the capability of water filter to reduce the level of contaminant in drinking water that affects taste, odor, and clarity of drinking water.
- The standard no. 53 – Health effects, is to test the capability of water filter to reduce the level of contaminant in drinking water that has a great number and varied types including lead, asbestos, volatile organic compounds (VOCs) and pesticides.
- The standard no. 55 – Microbiological water treatment by ultra violet.

FDA standard

FDA is an organization of USA government in charge of protecting consumer's health and assures the sanitary safety of food and beverage, vaccine and other biological products, and medical products and equipments using with people to be efficient and safe. The purified water treatment system products and equipments of the company are suitable for water purification to use for food and medical industry.

The standard for medical service, especially for dialysis machine

The Association for the Advancement of Medical Instrumentation (AAMI standard)

AAMI is an independent organization established from the cooperation between the Medical Technology Specialists in various areas to develop Community Healthcare Center. They also issue the information of standardized medical technology usage. AAMI also certifies the standard structure in dialysis machine center and the quality of water purification.

European Pharmacopoeia

European Pharmacopoeia is one of the standards using in dialysis machine center and the quality of water purification in European countries similar to the standard of AAMI.

The standard of Nephrology Association of Thailand

The Nephrology Association of Thailand suggested the medical structure of hemodialysis, year 2014. There is one standard concerning the company's service of the purified water treatment system. The standard is briefly specific as below;

1. Purified water treatment system, such as pure water dispenser design has to consider about the prevention of increasing germicide. The piping system should be recirculating type with no dead end to prevent water logged in the system. The piping material has to be stainless with an even inside surface and bearable to germicide.
2. Pure water quality control has to always be tested and either the quality of purified water treatment system equipments. There has to be disinfection in the purified water treatment system constantly.

Customer service process

1. Survey and data collection

The company will survey location, building structure, raw water resources, water plant, electric system, and water connection. The company will collect raw water sample to test the quality in the laboratory to analyze the chemical contaminant such as pH level and substances.

2. Estimated demand

The company will estimate the demand of consumer, the purpose of consuming usage, the number of consumer, and water use quantity to analyze the purified water flow rate going out of the system to have the quality according to customer's requirement.

3. Analysis and international standard

The company will stick to the customer's requirement and analyze the standard regulation from various organizations that is most suitable to customer's use of water and industry.

4. System design

The company will design the system to use with products and equipments for convenient use and control, such as electric system, piping system, and others.

5. Product and service

The company will recommend products and relating equipment and also provide installation service and after sales service. The customer will be supported on system maintenance planning by estimating the rate of usage, the number of consumer and schedule the suitable time for system maintenance.

6. Installation testing and commissioning

After product and system recommendation, the company will install and test the system. The schedule plan for the installation is various depending on installation type as follow;

- For commercial and residential, the schedule of installation and system testing is around 3 hours.
- For industrial, the schedule of installation and system testing is around 7 - 45 days.
- For medical, the schedule of installation and system testing is around 3 – 7 days.

7. Water quality testing

The company is able to provide water quality testing service. The service depends on customer's requirement. The company will send the sample of water after installation and system testing to an independent organization for testing and certification.

8. After sales service and system maintenance

The company will plan the proper and precise schedule to give the system maintenance service that is suitable for customer's action plan. There is also call center system ready for 24 hours covering all areas.

The customer service as above is various depending on customer's requirement that can be divided according to the 3 types of company's business nature as follow;

1. Distribution, improvement, and service maintenance for the purified water treatment system
The company is aware of customer's requirement to find the suitable products and equipments to the resources of raw water that customer has. The process begins from product and service recommendation, installation, testing, maintenance service planning, system repair, and improvement, or products and equipments distribution for customer.
2. Distribution with designing, assembly, and the purified water treatment system installation
The customer requires company's knowledge and specialist to analyze the resource of raw water and the quality of raw water. So that the company provides surveying, collecting, and plan for the system maintenance as mentioned above.
3. System maintenance system
Other than the system maintenance service schedule plan with the customer, the customer can also reach for company's service for 24 hours at call center to inform problems. The company will send technicians to check the system immediately.

2.2 Marketing and competition

Competitive strategies

With 20 years of experience in the business, the company has set the competitive strategies to keep capability in the business and be a leader in the purified water treatment system business. The elements of company's success are as follow;

1) Products and service strategy

1.1 Good quality and standard products

The company has been running the purified water treatment system business for almost 20 years and importing various good quality products and equipments. The company is concentrated in being the business leader by professionally providing service before and after

sales. The company places importance on training and staff development to encourage them to give priority to customer's satisfaction and also customer's service receiver. The company has a proficient team who is able to be consultant and solve problems for customer with the awareness of customer's business opportunities and efficient productive cost. The company always thinks of customer's requirement that helps the company to have a good relationship with customer all along. The company has been improving the quality of service, conduct, and new production process of the purified water treatment system. The company has collected the business experience and connection with top distributors from abroad that influence the current customer and the new customer to have confidence in the company continuously. The company focuses on new product research to strengthen the purified water treatment system production process to be more efficient.

1.2 Punctual and reliable job handover

The company imports, installs, and distributes the variety of water system products and equipments. The company has a team to design, install, test, and provide maintenance service after installation. They have experience to provide service to government and individual organizations. For installation and maintenance service, the company will keep being reminded to handover within due date to protect customer from being affected from losing business opportunity. The company will make an agreement at the beginning of installation and clearly state the due date. The company also supports customer to plan the schedule for system maintenance service to prevent any damages that might affect the product quality from production.

2) Pricing strategy

The company has a policy for pricing that is competitive in business. The company focuses on efficient cost management for customer to reduce any losses that could happen in the production of purified water treatment system. The products have a guarantee and there are staffs to provide after sales service for the system maintenance that are the main points to set the price. In the present, the company will consider pricing by including net interest from the cost. The company also considers the price of products and equipments using for the installation, the difficulties of installation, duration term, and the number of staff in operation for installation and maintenance. Customer relations and background is considered as well.

3) Distribution and service strategy

The company has 5 distribution channels to efficiently reach customer's requirement including;

- 1) From the current customer who has confidence on the company for the purified water treatment system installation, products and equipments distribution, and maintenance service, especially, the customer in franchise business area that has a tendency to increase the number of branches according to the economic growth. The company focuses on a fine after sales service continuously for the current customer. Therefore, they are satisfied to the company and can be the marketing to pass along the company to new customer by buzz marketing.
- 2) Joining the bidding of the purified water treatment system installation projects of the government.
- 3) The company distributes products and equipments through dealers that run water system business in terms of OEM and provides installation and maintenance service after sales depending on the negotiation.
- 4) The company has the Sales team that makes consideration and analyzes the customer target, then offers the service to new customer.
- 5) Continually joining trade fair to meet target customer and other purified water treatment system entrepreneurs to build trade alliance.

4) Promotion strategy

The company focuses on the promotion strategy on both current customer and new customer as follow;

- 1) The company is a consultant and designer for water system. The company gives advice on products for the proper usage. There are staffs to provide the technical advice to meet customer expectation.
- 2) Other than Bangkok area, the company also has technical centers that are in charge of the northern part of Thailand at Lampoon, at Kon Kaen to be in charge of the Northeastern part, at Chonburi to be in charge of the Eastern part, at Phuket, Samui (Surat Thani), and Hat Yai (Song Kla) to be in charge of the Southern part. The company can service all area in Thailand and has a tendency to build additional technical centers in areas that is potential to service the current customer and the new customer.
- 3) The company also distributes products and service in the term of rental agreement to attract customer that is potential for the production with limited budget. The term of the rental agreement is for 5-8 years.
- 4) The company arranges training for customer's staff about the instruction and the purified water treatment system products and equipment maintenance.

In addition, the company is finding the future customer for a long term business. The customer can be divided into these categories as follow;

- Commercial and residential business - The company focuses on finding customer that is increasing the number of branches of their own business or franchise and having the necessity to put purified water treatment system to meet the water standard specified by their head office. The company is capable to install the purified water treatment system to have the standard that customer requires. If the company can get the franchise business, the additional branches that follow also need to use the company.
- Medical service business - The company has the policy to expand the business to hospital. The company is perceived as a good service provider and has a good work background and reliable because the company has worked with the government. That makes the company is more confident to get approach to hospitals.
- Original equipment manufacturer (OEM) of water treatment system - Previously, the company imported and distributed products from abroad to pass them to industrial business or water treatment entrepreneurs. Now, the company has set the Innovative and Project Department to especially expand the customer base by approach to the group of customer that requires special order. The company will design the purified water treatment system following the special and unique order from customer.

Customer segments

Revenue ratio can be divided according to customer segments as follow;

(Unit: Million Baht)

Revenue divided by customer segments	2013		2014		2015		Increasing rate of customer
	Million baht	Ratio (%)	Million baht	Ratio (%)	Million baht	Ratio (%)	
1. Industrial business and water treatment entrepreneurs	72.83	24.05%	74.67	20.70%	75.44	20.67%	1.03%
2. Commercial and residential business	176.40	58.24%	225.74	62.57%	212.33	58.19%	-5.94%
3. Medical service business	53.63	17.71%	60.34	16.73%	77.13	21.14%	27.83%
Total revenue	302.86	100.00%	360.75	100.00%	364.90	100.00%	
Increasing rate	17.78%		19.11%		1.15%		

1) Commercial and residential business

In 2013 - 2015, the company got revenue from the commercial and residential business for 58.24%, 62.57%, and 58.19% in order, of the total revenue. The majority of customer is in food and beverage business, such as food chain restaurant, coffee house, and popular and brand named convenient store both in domestic and from abroad. This target customer has the specific standard from franchise owner for the water quality, and the standard of purified water treatment system approved by international organization. The customer gives priority not to take a risk that might cause losses in the business. Because if products and equipments do not meet the standard, the problems from the water treatment system might happen and cause the business to stop. Generally, franchise customer has a precise action plan of branch increasing and will specify the duration for installation and maintenance to the company. Therefore, the company will provide the action plan of the purified water treatment system installation according to other operations of customer's project and also make the schedule plan for the purified water treatment system maintenance service.

2) Industrial and original equipment manufacturer "OEM"

In 2013 – 2015, the company got revenue from the industrial and original equipment manufacturer for 24.05%, 20.70%, and 20.67%, in order, of the total revenue. The company's industrial customer is in various businesses. Their products do not directly concern with water treatment but in the production process, purified water is required, such as contact lens factory, textile factory, chemical industry, pharmaceutical factory, food flavouring factory, and etc. This target customer has a special requirement and different standard of water purification depending on the type of industry. The company has the diversity of products and equipments that meets the requirement of customer in different industry. The customer in these business require entrepreneurs that can provide specialists in various areas of engineering, such as electrical, chemical, mechanical, environmental, and etc. to advise and design the system and recommend the proper tools and equipments. For indirect

customer in the industrial, the company just has the connection with the original equipment manufacturer because the company does not have the business with them. The original equipment manufacturer conducts is the main contractor of industrial projects, so the service and responsibilities of the company will be stated in the agreement between the company and the original equipment manufacturer.

3) Medical service business

In 2013 – 2015, the company got revenue from the medical service business for 17.71%, 16.73%, and 21.14%, in order, of the total revenue. The company has developed the product and the production process for medical centers because the quality of purified water has to meet the standard and be approved for medical activities and management. Medical services has different target customers, such as dialysis center, dental center, skin care center, health care and beauty center, and other departments in hospitals. With a long experience, and the company and the Managing Director are well up to chemistry, the purified water treatment system using for medical, and the standard regulations from the Ministry of Public Health, the company places importance on the target customer of government and individual hospitals and medical center that have dialysis center. The company considers that the target customer has a complex technical standard of the whole installation process and chemical knowledge is required. The company focuses on the one stop service for the target customer to build the base for service expanding to other medical areas in the future. Now, the company provides service to design, assemble, and install the purified water treatment system for dialysis to meet the international standard for hospitals and dialysis center and also conducts for system maintenance. The company also manufacturing concentrated products for dialysis machine dialysis (Dialysis Solution) as raw materials to customers for use in the dialysis process. The company has portable purified water treatment product with disinfection that is waiting for approval for patent registration for intellectual property to use in dialysis center replacing for the main system during repairing or maintenance. The customer requires professional specialists because the system controllers are physicians and nurses and the users are patient. Moreover, the company can distribute, design, assemble, and install the system in the term of rental agreement for the period of 5-8 years.

Competitive conditions

The competitive conditions of distribution, design, assembly, installation, after sales service, repair, and service maintenance of the purified water treatment system can be divided according to customer in 3 categories;

1) Commercial and residential business

The competitive condition of the commercial and residential business, the company has many competitors that are small and medium entrepreneurs. Most of them conducts the purified water treatment system business for residential. Some of them bring the products and equipments for residential to market for commercial that some customer does not have understanding about the different of the efficiency to use for commercial and residential is in particular. Therefore, the water is irregular and causes a high tendency of damages. Some entrepreneurs is distributors that have similar products and equipments and are the transnational companies that have dealers in Thailand but do not have enough service center comparing with customer's requirement for after sales service of the maintenance.

The important element of service for commercial business marketing is the product efficiency and after sales service that is developed according to customer's requirement to have entrepreneurs got involved in problem solution and production support to have a smooth and continuous process. Besides, various standards are brought as specification by business partners and franchise owners to control and verify product standard of their branches to have the same standard. Therefore, the

water standard has to be approved internationally and in domestic. And the company has staff that is potential to service for all area in Thailand with the specific schedule. This makes new entrepreneurs facing troubles to conduct one stop service of the purified water treatment system. The company is expert at design, assembly and installation of the purified water treatment system to meet the standard and has products and equipments that meet international standard. Moreover, the company has its own water laboratory and can plan the standardized schedule to finish job within duration.

2) Industrial and original equipment manufacturer “OEM”

Due to the company has many competitors and most of them are the small and medium entrepreneurs that are competitors and business partners with OEM. Each industrial group has the standard regulations especially for water purification and there are various standard for the process of water purification. However, the company is the importer of a variety of the purified water treatment system products and equipments. The company is also a distributor of the top products and equipments from abroad that can service industrial group. The company can provide the one stop service such as design, assembly, and the purified water treatment system installation depending on customer’s requirement, or distribute products and equipments because in the competitive condition that there are many entrepreneurs in industrial target group that have the limitation of products and equipments. They cannot provide service immediately and cannot conduct after sales service continuously because they are not capable to provide the maintenance or have the limitation of customer area approaching. Therefore, their competitive condition is to assist and support each other. Whereas the company is in the condition that can provide one stop service and service some part of the system, such as product assembly like OEM’s, installation, and/or distribution of products and equipments. The after sales service to give maintenance depends on the negotiation with manufacturers. The company is aware of OEM water system because some OEM has a good relationship with the end user. Therefore, the company always thinks that OEM is like representative of the company. And the company has an apparent policy for OEM to develop the mutual business in a long term.

3) Medical service business

The company has a small number of competitors because in this business the service provider has to be experienced in modern medical technology continuously and understands the standard from organizations such as, the Ministry of Public Health and relating organizations and departments. The knowledge of design, assembly, and installation of the purified water treatment system might be the limitation of most entrepreneurs that cannot respond to customer’s requirement in medical service. Each field of medical service, such as dialysis center, dental center, health care and beauty center, require different quality of purified water. There are a small number of entrepreneurs that have specialist, so they can conduct just as the subcontract or just some part of installation that might cause difficulties to customer that have to hire many contractors and cause the delay in installation and after sales service.

For the medical service, the company gives priority to dialysis center that has the complex installation and service. Dialysis center requires a high standard of purified water because it concerns patient’s living that cannot let any substances stay in the system so that the specialists are required. The customer also has a high standard appointed by medical association to prevent any mistakes. At the present, the company is a leader of the purified water treatment system for dialysis center. The business is for medical service that concerns high standard quality of the purified water treatment system. The company can provide turnkey project, such as electrical system installation, piping, and furniture installation and also provides the one stop service of the system maintenance.

Moreover, The company has the product of portable purified water treatment product with disinfecting that is waiting for approval for patent registration for intellectual property to use in dialysis center replacing for the main system during repairing or maintenance.

Distribution and distribution channels

The company has distributions according to customer as follow;

1) Commercial and residential business

The distribution channels for commercial and distribution channels mostly are from the increasing customer, especially franchise that has the tendency to increase their branches according to the growing economy. Whereas, customer that is satisfied with the company's service will pass along the company to new customer. In addition, the company always joins trade fairs of the purified water treatment system to meet target customer and business partner.

2) Industrial and original equipment manufacturer "OEM"

The company has dealer that is an entrepreneurs of the purified water treatment system as OEM to find new customer. The condition and responsibility depends on negotiation between the company and the dealer. Meanwhile, the company has the Sales team that will analyze the target customer to offer the service.

3) Medical service business

The majority of distribution channels among medical service, especially dialysis center are already well known by the customer because there are a small number of entrepreneurs that are efficient enough. However, there are customers in individual and governmental. Anyway, the government customer sometimes conducts bidding for the project.

Industrial conditions

The company has serviced for the purified water treatment system for almost 20 years, so it has various targets of customer. In the past 10 years, commercial and residential customer has been highly increasing. Nowadays, the company got revenue mainly from customer in this business. Customer that conducts this type of business, such as groceries or convenient store, food and beverage restaurants, coffee house that have branches are the business that emphasizes on the domestic consumption. In the production process, the company has the customer in industrial and original equipment manufacturer (OEM). At the beginning, for the purified water treatment system service, the company serviced for industrial customer, so the company was well known in the production sector, such as beverage manufacturers, other industrial factories that have water treatment in the production process. The company also distributes the purified water treatment system products and equipments for OEM. For the medical service customer, they are the new customer that the company has serviced for 10 years and the business is growing. The medical service customer is mostly the government hospitals and clinics that conduct dialysis center.

From the target customers above, it demonstrates that the company focuses on the customer concerning food and beverage and health. The overall of food and beverage industry, eat out and fast food, and health industry of Thailand is growing continuously, influenced by country's growing economy, the government's policy of public health care, and Thais' consuming behavior that prefers to eat out or buy instant food and beverage to have at their home. Those elements as mentioned are the important points of the company's growing business.

Retail business

Retail business as convenient store is still increasing and attractive for the investment from current entrepreneurs and retailers from other businesses. There are patterns of the business and franchise. The company's Managing Director advised that the cost of the purified water treatment system installation of convenient store is between 18,000 - 23,000 baht and the cost of maintenance is between 3,000 - 5,000 baht per year.

Restaurant business

There are many types of restaurant and many kinds of food that people can easily choose for their choice. Food is an important basic element for living. The tendency of eating out is increasing because of the condition of community at present day that is against the time. The traffic problem reduces the convenience of cooking and eating at home, so people choose to go eating at restaurants instead. However, the restaurant business is fluctuated by macro economy that affects consumer's revenue and change the demand of consumer. At the time, there are a large number of restaurants because it is not a complicated business that causes a high competition. We can divide types of restaurant into 3 categories. There are quick serviced chain-restaurant, big restaurant, and small restaurant. All of these kinds of restaurant, the quick serviced chain-restaurant is the major revenue of the company.

The company's Managing Director advised that the average of main cost structure to conduct the restaurant business includes food cost, beverage cost, and ingredient cost. 45% is for employee salary and service. 22% is for other expenses including cost of building, location, public utility, materials and equipments, and other expenses for 35% of the total cost.

Industrial factory business

According to the Department of industrial works since December 2012 - December 2015 the number of certified industrial factories have not changed much because there were closing factories and new opening factories during those years. The number of certified factories from the Department of industrial works and the average of investment per factory during year 2012 - 2015 can be concluded as the following diagram;

The number of certified industrial factories by the Department of industrial works since December 2012 - December 2015

Year	Number of factories	Investment (million baht)	Average of investment per factory (million baht)
Dec-2012	306	68,305	223
Dec-2013	378	24,273	64
Dec-2014	355	47,953	135
Dec-2015	356	34,502	97

Source of information The Department of industrial works

In December 2015, there are 103 certified factories in Bangkok and surrounding provinces, 28.93% of total number of factories. In provincial area, there are 253 certified factories, 71.07% of total number of factories.

The number of certified industrial factories by the Department of industrial works since December 2015 by region

(Unit: Million Baht)

Region	Number of factories	Investment (million baht)	Average of investment per factory (million baht)
- Bangkok	13	108	8
- Surrounding provinces of Bangkok	90	10,410	116
Total Bangkok and Surrounding	103	10,518	102
Region			
- Central region	88	16,825	191
- The Eastern	27	1,825	68
- The North Eastern	48	1,201	25
- The Northern	51	2,116	41
- The Southen	39	2017	52
Total Region	253	23,984	95
Total	356	34,502	97

Source of information The Department of industrial works

The company's Managing Director advised that the current target customer of industrial factories is mostly in Bangkok and surrounding provinces and the Central region. The cost of equipment and for maintenance is average at 30,000 - 1,700,000 per year.

Medical service business

Due to the company's service of the purified water treatment system, it is the main reason that helps the company able to reach the target of customer of medical service. The medical service requires the high quality of purified water and high quantity of usage, such as dialysis center, dental center, health care and beauty center, and other departments in hospitals. The company has reached the customer of dialysis center because the company envisions that dialysis has the special requirement and the complex system. And there are a small number of the entrepreneurs that have specialists of the purified water treatment system for this area.

For dialysis center, the Managing Director of the company advised that every 5 years dialysis center will have major overhaul for the system that costs 100,000 - 400,000 baht. And annually, dialysis center will have expenses on equipment purchasing and maintenance about 50,000 - 120,000 baht.

2.3 Products and equipments supply

The company imports the purified water treatment system products and equipments including filter system, fiber glass housing tank, automatic strainer, filter, UV disinfection, ultra filtration, and reverse osmosis filtration, etc. And the company supplies for important equipments in domestic including water pump and industrial filter housing, etc. In year 2013 - 2015, the number of imported purified water treatment system is at 58.06%, 53.35% and 55.25%, of the total order. The rest is the domestic supply. Most of the imported products of the company has trademark name of Pentair business group that is well known in USA. In year 2013 - 2015, the company purchased products from the business group at 31.73%, 30.51% and 32.30%, in order, of the total purchased order. The company is the dealer for the Pentair and has a good business relationship for almost 20 years and their purified water treatment system products and equipments meet the standard that is approved internationally.

Environmental impact

-None-

2.4 Unfinished job

On December 31 2015, the company has a job of distribution with design, assembly, and the purified water treatment system installation from Irving Cor. Co., Ltd. to process for the purified water treatment system installation and the office decoration of dialysis department for the center. There are 2 agreements. The total job value is 4.16 million baht. The job will be handovered within year 2016.

3. Risk Factor

The risk factor mentioned herein is the significant factor possibly affecting its operation. The investor should consider risk factor which may occur with the Company other than what has been specified in this document supporting the investment consideration. The significant risk factor can be concluded as follow:

3.1 Default Risk of Account Receivables and Accrued Income

In 2015, the company's account receivables and accrued income before deduction of allowance for doubtful accounts were 79.51 million Baht or estimated into proportion of 19.53 % of its total assets. The proportion of account receivable and accrued income per total assets was in high level (see detail in Part 3, Topic 14 Financial Status in part of account receivable and accrued income). Therefore, if the nature of the customer of the group of the company is bad debtor allowance for doubtful accounts in significant amount and delay in collection period of debt, it may affect its financial liquidity and overall operation in accompany with the risk that may occur in the future from credit grant in to its customer if the company has none of effective process of control, audit and monitoring on credit granting to its customer.

Apart from the company's ordinary account receivable, Irving Corporation Co., Ltd. which is its subsidiary company provides service of system design, assembly and installation relating purified water treatment partly to the customers in the business group of medical services in the nature of financial lease with 5-8 year lease term. As of 2015, account receivables of its financial leases were 22.44 million Baht or estimated at the proportion of 5.51% of total assets. In last 3 year period, account receivables based on its financial leases have been continuously expanded and consistent with the expansion of its total revenues (see detail in Part 3, Topic 14 Financial Status in part of account receivables based on financial leases). The company may have default risk from its customers based on such financial leases if the company has none of effective credit granting system to its customers including selection of the customers of financial leases, it will affect its overall operation in the future.

However, credit term granting to customers is the normal operation. The company's policy is to emphasize on quality control of account receivables which are new customers (except the major customers which are generally recognized and reputed juristic persons) that they must have orders in cash for a certain period prior consideration on credit granting in ordering. In addition, the company's credit term granting policy is circumspect with customers under consideration on customer credit review and closely debt collection from all debtors. Moreover, the company also assigns Financial Department to set up debt collection team from customers in case of long delay of payment by debtor. In this part of working, the cooperation is mutually done with Marketing and Sales Department starting from monitoring and collecting of debt that begins to have overdue payment for longer than 30 days. The company shall regularly have monthly check as well as prepare summary report specifying reason of delay for each debtor. In every quarter, the report of account receivable aging and accrued income with long period shall be presented to the Audit Committee to be informed on collection result. In addition, the company formulates allowance for doubtful accounts policy for private sector company under consideration on the debtor with overdue payment for 180-360 days, allowance for doubtful accounts is provided in the rate of 50% of outstanding debt amount. In case of receivable with over than 360-days aged overdue payment, the company shall apply the rate of allowance for doubtful accounts at 100% from total outstanding debt. Moreover, the company also formulates allowance for doubtful accounts policy for governmental sector customer under consideration on receivable with over than 540-720 days aged overdue payment, allowance for doubtful accounts is provided in the rate of 50% of outstanding debt amount. In case of the receivable with over than 720 days aged overdue payment, allowance for doubtful accounts shall apply allowance for doubtful accounts in the rate of 100% from total outstanding debt amount. In part for the policy of financial lease's allowance for doubtful accounts, the company formulates allowance for doubtful accounts for receivable of financial lease from receivable with default of over than 6 installments of debt payment. The company shall discontinue recognition of revenue from maintenance service work and allowance for doubtful accounts is provided in the rate of 100% of balance value of receivable based on financial lease in individual contract. However, in the past 3 year period, the company has never confronted with the problem from bad debts from receivables of financial leases. The debt collection later than due date of debt payback has been very few since most of the receivables based on financial leases have been the hospitals with long period of business engagement and credibility.

3.2 Risk from Stock of Inventory Quantity in High Level

As of the end of 2015, the company's inventory value was 127.82 million Baht or estimated at the proportion of 31.40% compared with total assets of the company. The purpose of stock of inventory is for high volume of business operation, resulting in the company's bearing of high storage expense and financial cost such as warehouse rental fee for goods storage, warehouse supervision staff expense, and installation of security system in warehouse, and the company's risk from fire and various disasters possibly causing loss on inventory. In addition, the company may face with financial illiquidity if product and equipment have low turnover rate. If the technological change of product and equipment relevant to purified water treatment system is significant, it will cause inventory obsolete and difficult for sale, resulting in possible requirement of entry of allowance for goods value reduction and affecting the company's overall operation and financial status.

Nevertheless, the company's policy is to emphasize on business and distribution of product and equipment relevant to complete purified water treatment system. Therefore, product and equipment must be available for service to customer in time as required by customer. It is necessary for the company to supply product and equipment to be stocked in rather high quantity for its customer. The main products and equipment stored by the company are products and equipment in type of quick turnover ratio, sale rate is rather high. However, the company prepares Aging Stock Report and Lost Moving Stock Report at the end of every quarter. Both reports are forwarded to Sale Department and the Management for data analysis emphasizing goods which are remained in stock for long time in order to plan and execute the sales of these inventories to avoid remained in the stock for long time in order to prevent product deterioration and product obsolescence. However, there has been insignificant change in technology relevant to purified water treatment system in the past 20 year period due to product figure design development into more attractive appearance. The company and Irving Corporation Co., Ltd. have considered on provision of allowance for goods value reduction of normal conditioned goods from overall condition of inventory management by the companies' management. The provision of allowance for goods value reduction is equal to difference between cost of goods sold and value expected to be salable for goods expected to have selling price lower than cost price and the provision of allowance for goods value reduction is in entire amount for out of order or damaged goods and obsolete goods. For ordering that goods, the company determines minimum quantity of inventory whereas the company will order goods when the level of inventory quantity is less than determined minimum quantity. The determination of such minimum quantity of inventory is consistent with Table for Goods used in each project or Bills of Quantity (BOQ) of which the company serves its customer in each project for consistency of the company's inventory stocking and actual use quantity and for excessive inventory stocking and ability to prevent inventory obsolescence. The ordering of large quantity of goods in each time can make the company save in operating cost and transportation cost of goods imported from abroad. Moreover, the company and Irving Corporation Co., Ltd. have insured fire and other disaster insurance policy for inventory in total sum insured limit of 75.60 million Baht or estimated to be the proportion of 59.15% of total net inventory as of 31 December 2015 for prevention of contingent loss in case of accident from fire and other disasters.

3.3 Risk from Dependency on Residential and Commercial Business Group

In 2013-2015, the company earned revenue from customers in residential and commercial business group estimated to be proportion of 58.24%, 62.57% and 58.19% of total revenues, respectively (see detail in Part 3, Topic 14 Financial Status in part of overall operation summary). Most customers have been the commercial entrepreneurs in food and beverage business group. Hence, if purchase demand or revenue of the consumer decreases, it will affect the expansion of food and beverage business, use demand of purified water treatment system and the company's revenue.

Nevertheless, commercial business group is the business related to consumption which is one of the four factors necessary for daily life. However, other than revenue from residential and commercial business group, in 2013-2015, the company also earned revenue from industrial group and entrepreneurs in water system (OEM) estimated to be the proportion of 24.05%, 20.70% and 20.67% of total revenues, respectively, and revenue from business group of medical services estimated to be the proportion of 17.71%, 16.73% and 21.14% of total revenues, respectively. Therefore, total revenues of the company have not been solely just dependent on the customers of residential and commercial business group.

For dependency on major customer, the company has had 2 customers with ordering quantity more than 10% of revenues from sale and service in the period of 2013. Such customers are the large-sized producer and distributor of soft drink with distribution channel all over Thailand and another customer that operates retail business (convenience store) with maximum branches in the country. The company has done business with these two customers for over 17 year period and has always had good business relationship. For 2014, the company has had none of major customers. In 2015, the company has one customers is retail business (convenience store), they have the most branches in the country with has order more than 10% of sale and service our revenues. They are a major customers as same as in 2013.

3.4 Risk from Dependency on Major Producers

With nature of the company's business in design, assembly, installation and service in the products of water filter, filter element, and equipment related to purified water treatment system in accompany with most of sold products which are imported from abroad and are products of the associated companies of Pentair, including 3 companies as follows: Pentair Filtration Solutions, LLC, Pentair Pacific Rim (Water) Limited and Pentair Water Asia Pacific Pte, Ltd. In 2013-2015, the company ordered products from the associated companies of Pentair in the proportion of 31.73%, 30.51% and 32.30% of total product ordering value, respectively, since product and equipment distributed by the company to customers have been from aforesaid producers. Subject to the condition of requirement and contract concerning sales volume target provided to the company, this has caused the significant import of products and equipment from such producers. Therefore, if the producer confronts with financial problem up to the level of plant shutdown or winding up or significant price adjustment, this will cause the company not adaptable in supply of products and service as substitute for distribution and service to customer in due time until possibly result in operating damage and loss of the company's revenue in this part.

However, the company has well concerned on risk of dependency on major producers. The company has made the dealership contract in product and equipment lines of the group of the associated companies of Pentair due to ongoing mutual business doing relationship of the company and the group of the associated companies of Pentair for over than 16 year period both in discussion on product and service related to products of water filter, filter element and equipment of purified water treatment system. The executive and supervisory level staff have been sent to attend the conference and training in different courses both in local and abroad determined by the group of the affiliated companies of Pentair. During inter-business doing, the company has never tended to create disputes causing that group of the affiliated companies of Pentair to cancel dealership contract. In addition, due to long experiences of the company with customer reliance and well cognizance on problem and customer demand, the relationship between the company and its distributors has been mutual supporting relationship. Moreover, the group of the affiliated companies of Pentair is the top famous manufacturing company of water filter, filter element and equipment of the world, having customers and distributors worldwide including Thailand. Hence, they are secure and reliable in international level. In part of risk from product price that may be significantly adjusted, the pricing will be regularly done by group of the affiliated companies of Pentair every year in advance, and cost and product price that may be changed is informed to the company so that the company can plan and adjust its product price to be consistent with cost gained.

3.5 Risk from Loss of Major Brand Dealership

As most products distributed by the company are in the group of the affiliated companies of Pentair consisting of two companies which are Pentair Filtration Solutions, LLC and Pentair Pacific Rim (Water) Limited under brand names of Pentair, Everpure, GE, Shurflo, Pentek, Fleck, Structural, Park, Homespring, Mertin and Fiberdyne, etc. They are the products related to purified water treatment system, water filter, filter element and equipment related to purified water treatment system. The company has been appointed as dealer in distribution of products of Pentair Filtration Solutions, LLC for 5 year period (from 2 January 2013 to 31 December 2017), and products of Pentair Pacific Rim (Water) Limited for 2 year period (from 1 February 2013 to 31 December 2014). The contract is dealership contract in type of non-exclusive ownership in dealership inside Thailand provided that the condition of minimum sales volume value per year for both 2 contracts. However, the dealership contract of Pentair Filtration Solutions, LLC and Pentair Pacific Rim (Water) Limited is the contract determining minimum sales volume with average annual increasing rate at 11% and 10% throughout the contract, respectively. Therefore, the company has exposed to risk from loss of dealership if the company cannot order products from such company in accordance with determined condition.

However, in last 3 year period, the group of the companies had ordering value from Pentair Filtration Solutions, LLC and Pentair Pacific Rim (Water) Limited in the attainable level of distribution value target as determined in such dealership contract. The company then has deemed that the target of ordering quantity of the products received from such manufacturing companies has had no significant impact on maintenance of dealership status of such group of the manufacturing companies, resulting in the company's confidence that distribution volume will meet target distribution volume and contract. In the past of over than 16 years, the company has had good relationship with affiliated companies of Pentair and has never breached any other agreements pursuant to dealership appointment. Moreover, the company has continuously gained support and dealership copyright throughout the past period. However, if in case that the company cannot order for minimum order quantity in each year, the company and dealers will additionally make agreement and negotiate for optimum benefit both of the company and product manufacturing companies. Anyhow, the company's strength is the service work unit covering services in every regional area of Thailand whereas the producers have no policy of self-marketing due to difficulty of service management. If the company must actually lose dealership, it can select another producer that has the same standard product.

3.6 Risk from Entry for Self-Marketing by New Competitor and Brand Owner Company

The distributorship and service business of purified water treatment system is a type of crucial business for country development since it is the basic factor necessary for general use for consumption. In addition, purified water treatment system has been crucial in other businesses and industries either being food and beverage business, manufacturing business using water system as the part of manufacturing process such as computer parts industry with requirement to use purified water in cleaning computer parts, etc. Medical business also requires for use of purified water treatment system in medical treatment process such as purified water treatment system for hemodialysis center, dentistry center, beauty care center and other medical care centers in clinics, etc. Therefore, purified water treatment system business has been the business with good business growth opportunity and large market size, resulting in risk from entry for self-marketing by competitor or brand owner.

Nevertheless, the company has operated its business in relation to purified water treatment system for 20 years, with competency both in term of technique, know-how and customer demand whether for customers of commercial group, manufacture industry group and medical services group under well awareness on completion and entry of new competitor. At present, there have been various entrepreneurs either being direct and indirect competitors such as purchase of product and equipment of the company for distribution and installation. Because of the large size of water business market and main factor in national economic development, the company develops and focuses on international service system and close customer relationship. The difference from other entrepreneurs has been generated from its experience, good customer relationship, problem comprehension, and systematic solution method accumulated for years. Thus, it has been the same for new competitor that will enter into this business for requirement of available prominent point superior than the company in order to enable to penetrate such market group. In addition, the company regularly provides training to its personnel to be knowledgeable and competent in technical problem solving and thorough and extensive service, and also has international standardized products and equipment, becoming the obstacle of entry of new competitor which needs to be prepared in complete product and service. The main supplier which will enter for self-marketing to compete with the dealers or the company will have low potential opportunity since the supplier's policy has been previously adhered for practice with other countries under collaboration with dealers of that country on mutual marketing. The supplier will focus on effective development of new products and equipment rather than entry for self-marketing.

3.7 Risk from Variation of Foreign Currency Exchange Rate

The products mostly distributed by the company are the products directly imported from abroad. The product ordering volume from abroad in 2013-2015 was estimated to be the proportion of 58.06%, 53.35% and 55.25% of total ordering volume, respectively. US Dollars currency has been applied for quotation and payment for such imported products. Hence, the company may be affected from variation of exchange rate particularly US Dollars, affecting the company's product cost and gross profit.

However, the company's profit (loss) from exchange rate is the consequence of the situation of which the company cannot accurately anticipate. The company then has opened forward financial limit in 40 million Baht financial limit as instrument in hedging or risk impact abatement from fluctuation of exchange rate. Moreover, the company has managed risk from foreign currency exchange rate by follow-up on movement of currency rate all the time. If exchange rate is changed until causing increase in the company's product cost, the company will adjust product price based on changing market situation under prior-notification to customers. Therefore, variation of exchange rate has not significantly affected the company's revenue and cost.

3.8 Risk from Dependency on Skilled Personnel

The company engages business in design, assembly, distribution and service in relation to purified water treatment system such as water filter, filter element and equipment including nature of work which is the project concerning purified water treatment and performing from design, assembly, installation and maintenance of purified water treatment system-related system. In rendering service of purified water treatment to be effective and consistent with customer demand, the company must rely on knowledge arisen from skill and experience for long time of its personnel with specific knowledge and competency. For example, the engineer supervises work and designs technique for customer utilization and technician group installs purified water treatment system and equipment of the company. The engineer mutually works with technician to acquire quality work as demanded by the employer and to enable to deliver work on schedule. Thus, if the company loses the personnel in such part of work, it may affect the capability of the company in work receipt, resulting in off-target operation.

From the experience in business operation of the company's management in this business for 20 year long, good business cognizance has been acquired under realization on giving the precedence to creation and retention of the company's personnel in order to prevent and abate such contingent risk. The company determines a guideline for quality development of the company's staffs by sending to attend the training in different courses in order to enhance knowledge and competency of staffs and reduce specific dependency on any staff and simultaneously encourage staffs to have sense of belonging in the company under proper care and welfare provision to staffs in each level for building work morale. In addition, the company continuously reinforces good internal relationship every year such as availability of mutual relation activity and arrangement of in-house seminar. From the ongoing guideline executed by the company, the company has never faced with shortage of professional engineers and technician group.

4. Assets Used in Business Engagement

4.1 Main Fixed Assets

The assets of which the company and its subsidiary company have used in business engagement as of 31 December 2015 consist of below.

4.1.1 Land and Improvement – on Leased Land

Title Deed No.	Location	Area	Title Owner	Net Value (million Baht)	Obligation	Possession Objective
27378	96 Rarm Intra 117 Alley, Bangchan Sub-district, Min Buri District, Bangkok	1-2-20 rais	The company	7.54	Guarantee of bank credit in total financial limit of 35 million Baht	Head Office's location
78396,78175	Pa Sak Sub-district, Mueang Lamphun District, Lamphun Province	70.9 sqw.	The company	0.18	None	Customer Service Center's location
116829, 116830	Tha Phra Sub-district, Mueang Khon Kaen District, Khon Kaen Province	36 sqw.	The company	0.08	None	Customer Service Center's location
152208, 152209, 152210	Klongtan Sub-district, Klongtan (at North Shore, prakanong, 8) Phra Khanong District, Bangkok	57.1 sqw.	The company	9.75	Guarantee of bank credit in total financial limit of 20 million Baht	for a subsidiary Rent to a Clinic for dialysis service
152246	Klongtan Sub-district, Klongtan (at North Shore, prakanong, 8) Phra Khanong District, Bangkok	15 sqw.	The company	2.56		Wait a distribution center development
89426	Sam Wa Tawan Tok Sub-district, Khlong Sam Wa District, Bangkok	4-1-33 rais	The company	38.13	None	Wait a warehouse development
Land Improvement and Improvement-on Leased Land	In the area adjacent to the company office's location	720 sqw.	Mr. Nattapol Sunanthasook (the third party without connection with the company)	0.05	None	Land lease by the company for contact of the company's staffs and visitor with the company
Total				58.29		

4.1.2 Other Fixed Assets

Description	Title Owner	Net Value (million Baht)	Obligation
Office Building and Building Improvement	The company and its subsidiary company	26.45	Guarantee of bank credit in total financial limit of 55.00 million Baht
Tool, Equipment and Purified Water Making Machine	The company and its subsidiary company	9.03	None
Furniture and Fixtures, and Office Equipment	The company and its subsidiary company	5.38	None
Vehicle	The company and its subsidiary company	11.14	Guarantee of financial lease for purchase of vehicles
Total		52.00	

Total net property, plant and equipment, furniture and fixtures, office equipment and vehicle, including assets under construction as of 31 December 2015 were 110.29 million Baht.

4.1.3 Intangible Assets

Computer Program

As of 31 December 2015, the company and its subsidiary company's intangible assets used in business engagement consisting of software copyright and computer program such as SAP Business One System Program, Accounting System Program, Warehouse Management System Program, and Microsoft Operation System Program, etc., had net book value of 3.04 million Baht.

4.1.4 Trademark

The company has registered trademark with Trademark Bureau, Department of Intellectual Property for each type of product. The term of this trademark registration is 10 year and it may be renewed in every 10 year as follows.

Name	Trademark	Type of Product	Registration Date	Expiry Date
TOREDO		Filter Element of Water Filter	7 October 2009	6 October 2019
Water Care		Automatic Cleaning Water Filter Aquatic Bactericidal Disinfecting Machine	13 November 2008	12 November 2018
HYDRA Mate		Water Filter, Filter Element	22 May 1998	21 May 2018
HYDRA mate		Water Filter, Filter Element	22 May 1998	21 May 2018
INNOVATEK		Automatic hot and cold water dispenser	Listed on July 24, 2015. (In approval process)	

Moreover, Irving Corporation Co.,Ltd. has been under approval of registration on patent application from Department of Intellectual Property which has been under information search and consideration under following details.

Name of Patent	Purified Water Making Machine Equipped with Mobile Disinfecting System
Nature of Invention	Purified Water Making Machine Equipped with Mobile Disinfecting System Used with Artificial Kidney
Name of Applicant	Irving Corporation Co.,Ltd.
Name of Inventor	Dr. Wijit Techakasem
Date of Application	4 December 2009

4.1.5 Significant Contract Related to Business Operation

Dealership Contract

1) Contract between the Company and PENTAIR FILTRATION SOLUTIONS, LLC

Contractual Party	:	PENTAIR FILTRATION SOLUTIONS, LLC
Term of Contract	:	5-year contractual term from 2 January 2013 to 31 December 2017
Essence of Contract	:	The company is licensed to be the dealer of the products of PENTAIR FILTRATION SOLUTIONS, LLC, for product and service of filtration system in Multi-Units Foodservice Businesses. <u>The company is granted for non-exclusive ownership in dealership inside Thailand and the dealer is not permitted to do marketing and sell products outside Thailand.</u> The requirement of PENTAIR FILTRATION SOLUTION, LLC for ordering target quantity in each year is yearly increased in the average of 11% throughout the contract. However, if the dealer sells or does marketing of products via the channel in website internet system, it shall be approved from PENTAIR FILTRATION SOLUTION, LLC prior operation. In addition, PENTAIR FILTRATION SOLUTION, LLC, warrants its products in case of product damage as the result of raw material and production for 1 year period from product delivery date to the dealer. Unless the case of damage is arisen from installation of product by wrong method or product repair and modification by others which are not PENTAIR FILTRATION SOLUTION, LLC, or misuse and excessive use over the capacity of those products, etc.
Promising Brand	:	Pentair, Everpure, Shurflo, GE, Pentek Fleck, Structural, Parks, Homespring, Merlin and Fiberdyne
Condition of the Contract	:	In contractual renewal, if PENTAIR FILTRATION SOLUTIONS, LLC or the dealer does not request for cancellation or revise the Contract, PENTAIR FILTRATION SOLUTIONS, LLC shall automatically execute the contractual renewal for another 1 year if the Contract is not prematurely cancelled.
Termination of the Contract	:	If the company (the dealer) cannot order products in accordance with target quantity determined by PENTAIR FILTRATION SOLUTION, LLC; or service and sales personnel of the dealer is not adequately trained in product group of PENTAIR FILTRATION SOLUTION, LLC; or the dealer breaks the rule to sell product outside the area of which the Contract grants for license of distribution; or if the main property is transferred (apart from normal business engagement) or more than 10% of the company's shares are transferred by any reason; or there is significant change in major shareholders and key executive of the dealer such as resignation and discharge by any reason without notification on reason of change to PENTAIR FILTRATION SOLUTION, LLC, and without written consent from PENTAIR FILTRATION SOLUTION, LLC.

2) Contract between the Company and Pentair Pacific Rim (Water) Limited

Contractual Party	:	Pentair Pacific Rim (Water) Limited
Term of Contract	:	2-year contractual term from 1 February 2013 to 31 December 2014
Essence of Contract	:	The company is licensed to be the dealer of the products of Pentair Pacific Rim (Water) Limited, for product and service of water filtration system in business group of Residential Market. <u>The company is granted for non-exclusive ownership in dealership inside Thailand and the dealer is not permitted to do marketing and sell products outside Thailand.</u> The requirement of Pentair Pacific Rim (Water) Limited for ordering target quantity in each year is yearly increased in the average of 10% throughout the contract. However, if the dealer sells or does marketing of products via the channel in website internet system, it shall be approved from Pentair Pacific Rim (Water) Limited prior operation. In addition, Pentair Pacific Rim (Water) Limited warrants its products in case of product damage as the result of raw material and production for 1 year period from product delivery date to the dealer unless the case of damage is arisen from installation of product by wrong method or product repair and modification by others which are not Pentair Pacific Rim (Water) Limited, or misuse and excessive use over the capacity of those products, etc.
Promising Brand	:	Pentek, Fleck and Park
Condition of the Contract	:	In contractual renewal, if Pentair Pacific Rim (Water) Limited or the dealer does not request for cancellation or revise the Contract, Pentair Pacific Rim (Water) Limited shall automatically execute the contractual renewal for another 1 year if the Contract is not prematurely cancelled.
Termination of the Contract	:	If the company (the dealer) cannot order products in accordance with target quantity determined by Pentair Pacific Rim (Water) Limited; or service and sales personnel of the dealer is not adequately trained in product group of Pentair Pacific Rim (Water) Limited; or the dealer breaks the rule to sell product outside the area of which the Contract grants for license of distribution; or if the main property is transferred (apart from normal business engagement); or more than 10% of the company's shares are transferred by any reason; or there is significant change in major shareholders and key executive of the dealer such as resignation and discharge by any reason without notification on reason of change to Pentair Pacific Rim (Water) Limited and without written consent from Pentair Pacific Rim (Water) Limited.

4.1.6 Warehouse Lease

1) Lease of Warehouse Building which is located at No. 450 Charoen Phatthana, Bang Chan Sub-district, Khlong Sam Wa District, Bangkok, with approximate area of 1,680 square meter pursuant to the Lease dated 6 July 2014 under below detail.

Lessor	:	Meechai Real Estate Company Limited
Lessee	:	Filter Vision Public Company Limited
Lease Fee Rate	:	From 6 July 2014 to 31 December 2014, it is 97,400 Baht per month and afterwards until contractual expiration, it is 113,400 Baht per month and security money of lease fee is 453,600 Baht. If the Lessee defaults not to duly pay lease fee, the Lessor can charge interest at 3,780 Baht per day.
Term of the Contract	:	2 years and 6 months from 6 July 2014 to 31 July 2016
Condition of the Contract	:	If the Lessee intends to renew the Lease when lease term is expired, the Lessee shall notify by writing to the Lessor for acknowledgement at least 90 days prior expiry of lease term otherwise it is deemed that the Lessee does not intend to request for lease term renewal and the Lease is forthwith discontinued once the Lease is expired.
Essence of the Contract	:	In case that the lease term of the Lease is expired or in case that the Lessee acts to violate the Lease, and the Lessor cancels the contract if the Lessee does not move property and hand over the leased premise to the Lessor, the Lessee shall pay daily fine to the Lessor for 3,780 Baht per day until the Lessee hands over the leased premise for return in good condition. In case that the Lease is terminated under no circumstances and the Lessee does not act to violate the Lease or cause any damage, the Lessor shall return all security money after the Lessee finishes the return of premise within 15 days.

2) Lease of Warehouse Building which is located at No. 209/1 (Warehouse 4-B), Charoen Phatthana Road, Bang Chan Sub-district, Khlong Sam Wa District, Bangkok, with approximate area of 250 square meter pursuant to the Lease dated 1 September 2014 under below detail.

Lessor	:	Meechai Property Company Limited
Lessee	:	The subsidiary company (Irving Corporation Co.,Ltd.)
Lease Fee Rate	:	It is 13,000 Baht per month and security money of lease fee is 58,336 Baht. If the Lessee defaults not to duly pay lease fee, the Lessor can charge interest at 450 Baht per day.
Term of the Contract	:	1 year and 11 months from 1 September 2014 to 31 July 2016
Condition of the Contract	:	If the Lessee intends to renew the Lease when lease term is expired, the Lessee shall notify by writing to the Lessor for acknowledgement at least 90 days prior expiry of lease term otherwise it is deemed that the Lessee does not intend to request for lease term renewal and the Lease is forthwith discontinued once the Lease is expired.
Essence of the Contract	:	In case that the lease term of the Lease is expired or in case that the Lessee acts to break the Lease and the Lessor cancels the contract, if the Lessee does not move property and hand over the leased premise to the Lessor, the Lessee shall pay daily fine to the Lessor for 970 Baht per day until the Lessee hands over the leased premise for return in good condition. In case that the Lease is terminated under no circumstances and the Lessee does not act to violate the Lease or cause any damage, the Lessor shall return all security money after the Lessee finishes the return of premise within 15 days.

3) Lease of Warehouse Building which is located at No. 209/1 (Warehouse 4-D), Charoen Phatthana Road, Bang Chan Sub-district, Khlong Sam Wa District, Bangkok, with approximate area of 250 square meter pursuant to the Lease dated 5 January 2015 under below detail.

Lessor	:	Meechai Property Company Limited
Lessee	:	The subsidiary company (Irving Corporation Co.,Ltd.)
Lease Fee Rate	:	It is 13,000 Baht per month and security money of lease fee is 58,336 Baht. If the Lessee defaults not to duly pay lease fee, the Lessor can charge interest at 970 Baht per day.
Term of the Contract	:	1 year and 7 months from 5 January 2015 to 31 July 2016
Condition of the Contract	:	If the Lessee intends to renew the Lease when lease term is expired, the Lessee shall notify by writing to the Lessor for acknowledgement at least 90 days prior expiry of lease term otherwise it is deemed that the Lessee does not intend to request for lease term renewal and the Lease is forthwith discontinued once the Lease is expired.
Essence of the Contract	:	In case that the lease term of the Lease is expired or in case that the Lessee acts to break the Lease and the Lessor cancels the contract, if the Lessee does not move property and hand over the leased premise to the Lessor, the Lessee shall pay daily fine to the Lessor for 970 Baht per day until the Lessee hands over the leased premise for return in good condition. In case that the Lease is terminated under no circumstances and the Lessee does not act to violate the Lease or cause any damage, the Lessor shall return all security money after the Lessee finishes the return of premise within 15 days.

4.1.7 Insurance Contract

The company has insured the risk of the assets including building office, furniture, decoration, office equipment, goods warehouse and inventory, etc., under below detail of insurance contract.

Contractual Party	:	Krungthai Panich Insurance Company Limited
Insurance Policy No.	:	30-15-00000106
Type of Insurance	:	Fire insurance of the assets of Filter Vision Pubic Company Limited on the location No. 95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510.
Term of the Contract	:	1-year contractual term from 18 May 2015 to 18 May 2016
Contractual Party	:	Krungthai Panich Insurance Company Limited
Insured Sum	:	Total amount of 19,600,000 Baht consisting of: - Office building for 18,901,000 Baht - Other building structures inside the insured assets such as warehouse, guardhouse and covering roof and fence for 699,000 Baht However, coverage of such insurance policy does not cover foundation of the building structure.
Beneficiary Pursuant to Insurance Policy	:	A financial institution pursuant to obligation of credit guarantee of the company

2) Fire Insurance Policy for office equipment of the company and inventory of Filter Vision Public Company Limited

Contractual Party	:	Dhipaya Insurance Public Company Limited
Insurance Policy No.	:	12001-018-150041502
Type of Insurance	:	Fire insurance for the assets of Filter Vision Pubic Company Limited on the location No. 95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510.
Term of the Contract	:	1-year contractual term from 1 July 2015 to 1 July 2016
Insured Sum	:	Total amount of 69,200,000 Baht consisting of: - Furniture and decorated things, and office equipment for total of 3,600,000 Baht - Stock of goods for total of 65,600,000 Baht whereas 22,400,000 Baht has been stored at Filter Vision Public Company Limited on the location No. 95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510 and another 43,200,000 baht has been stored on the location No.450 Charoen Phatthana Road, Bang Chan Sub-district, Khlong Sam Wa District, Bangkok 10510. The additional insured financial limit of this Insurance Policy for assets from damage includes the following. 1. Explosion Risk for 35,500,000 Baht, covering the insured asset damage from explosion circumstance including explosion due to gas combination residual from combustion inside fuel tank or from explosion in gas pipe or other pipe used as fuel pipeline into fuel furnace <u>except</u> any damage of Boiler, Economiser, Combustion Chamber, or machinery and equipment as the component of Boiler, as well as Pressure Vessel causing from auto-explosion. 2. Windstorm Risk (not disaster) (except residence) for 5,260,000 Baht, covering damage of the insured assets from water in the sea, lake or ocean which is blown or carried with windstorm and then causing surf to be inundated at the coast; the damage of the insured assets in the building due to rain, frost, snow, sand or dust passing and entering inside the building along the separated cracks of the building and building structure; and damage of sprinkler or other water pipes which are directly damaged from windstorm only <u>except</u> direct or indirect damage caused from windstorm risk which is the disaster pursuant to Disaster Insurance Policy; or damage from tidal wave or tsunami or high water or overflow or flood; and not covering movable assets stored in airy building or building with the open wall or stored at outdoor either being covered with canvas or any covering materials.

		3. Water Risk (excluding flood) for 35,500,000 Baht, covering damage of the insured assets from spill, leakage and release accident of water or steam from water pipe, water tank, heating system, cooling system, air-conditioning system, and including rain flowing and entering inside the building from damage of roof, window, door, window and door frame, vent, skylight, water pipe or gutter <u>except</u> damage caused from runoff and flood from outdoor or water penetrated into through wall, foundation and floor of the building, drain wash, breakage or leakage from underground water pipe system or underground fire extinguishing water pipe which is the main pipe located outside the insured premise or automatic sprinkler system.
Beneficiary Pursuant to Insurance Policy		Filter Vision Public Company Limited

3) Fire Insurance Policy for office equipment and inventory of Irving Corporation Co.,Ltd.

Contractual Party	:	Dhipaya Insurance Public Company Limited
Insurance Policy No.	:	12001-018-150041513
Type of Insurance	:	Fire insurance for the assets of Irving Corporation Co.,Ltd. on the location No. 95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510.
Term of the Contract	:	1-year contractual term from 1 July 2015 to 1 July 2016
Insured Sum	:	Total amount of 12,000,000 Baht consisting of: - Furniture and decorated things, and office equipment for total of 2,00,000 Baht - Stock of goods for total of 10,000,000 Baht whereas 9,000,000 Baht has been stored at Irving Corporation Co.,Ltd. on the location No. 95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510 and another 1,000,000 baht has been stored on the location No.290/1 Charoen Phatthana Road, Bang Chan Sub-district, Khlong Sam Wa District, Bangkok 10510. The additional insured financial limit of this Insurance Policy for assets from damage includes the following. 1. Explosion Risk for 12,000,000 Baht, covering the insured asset damage from explosion circumstance including explosion due to gas combination residual from combustion inside fuel tank or from explosion in gas pipe or other pipes used as fuel pipeline into fuel furnace <u>except</u> any damage of Boiler, Economiser, Combustion Chamber, or machinery and equipment as the component of Boiler, as well as Pressure Vessel causing from auto-explosion. 2. Windstorm Risk (not disaster) (except residence) for 1,200,000 Baht, covering damage of the insured assets from water in the sea, lake or ocean which is blown or carried with windstorm and then causing surf to be inundated at the coast; the damage of the insured assets in the building due to rain, frost, snow, sand or dust passing and entering inside the building along the separated cracks of the building and building structure; and damage of sprinkler or other water pipes which are directly damaged from windstorm only <u>except</u> direct or indirect damage caused from windstorm risk which is the disaster pursuant to Disaster Insurance Policy, or damage from tidal wave or tsunami or high water or overflow or flood, and not covering movable assets stored in airy building or building with an open wall or stored at outdoor either being covered with canvas or any covering materials. 3. Water Risk (excluding flood) for 5,800,000 Baht, covering damage of the insured assets from spill, leakage and release accident of water or steam from water pipe, water tank, heating system, cooling system, air-conditioning system, and including rain flowing and entering inside the building from damage of roof, window, door, window and door frame, vent, skylight, water pipe or gutter <u>except</u> damage caused from runoff and flood from outdoor or water penetrated into through wall, foundation and floor of the building, drain wash, breakage or leakage from underground water pipe system or underground fire extinguishing water pipe which is the main pipe located outside the insured premise or automatic sprinkler system.
Beneficiary Pursuant to Insurance Policy		Irving Corporation Co.,Ltd.

4.1.8 Lease of Automobiles for Commerce

The company and its subsidiary company have made lease of automobiles for commerce (pickups) for use in operation and service provision to customers of the company and its subsidiary company. The number of automobiles leased from external companies by the company and its subsidiary companies is 42 automobiles for 48 month lease term. The monthly expense of lease of automobiles for commerce of the company and its subsidiary company has been 0.58 million Baht.

4.2 Investment Policy in Subsidiary Company

The company has had the investment policy in subsidiary company or joint venture with the objective for engagement of business which is the supporting part of the company's business, resulting in increase in turnover or profit and ability to support the company's main business operation to be more complete. Currently, the company has invested in 3 subsidiary companies as follows.

- Irving Corporation Co.,Ltd. has invested for 100% of 25.00 million Baht of paid-up registered capital. The nature of business is to distribute product and service provider of purified water system, design and install purified water treatment system for industrial and medical service market.
- KT Medical Service Co., Ltd. has invested for 70% of 10.00 million Baht of paid-up registered capital. The nature of business is Clinic for dialysis.
- Medical Vision Co., Ltd. has invested for 75% of 10.00 million Baht of paid-up registered capital. The nature of business is Distribution, rent, preventive and maintenance of tools and diagnosis equipment for medical service including medical supplies and appliances.

However, the investment in subsidiary company and joint venture has been under control and audit of the Audit Committee and under governance of subsidiary company and joint venture. The company will send the company's director or select the experienced and qualified executive proper for business operation as the managerial representative in order to formulate the significant policy and control business operation of such subsidiary company and joint venture.

4.3 Cost Appraisal of Asset in Case of Acquisition or Disposal of Asset or Revaluation of Asset

-None-

5. Legal Dispute

As of 31 December 2015, the company and its subsidiary company had none of legal dispute which may significantly and adversely affect the company's business operation. In addition, the company and its subsidiary company had none of legal dispute which may adversely affect the company's assets with amount higher than 5% of the shareholding.

6. General Information and other Significant Information

6.1 General Information

6.1.1 FVC Information

Name of the Security Issuing Company	:	Filter Vision Public Company Limited (“the Company” or “FVC”) English name is “Filter Vision Public Company Limited” or “FVC”, and the name used for trading in the stock exchange is “FVC”.
Type of Business	:	To engage the distribution business of product and equipment related to purified water treatment system including design, assembly, installation, improvement, repair and maintenance of system related to purified water treatment system
Company Registration No.	:	0107555000091
Business Category	:	Medium-Sized Business
Industrial Group	:	Service
Registered Capital	:	195,000,000 Baht
Paid-Up Capital	:	129,025,850 Baht
Par Value	:	0.50 Baht
Location of Head Office	:	95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510
Website	:	www.filtervision.co.th
Telephone	:	+(662)518-2722
Facsimile	:	+(662)518-2723
Company Secretary	:	+(662)518-2722 ext. 644 Email address : cpanchit@filtervision-thai.com
Relation Investor Section	:	+(662)518-2722 ext. 644 Email address: ir@filtervision-thai.com

6.1.2 Information of Referring Person

Regulatory Agency of Security Issuing Company	The Office of the Securities and Exchange Commission 333/3 Vipavadi Rangsit Road, Chomphon Sub-district Chatuchak District, Bangkok 10900 Tel +(662)695 9999 and +(662)263 6499 Fax +(662)256 7711 Secretary-General Work Department ext. 9535, 9509 Email Info@sec.or.th Website www.sec.or.th
Regulatory Agency of Listed Company	The Stock Exchange of Thailand Building of the Stock Exchange of Thailand 93 Ratchadaphisek Road, Din Daeng District, Bangkok 10400 Tel +(662)009 9749 Fax +(662)009 9807-8 Information Service Center +(662)009 9999 Email SETContactCenter@set.or.th Website www.set.or.th

Security Registrar of Common Stock and Debenture	Thailand Securities Depository Company Limited Building of the Stock Exchange of Thailand 93 Ratchadaphisek Road, Din Daeng District, Bangkok 10400 Tel +(662)009 9382 Fax +(662)009 9001 Ext 9382 Information Service Center +(662)009 9999 Email SETContactCenter@set.or.th Website www.set.or.th/tsd
Auditor	Name of Auditor Mr. Boonlert Khaewphanphruek BPR Audit and Advisory Company Limited Tel +(662)634 5398 Fax +(662)634 5399 Email boonlert@bpraudit.co.th Website -
Legal Consultant	Name of Lawyer Mr. Phod Khomanant (Premier Lawyer Company Limited) Telephone +(662)982 8049-50 Facsimile +(662)982 8053 Email phodkhomanant@gmail.com Website -

6.1.3 General Information of the Company and its Subsidiary Company

General Information of the Company

Company		Type of Business	Registered Capital (million Baht)	Par Value per Share (Baht)	Paid-Up Capital (million Baht)	Shareholding Proportion (Direct+Indirect) (%)
Filter Vision Public Company Limited		Supply of product related to equipment related to purified water treatment system for distribution; and design, assembly, improvement, repair and installation of the system related to purified water treatment system and provision of service, care and maintenance of purified water treatment system	195.00	0.50	129.03	N/A
Registration No.	0107555000091					
Office	95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510 Telephone +(662)518-2772 Facsimile +(662)518-2723					
Business Category	Medium-Sized Business					
Industrial Group	Service					
Website	www.filtervision.co.th					

Subsidiary company

Company		Type of Business	Registered Capital (million Baht)	Par Value per Share (Baht)	Paid-Up Capital (million Baht)	Shareholding Proportion (Direct+Indirect) (%)
Irving Corporation Co.,Ltd.		Supply of product related to equipment related to purified water treatment system design, assembly, improvement, repair and installation of the system related to purified water treatment system and provision of service, care and maintenance of purified water treatment system for medical business	25.00	100.00	25.00	99.99
Registration No.	0105534119941					
Office	95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510 Telephone +(662)518-0600 Facsimile +(662)518-0620					
KT Medical Service Co., Ltd. ⁽¹⁾		Clinic for dialysis service	10.00	100.00	10.00	70.00
Registration No.	0105558091419					
Office	95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510 Telephone +(662)517-0274 Facsimile +(662)517-0275					
Medical Vision Co., Ltd. ⁽²⁾		Distribution, rent, preventive and maintenance of tools and diagnosis equipment for medical service including medical supplies and appliances.	10.00	100.00	10.00	75.00
Registration No.	0105558112491					
Office	95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510 Telephone +(662)517-0134-5 Facsimile +(662)517-0136					

Company		Type of Business	Registered Capital (million Baht)	Par Value per Share (Baht)	Paid-Up Capital (million Baht)	Shareholding Proportion (Direct+Indirect) (%)
New McArthur Company Limited ⁽³⁾		At present, the business operation was discontinued and the business was transferred to Filter Vision Public Company Limited.	5.00	100.00	5.00	99.99
Registration No.	0105541079631					
Office	95 Rarm Intra 117 Alley, Rarm Intra Road, Min Buri Sub-district, Min Buri District, Bangkok 10510 Telephone +(662)518-2772 Facsimile +(662)518-2723					

Remark

⁽¹⁾The Board of Director's Meeting No. 4/2015 on 14 May 2015 approved the company's investment in its subsidiary KT Medical Service Co., Ltd., which is registered as a limited company with the Ministry of Commerce on June 5, 2015

⁽²⁾The Board of Director's Meeting No. 4/2015 on 14 May 2015 approved the company's investment in its subsidiary Medical Vision Co., Ltd. which is registered as a limited company with the Ministry of Commerce On July 10, 2015

⁽³⁾The Board of Director's Meeting No. 2/2013 on 15 May 2013 resolved to approve New MacArthur Company Limited to wind up within September 2013. However, such subsidiary company registered for dissolution of the company with Ministry of Commerce in 30 September 2013, discontinued business operation on 27 June 2014 and completed liquidation.

6.2 Other Significant Information

-None-

A light gray world map serves as the background. Scattered across the map are several white, rounded rectangular icons containing gray symbols: a single person, a group of people, a person with a speech bubble, a person with a plus sign, a person with a camera, and a person with a magnifying glass.

PART 2

Management and Corporate Governance



7. Information of Securities and Shareholders

7.1 Number of Registered Capital and Paid-Up Capital

As of 31 December 2014, the company's registered capital has been 195 million Baht dividing into 390 million shares of ordinary shares at par value of 0.50 Baht and 129.03 million Baht of issued and paid-up capital.

7.2 Shareholders

The name list of the top ten shareholders as of 15 March 2016 which was the book closing date consisted of latest shareholders.

Name List of Shareholders	Number of Shares (Shares)	Percent (%)
1. The Techakasem Family Group		
- Mr. Wijit Techakasem	59,790,400	23.17
- Mr. Burachote Techakasem	9,241,600	3.58
- Miss Thanapa Techakasem	7,457,600	2.89
- Mr. Pisat Techakasem	6,852,400	2.66
- Mr. Prapan Suwannavet	6,451,000	2.50
- Mr. Burawat Techakasem	6,000,000	2.33
- Mr. Kritsada Techakasem	2,500,200	0.97
- Mrs. Mookda Techakasem	600,200	0.23
Total The Techakasem Family	98,893,200	38.32
2. Mr. SURAPHONG TRIAMCHANCHAI	26,287,100	10.19
3. Nippon Pack (Thailand) Public Company Limited	11,564,100	4.48
4. MR. Wattana Sawatthong	9,277,600	3.60
5. Mr. Thanaprot Tantiwattanawichit	8,144,600	3.16
6. P-SAT Corporation Co.,Ltd.	7,102,500	2.75
7. Mr. Montri Prachanpanich	6,515,000	2.52
8. MR.Danuj Bunnag	6,290,000	2.44
9. Miss Saravane Sirichanyakul	4,670,000	1.81
10. Mr. Anurot Seneepragonkrai by Securities Company AEC PLC.	4,500,000	1.74
Total	183,244,100	71.01

7.3 Issuance of Other Securities

-None-

7.4 Policy of Dividend Payment

The company and its subsidiary company's dividend payment policy is in rate of not less than 50% of net profit of separate financial statement after deduction of corporate income tax and after deduction of all types of reserves as prescribed by law or as proper if there is none of any necessity and that dividend payment has no significant impact on the company's usual operation or unless in the case that the company has the investment project in other project. However, the resolution of the Board of Directors on approval of dividend payment shall be approved from the Shareholders' Meeting unless interim dividend payment date that the Board has authority to approve interim dividend payment and will report the Shareholders' Meeting to be informed in next time of the Shareholders' Meeting.

8. Organization Chart

8.1 The Board of Directors

The Board of Directors is mainly responsible for decision making in useful operation for the company, its shareholders and stakeholders including staffs and community in the area where the company is operating, and also mutually determining vision, policy as well as operating budget with the Management as well as follow-up of overall operation of the executives and mutually consideration on giving proper suggestion in problem solving.

At present, the number of the Board of Director's members has been 11 people including below:

- 7 Non-Executive Directors consisting of 1 Company Directors and 6 Independent Directors;
- 4 Executive Directors consisting of Managing Director, General Manager, Assistant General Manager of Finance and Accounting Department, and Manager of Administrative Department

The name list of the Board of Directors as of 31 December 2015 has consisted of below.

No.	Name List of Directors	Position	Appointed Date
1	Mr. Chotisak Asapaviriya	Chairman of the Board	26 May 2012
2	Dr. Wijit Techakasem	Director	26 May 2012
3	Mr. Rapeepat Suansilpong	Chairman of the Audit Committee/Independent Director	26 May 2012
4	Mr. Kriettiporn Sirichaisakul	Audit Committee Member/Independent Director	26 May 2012
5	Mr. Thanate Khamcherdchuchai	Audit Committee Member/Independent Director	26 May 2012
6	Mr. Tosit Visalset	Independent Director	26 May 2012
7	Mr. Manit Theeratantikanon, M.D.	Independent Director	26 May 2012
8	Mr. Montri Prachanpanich	Director	26 May 2012
9	Mr. Thanaprot Tantiwattanawichit	Director	26 May 2012
10	Miss Thanapa Techkasem	Director	26 May 2012
11	Miss Panjit Chimpalee	Director	26 May 2012

The Board of Directors' Meeting No. 2/2014 on 14 May 2014 resolved to appoint Miss Panjit Chimpalee to hold office as the company secretary.

Directors Authorized to Bind Pursuant to Affidavit

The directors authorized to enter signature (s) binding the company are Mr. Wijit Techakasem or Miss Thanapa Techakasem or Mr.Thanaprot Tantiwattanawichit or Mr. Montri Prachanpanich two of these four directors jointly signs, with the company common seal being affixed

Changing Shareholding of directors as of December 31, 2558.

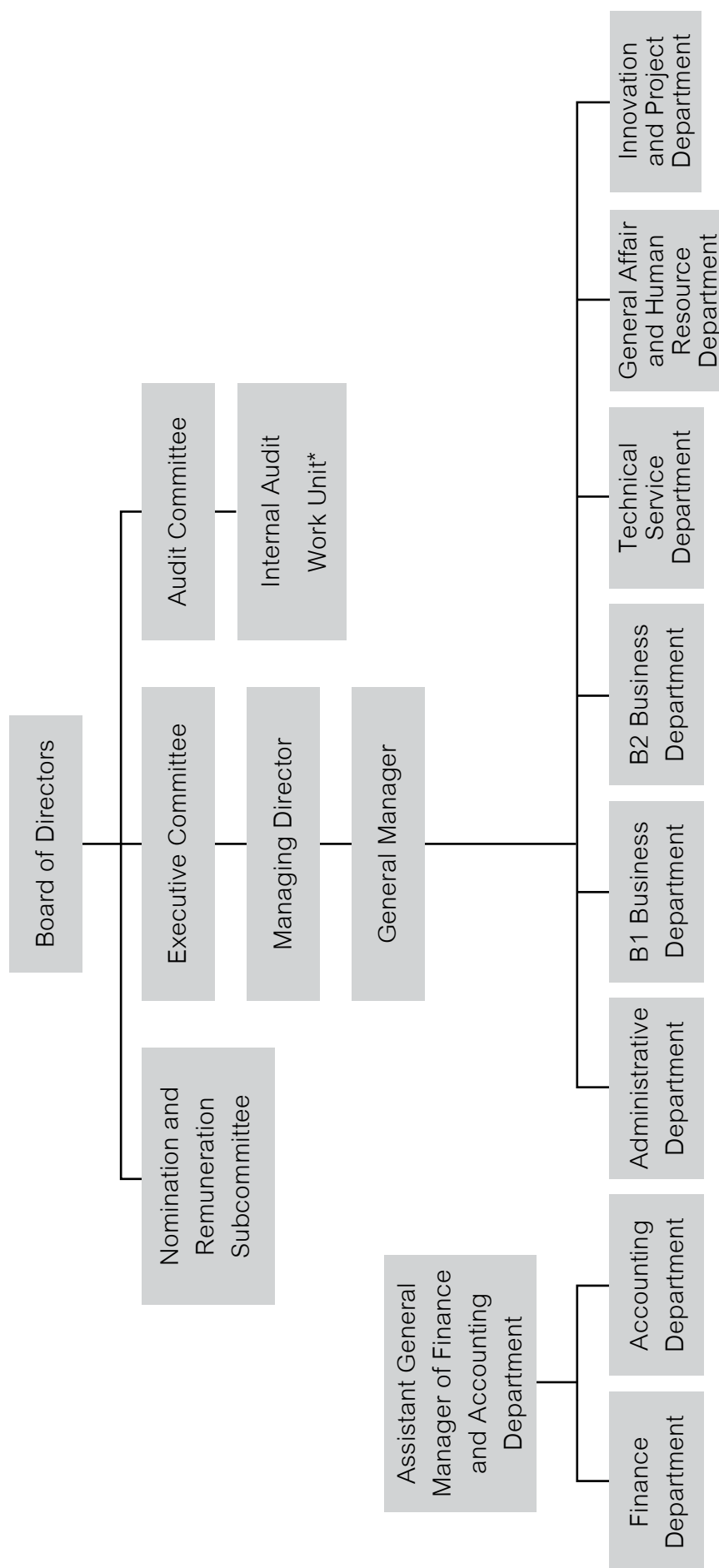
No.	Name List of Directors	Position	Number of Shares		
			31 Dec 15	31 Dec 14	Increase (Decrease)
1	Mr.Chotisak Asapaviriya	Chairman of the Board	-	-	-
2	Dr.Wijit Techakasem	Director	59,790,400	59,790,400	-
3	Mr.Rapeepat Suansilpong	Chairman of the Audit Committee/Independent Director	-	-	-
4	Mr.Kriettiporn Sirichaisakul	Audit Committee Member/Independent Director	-	-	-
5	Mr.ThanateKhamcherdchuchai	Audit Committee Member/Independent Director	-	-	-
6	Mr.Tosit Visalset	Independent Director	-	-	-
7	Mr. Mani Theeratantikanon,M.D.	Independent Director	-	-	-
8	Mr.Montri Prachanpanich	Director	6,515,000	6,515,000	-
9	Mr.Thanaprot Tantiwattanawichit	Director	8,144,600	8,144,600	-
10	Miss Thanapa Techkasem	Director	7,457,600	7,457,600	-
11	Miss Panjit Chimpalee	Director	-	-	-

8.2 Executives

As of 31 December 2015, the number of the company's executives has been 7 persons as follows.

No.	Name - Surname	Position
1	Dr. Wijit Techakasem	Managing Director
2	Mr. Thanaprot Tantiwattanawichit	General Manager
3	Miss Panjit Chimpalee	Assistant General Manager of Finance and Accounting Department Finance Department Manager Accounting Department Manager (Acting)
4	Miss Thanapa Techkasem	Administrative Department Manager
5	Mr. Pattanapong Khongkharat	B2 Business Department Manager Technical Service Department Manager General Affair and Human Resource Department Manager (Acting)
6	Mr. Somchai Hongsa	Innovation and Project Department Manager
7	Mr. Ratthapong Thathong	B1 Business Department Manager

Organization Chart as of 31 December 2014



* The company has hired Green Accounting Perfect Company Limited to perform as an internal audit of the company.

Scope of Authority and Responsibility of the Managing Director

With reference to the company's Annual General Meeting of Shareholders for 2013 on 26 April 2013, the scope, authority and responsibility of the Managing Director have included the following.

The Managing Director's duty is to manage and control the company in accordance with the primary objective of the company whereas the Managing Director shall function and be responsible for the company's operation by him or her or assigning other executives in following level to be the executor instead. The duty and responsibility of the Managing Director have included the following.

1. To prepare long-term plan (3 years) and short-term plan (1 year) as well as strategies to support long-term plan to attain target;
2. To prepare budget and operate the business under budget, plan and project and principle approved from the Board of Directors;
3. To organize the organization and work with authority to define organization chart, issue rule, regulation, order, circular for defining chain of command and flow chart; to define table of approval authority for working; to define level of work, job description and job specification;
4. To develop work systems consisting of information system for management, and evaluation and management system;
5. To administer human resource with authority to consider on employment/salary/wage/compensation/bonus consideration/staff remuneration in the position of deputy managing director downward; to appoint, demote and transfer, rotate work line; to consider on welfare under approved policy from the Board of Director; to reinforce organization culture; and strengthen skill and expert of the personnel for promotion of the company's tactic and strategy;
6. To control and oversee the company's management to be in line with the policy as formulated by the Board of Directors and/or the Executive Committee; and to report overall operation to the Board of Directors and/or the Executive Committee;
7. To be the authorized person in any business operations to be in line with objective, policy, rule, agreement, order as well as resolution of the Board of Directors' Meeting or resolution of the Shareholders' Meeting of the company;
8. To have authority to issue order, rule, announcement and memo so that working is in line with the company's policy and benefit, and internal work discipline is maintained;
9. To daily follow up and evaluate overall operation of the company for preparedness and prevention of contingent risk both from external factor and internal factor;
10. To have authority to act and represent the company with the outsider in relevant undertaking which is necessary and is normal commercial transaction for the company's benefit;
11. To have authority to open and close different types of deposit accounts with bank and financial institution for convenience of the company's normal business operation under mainly concern on the company's benefit;
12. To approve the appointment of consultants in different areas necessary for the company's operation or for compliance with the relevant law through The Executive Committee and/or the Board of Directors;
13. To occasionally perform other duties as assigned from the Board of Directors.

Other than the aforesaid authority and responsibility of the Managing Director, the Board of Directors' Meeting No. 2/2012 on 10 April 2012 also resolved to approve the exercise of authority to execute the company's undertaking by determining approval authority of the Managing Director with maximum financial limit that can be approved at 10 million Baht. However, it depends on the nature of each type of transaction. For example, approval authority of the Managing Director is within the financial limit of not over than 3.50 million Baht for consideration on approval of transaction in general management such as purchase of asset or payment of lease expense or purchase and requisition-issue office material and equipment used in work unit. The approval authority of the Managing Director is within the financial limit of not over than 10 million Baht for consideration on approval of investment in investment and finance such as investment in fixed asset, joint venture or borrowing. However, the authority to perform juristic act, that may cause conflict of interest among the Managing Director or the stakeholders of the company or its subsidiary company as prescribed by law and proclamation of the Securities and Exchange Commission or of the Stock Exchange of Thailand, is not deemed to be under the scope of authority of the Managing Director in consideration. The voting right in such juristic act either by self-discretion or by assigning other person to act on behalf of him or her, that juristic act shall be presented for consent through the Audit Committee in order to present to the Board of Directors and/or the Shareholders' Meeting (as the case may be) as determined in the company's regulation and pursuant to law accordingly.

8.3 Company Secretary

With reference to the Board of Directors' Meeting No. 2/2014 on 14 May 2014, the Board of Directors resolved to appoint Miss Panjit Chimpalee to hold office as the company secretary pursuant to Section 89/15 of Securities and Exchange Act B.E. 1992 and the revision to perform in preparing and filing the company's important documents such as Director Registration, the Board of Directors' Meeting Appointment Letter, Minutes of the Board of Directors' Meeting, Annual Report of the Company, the Shareholders' Meeting Appointment Letter, Minutes of the Shareholders' Meeting; and filing Interest Report reported by directors and executives of the company, including other executions as prescribed by Capital Market Supervisory Board in Securities and Exchange Law.

8.4 Remuneration of Director and Executive

8.4.1 Monetary Remuneration

Director

The remuneration of the Board of Directors and the Nomination and Remuneration Subcommittee for 2014 which was approved from the Annual General Meeting of Shareholders for 2014 on 24 April 2014 was 1,335,000 Baht for remuneration of the Board of Directors and the Nomination and Remuneration Subcommittee for 2014.

In addition, the remuneration of the Board of Directors and the Nomination and Remuneration Subcommittee for 2015 which was approved from the Annual General Meeting of Shareholders for 2015 on 27 April 2015 was 1,335,000 Baht for remuneration of the Board of Directors and the Nomination and Remuneration Subcommittee for 2015.

The criteria of remuneration payment for the Board of Directors and the Nomination and Remuneration Subcommittee have contained the following detail.

	Remuneration/Meeting Allowance	Remark
Chairman of the Board	Monthly remuneration for 50,000 Baht	In case of meeting attendance, none of meeting allowance is paid.
The Board of Directors	Meeting allowance for 10,000 Baht	Every time of meeting attendance
The Audit Committee		
- Chairman of the Audit Committee	Meeting allowance for 15,000 Baht	Every time of meeting attendance
- Audit Committee Member	Meeting allowance for 10,000 Baht	Every time of meeting attendance
The Nomination and Remuneration Subcommittee		
- Chairman of the Nomination and Remuneration Subcommittee	Meeting allowance for 15,000 Baht	Every time of meeting attendance
- Nomination and Remuneration Subcommittee Member	Meeting allowance for 10,000 Baht	Every time of meeting attendance

Remark In case that the Chairman of the Board, the company directors and the Nomination and Remuneration Subcommittee have earned fixed salary from the company and/or its subsidiary company, they shall not be paid for aforesaid meeting allowance.

The remuneration for the directors, audit committee members, and nomination and remuneration subcommittee members in 2014-2015 can be presented as follows.

Name-Surname	Year 2014						Total (Baht)
	Director		Audit Committee Member		Nomination and Remuneration Subcommittee		
	Number of Times for Meeting Attendance	Remuneration (Baht)	Number of Times for Meeting Attendance	Remuneration (Baht)	Number of Times for Meeting Attendance	Remuneration (Baht)	
1. Mr. Chotisak Asapaviriya ¹⁾	*3/5	600,000.-	-	-	-	-	600,000
2. Dr. Wijit Techakasem ¹⁾	5/5	-	-	-	-	-	-
3. Mr. Rapeepat Suansilpong ^{1), 2)}	5/5	50,000.-	4/4	60,000	1/1	10,000	120,000
4. Mr. Kriettiporn Sirichaisakul ¹⁾	5/5	50,000.-	4/4	40,000	-	-	90,000
5. Mr. Thanate Khamcherdchuchai ¹⁾	5/5	50,000.-	4/4	40,000	-	-	90,000
6. Mr. Manit Theeratantikanon, M.D. ^{1), 2)}	5/5	50,000.-	-	-	1/1	15,000	65,000
7. Mr. Tosit Visalset ¹⁾	*3/5	30,000.-	-	-	-	-	30,000
8. Mr. Montri Prachanpanich ¹⁾	*4/5	40,000.-	-	-	-	-	40,000
9. Mr. Thanaprot Tantiwattanawichit ¹⁾	*4/5	-	-	-	-	-	-
10. Miss Thanapa Techkasem ¹⁾	*4/5	-	-	-	-	-	-
11. Miss Panjit Chimpalee ¹⁾	5/5	-	-	-	-	-	-
12. Mr. Rapee Muangngern ²⁾	-	-	-	-	1/1	10,000	10,000
Total		870,000		140,000		35,000	1,045,000

In 2014, the company paid remuneration for the Board of Directors for 870,000 Baht, remuneration for the Audit Committee for 140,000 Baht and remuneration for the Nomination and Remuneration Subcommittee for 35,000 Baht.

Name-Surname	Year 2015						Total (Baht)
	Director		Audit Committee Member		Nomination and Remuneration Subcommittee		
	Number of Times for Meeting Attendance	Remuneration (Baht)	Number of Times for Meeting Attendance	Remuneration (Baht)	Number of Times for Meeting Attendance	Remuneration (Baht)	
1. Mr. Chotisak Asapaviriya ¹⁾	7/7	600,000.-	-	-	-	-	600,000
2. Dr. Wijit Techakasem ¹⁾	7/7	-	-	-	-	-	-
3. Mr. Rapeepat Suansilpong ^{1), 2)}	7/7	70,000.-	4/4	60,000	1/1	10,000	140,000
4. Mr. Kriettiporn Sirichaisakul ¹⁾	*6/7	60,000.-	*3/4	30,000	-	-	90,000
5. Mr. Thanate Khamcherdchuchai ¹⁾	*7/7	70,000.-	4/4	40,000	-	-	110,000
6. Mr. Manit Theeratanantikanon, M.D. ^{1), 2)}	*5/7	50,000.-	-	-	1/1	15,000	65,000
7. Mr. Tosit Visalset ¹⁾	7/7	70,000.-	-	-	-	-	70,000
8. Mr. Montri Prachanpanich ¹⁾	7/7	70,000.-	-	-	-	-	70,000
9. Mr. Thanaprot Tantiwattanawichit ¹⁾	*5/7	-	-	-	-	-	-
10. Miss Thanapa Techkasem ¹⁾	7/7	-	-	-	-	-	-
11. Miss Panjit Chimpalee ¹⁾	7/7	-	-	-	-	-	-
12. Mr. Rapee Mueangngern ²⁾	-	-	-	-	1/1	10,000	10,000
Total		990,000		130,000		25,000	1,045,000

¹⁾ The Annual General Meeting of Shareholders for 2012 on 26 April 2012 resolved to appoint 11 directors as the new set of the Board of Directors after transformation of the company into public limited including Mr. Chotisak Asapaviriya, Dr. Wijit Techakasem, Mr. Rapeepat Suansilpong, Mr. Kriettiporn Sirichaisakul, Mr. Mani Theeratanantanon (M.D.), Mr. Tosit Visalset, Mr. Montri Prachanpanich, Mr. Thanaprot Tantiwattanawichit, Miss Thanapa Techkasem, and Miss Panjit Chimpalee.

²⁾ The Annual General Meeting of Shareholders for 2012 No. 3/2012 on 14 May 2012 resolved to appoint 3 members of the Nomination and Remuneration Subcommittee including Mani Theeratanantanon (M.D.), Mr. Rapeepat Suansilpong, and Mr. Rapee Muangngern.

*Unable to attend the meeting due to necessary task.

In 2015, the company paid remuneration for the Board of Directors for 990,000 Baht, remuneration for the Audit Committee for 130,000 Baht and remuneration for the Nomination and Remuneration Subcommittee for 35,000 Baht.

The Company's Executive

For 2014-2015, the company and its subsidiary company had remuneration for the executive who performed as the director (excluding meeting allowance for director), and the company's executive who was not the director as follows.

	2013	2014
Number of the Executives (persons)	8 ⁽¹⁾	9 ⁽²⁾
Remuneration (million Baht)	25.06	22.28

Remark Remuneration included salary, bonus, social security fund contribution, provident fund contribution and others.

⁽¹⁾ On August 2014, an executive resign position 1

⁽²⁾ On January 2015, appoints new executive Position 1

8.4.2 Other Remunerations

-None-

8.5 Personnel

As of 31 December 2014 and 2015, total number of staffs (excluding executives) of the company and its subsidiary company have been 197 persons and 218 persons, respectively. The staffs in accordance with work line have comprised of below.

Department	31 December 2014			31 December 2015		
	Daily	Permanent	Total	Daily	Permanent	Total
Sales and Marketing Department	-	38	38	-	33	33
Technical Service Department	-	75	75	-	94	94
General Affair and Human Resource Department	-	8	8	-	5	5
Administrative Department	-	24	24	-	35	35
Accounting Department	-	10	10	-	9	9
Finance Department	-	9	9	-	7	7
Warehouse Division	-	16	16	-	16	16
Business Development Division	10	7	17	2	17	19
Company Secretary	-	-	-	-	-	-
Total	10	187	197	2	216	218

In 2014-2015, there was no significant change in number of personnel of the company and its subsidiary company that might anyway affect business operation.

The company and its subsidiary paid monetary remuneration such as salary, bonus, wage, overtime pay, social security fund contribution, provident fund contribution and others to non-executive staffs in 2014 and 2015 for 53.82 million Baht and 60.48 million Baht, respectively.

However, there was no important labor dispute by company and its subsidiary in the past 3 year period.

Policy of Staff Development

The company appreciates in the importance of the company's personnel development for maximum efficiency and effectiveness. Therefore, the company prepares performance appraisal system with efficiency indicator in organizational level and work unit level and reviewed the nature of job to be consistent with business plan, leading to creation of potential development system of the personnel. However, the company directs the guideline by determining training and staff development plan in different parts of the company for appropriateness with the organizational development plan. The development and training plan are determined through survey of demand and necessity of different parts of the company for appropriateness and increase in work efficiency of that work unit.

9. Corporate Governance

9.1 Policy of Corporate Governance

The Company's policy of Code of Best Practice is to reinforce transparency and to be useful for the company's business operation resulting in confidence in the groups of shareholders, investors and people concerned of all departments. Thus, the Board of Directors has determined the Principle of Corporate Governance for compliance. The guideline of good corporate governance has been stipulated by the Stock Exchange of Thailand. The Company's Principle of Good Corporate Governance covers five categories of the Principle as follows.

Category 1 The Rights of Shareholders

The company realizes and gives precedence to basic rights both on behalf of the company's owner and on behalf of the security investors, such as right to trade or transfer securities held by him or her, right to acquire the company's sufficient information, right to be shared for profit from the company, rights in the Shareholders' Meeting, right to express opinion, right to mutually make decision in the company's crucial issues such as dividend appropriation, appointment or demotion of director, appointment of auditor, approval on the transaction which is important and affects the direction of the company's business operation, etc.

Other than above basic rights, the company also executes various issues which have been the facilitation in exercise of the shareholder's right as follows.

1. The company shall hold Annual General Meeting every year by holding within 4 months from the end of the accounting period in each year. The Meeting Appointment Letter and information supporting the meeting in accordance with various agendas are delivered to shareholders for acknowledgment prior the meeting date for 7 days. In addition, the meeting appointment date is announced in the newspaper to notify in advance for 3 consecutive days prior-meeting date. In each meeting agenda, the opinion of the Board is constituted;
2. In case that the shareholder cannot attend the meeting by him or her, the company gives shareholders the opportunity to enable to authorize independent director or any person to attend the meeting in lieu of him or her using any form of Proxy to be delivered together with Meeting Appointment Letter;
3. Prior meeting, the company shall give shareholder the opportunity to enable to submit the opinion, suggestion and query in advance prior-meeting date via email address of the company secretary.
4. In the meeting, the company shall give shareholder the opportunity to independently suggest or express opinion to the meeting in various issues. However, in the Shareholders' Meeting, the relevant directors and executives shall attend the meeting in order to reply query and give the information and detail in the meeting.
5. After meeting, the company shall prepare Minutes of Meeting declaring complete and accurate information so that the shareholders can check them.

Category 2 The Equitable Treatment of Shareholders

The company's policy is to create equity arisen with all shareholders. In proceeding the Shareholders' Meeting, the company shall give all shareholders the equitable opportunities by determining that the right of voting in the meeting is in line with number of shares held by shareholders by the way that one share has right equaling to one vote. In case that the shareholder cannot attend the meeting by him or her, the company gives that shareholder the opportunity to enable to authorize independent director or any person to attend the meeting instead using any form of Proxy delivered by the company together with Meeting Appointment Letter.

In addition, the company determines preventive measure for insider trading of people concerned who are referred to director, executive and staff in work unit which is related to inside information (including spouse and underage children of such people). The people concerned are prohibited to trade the company's securities for at least 30 day period prior disclosure of quarterly financial statement and annual financial statement. They should wait for at least 24 hours after disclosure of such information to public. Moreover, it is also prohibited to disclose that information to others.

The company gives the information to director and executive about the executive's duty regarding the requirement to report security holding in the company and penalty pursuant to Securities and Exchange Act B.E. 1992 and pursuant to the regulation of the Stock Exchange of Thailand. In case that director or executive trades the company's securities, the security holding in the company by him or her, his or her spouse and underage children shall be reported pursuant to Section 59 of Securities and Exchange Act B.E. 1992 within 3 workdays to notify the Office of the Securities and Exchange Commission for propagation to public accordingly.

Category 3 The Role of Shareholders

The company gives precedence to the rights of all groups of stakeholders either being internal stakeholders such as the company's staff and executive or external stakeholders such as competitor, business partner and customer, etc. The company well realizes that support and opinion from all groups of stakeholders are beneficial for operation and development of the company's business. Hence, the company shall comply with relevant law and regulation so that the right of such stakeholders is well regulated. Moreover, the company also encourages the cooperation between the company and each group of stakeholders to build security to the company in accordance with the following guideline.

- | | |
|-----------------------|--|
| Shareholder | : The company aims to be good representative of its shareholders in business operation for maximum satisfaction of shareholders under consideration on long-term growth of the company value as well as execution of transparent and reliable information disclosure. |
| Staff | : The company realizes on the significance of the company's staff as very valuable resource of the company. The company therefore aims to provide support on potential development of human resource for maximum benefit to the company, encourage its staffs to participate in building good corporate culture, have teamwork, reinforce atmosphere and feeling of safety at work, and pay remuneration in market rate to its staffs. |
| Competitor | : The company treats its competitor in accordance with the frame of fair competitive rule under maintenance on norm of competitive practice. |
| Business Partner | : The company treats its business partner in accordance with the frame of honest trade under adherence to strictly compliance with contract and promise given to its business partner. |
| Customer | : The company aims to respond and render good service to build satisfaction and trust to its customer. |
| Creditor | : The company well realizes on building relationship with creditor for confidence and trust. This is the burden requiring practice together with observance of loan condition by honesty. |
| Community and Society | : The company is responsible for social and community environment as well as participation in activity for social benefit. |

The company however shall observe the relevant provision of law and regulations so that the rights of these stakeholders are well regulated.

Category 4 Disclosure and Transparency

The company well realizes on the significance of disclosure of transparent, complete and accurate information and reporting of financial information and general information in accordance with the criteria of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand, as well as other crucial information affecting the price of the company's security. Those information entirely affect decision process of the company's investors and the stakeholders. The company propagandizes data and information of the company to its shareholders, investors and public through propagandizing channel and media of information of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand including the company's website which is www.filtervision.co.th. In part of investor relation work, the company has not yet appointed specific work units. Nevertheless, the company has primarily assigned Miss Panjit Chimpalee, the Assistant General Manager of Finance and Accounting Department, to perform the contact and communication with investors, shareholders and analyst and relevant public sector. The means of contact is Email: lr@filtervision-thai.com, Tel. 02-518 2722 ext. 644, Fax. 02-518 2723.

The Board of Directors is responsible for the company's financial statement and financial information appeared in annual report. Such financial statement is prepared in accordance with Generally Accepted Accounting Principle in Thailand. The proper accounting policy is selected for use and regular practical adherence. Moreover, adequate information is disclosed. In this action, the Audit Committee shall check quality of the financial report and internal control system as well as adequate disclosure of important information in notes to financial statement.

Category 5 Responsibilities of the Board of Directors

5.1 Structure of the Board of Directors

The Board of Directors constitutes the persons who possess knowledge and competence and are key role players in determining policy and overview of the organization, as well as play crucial roles in independently governance, check and evaluation of the company's overall operation to be in line with formulated plan.

The current number of the Board of Directors has been 11 members consisting of 6 independent directors, causing voting balance for consideration on various issues pursuant to the criteria prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand.

In accordance with the company's regulation determined in the Annual General Meeting, one-third of the committee members shall resign from their offices. If the number of directors cannot be identically divided into three portions, the directors shall resign in the number nearest to one-third portion. The drawing method is applied whether which director, who must resign from the office in the first year and the second year after the company's registration, will resign. In the following years, the director who is in the office for longest period shall be the one who resigns from the office. Nevertheless, the director who resigns by rotation may be re-elected to resume the office holding.

Moreover, the Board of Directors also appoints 3 sets of Subcommittees including the Executive Board, the Audit Committee and the Nomination and Remuneration Committee for functioning specific issue and proposing issue to the Board of Directors for consideration or acknowledgement in accordance with the determined scope and authority.

The company clearly separates role, duty and responsibility among the Board of Directors whereas the Board of Directors performs determination of policy and governance of the executive's operation in policy level while the executive performs the management of the company in different areas to be in line with the determined policy. Therefore, the Chairman of the Board and the Managing Director are different person. Both positions shall pass the selection from the Board of Directors in order to acquire the most proper person.

The company secretary of the company is available for performing counseling on various rules needed to be known by the Board and function in supervision of the Board's activities as well as cooperation for compliance with the Board's resolution.

5.2 Role, Duty and Responsibility of the Board

The Board of Directors constitutes the persons with diversified knowledge, skill, expert and leadership acceptable by the Board of Directors for participation in determining vision, mission, strategy, policy, guideline in business engagement and governing the company's working to be in line with law, objective, regulation and resolution of the Shareholders' Meeting. For benefit in closely monitoring and governing the company's operation, the Board of Directors establishes different sets of the Committees for monitoring and supervising the company's operation.

5.2.1) Corporate Governance Policy

The company has formulated corporate governance policy of the company by writing upon consent on such policy by the Board of Directors' Meeting No. 2/2012 on 10 April 2012. The Board shall arrange the regular review on policy and compliance with such policy. In addition, the company shall comply adhere to practice pursuant to rules and regulations as prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, and/or Market for Alternative Investment (MAI) in all respects. The corporate governance report shall be disclosed in Annual Report and Annual Registration Statement (Form 56-1).

5.2.2 Business Ethics

The company determines rule of ethics of the Board, management and staffs for adherence by the people concerned as guideline in function by honesty and fairness in accordance with the company's mission whether treatment to the company, all groups of stakeholders, general public and society; as well as determines regular monitoring system of practice in accordance with such guideline.

The company has announced and notified all staffs to be acknowledged and strictly adhere to practice in accordance with such guideline.

5.2.3 Conflict of Interest

The Board of Directors determines the policy concerning conflict of interest on the principle that any decision making in business activity execution shall be done for the company's maximum benefit only. The act causing conflict of interest should be avoided by determining that people concerned or related to the considered transaction shall inform the company about the relationship or involvement of people in such transaction. They shall not participate in considering and making decision as well as have no approval authority in that transaction.

The Audit Committee shall present the interrelated transaction and transaction that has conflicts of interest to the Board of Directors under prudent consideration on appropriateness, compliance with criteria of the Stock Exchange of Thailand and/or the Office of Securities and Exchange Commission, as well as disclosure in Financial Statement, Annual Report and Annual Registration Statement (Form 56-1).

5.2.4 Internal Control System

The Company emphasizes on internal control system both in management level and operation level. To produce efficiency in the company's operation, the company therefore obviously defines obligation and operation authority of the officer and the management by writing subject to control on the use of the company's assets for usefulness, and segregation of the officer, the supervisor, and the appraiser's duties. The company appoints the Audit Committee to perform verification on internal control system and internal audit to be proper and effective.

5.2.5 Risk Management

In 2015, the company assessed the sufficiency of the existing internal control system for consideration on finding the guideline of working improvement and correction for more effective overall operation.

5.2.6 Report of the Board

The Audit Committee performs verification on financial report whereas the Finance and Accounting Department and the auditor mutually convene the meeting and present the financial report to the Board of Directors every quarter. The Board of Directors is responsible for the company's financial statement, including financial information (report of the Board of Director's responsibility on financial report) appeared in Annual Report. Such financial statement is prepared based on the Generally Accepted Accounting Principle and audited by the company's auditor. The disclosure of the important data and information both financial information and non-financial information is regularly and completely carried out on the basis of fact.

5.2.7 The Board's Meeting

The Board usually schedules the regular meeting in every 3 months and special meeting may be additionally held as necessity under clear agenda specification. The document is delivered prior the meeting so that the Board can have sufficient time to study the information prior the meeting unless the urgent and necessary event. The minutes of meeting are recorded and the approved minute documents are filed and gathered for use in reference and verifiability.

In the meeting, the Chairman of the Board is the person who determines the meeting agenda and considers the issue entering the agenda of the Board of Director's Meeting. The opportunity is given to each director to enable to propose different issues for consideration as the meeting agenda.

In considering different issues, the Board of Directors who acts as the Chairman of the Meeting opens the chance to the directors for freely expression of their opinions. In some occasion, top executive may attend the meeting to additionally give information and detail of useful data on behalf of the people concerned; and to be directly informed about the policy so that it can be effectively practiced. However, the Board of Directors' Meeting counts on the resolution of the majority votes in resolving in the Board of Directors' Meeting by the way that one director has one vote. The director with interest shall not attend the meeting and/or shall not exercise voting right in that issue. If the vote is tied, the Chairman of the Meeting shall vote for one more vote as casting vote.

In 2015, the company held 7 meetings in total. Below has been the detail of meeting attendance for each director.

Name-Surname	Position	Number of Times for Meeting Attendance/Number of Times for Meeting Holding
1 Mr. Chotisak Asapaviriya	Chairman of the Board	7/7
2 Dr. Wijit Techakasem	Director	7/7
3 Mr. Rapeepat Suansilpong	Chairman of the Audit Committee/Independent Director	7/7
4 Mr. Kriettiporn Sirichaisakul	Audit Committee Member/Independent Director	6/7
5 Mr. Thanate Khamcherdchuchai	Audit Committee Member/Independent Director	7/7
6 Mr. Manit Theeratantikanon, M.D.	Independent Director	5/7
7 Mr. Tosit Visalset	Independent Director	7/7
8 Mr. Montri Prachanpanich	Director	7/7
9 Mr. Thanaprot Tantiwattanawichit	Director	5/7
10 Miss Thanapa Techkasem	Director	7/7
11 Miss Panjit Chimpalee	Director	7/7

5.2.8 Remuneration

The Company's policy is to pay incentive remuneration for directors and executives in proper level under consideration on the company's overall operation and conformance to the same industry/business as well as appropriateness with duty and responsibility of each director and executive. The company shall be careful in payment of remuneration for its executive in a proper level which is a competitive rate in the same business group so that the quality executive is cared and retained. The executive who is assigned for additional duty and responsibility will receive remuneration proper for additional assigned duty and responsibility. However, the company clearly and transparently arranges remuneration upon approval from the Shareholders' Meeting. It is determined to disclose the remuneration paid to the director and the executive in accordance with form specified by the Office of the Securities and Exchange Commission.

5.2.9 Development of Director and Executive

The Board's policy is to promote and facilitate to provide training and knowledge to the relevant director in corporate governance system of the company such as director, audit committee member and executive, etc. for continuous working improvement. In case of change in director or appointment of new director, the Management shall arrange document and information useful for the new director's function as well as arrange the suggestion of the company's business nature and guideline of the business operation to the new director.

9.2 Sub-Committees

The structure of director and subcommittee member of Filter Vision Public Company Limited consists of the Board of Directors, the Audit Committee, the Executive Committee, and the Nomination and Remuneration Subcommittee, as follows.

9.2.1 Board of Directors

As of 31 December 2015, the Board of Directors has consisted of 11 directors as follows.

	Name-Surname	Position
1	Mr. Chotisak Asapaviriya	Chairman of the Board /Independent Director
2	Dr. Wijit Techakasem	Director
3	Mr. Rapeepat Suansilpong	Chairman of the Audit Committee/Independent Director
4	Mr. Kriettiporn Sirichaisakul	Audit Committee Member/Independent Director
5	Mr. Thanate Khamcherdchuchai	Audit Committee Member/Independent Director
6	Mr. Manit Theeratantikanon, M.D.	Independent Director
7	Mr. Tosit Visalset	Independent Director
8	Mr. Montri Prachanpanich	Director
9	Mr. Thanaprot Tantiwattanawichit	Director
10	Miss Thanapa Techkasem	Director
11	Miss Panjit Chimpalee	Director

Scope, Authority and Responsibility of the Board of Directors

With reference to the Annual General Meeting of Shareholders of the Company on 26 April 2012, the Board has authority, duty and responsibility in the company's management pursuant to law and the company's objective and regulation as well as the lawful resolution of the Shareholders' Meeting.

1. To function in accordance with law and the company's objective and regulation as well as resolution of the Shareholders' Meeting with honesty and carefulness on maintenance of the company's benefit;
2. To determine policy, target, work plan, business strategy and annual budget;
3. To control, govern and supervise the Management to effectively execute to be line with determined policy and budget;
4. To have authority to examine and consider for approval of policy, guideline and implementation plan for big investment project of the company as proposed by the Subcommittee or the Management;
5. To have authority to appoint, assign or advise the Subcommittee or working group for considering or performing any matter deemed as proper by the Board of Directors;
6. To execute the company's internal control system and internal audit to be effective as well as risk management and reliability of the financial report by arranging internal audit work unit to follow up and mutually implement and coordinate with the Audit Committee;
7. To prepare Annual Report of the Board and be responsible for preparation and disclosure of financial statement to declare financial status and overall operation in last year period to be presented to the Shareholders' Meeting;
8. To hold the Annual General Meeting of the Shareholders within 4 months from the ending date of the company's accounting year.

9. To have authority to consider and approve any matters necessary and related to the company or deemed as proper for the company's benefit.

However, any matter of which the director has interest or conflict of interest with the company or its subsidiary company, the director with interest or conflict of such interest has no voting right in that matter.

Moreover, the Board also has the scope of duty in governing the company to comply with Securities and Exchange Law, regulation of the Stock Exchange such as interrelated transaction, acquisition or disposal of assets pursuant to criteria of the Stock Exchange of Thailand or proclamation of the Securities and Exchange Commission, Capital Market Supervisory Board or laws relevant to the company's business.

9.2.2 The Audit Committee

As of 31 December 2015, the Audit Committee of the company has consisted of 3 directors as follows.

	Name-Surname	Position
1	Mr. Rapeepat Suansilpong	Chairman of the Audit Committee/Independent Director
2	Mr. Thanate Khamcherdchuchai	Audit Committee Member/Independent Director
3	Mr. Kriettiporn Sirichaisakul	Audit Committee Member/Independent Director

Remark: *The audit committee member with finance and accounting knowledge and competence.

With reference to the company's Annual General Meeting of the Shareholders for 2013 on 26 April 2012, the scope of authority of the Audit Committee has been determined as follows.

Scope, Authority and Responsibility of the Audit Committee

1. To verify the company's financial report to be accurate and adequate;
2. To verify the company's internal control system and internal audit system to be proper and effective; and to consider the independence of the internal audit work unit as well as consent in consideration on appointment, removal and dismissal of the head of internal audit work unit or any other work units which are responsible for internal audit;
3. To verify the company's compliance with Securities and Exchange Law, regulation of the Stock Exchange, and laws relevant to the company's business;
4. To consider, select and propose the appointment of person who is independent in order to perform as the company's auditor and propose the remuneration of such person, as well as attend the meeting with the auditor without meeting attendance of the Management for at least once a year;
5. To consider the interrelated transaction or transaction that may have conflict of interest to be line with law and regulation of the Stock Exchange so as to ensure that such transaction is reasonable and maximally useful for the company;
6. To have authority to carry out audit and investigation as necessary in different issues that may significantly affect the company's financial status and overall operation. The audit and investigation result shall be reported to the Board of Directors for implementation on improvement and correction within the time as deemed as proper by the Audit Committee;
7. To have authority to independently seek for opinion from any other professional consultants when deemed as necessary at the company's expense for well working achievement under his or her responsibility;
8. To prepare the report of the Audit Committee and disclose in Annual Report of the company. Such report shall be signed by the Chairman of the Audit Committee and shall be supplemented with at least the following information.
 - a) Opinion about accuracy, completeness and reliable of the company's financial report;
 - b) Opinion about the adequacy of the company's internal control system;

- c) Opinion about the compliance with Securities and Exchange Law, regulation of the Stock Exchange or laws relevant to the company's business;
 - d) Opinion about the appropriateness of the auditor;
 - e) Opinion about the transaction that may have conflict of interest;
 - f) Number of the Audit Committee's meetings and meeting attendance of each audit committee members;
 - g) Overall opinion or observation acquired by the Audit Committee from function pursuant to charter;
 - h) Other transactions deemed that the shareholders and general investors should know under scope, authority and responsibility assigned from the company's director;
9. To perform any other tasks as assigned by the Board of Directors upon consent of the Audit Committee.

9.2.3 The Executive Committee

As of 31 December 2015, the Executive Committee has consisted of 9 committee members as follows.

	Name-Surname	Position
1	Dr. Wijit Techakasem	Chairman of the Executive Committee
2	Mr. Thanaprot Tantiwattanawichit	Executive Committee Member
3	Miss Supapan Yienglaengamkoon	Executive Committee Member
4	Mr. Anupong Tangpanithannan	Executive Committee Member
5	Miss Thanapa Techkasem	Executive Committee Member
6	Mr. Patthanapong Khongkharat	Executive Committee Member
7	Mr. Somchai Hongsa	Executive Committee Member
8	Miss Panjit Chimpalee	Executive Committee Member
9	Mr. Ratthapong Tathong	Executive Committee Member

Scope of Authority and Responsibility of the Executive Committee

With reference to the company's Annual General Meeting of Shareholders for 2013 on 26 April 2012, the scope, authority and responsibility of the Executive Committee have included below.

- To prepare and propose business policy, target, implementation plan, business strategy, and annual budget of the company to request for approval with the Board of Directors;
- To determine the company's business plan, budget and managerial authority to request for approval with the Board of Directors;
- To control and supervise the company's business operation to be in line with business policy, target, implementation plan, business strategy and budget approved from the Board of Directors;
- To have authority in consideration on approval of money spending for investment or operations, borrowing or credit request from financial institutions, lending, as well as involvement as the guarantor for the company's normal transaction and for operating benefit based on the company's objective within specified financial limit. Such action shall be subject to the Proclamation of the Committee of the Stock Exchange of Thailand, the Securities and Exchange Commission, Capital Market Supervisory Board, or any other laws in related issues;
- To determine organizational structure and managerial authority covering detail of selection, employment, removal, training and dismissal of the company's staff which is the executive committee member or top executive. The Managing Director of the company is assigned as the authorized person in lieu of the company to sign in labor employment contract;
- To govern and approve the issue related to the company's operation and may appoint or assign any person or several persons to do any acts in lieu of the Executive Committee as deemed as proper, and the Executive Committee can cancel, change or revise that authority;

7. To have authority to appoint consultants in different fields which are necessary for the company's operation or for compliance with relevant laws;
8. To perform other duties as assigned by the Board of Directors.

However, the assignment of authority and responsibility of the Executive Committee is not the way of authorization or sub-authorization that causes the Executive Committee or the authorized person from the Executive Committee able to approve transaction of which he or she or others may have conflict and interest; or may have any other conflict of interest with the company or its subsidiary company (as defined in the Proclamation of the Securities and Exchange Commission). The approval in such way shall be presented to the Committee's Meeting and/or the Shareholders' Meeting (as the case may be) for consideration on approval of such transaction as stipulated in the company's regulation or relevant laws unless it is the approval of transaction with normal business condition with obvious scope determination.

9.2.4 Nomination and Remuneration Subcommittee

The Board of Directors' Meeting No. 3/2012 on 14 May 2012 appointed 3 subcommittee members for the Nomination and Remuneration Subcommittee, consisting of the following.

Name-Surname	Position
1. Mr. Manit Theeratanikanon, M.D.	Chairman of Nomination and Remuneration Subcommittee
2. Mr. Rapeepat Suansilpong	Nomination and Remuneration Subcommittee Member
3. Mr. Rapee Muangngern*	Nomination and Remuneration Subcommittee Member

Remark * Mr. Rapee Muangngern is the outsider without involvement or interest with the company and its subsidiary company.

Scope of Authority and Responsibility of Nomination and Remuneration Subcommittee

The scope of authority and responsibility of the Nomination and Remuneration Subcommittee has included the following.

1. To consider on structure and element as well as qualification of the company directors;
2. To select and recruit the person with knowledge and competence qualified for the company's business and suitable to be nominated as the director in case that the position is vacant for proposal to the Board of Directors or the Shareholders' Meeting for appointment consideration;
3. To consider on proposing the structure of remuneration for committee member such as remuneration, pension, bonus, welfare, meeting allowance and other return benefits both finance and others as agreed;
4. To yearly evaluate performance of the Nomination and Remuneration Subcommittee and report to the Board of Directors;
5. To consider on proposing the structure of remuneration for the Managing Director such as salary, provident fund and social security;
6. To consider on proposing the structure of annual additional special pay of the Managing Director;
7. Performs any other tasks as assigned by the Board of Directors in relation to nomination and remuneration.

9.3 Nomination of Director and Executive

The duty of the company's Nomination and Remuneration Subcommittee is to nominate the director and executive. In consideration on selection of the person who is appointed as director and executive shall possess the element and criteria of nomination as follows.

9.3.1 Nomination of Company Director

The Nomination and Remuneration Subcommittee of the company shall consider on qualification and consider the person with qualification pursuant to Section 68 of Public Company Limited Act, B.E. 1992 and pursuant to the Proclamation of the Securities and Exchange Commission related to criteria prescribed by law. The element and criteria of nomination are as follows.

1. The Board of Directors consists of at least 5 directors. The directors for not less than moiety of total number of directors shall have domiciles in Thailand. The Shareholders' Meeting selects the director in accordance with below criteria and method for appointment of that director.
 - a. The vote of a shareholder is equal to one share per one vote;
 - b. In selection of director, voting method for selection of individual director may be applied for one director in each time or several directors in each time as deemed as proper by the Shareholders' Meeting. However, in each time of resolution, the shareholder shall vote with all available votes as (1.1) and cannot more or less share his or her votes to anyone;
 - c. The majority vote is applied for selection of director. The person who gains highest votes in sequence is the person who is elected as the director equaling to the number of directors that should have or should be elected in that time. The person who is the Chairman is the casting voter;
2. The Board of Directors shall constitute independent directors for at least one-third of the directors of the whole board. Not less than 3 independent directors hold shares not more than 1% of the number of issued and paid-up registered capital of the company and the related company including total shares held by people concerned.
3. In every time of the Annual General Meeting of Shareholders, one-third of total number of existing directors shall resign from their offices. If the number of directors cannot be identically divided into three portions, the directors shall resign in the number nearest to one-third portion. The drawing method is applied for whether which director, who must resign from the office in the first year and the second year after the company's registration, will resign. In the following years, the director who is in the office for longest period shall be the one who resigns from the office by rotation. In this point, the director may be re-elected to resume as the director.
4. In case that the director position is vacant due to other reasons other than it is the time for resignation by rotation, the Nomination and Remuneration Subcommittee shall select the qualified person without prohibited characteristic pursuant to Public Limited Company Law entering to be the director in replacement in next time of the Board of Directors' Meeting.

Unless the remaining term of the director is less than two months, the person who enters to be such director in replacement is in the director position for just the remaining term of the director replaced by him or her. Such resolution of the Board of Directors shall constitute votes for not less than three-fourth of the number of the remaining directors.

5. The Shareholders' Meeting may resolve to allow any director to resign from the office prior the term for resignation by rotation by votes for not less than one-third of number of shareholders, with voting rights, who come to attend the meeting; and total shares counted are not less than the moiety of the number of shares held by the shareholders with voting rights who come to attend the meeting.

9.3.2 Nomination of Independent Director and Audit Committee Member

The Audit Committee consists of at least 3 independent directors for 3 year term of office. The company has the policy of nomination of audit committee member/independent director with requirement of below qualification.

1. To hold shares for not more than 1% of number of shares with total voting rights of the company, holding company, subsidiary company, joint-stock company, major shareholders or the authorized person who controls the company whereas shares held by people concerned is counted;
2. Not to be or never been the director who participates in management, employee, staff, consultant who earns fixed salary, or the regulatory person of the company unless free from such characteristic for not less than two years before being appointment;
3. Not to be the person with blood relation or by legal registration in the way of being parents, spouse, relatives, and children including spouse of children of the executive, major shareholder, regulatory person or person who is nominated to the executive or the regulatory person of the company or its subsidiary company;
4. Never or ever had business relation with the company, holding company, subsidiary company, joint-stock company, major shareholder, or regulatory person of the company, in the way that may obstruct the independent use of self-discretion; as well as never or ever been the implicit shareholder or regulatory person of the person having business relation with the company, holding company, subsidiary company, major shareholder, or regulatory person of the company unless free from aforesaid nature for not less than two years prior being appointed.

Nevertheless, the business relation includes trade transaction which is normally performed for business engagement, immovable property lease or renting out, transaction related to assets and services, or granting or receiving financial assistance by receiving or lending and guaranteeing the provision of asset as debt security, including other similar behavior, resulting in the outstanding debt obligation of the company or the contractual party with the other party from 3% of net tangible assets or from 20 million Baht and over depending upon which amount is lower. However, the calculation of such debt obligation is line with the calculation method of interrelated transaction value pursuant to the Proclamation of Capital Market Supervisory Board on Doing Relative Interrelated Transaction. However, in consideration on such debt obligation, the incurred debt obligation during one year before the date of which business relation is made with the same person;

5. Never or ever been the auditor of the company, holding company, joint-stock company, major shareholder, or regulatory person of the company; and not be the implicit shareholder, regulatory person or partner of the auditing firm which has the auditor of the company, holding company, subsidiary company, joint-stock company, major shareholder or regulatory person of the company belongs to unless free from such nature for not less than two years prior being appointed;
6. Never or ever been any professional provider of service including legal consultant or financial consultant service that is paid for more than two million Baht per year of service fee from the company, holding company, subsidiary company, joint-stock company, major shareholder or regulatory person of the company; and not be the implicit shareholder, regulatory person or partner of that professional service provider unless free from such nature for not less than two years prior being appointed;
7. Not be the director appointed to be the representative of the company, the major shareholder or shareholder who is the person concerned with the major shareholder of the company.
8. Not to engage in the business having the same condition and implicit competition with the company or its subsidiary; not to be the implicit partner in partnership or to be the director who participates in management, employee, staff, consultant who earns fixed salary or holds shares for more than 1% of total number of shares with voting rights of other company which engages the business having the same condition and implicit competition with the business of the company or its subsidiary company;
9. Not to have any other characteristic unable to freely provide opinion about the company's operation;
10. Not to be the director assigned from the Board to make decision on the business operation of the company, holding company, subsidiary company, joint-stock company, subsidiary company in the same order, major shareholder or regulatory person of the company;
11. Not to be the director of holding company, subsidiary company or subsidiary company in the same order, particularly the listed company in the Stock Exchange of Thailand. In addition, at least an independent director who holds the position of the audit committee member shall be the person with adequate knowledge and experience in accounting or finance so that he or she can perform the verification of the financial statement's reliability. Moreover, the company shall consider on qualification in other areas consisting of business experience, business-related specialization and availability of morality, etc.

The appointment criteria and method of audit committee, it is in line with appointment criteria and method of the company director. The audit committee member who is terminated from the office by rotation may be reappointed to resume the office in case that the position of the audit committee member is vacant due to any other reasons. Besides it is time for resignation by rotation, the Board of Directors shall appoint the person with complete qualification to be the audit committee member so that the number of the audit committee members is complete as determined by the Board of Directors. The person who is the audit committee member in replacement shall be in the office for just the remaining term of the audit committee member who is replaced by him or her. The company shall forthwith inform the Stock Exchange of Thailand once the audit committee member resigned or discharged before the term is expired.

9.3.3 Nomination of the Executive Committee Member

The Board of Directors appoints the executive committee member. The director or top executive of the company and its subsidiary company, who can manage in the matter of normal business operation and company managerial task and can determine policy, business plan, budget and organization chart, is selected. In addition, the company's overall operation, in accordance with the policy as determined by the Board of Directors, is checked and monitored.

9.3.4 Nomination of the Executive

The company's policy of remuneration of the executive is to select the person with knowledge, competence and experience related to business. The selection is carried out in accordance with rule of human resource management. However, the Managing Director is assigned to fill and appoint the person having knowledge, competence and experience in the company business to enter to be the staff in different levels. Moreover, the appointment of the head or the responsible person in relation to audit and internal control task shall be firstly consented from the Audit Committee.

9.4 Governance of the Subsidiary Company's Operation

The company shall send the company director or select the executive with qualification and experience proper for business operation to be the managerial representative in order to determine crucial policy and control business operation of its subsidiary company. The duty and responsibility that should be performed on behalf of the director or executive of holding company are determined to cover function under good corporate governance policy of the company and interrelated transaction doing policy, etc. In consideration on doing any transactions of its subsidiary company which are significant to the company's business operation or financial status, such transaction is determined to be approved from the Board of holding company every time.

In the aspect of disclosure of financial information and overall operation of the subsidiary company, the company has engaged the auditor from the same auditing firm of the company to perform audit and gather financial and non-financial information for disclosure in the company's consolidated financial statements.

9.5 Supervision on Use of Insider Information

The company has the regulation and criteria in circumspect control and use of inside information particularly information of the company's financial status that shall pass audit/verification of the certified public accountant and pass the consent from the Audit Committee's Meeting every time in order to propose for approval of the Board of Directors and submit the Stock Exchange of Thailand or propagandize to public.

The company's policy and method in supervision of director and executive (in accordance with definition of the Office of the Securities and Exchange Commission) in use of insider information of the company for self-benefit includes the following.

- (1) The directors as well as executives of different departments are educated about required duty in reporting the security possession of him or her, spouse and underage children to the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand pursuant to Section 59 and penalty pursuant to Section 275 of Securities and Exchange Act, B.E. 1992;
- (2) The company determines that the director and executive shall report the change of security possession to the Office of the Securities and Exchange Commission pursuant to Section 59 of the Securities and Exchange Act, B.E. 1992 within 3 workdays from the date of which the transaction is changed, and shall submit the copy of this transaction to the company in the same day as the date of report submission to the Office of the Securities and Exchange Commission of Thailand.
- (3) The director, executive as well as spouse and underage children of such person is prohibited to use insider information for purchase, sale, transfer or being transferred of the company's security before that information is propagandized to the plebs for thorough acknowledgement particularly in 30 days period prior the financial statement of the company is propagandized to public. Moreover, after the information is propagandized, the above persons are prohibited for purchase or sale of the company's securities until people who are informed for such information have time to evaluate information received in proper period of time (at least 24 hours from the propagandized date and time).

The company defines disciplinary penalty if the company's inside information is violated to be used for self-benefit starting from written warning, wage cut, temporary job suspension without wage receipt, or dismissal. However, punishment may be considered from the intention of the action and severity of that offence.

9.6 Remuneration of the Auditor

In 2015, the company appointed Mr. Boonlerd Kaewpanpreuk and/or Ms. Piyanuch Kasemsupakorn and/or Ms. Rungtawan Bunsakchalerms of BPR Audit and Advisory Company Limited and/or Ms. Maliwan Phahuwattanakorn of NPS Siam Audit Company Limited, as the auditor. The remuneration was paid to the auditor in total of 950,000 Baht which was divided into annual audit fee for 560,000 Baht and verification fee for 3 quarters of financial statements for 390,000 Baht. However, the person or activity related to the auditor and the auditing firm is not the person or business related to the company and its subsidiary company.

9.7 Compliance with Good Corporate Governance Principle in Other Issues

The Board gives the precedence to the supervision of the shareholders on exercise of rights and has duty to oversee the equitable benefit of all shareholders either major shareholders or minor shareholders on behalf of the investors in the Stock Exchange and on behalf of the shareholders who are the company's owner in accordance with practical guideline based on Good Corporate Governance of the Stock Exchange of Thailand which has been acceptable and complied with the corporate governance policy of the company as follows.

1. Right of Shareholder

The shareholder is encouraged to exercise the basic right of shareholder and supervise the shareholder as prescribed by law without doing any act which infringes or lessens the right of the shareholder.

2. Equitable Treatment to Shareholders

The shareholders are governed to be treated and protected for basic right so that all shareholders are equitably treated. There is a protective measure of insider trading for unlawful self-exploitation or other person's exploitation that causes damage to overall shareholders.

3. Role of Stakeholder

Every group of stakeholders is supervised according to relevant law without doing any act that violates the right of the stakeholders. The process of collaboration encouragement between the company and its stakeholders is available to build the company's financial security and sustainability.

4. Information Disclosure and Transparency

The operation is transparently made and verifiable under adequate information disclosure to all relevant parties concerned. The disclosure of important information related to the company both financial information and non-financial information is supervised to be accurate, complete, in time, and transparent through channel of easy information access which is equitable and reliable.

5. Responsibility of the Board

The Board performs duty with honesty, carefulness and prudence for maximum benefit of the company and fairness to all shareholders under good internal control system, proper risk management as well as practice of the company's ethics.

Moreover, the Board of Directors and top executive give the precedence to attendance of trainings and seminars in different courses or knowledge and competence development. The company directors have been passed training course with Thai Institute of Directors (IOD) such as course of Director Certification Program, course of Director Accreditation Program (DAP), course of Board Performance Evaluation, course of Audit Committee Program, course of Role of Compensation Committee (RCC) and course of Company Secretary Program (CPS) (in accordance with details of the company executive). However, the company has also continuously coordinated with IOD, the Stock Exchange of Thailand in order to deliver its directors to attend various training courses organized for executives as necessary and proper for current situation.

10. Corporate Social Responsibility

The Company has prepared a sustainability report 2015 separate from annual report for disclose the policy, operation of social responsibility and sustainable development of the company together with participation development for economic social and environment.

The Company sends a sustainability report 2015 with the annual report to shareholder and disclose via the website of company [www.filtervision .co.th](http://www.filtervision.co.th)

11. Internal Control

In the Board of Director's Meeting No. 1/2016 on 25 February 2016, all three audit committee members completely attended the meeting. The Committee considered on assessment of the company's internal control adequacy based on the Form of Assessment of the Internal Control Adequacy of the Securities and Exchange Commission and the Stock Exchange of Thailand through inquiry of information from the Management in 5 different parts as follows.

- 1) Control Environment
- 2) Risk Assessment
- 3) Control Activities
- 4) Information and Communication System
- 5) Monitoring Activities

The Board of Directors deemed that the internal control system of the company has been proper and adequate and effectively complied by all parts under regular compliance with Generally Accepted Accounting Principles proclaimed by the Office of the Securities and Exchange Commission and the regulation of the Stock Exchange of Thailand in reporting Quarterly Financial Statements and Annual Report of the company as proper, as well as timely, adequate, complete and accurate preparation process and information disclosure in financial statements with proper and adequate internal control system, and effective revision to be consistent with changing situation so that the company's operation attains the determined objective and consistent with relevant laws and rules. However, the defect or problem issue as the essence possibly whatsoever causing damage to the company's operation has not been detected. In addition, the internal control system in the matter of transaction doing with the major shareholders, director, executive or the person related to such person has been adequate. The assets of the company and its subsidiary company could be protected from the unauthorized or wrongful use of the executives. Nevertheless, the independent directors and audit committee members had indifferent opinions from the opinion of the Board. In addition, the audit committee member shall increasingly govern on being the organization with good corporate governance.

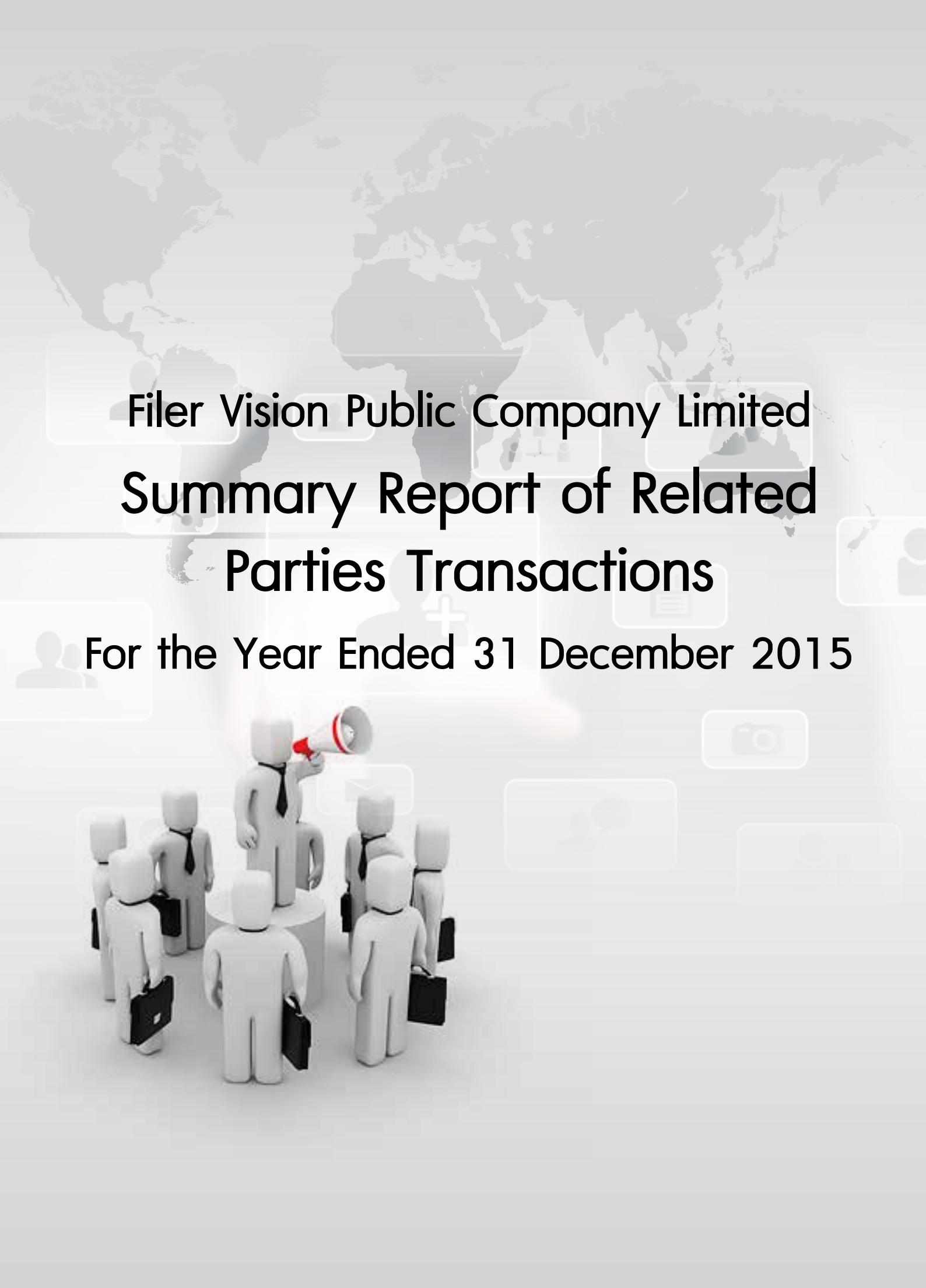
The company has managed to have the adequate and good management and internal control system under support of the executives for awareness on internal control necessity by managing for good corporate governance, defining clear duty and responsibility, and formulating rule, regulation, policy, level of managerial authority, and proper approval level of transaction by writing. In addition, the company has managed to have independent internal audit in monitoring and auditing internal control, a and directly reporting to the Audit Committee for verification on operating system of activities so that the overall company's objective and target can be achieved. The defect as the essence toward internal control system has not been detected at all according to previous audit result. For internal control in other topics, the Board deemed that the company's internal control has also been adequate.

The company appointed BPR Audit and Advisory Company Limited as the company's auditor in 2015 and BPR Audit and Advisory Company Limited entered to audit the company's Accounting Department in the issue of account closing and financial statements and notes to financial statements preparation to be in time for information use requirement and ability to propagandize the information in time within schedule. In addition, in auditing, the auditor considered on internal control related to preparation of financial reports as basis for determining audit method to find the conclusion in opinion expression on the company's financial statements. However, in the Audit Committee's Meeting No. 1/2016 on 25 February 2016;

BPR Audit and Advisory Company Limited reported the Audit Committee for acknowledgement that no observation from account auditing for 2015.

In the Audit Committee's Meeting on 25 February 2016 No. 1/2016, Green Accounting Perfect Company Limited was appointed to perform internal auditor of the company for 2016. Green Accounting Perfect Company Limited has assigned Mr. Atthapol Vanitcha, the Managing Director, to be mainly responsible for performing internal auditor of the company.

The Audit Committee considered the qualification of Green Accounting Perfect Company Limited and Mr. Atthapol Vanitcha and deemed as adequately proper for such function due to its independence and experience in performing internal audit.

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Filer Vision Public Company Limited Summary Report of Related Parties Transactions

For the Year Ended 31 December 2015



Summary of Inter-Related Transactions between the Company, its Subsidiary Company and Related Company or and Person who have may conflict of interest

The company did the transactions with the persons who might have conflicts. The occurred inter-related transactions were transaction doings with director, executive and/or shareholder of the company and its subsidiary company; and the transaction doings with the persons who might have conflicts of the director, executive and/or shareholder occurred for the period ended 31 December 2015 as follows.

Nature of Relationship

Person and Juristic Person who may have conflict	Nature of Relationship
Irving Corporation Limited	- The Company holds 99.99% of authorized share capital and co-directors.
KT Medical Service Company Limited	- The Company holds 70.00% of authorized share capital and co-directors.
Medical Vision Company Limited	- The Company holds 75.00% of authorized share capital and co-directors.
Dr. Wijit Techakasem	- The signatory authorized director, Chairman of the Executive Committee and the Managing Director of the company - The major shareholder of the company in proportion of 23.17%. - The signatory authorized director, the Managing Director, Sales and Marketing Department Manager of Irving Corporation Limited - Authorized director and managing director of KT Medical Service Company Limited. - Authorized director and managing director of Medical Vision Company Limited.
Miss Thanapa Techakasem	- The signatory authorized person, executive director, and Administrative Department Manager of the company and the younger sister of Dr. Wijit Techakasem - The company's shareholder in the proportion of 2.89%. - The signatory authorized director of Irving Corporation Limited
Mr. Pisat Techakasem	- Shareholders of the company in proportion of 2.66% and the younger brother of the Dr. Wijit Techakasem - Ex-company director from 18 March 2011 to 11 May 2011
Ratchawat Banmi Company Limited	- Shares have been held by Miss Panjit Chimpalee (the company director and the executive committee member of the company) in proportion of 4.00%.
Ratcharak Company Limited	- Shares have been held by Dr. Wijit Techakasem in proportion of 3.50%.
Roi Et Dialysis Company Limited	- Shares have been held by Dr. Wijit Techakasem in proportion of 4.00%.
Tradratchawat Dialysis Company Limited	- Shares have been held by Dr. Wijit Techakasem in proportion of 2.67%.
PMAY. Marketing Company Limited	- Shares have been held by Mr. Montri Prachanpanich in proportion of 2.53% (The signatory authorized director and shareholder of the company in proportion of 60%).

Guarantee of Overdraft Loan

Related Company/Person	Nature of Transaction	Outstanding Debt Value (Baht)
		As of December 2015
Dr. Wijit Techakasem	- Overdraft loan line of the company for total of 20 million Baht used in normal business operation is divided into 2 contracts as follows. - Overdraft loan line for total of 10 million Baht secured by land and structures of the company and title deed and constructed buildings of the Techakasem Family including Dr. Wijit Techakasem, Miss Thanapa Techakasem, and Mr. Pisat Techakasem, who sign for guarantee on behalf of the titleholder of the Techakasem family's assets - Overdraft loan line for total of 10 million Baht secured by land and buildings of the company as collateral and Irving Corporation Limited for joint guarantee on such overdraft loan line.	0.00
Miss Thanapa Techakasem		
Miss Pisat Techakasem		
Irving Corporation Limited		0.00

Necessity and Reasonability

It has been the guarantee of overdraft loan line used for working capital and for normal business operation. The Techakasem family has taken the family's assets as collateral without intention on any financial return and Irving Corporation has also jointly guaranteed. Such transaction has generated business operation benefit to the company and the guarantee has been in line with the condition of the financial institution.

Opinion of the Audit Committee

The Audit Committee had the opinion that the use of the Techakasem family's assets to secure such overdraft loan line together with signing for guarantee on behalf of titleholder of the assets and joint-guarantee of Irving Corporation Limited has caused positive effect to the company. In addition, it has been executed to conform to the bank's condition. It was deemed that such transaction has been necessary, reasonable and beneficial to the company.

Guarantee of Forward Line as the Sharing Line of the Company and Irving Corporation Limited

Related Company/Person	Nature of Transaction	Value (Baht)
		As of December 2015
Irving Corporation Limited	- Guarantee on forward line of the company and Irving Corporation Limited in total line of 20 million Baht consists of below. - o Fixed deposit of the company, Account No. 161-2-02237-5 as collateral - o Such line is secured by title deed and constructed buildings of the Techakasem Family. - o Irving Corporation Limited and Filter Vision Company Limited have been assigned for joint guarantee.	15,152,021.01

Necessity and Reasonability

It is the guarantee of forward line as hedging instrument from foreign exchange rate risk in purchase of products and equipment required to be imported from abroad. It is secured by fixed deposit of the company and the Techakasem family's assets without intention on any financial return together with Irving Corporation Limited and Filter Vision Public Company Limited for joint guarantee. Such transaction has caused benefit in business operation.

Opinion of the Audit Committee

The Audit Committee had the opinion that the guarantee of such forward line has caused positive effect to the company. In addition, it has conformed to the bank's condition subject to the necessity to have fixed deposit of the company, assets of the Techakasem family, including Irving Corporation Limited, and Full Vision Public Company Limited, for joint guarantee. Therefore, it was deemed that such transaction has been necessary, reasonable and beneficial to the group of companies.

Guarantee of Overdraft Loan Line and Short-Term Loan Contract of Irving Corporation Limited

Related Company/Person	Nature of Transaction	Value (Baht)
		As of December 2015
Dr. Wijit Techakasem	- Total overdraft loan line of the company for 15 million Baht used in normal business operation is divided into 2 contracts as follows. ○ Overdraft loan line for total of 5 million Baht secured by title deed and constructed buildings of the Techakasem Family including Dr. Wijit Techakasem, Miss Thanapa Techakasem, and Mr. Pisat Techakasem, who sign for guarantee on behalf of the titleholder of the Techakasem family's assets ○ Overdraft loan line for total of 10 million Baht secured by land and buildings of the company; right of claim in deposit in type of fixed deposit, Account No. 161-2-01511-5, Account Name Irving Corporation Limited; right of claim in deposit in type of fixed deposit, Account No. 161-2-02237-5, Account Name of Filter Vision Public Company Limited; and land and constructed buildings of the Techakasem Family as collateral, including Dr. Wijit Techakasem, Miss Thanapa Techakasem, and Mr. Pisat Techakasem, who sign for guarantee on behalf of the titleholder of the Techakasem family's assets.	0.00
Miss Thanapa Techakasem		
Miss Pisat Techakasem		0.00
Filter Vision Public Company Limited		

Necessity and Reasonability

It is the guarantee for the line of overdraft loan used as working capital for normal business operation of Irving Corporation Limited, the family members of the Techakasem Family as the collateral without intention on any financial return. In addition, land and building of the company, right of claim in fixed deposit of the company and its subsidiary company are included as collateral. Such transaction has been in line with the financial institution's condition and such transaction has caused business operation benefit to the company. Moreover, the guarantee has been in line with the financial institution's condition.

Opinion of the Audit Committee

The Audit Committee had opinion that the guarantee for the line of overdraft loan line consists of land and building of Filter Vision Public Company Limited and right of claim in fixed deposit of the company and Filter Vision Public Company Limited including the Techakasem Family's assets for guarantee of such overdraft loan together with signing for guarantee on behalf of the titleholder of assets. This has caused positive effect to the company. Moreover, it was deemed that such transaction has been necessary, reasonable and beneficial to the company besides for compliance with the bank's condition.

Transactions of Debtors and Creditors Related to the Director and Executive of the Company

Related Company/Person	Nature of Transaction	Transaction Value (Baht)	Necessity and Reasonability
		As of 31 December 2015	
Ratchawat Banmi Company Limited	Trade Debtor of Irving Corporation Limited	0.00	To be a trade debtor of normal business.
Ratcharak Company Limited	Trade Debtor of Irving Corporation Limited	0.00	To be a trade debtor of normal business.
Roi Et Dialysis Company Limited	Trade Debtor of Irving Corporation Limited	0.00	To be a trade debtor of normal business.
Tradratchawat Dialysis Company Limited	Trade Debtor of Irving Corporation Limited	0.00	To be a trade debtor of normal business.
PMAV. Marketing Company Limited	Trade Debtor of Filter Vision Public Company Limited	0.00	To be a trade debtor of normal business.

Opinion of the Audit Committee

The Audit Committee considered and deemed that such transaction has been the transactions of the normal business.

Trading Inter-Transactions between the Company and its Subsidiary Company and the Related Person

Related Company/Person	Nature of Transaction	Transaction Value (Baht)	Necessity and Reasonability
		For the Year Ended 31 December 2015	
Key directors and executives	Remuneration for director and executive includes salary, bonus, incentive money, provident fund, employee benefit, meeting allowance of the audit committee member, meeting allowance of the company director, and meeting allowance of the Nomination and Remuneration Subcommittee	23,438,481.87	The company has considered on salary, bonus, provident fund, social security and employee benefit for approval on the employment and payment in labor market rate depending on knowledge, capability, and experience in responsible position in comparison with the same type of business. The meeting allowance has been approved by Nomination and Remuneration Subcommittee under consideration in comparison with the same business and size of the listed company in the Stock Exchange.
Irving Corporation Limited	Sale of product In type of membrane, filter element, UV lamp, filter nozzle, and filter tank	3,301,048.25	1. The Holding Company (Filter Vision Pcl.) has been approved to be the dealer of the main products from the foreign seller that is imported by its subsidiary company (Irving Corporation Co., Ltd.) to be used as raw material or component part of the equipment in assembly and installation of water system for project work installation or sale to the customers of the group of the companies. 2. Value of inter-selling price is determined under the policy that total cost price plus contribution margin for operating cost. It is regarded as wholesale price so that the subsidiary company shall take it for installation in order to add value accordingly. The value of product selling price and service charge sold or installed in project work for the last buyer that is regarded as the ordinary customer is fair value in accordance with competitive market situation in general. 3. The holding company is the major shareholder in the proportion of 100% of the registered capital of the subsidiary company. Therefore, consolidated financial statements must be prepared pursuant to Generally Accepted Accounting Principles for declaration of the real financial status of the group of the companies.

Related Company/Person	Nature of Transaction	Transaction Value (Baht)	Necessity and Reasonability
		For the Year Ended 31 December 2015	
Irving Corporation Limited	Service charge revenue from being employed for service and photocopying	369,431.48	1. For operating convenience and flexibility of the holding company and the subsidiary company in operation with personnel management ability at maximum efficiency. 2. The company has charged service charge in the same price as the service charge of the general photocopier service provider.
Irving Corporation Limited	Revenue from area lease fee and public utility expense, area lease fee, water bill, electricity bill	843,990.32	The company has charged area lease fee and public utility expense in the similar rate as the leased building and area of the lessor and services in the nearby location area.
Irving Corporation Company	Interest received Short-term loan (interest rate at 1.50% - 2.25% per annum)	591,407.31	The subsidiary company has been granted for financial support used as working capital of normal business without collateral and interest charge in the same rate as the financial cost for financing of the Holding Company.
Irving Corporation Limited	Water analysis service charge Water analysis for infection inspection charge	198,050.00	1. For operating convenience and flexibility of the holding company and the subsidiary company in operation with personnel management ability at maximum efficiency. 2. The company has charged service charge from personnel cost including handling charge for charging inter-service charge.
Irving Corporation Limited	Purchase of product Fitting, Pump, Conductivity meter, Flow meter and Pure salt	602,361.16	1. Material or equipment that is needed for purchase by the subsidiary company in order to be used as the main equipment in assembly and installation while it is also needed for use by the holding company but for few quantities. Therefore, it is ordered from the supplier altogether for decrease in ordering handling. 2. Value of inter-selling price is determined under the policy that total cost price plus contribution margin for operating cost. It is regarded as wholesale price so that the holding company shall take it for installation in order to add value accordingly. The value of product selling price and service charge sold or installed in project work for the last buyer that is regarded as the ordinary customer is fair value in accordance with competitive market situation in general. 3. The holding company is the major shareholder in the proportion of 100% of the registered capital of the subsidiary company. Therefore, consolidated financial statements must be prepared pursuant to Generally Accepted Accounting Principles for declaring the real financial status of the group of the companies.
KT Medical Service Company Limited	Rental income	315,000.00	The Company charged rental income base from lessor's building in the nearby area.

Related Company/Person	Nature of Transaction	Transaction Value (Baht)	Necessity and Reasonability
		For the Year Ended 31 December 2015	
KT Medical Service Company Limited	Sale of product Water dispenser hygiene (Waterlogic) and Temperature regulator	36,052.75	1. The Holding Company (Filter Vision Pcl.) has been approved to be the dealer of the main products from the foreign seller that is imported by its subsidiary company (KT Medical Service Co., Ltd.) to be used as office equipment. 2. The related selling price has been approved by cost plus margin.
Ratchawat Banmi Company Limited	Revenue from repair and maintenance of purified water maker for dialysis unit	3,815.00	The company has repaired and maintained purified water maker for dialysis unit of the customer. The price and trade condition has been determined by the company indifferently from other irrelevant customers.
Ratcharak Company Limited	Revenue from repair and maintenance of purified water maker for dialysis unit	0.00	The company has repaired and maintained purified water maker for dialysis unit of the customer. The price and trade condition has been determined by the company indifferently from other irrelevant customers.
Roi Et Dialysis Company Limited	Revenue from repair and maintenance of purified water maker for dialysis unit	4,905.00	The company has repaired and maintained purified water maker for dialysis unit of the customer. The price and trade condition has been determined by the company indifferently from other irrelevant customers.
Tradratchawat Dialysis Company Limited	Water analysis service charge Water analysis for infection inspection charge	14,115.00	The company has repaired and maintained purified water maker for dialysis unit of the customer. The price and trade condition has been determined by the company indifferently from other irrelevant customers.
PMAY. Marketing Company Limited	Revenue from sale machine producing antioxidants drinking water for healthy and machine producing ozonated water for disinfection within the same product (Biowell)	3,797,400.00	1. The Holding Company (Filter Vision Pcl.) has been approved to be the dealer of products "Biowell" from foreign vendor which make PMAY. Marketing Co., Ltd. must purchase with Filter Vision Pcl. only. 2. PMAY. Marketing Co., Ltd. has business pass direct sales channel. Direct sales channel appropriately distribute with Biowell. Also as part of the strategic partner business model with Filter Vision Pcl.. 3. The related selling price has been approved by cost plus margin. For the operation charges equal with a wholesale trade by not different from other customers who are not related.

Opinion of the Audit Committee

The Audit Committee has considered on such trading transaction and deemed as follows.

For sale of products and services occurred between the company and the related company, such transactions have been necessary and proper for nature of normal business of the company and its subsidiary under fair and reasonable price and trade condition.

For purchase of products and services occurred between the company and the related company, such transactions have been necessary and proper for nature of normal business of the company and its subsidiary under fair and reasonable price and trade condition.

Measure or Procedure of Inter-Transaction Doing Approval

In case that the inter-transaction of the company and its subsidiary occurs with the person who may have conflict of interest, have interest or may have conflict of interest in the future, the company shall assign the Audit Committee to express opinion about the necessity and appropriateness of that transaction after the occurrence of transactions in each quarter. In case that the Audit Committee is unskilled in consideration on inter-transaction that may occur, the company shall purvey the independent expert or auditor of the company to express opinion about that inter-transaction before the Audit Committee is assigned to express opinion about the necessity and appropriateness of such transaction for use as support of the director or shareholder's decision as the case may be. In the Board of Directors' Meeting or the Shareholders' Meeting for approval on transaction doing, the person who may have conflict of interest is not entitled to vote.

Policy or Trend of Future Inter-Transaction Doing

The policy of the company in inter-transaction doing can be classified into types of transactions as follows.

- Normal business transaction and normal business supporting transaction with general trade conditions such as purchase or sale of product and service, etc. The company determines inter-transaction doing policy under different condition to be in line with the nature of normal trade operation in market price which can be compared with price occurred with the outsider, strictly complies with mutually agreed contract, and also determines clear and fair prices and conditions of different transactions without cause of benefit transfer. However, Green Accounting Perfect Company Limited on behalf of the internal auditor shall perform information audit and repro preparation so that the Audit Committee can regularly consider and express the opinion about the appropriateness of price and reasonability of transaction doing every quarter.
- Normal business transaction and normal business transaction without general trade condition, and other inter-transactions such as asset acquisition or sale transaction, and financial aid or receipt transaction such as borrowing, guarantee, and use of assets as security, etc. The company's policy is to assign the Audit Committee to consider and express opinion about the reasonability and necessity of transaction doing prior-transaction doing subject to the compliance with Securities and Exchange Law, rule, proclamation, directive or regulation of Capital Market Supervisory Board and Stock Exchange of Thailand, as well as to comply with regulation about disclosure of information of inter-related transaction doing and acquisition and sale of important asset of the company and its subsidiary company. However, the director is not entitled to vote for approval on any transaction that he or she or any person with possible conflict of interest in doing such transaction, and he or she shall disclose the nature of relationship and detail of such transaction to the Board of Directors for consideration by the Board of Directors. In addition, in case that the Audit Committee is unskilled in consideration on such inter-transaction, the company shall assign the independent expert to express the opinion about such inter-transaction for use as support of the Board's or shareholders' decisions as the case may be.

However, the aforesaid policy and obligation have already been informed to every audit committee member. In the future, if the Audit Committee is appointed, the Board of Directors or the Managing Director shall execute to notify all nominated persons as the new audit committee members to be acknowledged about the obligation required for operation prior appointment.

For tendency of inter-transaction in the future, the company's inter-transaction doing policy can be classified in accordance with types of transactions as follows.

1. Financial Institution Loan Guarantee Transaction

After the company has entered to be the listed company in Market for Alternative Investment (mai), the company has negotiated with financial institutions for unburdening guarantee obligation of the company's directors and shareholders. The financial institution has currently unburdened such guarantee obligation without request for additional securities.

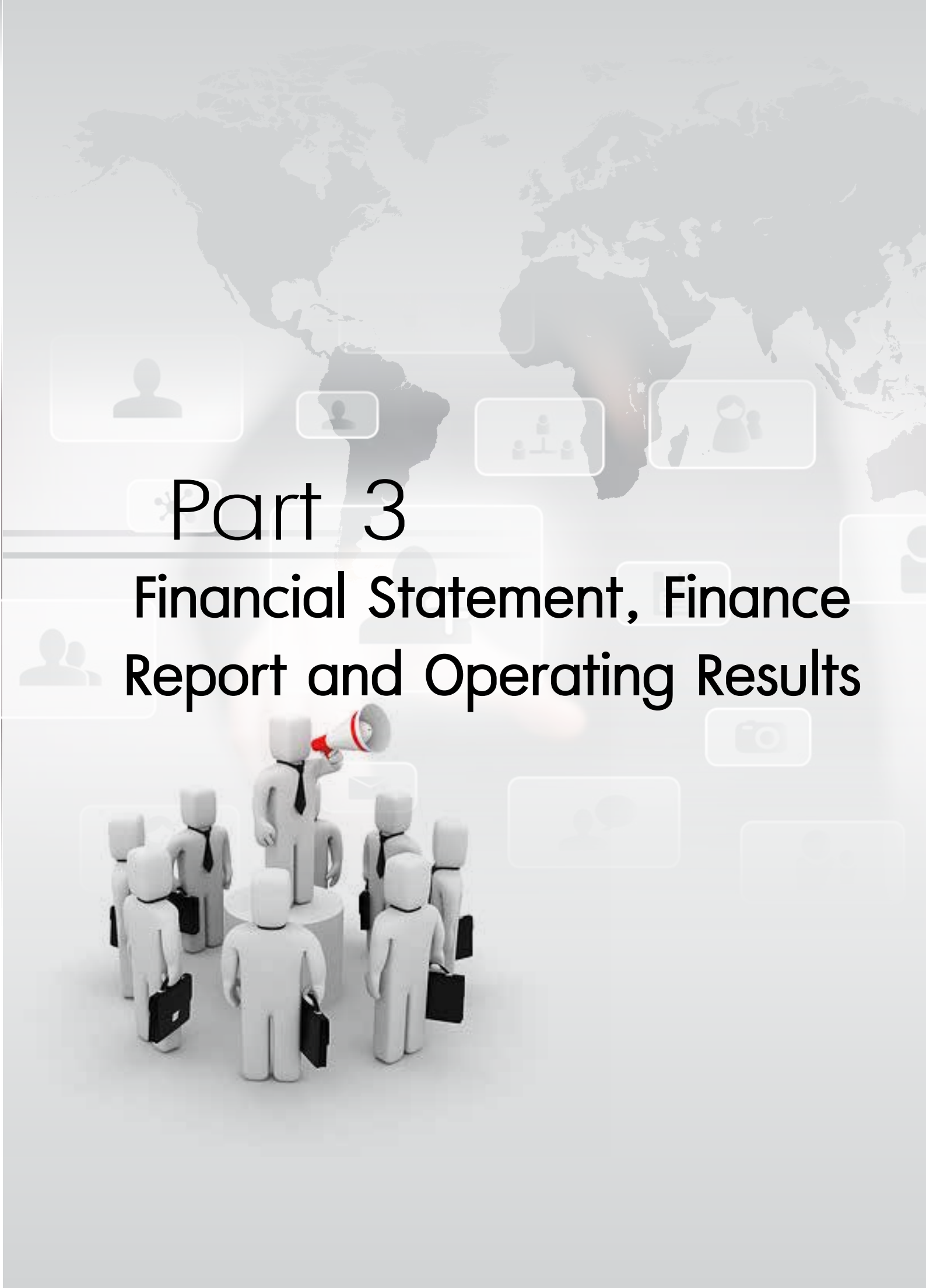
2. Inter-Trading Transaction between the Company and its Subsidiary Company and Related Person/Company

The tendency of inter-trading transaction between the company and its subsidiary and related person/company has been expected to occur in the future. However, if such nature of transaction occurred in the future, the company shall comply with the determined policy.

If the aforesaid inter-transaction doing occurs in the future, the company will fairly and obviously perform without cause of benefit transfer in order to comply with Securities and Exchange Law and rule, proclamation, directive or regulation of Capital Market Supervisory Board and Stock Exchange of Thailand, and compliance with regulation on information disclosure, interrelated transaction and asset acquisition and sale. However, the stakeholder or the person with possible conflict of interest shall not be involved in consideration for approval in inter-transaction doing. The Audit Committee shall express the opinion related to such transaction by proposing to the Board of Directors and/or the Shareholders' Meeting as the case may be to be the supporting information in consideration for approval on entry to do transaction.

Moreover in case that the Audit Committee is required to comment about the appropriateness of such transaction and the Audit Committee is unskilled in consideration on such inter-transaction, the company shall purvey the person with specialized know-how such as independent auditor or asset appraiser to be the person who comments about inter-transaction. The opinion of the Audit Committee or person with specialized know-how shall be taken for use in supporting the decision of the Board of Directors or shareholders as the case may be in order to assure that entry to do such transaction is not the removal or transfer of benefit between the companies or the person who may have conflict of the company but it is the transaction doing of which the company shall consider on maximum benefit of each shareholder.

In addition, the company shall comply with accounting standards, disclosure of information related to person or business determined by Federation of Accounting Professions under the Royal Patronage of His Majesty the King. The company shall disclose in the nature of relationship and detail of inter-transaction in Notes to Financial Statements of the company as well as Annual Registration Statement (Form 56-1), and Annual Report (Form 56-2) of the company.

A light gray world map serves as the background. Overlaid on the map are several white, rounded rectangular boxes containing faint icons: a person, a group of people, a family, a camera, and speech bubbles.

Part 3

Financial Statement, Finance Report and Operating Results



13. Significant financial information

13.1 Conclusion of independent auditor's report

For the year ended December 31, 2015, auditors have audited the separate financial statements and consolidated financial statements of the Company and its subsidiaries by report unqualified opinion on the financial statements and present fairly in accordance with Thai Financial Reporting Standards.

13.2 Conclusion of financial position and operating results within 3 years

Statement of comprehensive income (million baht)	Consolidated financial statements		
	2013	2014	2015
Revenues from sales and services	302.86	360.75	364.90
Gross profit from sales and services	95.80	98.15	101.93
Other income	3.04	2.52	3.54
Selling expenses	(13.88)	(15.90)	(18.03)
Administrative expenses	(65.29)	(65.82)	(70.03)
Net profit before finance costs and corporate income tax	19.67	18.95	17.41
Finance costs	(3.04)	(1.86)	(1.79)
Corporate income tax	(2.97)	(4.55)	(2.97)
Net profit for the year	13.66	12.54	12.65
Other comprehensive income - net of tax			
- Actuarial losses from employee benefit plan	(0.85)	-	-
- Income tax relating to components of other comprehensive income	0.17	-	-
Total Comprehensive income for the year	12.98	12.54	12.65
<u>Profit attributable to :-</u>			
- Owners of the Company	-	-	13.00
- Non-controlling interests	-	-	(0.35)

Financial position (million baht)	Consolidated financial statements		
	2013	2014	2015
Assets	274.16	285.95	407.05
Liabilities	70.72	76.97	70.72
Shareholders' equity	203.44	208.98	336.33
Share capital			
Issued and fully paid-up common share (million share)	200.00	200.00	258.05
Par (baht)	0.50	0.50	0.50
Statement of cash flows (million baht)			
Net cash provided by (used in) operating activities	(22.39)	10.30	(0.51)
Net cash provided by (used in) investing activities	(3.84)	(4.18)	(79.34)
Net cash provided by (used in) financing activities	44.59	(9.52)	107.03
Net increase (decrease) in cash and cash equivalents	18.36	(3.40)	27.18

13.3 Financial ratios

	Consolidated financial statements		
	2013	2014	2015
Liquidity ratio			
Current ratio (time)	3.98	3.70	4.65
Quick ratio (time)	2.05	1.82	2.21
Cash flow current ratio (time)	(0.40)	0.18	(0.01)
Receivables and accrued income turnover (time)	3.56	3.65	3.99
Average collection period (day)	101.11	98.69	90.15
Inventory turnover (time)	2.38	2.11	1.83
Average selling period (day)	151.57	170.55	196.77
Receivables turnover (time)	8.46	6.68	5.59
Average repayment period (day)	42.57	53.90	64.37
Cash Cycle (day)	210.12	215.34	222.55

	Consolidated financial statements		
	2013	2014	2015
Profitability ratio			
Gross profit margin (%)	31.63%	27.21%	27.93%
Operating profit margin (%)	6.49%	5.25%	4.77%
Cash to profit margin (%)	(113.87%)	54.36%	(2.95%)
Net profit margin (%)	4.46%	3.45%	3.43%
Efficiency ratio			
Return on equity (%)	8.36%	6.08%	4.64%
Return on assets (%)	5.77%	4.47%	3.65%
Return on fixed assets (%)	45.15%	43.02%	25.36%
Asset turnover (time)	1.29	1.29	1.06
Financial policy ratio			
Debt to equity ratio (time)	0.35	0.37	0.21
Interest coverage ratio (time)	12.43	23.38	24.68
Commitment coverage ratio (Cash Basis) (time)	(2.31)	1.75	0.00
Dividend payout ratio (%)	51.25%	66.97%	102.05%
Information per share **			
Basic earnings per share (baht)	0.09	0.06	0.06
Book value per share (baht)	1.02	1.04	1.30

Notes **

1. Basic earnings per share of the year 2013 calculate from number of weighted average ordinary shares of 152 million shares.
Book values per share of the year 2013 calculate from number of weighted average ordinary shares of 200 million shares.
2. Basic earnings per share and book values per share of the year 2014 calculate from number of weighted average ordinary shares of 200 million shares.
3. Basic earnings per share of the year 2015 calculate from number of weighted average ordinary shares of 232 million shares.
Book values per share of the year 2015 calculate from number of weighted average ordinary shares of 258 million shares.

14. Management's discussion and analysis (MD&A)

Overview of the year 2015

Filter Vision Public Company Limited and its subsidiary ("the Company") has principally engage in the distribution products and equipment, design, assembly and installation of pure water treatment system and service preventive maintenance of pure water treatment system.

In 2015 the Company has significant events occurred, by on March 30, 2015 has increased the Company's registered share capital from Baht 100 million to Baht 195 million. During the year the Company received payments of capital increase from the private placement (PP) of 43 million shares and received payments of capital increase from exercise common shares from warrant's holder (FVC-W1) of 15 million shares. At the end of the year, the Company has issued and fully paid-up share capital totaling Baht 129 million which demonstrates the intention and effort to expand the Company's business continues.

After received the capital increase, the Company invested by registration two newly subsidiaries with focusing on investment to the business of medical services which as the market that is continues growing. On June 5, 2015 the Company invested by registration KT Medical Service Co., Ltd. which has the business about dialysis center which provides dialysis with hemodialysis machine for patients with end-stage chronic kidney disease by has the value of investment totaling of Baht 7 million or rate of 70% of share registered. And on July 10, 2015 the Company invested by registration Medical Vision Co., Ltd. which has the business about selling tools and equipment related to medicine by has the value of investment totaling of Baht 7.5 million or rate of 75% of share registered.

Apart from investments in other related businesses. The Company still always focuses on expansion on a core business which related with equipment and pure water treatment system because the water still important factor in human life of consumer and together with the expectations to upgrade the water for consumers use even more quality water. The importing of newly products these are the machine producing antioxidants drinking water for healthy and machine producing ozonated water for disinfection within the same product (Biowell) and the water dispenser hygiene (Waterlogic) that both of products are new innovation of the product related with equipment and pure water treatment system in Thailand during quarter 2/2015 which reflects the intention of the above mentioned explicitly.

Conclusion of operating results

Statement of comprehensive income (million baht)	Consolidated financial statements			
	2015	2014	+ / (-)	%
Revenues from sales and services	364.90	360.75	4.15	1.15%
Gross profit from sales and services	101.93	98.15	3.78	3.85%
Other income	3.54	2.52	1.02	40.48%
Selling expenses	(18.03)	(15.90)	2.13	13.40%
Administrative expenses	(70.03)	(65.82)	4.21	6.40%
Net profit before finance costs and corporate income tax	17.41	18.95	(1.54)	(8.13%)
Finance costs	(1.79)	(1.86)	(0.07)	(3.76%)
Corporate income tax	(2.97)	(4.55)	(1.58)	(34.73%)
Net profit for the year	12.65	12.54	0.11	0.88%
Other comprehensive income - net of tax	-	-	-	-
Total Comprehensive income for the year	12.65	12.54	0.11	0.88%
<u>Profit attributable to :-</u>				
- Owners of the Company	13.00	12.54	0.46	3.67%
- Non-controlling interests	(0.35)	-	(0.35)	(100.00%)

● Revenues

Total revenues (the major revenue and other income) increased totaling Baht 5.17 million or increasing rate of 1.42% from the previous year. Classified by business group are summarized in the following table.

Revenue per groups of customer	2015		2014		Growing Rate of Customer
	MB	%	MB	%	
1. Industrial and OEM (B1)	75.44	20.67%	74.67	20.70%	1.03%
2. Commercial and residential (B2)	212.33	58.19%	225.74	62.57%	(5.94%)
3. Medical services (B3)	77.13	21.14%	60.34	16.73%	27.83%
Total Revenues	364.90	100.00%	360.75	100.00%	1.15%

The Company's revenues from sales and services for the year 2015 had increased totaling Baht 4.15 million or increasing rate of 1.15 % from the previous year which has factor of each group of customers as follows :-

The revenue of Industrial and OEM (B1) increased slightly totaling Baht 0.77 million or increasing rate of 1.03%. Even in 2015, the Company not has revenue from projects that high value such as 2014 but in the sector of sales water filtration system product can increase sales volume. As a result, overall sales in this segment increased slightly.

The revenue of Commercial and residential (B2) decreased totaling Baht 13.41 million or decreasing rate of 5.94% from the year 2014. However, customer group convenience stores, restaurants, and coffee shops still continuously expanding. The Company could be expanded sales of equipment related water filtration system from expansion of customer groups which same as every year ago. Overall revenues in this customer group decreasing due to during the year 2014 the Company has received special orders on foods equipment product from some customers in a relatively high value.

The revenue of medical service (B3) increased totaling Baht 16.79 million or increasing rate of 27.83% from the year 2014 due to during the year, the Company has revenue related to decoration the hemodialysis unit and installation and preventive maintenance of pure water treatment system for hemodialysis increase around of Baht 10 million. Moreover, the sales of dialysis fluid product increased by around of Baht 7 million from the previous year.

- **Gross profit**

The Company's gross profits in the year 2015 and 2014 totaling Baht 101.93 million and Baht 98.15 million, respectively and the gross profit ratios were correspondingly at 27.93% and 27.21%. While the revenues from sales and services are nearby amount. The gross profit will slightly increase both of amounts and ratio due to sales volume of equipment related water filtration system which main product of company in sector commercial and residential (B2) increased from the same period of the previous year. The equipment related water filtration system has margin more than foods equipment.

- **Other income**

Other income had increase totaling Baht 1.02 million or increasing rate of 40.48 % from the year 2014 mainly due to gain on exchange rate that paid foreign vendors. The Company has foreign currency forward contracts to reduce the risk of fluctuations in value of Baht but no policy to profit from the currency exchange.

- **Selling expenses**

Selling expense increased totaling Baht 2.13 million or increasing rate of 13.40% from the year 2014 mainly from booth expenses such as THAIFEX-World of Food Asia 2015 (THAIFEX) and BaanLaeSuanFair for presentation a newly product and publicity the Company to be more widely recognized.

- **Administrative expenses**

Overview of administrative expenses had increased totaling Baht 4.21 million or increasing rate of 6.40% from the year 2014 mainly due to adjusting compensation of employees and executives for the year which same as every year and the restructuring new organization was effective as from January 1, 2015 make the Company needs to recruit staff to work in new department.

● Operating results

For the year 2015, the Company had increase net profit slightly Baht 0.11 million or increasing rate of 0.88% from the year 2014 due to still able to maintain the balance between increasing of total revenues and increasing of total expense.

Financial position

● Assets

Overview of assets increased totaling Baht 121.10 million or increasing rate of 42.35% from the end of year 2014, the main cause from proceeds capital increase.

Short-term investments, the purchasing of equipment related water filtration systems in both new and existing products to support the expansion of commercial and residential business (B2). As a result at the end of the year inventories increase by Baht 17.44 million.

Long-term investment, the Company paid capital increase by investing in registration two newly subsidiaries which the value of investment Baht 7 million and Baht 7.5 million, respectively. Purchasing the land on Ramintra for construction the warehouse and office building in the future amount of Baht 38.13 million and investment on the establishment including tools and equipment of clinic for dialysis service KT Medical Service (Phatthanakan) totaling Baht 27.55 million.

Key assets of the Company as follows :-

Financial position (million baht)	Consolidated financial statements			
	2015	2014	+ / (-)	%
Cash and cash equivalents	45.11	17.93	27.18	151.59%
Trade and other receivables	77.62	93.93	(16.31)	(17.36%)
Receivables from finance lease contracts	22.44	10.74	11.70	108.94%
Inventories	127.82	110.38	17.44	15.80%
Property, plant and equipment	110.29	41.69	68.60	164.55%
Other assets	23.77	11.28	12.49	110.73%
Total assets	407.05	285.95	121.10	42.35%

➤ Cash and cash equivalents

As of December 31, 2015, the Company had cash and cash equivalents increased from the previous year of Baht 27.18 million or representing rate 151.59%, due to during April and November of the year 2015 proceeds the capital increase from private placements and exercised common shares from warrant's holder

(FVC-W1), respectively. Remaining proceeds from capital increase will be used as working capital for operations.

➤ **Trade and other receivables**

Classified by aging as follows :-

Unit : Thousand baht	2015		2014		Change	
	Receivables	Accrued income	Receivables	Accrued income	Receivables +/-	Accrued income +/-
Not yet due	33,710	-	37,375	-	(3,665)	-
Past due :						
Less than 3 months	23,334	11,223	29,947	13,656	(6,613)	(2,433)
More than 3 – 6 months	4,081	287	5,070	2,429	(989)	(2,142)
More than 6 – 12 months	1,840	229	2,117	1,231	(277)	(1,002)
More over 12 months	1,727	3,077	1,261	3,153	466	(76)
	64,692	14,816	75,770	20,469	(11,078)	(5,653)
<u>Less</u> allowance for doubtful accounts	(2,620)	(2,831)	(1,725)	(3,118)	(895)	287
Net	62,072	11,985	74,045	17,351	(11,973)	(5,366)
Total trade receivables		74,057		91,396		(17,339)
<u>Add</u> other receivables		3,567		2,530		1,037
Total		77,624		93,926		(16,302)

Overview

The Company has trade receivables and accrued income - net decrease of Baht 17.34 million or representing rate 18.97% from previous year. The overall income from both years is resembled, but trade receivables and accrued income - net. decrease mainly due to during the year 2015 distributed icematic machine with one customer which has payment term by installments for a period of 5 years (Amount of sale without interest is approximately of Baht 14 million). This is consistent with an increasing of receivables from finance lease contracts.

Not yet due and past due but less than 3 months

Trade receivables in this period decreased from previous year of Baht 10.28 million or representing rate 15.27%, mainly due to the year 2015 the Company distribute icematic machine with one customer which has payment term by installments for 60 periods. The decreasing of trade receivables is consistent with an increasing of receivables from finance lease contracts.

Accrued income in this period decreased from previous year of Baht 2.43 million or representing rate 17.82% due to at the end of the year 2015, the parent company has installation of water filtration system and preventive maintenance which work completed but not yet issue invoice has decrease if compared to at the end of the year 2014.

Past due more over 12 months

Trade receivables in this period increased from previous year of Baht 0.47 million or representing rate 36.95% due to at the end of the year 2015, subsidiary company has trade receivables in process of collecting debts increase if compared to at the end of the year 2014.

Other periods

Trade receivables and accrued income in other periods which not described above changed by immateriality according to the business Cycle.

➤ **Receivables from finance lease contracts**

As of December 31, 2015, the Company had receivables from finance lease contracts increased from the previous year of Baht 11.70 million or representing rate 108.94% due to during the year 2015, the parent company has distributed icematic machine with one customer which has payment term by installments for a period of 5 years (Amount of sale without interest is approximately of Baht 14 million). In previous years, the Company not has selling products in the manner above mentioned.

➤ **Inventories**

The company inventories - net at the end of the year 2015 increased by Baht 17.45 million or representing rate 15.80% from previous year. The Company emphasizes on preventive maintenance regularly and distribution products and equipment which related pure water treatment system fully which necessary provide products and equipment for service customer in rather high volume. Overview of inventories increased due to reserve to support the expanding of customer group commercial and residential (B2) especially convenience stores, restaurants, and coffee shops. Including, the Company has imported new products which were between make the marketing and presenting with customer.

Details of inventories

Unit : Thousand baht	2015	2014	+ / (-)	%
Filter supplies	75,769	60,168	15,601	25.93%
Work in process	3,680	4,878	(1,198)	(24.56%)
Supplies and spare parts	32,983	33,081	(98)	(0.30%)
Goods in transit	16,291	13,385	2,906	21.71%
Total	128,723	111,512	17,211	15.43%
<u>Less</u> allowance for decline in value of inventories	(902)	(1,139)	237	20.81%
Inventories - net	127,821	110,373	17,448	15.80%

➤ Property, plant and equipment

The Company's fixed assets at the end of the year 2015 increased by Baht 68.60 million or representing rate 164.55% from previous year. The Company has use capital increase to purchase the land on Ramintra for construction the warehouse and office building in the future of Baht 38.13 million and invest in the establishment including tool and equipment of clinic for dialysis service KT Medical Service (Phatthanakan) of Baht 27.55 million. In addition, the Company has general invest with office equipment and tools for technical service department as well as previous years.

Detail of fixed assets

Unit : Thousand baht	2015	2014	+ / (-)	%
Land and leased land improvement	58,286	7,797	50,489	647.54%
Buildings and building improvement	26,450	13,762	12,688	92.20%
Furniture, fixture and office equipment	5,384	4,351	1,033	23.74%
Tools and equipment	9,034	2,983	6,051	202.85%
Vehicles	11,136	11,925	(789)	(6.62%)
Construction in progress	-	875	(875)	(100.00%)
Property, plant and equipment - net	110,290	41,693	68,597	164.55%

● Liabilities

Overview of liabilities decreased of Baht 6.25 million or representing rate 8.12% from previous year mainly due to.

In a part of increasing, Trade and other payables at the end of the year increased of Baht 4.39 million. An increasing is consistent with goods in transit at the end of the year which increased from previous year.

In a part of decreasing, the Company had a repayment short-term loans from financial institutions amount of Baht 5.00 million and payments liabilities under finance lease contracts which maturity during the year. In addition, accrued bonus at the end of the year end decreased from previous year of Baht 4.93 million.

Key liabilities of the Company are as follow :-

Financial position (million baht)	Consolidated financial statements			
	2015	2014	+/(-)	%
Bank overdrafts and short-term loans from financial institutions	-	5.00	(5.00)	(100.00%)
Trade and other payables	41.49	37.10	4.39	11.83%
Liabilities under finance lease contracts	5.38	7.61	(2.23)	(29.30%)
Accrued bonus	8.22	13.15	(4.93)	(37.49%)
Employee benefit obligations	11.39	10.60	0.79	7.45%
Other liabilities	4.24	3.51	0.73	20.80%
Total liabilities	70.72	76.97	(6.25)	(8.12%)

● Shareholders' equity

Overview of shareholders' equity increased totaling Baht 127.35 million or increasing rate of 60.94% from the end of year 2014. In a part of increasing due to the Company increase registered of share capital 190 million shares which proceeds capital increase from Private Placement 43 million shares totaling Baht 110.08 million in during April 2015 and exercised common shares from warrant's holder (FVC-W1) 15 million shares totaling Baht 7.53 million in during November 2015, respectively. In part of decreasing due to the Company paid dividend to shareholder amount 200 million shares for operating results for the year 2014 In May 2015, of rate Baht 0.042 per share totaling Baht 8.4 million.

The composition of shareholders' equity

Financial position (million baht)	Consolidated financial statements			
	2015	2014	+/(-)	%
Authorized share capital	195.00	100.00	95.00	95.00%
Issued and fully paid-up share capital	129.03	100.00	29.03	29.03%
Premium on share capital	137.88	49.30	88.58	179.68%
Retained earnings - appropriated for legal reserve	4.29	3.49	0.80	22.92%
Retained earnings - unappropriated	56.62	52.82	3.80	7.19%
Other components of shareholders' equity	3.37	3.37	-	-
Non-controlling interests	5.14	-	5.14	100.00%
Total shareholders' equity	336.33	208.98	127.35	60.94%

Cash Flow

For the year 2015, the Company has increase in net cash and cash equivalents totaling Baht 30.58 million when compared with previous year. The details of cash flows each activities as follows.

Statement of cash flows (million baht)	Consolidated financial statements		
	2015	2014	+ / (-)
Net cash provided by (used in) operating activities	(0.51)	10.30	(10.81)
Net cash provided by (used in) investing activities	(79.34)	(4.18)	(75.16)
Net cash provided by (used in) financing activities	107.03	(9.52)	116.55
Net increase (decrease) in cash and cash equivalents	27.18	(3.40)	30.58

● **Cash flow from operating activities**

The overall income from both years is resembled, but the Company cash flow from operation activities had decrease totaling Baht 10.81 million comparing to the previous year mainly due to during the year 2015 distributed icematic machine with one customer which has payment term by installments for a period of 5 years (Amount of sale without interest is approximately of Baht 14 million).

● **Cash flow from investing activities**

The Company cash flow from investing activities had increase totaling Baht 75.16 million from the previous year due to in during the year 2015, the Company had made a long term investment in many high value fixed asset such as land, commercial building, and dialysis machine for its subsidiary, which different from the previous year that mainly invest to office equipment and tools for technical service department.

● **Cash flow from financial activities**

The Company cash flow from financial activities had increase totaling Baht 116.55 million comparing to the previous year due to during April and November of the year 2015 proceeds capital increase from private placements and exercised common shares from warrant's holder (FVC-W1), respectively. In addition during May 2015, the Company had paid the dividend to share holder for the year 2014 performance.

Financial ratios

	Consolidated financial statements		
	2015	2014	+ / (-)
Liquidity ratio			
Current ratio (time)	4.65	3.70	0.95
Quick ratio (time)	2.21	1.82	0.39
Average collection period (day)	90.15	98.69	(8.54)
Average selling period (day)	196.77	170.55	26.22
Profitability ratio			
Gross profit margin (%)	27.93%	27.21%	0.72%
Operating profit margin (%)	4.77%	5.25%	(0.48%)
Net profit margin (%)	3.43%	3.45%	(0.02%)
Efficiency ratio			
Return on equity (%)	4.64%	6.08%	(1.44%)
Return on assets (%)	3.65%	4.47%	(0.82%)
Financial policy ratio			
Debt to equity ratio (time)	0.21	0.37	(0.16)
Information per share **			
Basic earnings per share (baht)	0.06	0.06	-
Book value per share (baht)	1.30	1.04	0.26

Notes **

1. Basic earnings per share and book values per share of the year 2014 calculate from number of weighted average ordinary shares of 200 million shares.
2. Basic earnings per share of the year 2015 calculate from number of weighted average ordinary shares of 233 million shares.
Book values per share of the year 2015 calculate from number of weighted average ordinary shares of 258 million shares.

- **Liquidity ratio**

Current ratio and Quick ratio had increased from the previous year, approximately 0.95 times and 0.39 times, respectively due to proceeds capital increase during the year which allow the Company to have more circulating funds. And also repayment short-term loans from financial institutions, the Company without debt with financial institutions at the end of year.

The average collection period in the year 2015 faster than previous year due to payments received from outstanding receivables of medical services customer group more.

The average selling period in the year 2015 slower than previous year due to the Company has imported new products which were between make the marketing and presenting with customer by during the year can be distributed customer partially. Including, The Company necessary provide products and equipment for the speedy service and keep pace with customer requirement due to emphasis on preventive maintenance regularly and distribution products and equipment which related pure water treatment system fully.

- **Profitability ratio**

With the ability to control the growth of total income and total expense, the Company's profitability ratio is resembling to the previous year.

- **Efficiency ratio**

While the performance of both year are similar, but ROE and ROA decreased from the previous year 1.44% and 0.82%, respectively due to the Company gains more shareholders' equity from capital increase and investing on many high value fixed assets in during the year.

- **Financial policy ratios**

Debt to equity ratio decreased by 0.16 times, which is related directly to capital increase during the year of 2015.

Currency exchange rate

The Company has mostly distributes products which directly import from oversea and payments by US dollar. Accordingly, the Company focuses on the assessment of exchange rate fluctuations and management of forward contract regularly to reduce the risk of fluctuations in exchange rates significantly but no policy to profit from the currency exchange rate.

Even in the year 2015, Baht has fluctuated over the last several years. However, the weakening of Baht does not affect the company's operation significantly.

Consumer's behavior

The water was element in human's life, and also fundamental element for the production of industrial and medical. The water's demand of human is becoming more and more. Meanwhile, the contamination of water is increasing. The equipment related with water treatment system will have a role to improve the water quality even further in the future. The water's demand of consumer in all sectors such as household, commercial and industrial etc., these will be keyed in expansion of the company sustainability.

Company's Direction in 2016

Welcomes the integration of the ASEAN Economics Community (AEC), the Company must be emphasized marketing plan to comply with the incorporation more than the past for penetrate into the neighbor market.

To drive new established subsidiary with both companies begin generate revenue as soon as possible.

- KT Medical Service Co., Ltd. which has the business about dialysis center which provides dialysis with hemodialysis machine for patients with end-stage chronic kidney disease. On February 10, 2016, clinic for dialysis service KT Medical Service (Phatthanakan) license number 10102000959 started to provide dialysis patients with end-stage chronic kidney disease.
- Medical Vision Co., Ltd. which has the business about selling tools and equipment related to medicine had been presenting products with customer.

Responsibility Report of Committee toward Financial Report

The company's committee is responsible for financial budget of Filter Vision PCL and consolidated financial statement of Filter Vision PCL and its subsidiaries including financial information that appears in the annual report. Such financial budget was made according to generally accepted accounting standard. Suitable accounting policy was selected and always practiced with attentive discretion and best estimation. It included disclosing sufficient essential information in notes to financial statement for transparent benefit of shareholders and general investors.

The company's committee provided risk management system and maintained proper and efficient internal control system to ensure that accounting data was correct, complete and sufficient for retaining assets along with preventing corruption or abnormal operation significantly.

The committee appointed the audit committee to audit accounting policy and quality of financial report, examine internal control system, internal audit, risk management system as well as consider disclosing inter-transaction data. Opinions of the audit committee about this appeared in the report of audit committee which was shown in the annual report.

The financial budget of the company and consolidated financial statement of the company and its subsidiaries were verified by the auditor of B.P.R Audit and Advisory Co., Ltd. For such audit, the company's committee supported information and documents so that the auditor could check and express opinions according to auditing standard. The opinion of auditors appeared in the auditor report and was shown in the annual report.

The company's committee agreed that the internal control system of the company generally was in good level and satisfactory that could bring reasonable confidence that the financial budget of Filter Vision PCL and consolidated financial statement of Filter Vision PCL and its subsidiaries as of 31 December 2014 was reliable according to generally accepted accounting standard and legally practiced.



(Mr. Chotisak Asopwiriya)
Committee Chairman

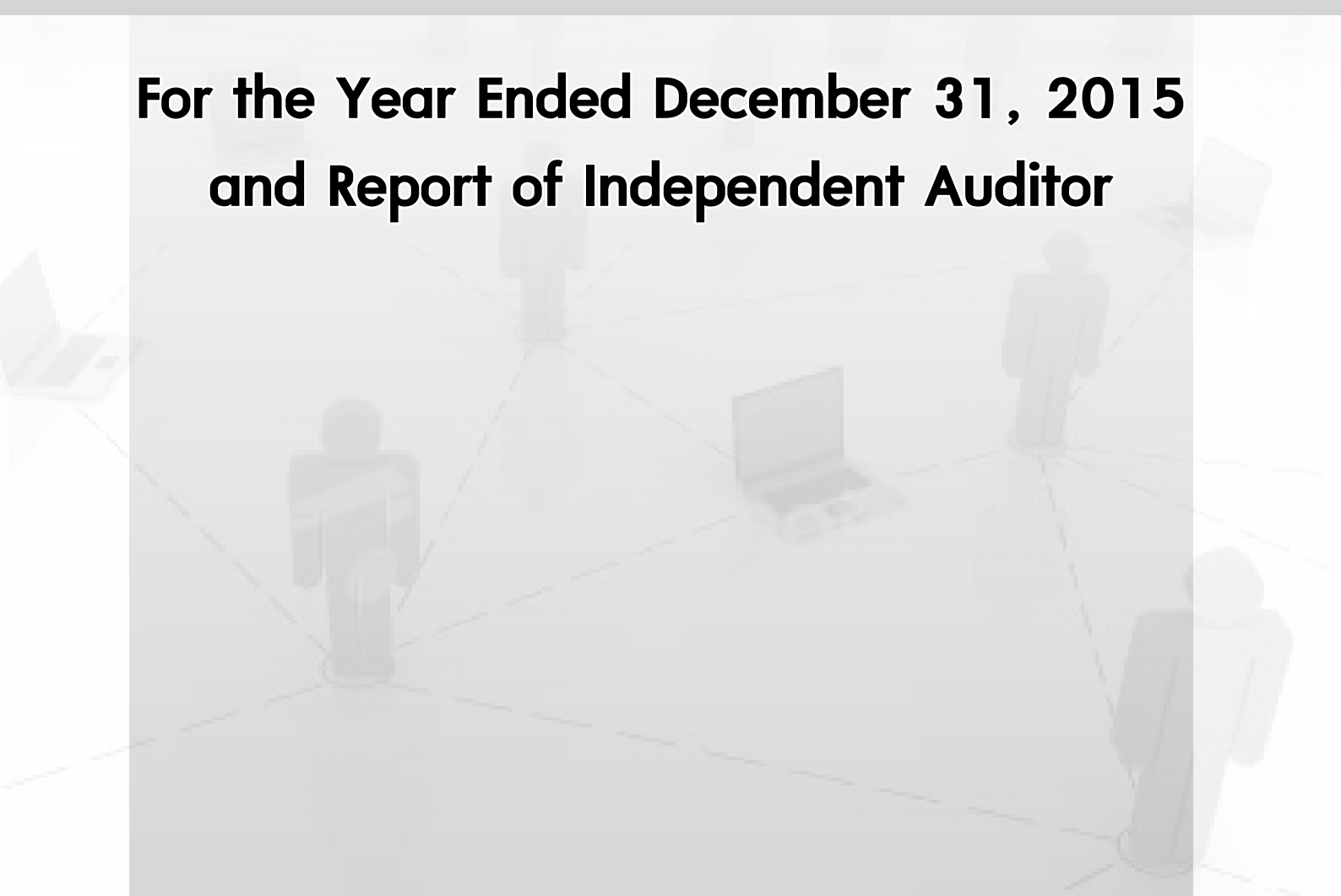


(Dr. Wijitr Techakasem)
Chief Executive Officer

**FILTER VISION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Financial Statements

**For the Year Ended December 31, 2015
and Report of Independent Auditor**



INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Filter Vision Public Company Limited

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

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 determine 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 free from material misstatement.

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

The accompanying notes are an integral part of these financial statements.

Opinion

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

(Mr. Boonlert Kaewphanpurk)
Certified Public Accountant
Registration No. 4165

BPR AUDIT AND ADVISORY CO., LTD.
Bangkok
February 25, 2016

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

ASSETS

	Notes	In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2015	2014	2015	2014
CURRENT ASSETS					
Cash and cash equivalents	6	45,113,939	17,930,201	28,339,691	13,415,446
Current investment	7	1,020,666	-	1,020,666	-
Trade and other receivables					
- Related parties	5,8	-	90,887	538,340	1,249,195
- Other parties	8	77,624,175	93,835,067	55,658,855	68,498,131
Current portion of receivables from finance lease contracts	9	6,276,015	4,370,778	2,778,394	-
Inventories	10	127,820,943	110,373,020	116,742,246	98,321,867
Short-term loans and interest receivable to related party	5	-	-	27,078,455	27,734,195
Advance payment for goods		1,836,903	854,267	1,828,853	854,267
Other current assets		1,016,772	685,698	774,373	144,076
Total current assets		260,709,413	228,139,918	234,759,873	210,217,177
NON – CURRENT ASSETS					
Deposit at financial institution pledged as collaterals	11	11,518,643	3,456,935	6,752,131	2,203,058
Receivables from finance lease contracts-net of current portion	9	16,167,129	6,372,690	11,281,972	-
Investments in subsidiaries	12	-	-	30,474,661	15,974,661
Investment property	13	-	-	20,778,316	-
Property, plant and equipment	14	110,290,291	41,692,687	81,012,128	39,440,670
Intangible assets	15	3,043,944	3,122,890	2,610,008	2,659,551
Deferred tax assets	21	2,824,663	1,779,297	1,919,283	1,779,297
Other non - current assets		2,500,199	1,389,864	721,790	679,490
Total non – current assets		146,344,869	57,814,363	155,550,289	62,736,727
TOTAL ASSETS		407,054,282	285,954,281	390,310,162	272,953,904

The accompanying notes are an integral part of these financial statements.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

LIABILITIES AND SHAREHOLDERS' EQUITY

	Notes	In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2015	2014	2015	2014
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	16	-	5,000,000	-	5,000,000
Trade and other payables					
- Related parties	5,17	-	-	380,592	48,970
- Other parties	17	41,490,239	37,101,158	30,679,422	27,442,377
Current portion of liabilities under finance lease contracts	18	2,264,369	2,487,247	2,094,383	2,400,560
Accrued bonus	5	8,223,693	13,150,558	7,335,793	11,573,310
Income tax payable		1,152,546	1,473,355	1,152,546	1,473,355
Other current liabilities					
- Advance received for goods		1,486,900	1,872,344	1,486,901	1,872,343
- Others		1,426,398	503,678	28,995	75,000
Total current liabilities		56,044,145	61,588,340	43,158,632	49,885,915
NON - CURRENT LIABILITIES					
Liabilities under finance lease contracts - net of current portion	18	3,113,332	5,120,223	2,788,321	4,882,704
Employee benefit obligations	20	11,393,272	10,060,479	9,507,487	8,395,022
Deferred tax liabilities	21	-	31,721	-	-
Other non-current liabilities	5	173,830	173,830	10,000	10,000
Total non-current liabilities		14,680,434	15,386,253	12,305,808	13,287,726
TOTAL LIABILITIES		70,724,579	76,974,593	55,464,440	63,173,641
SHAREHOLDERS' EQUITY					
Share capital - common shares, Baht 0.50 par value					
Authorized share capital - 390,000,000 shares, Baht 0.50 par value in 2015 and 200,000,000 shares, Baht 0.50 par value in 2014	22	195,000,000	100,000,000	195,000,000	100,000,000
Issued and fully paid-up share capital - 258,051,700 shares, Baht 0.50 par value in 2015 and 200,000,000 shares, Baht 0.50 par value in 2014	22	129,025,850	100,000,000	129,025,850	100,000,000
Premium on share capital	22,24	137,880,369	49,300,369	137,880,369	49,300,369
Retained earnings					
- Appropriated for legal reserve	24	4,288,590	3,488,590	4,288,590	3,488,590
- Unappropriated		56,624,006	52,825,532	63,650,913	56,991,304
Other components of shareholders' equity		3,365,197	3,365,197	-	-
Equity attributable to the equity holders of the parent company		331,184,012	208,979,688	334,845,722	209,780,263
Non-controlling interests		5,145,691	-	-	-
Total shareholders' equity		336,329,703	208,979,688	334,845,722	209,780,263
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		407,054,282	285,954,281	390,310,162	272,953,904

The accompanying notes are an integral part of these financial statements.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2015

	Notes	In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2015	2014	2015	2014
REVENUES	5				
Revenues from sales and services		364,905,384	360,752,102	291,482,992	306,624,304
Revenues from finance lease contracts		1,187,485	1,489,700	64,440	-
Other income		2,351,934	1,026,236	3,985,939	3,603,176
Total Revenues		<u>368,444,803</u>	<u>363,268,038</u>	<u>295,533,371</u>	<u>310,227,480</u>
EXPENSES	5,26				
Cost of sales and services		262,971,811	262,601,044	202,537,172	218,642,672
Selling expenses		18,032,726	15,898,199	14,540,465	12,597,443
Administrative expenses		46,593,544	39,712,332	36,794,072	30,710,488
Management benefit expenses		23,438,482	26,107,039	20,385,769	22,004,606
Finance costs	5	1,791,635	1,859,659	1,506,743	1,609,432
Total Expenses		<u>352,828,198</u>	<u>346,178,273</u>	<u>275,764,221</u>	<u>285,564,641</u>
PROFIT BEFORE INCOME TAX		15,616,605	17,089,765	19,769,150	24,662,839
Income tax expenses	21	(2,972,482)	(4,547,436)	(3,909,583)	(4,923,455)
PROFIT FOR THE YEAR		<u>12,644,123</u>	<u>12,542,329</u>	<u>15,859,567</u>	<u>19,739,384</u>
Other comprehensive income - net of tax		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>12,644,123</u>	<u>12,542,329</u>	<u>15,859,567</u>	<u>19,739,384</u>
Profit for the year attributable to :					
Equity holders of the parent company		12,998,432	12,542,329	15,859,567	19,739,384
Non-controlling interests		(354,309)	-	-	-
		<u>12,644,123</u>	<u>12,542,329</u>	<u>15,859,567</u>	<u>19,739,384</u>
Comprehensive income for the year attributable to :					
Equity holders of the parent company		12,998,432	12,542,329	15,859,567	19,739,384
Non-controlling interests		(354,309)	-	-	-
		<u>12,644,123</u>	<u>12,542,329</u>	<u>15,859,567</u>	<u>19,739,384</u>
Basic earnings per share	27	<u>0.06</u>	<u>0.06</u>	<u>0.07</u>	<u>0.10</u>
Diluted earning per share	27	<u>0.04</u>	<u>0.06</u>	<u>0.05</u>	<u>0.10</u>

The accompanying notes are an integral part of these financial statements.

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

In Baht										
Consolidated Financial Statements										
Notes	Issued and fully paid-up share capital	Premium on share capital	Retained earnings		Other components of shareholders' equity			Total equity attributable to the equity holders of the parent company	Non-controlling interests	Total shareholders' equity
			Appropriated for legal reserve	Unappropriated	Surplus on business combination under common control	Total				
	100,000,000	49,300,369	2,501,590	48,270,028	3,365,197		203,437,184	-	203,437,184	
25	-	-	-	(6,999,825)	-		(6,999,825)	-	(6,999,825)	
24	-	-	987,000	(987,000)	-		-	-	-	
	-	-	987,000	(7,986,825)	-		(6,999,825)	-	(6,999,825)	
	-	-	-	12,542,329	-		12,542,329	-	12,542,329	
	-	-	-	-	-		-	-	-	
	-	-	-	12,542,329	-		12,542,329	-	12,542,329	
	100,000,000	49,300,369	3,488,590	52,825,532	3,365,197		208,979,688	-	208,979,688	
	100,000,000	49,300,369	3,488,590	52,825,532	3,365,197		208,979,688	-	208,979,688	
	29,025,850	88,580,000	-	-	-		117,605,850	-	117,605,850	
	-	-	-	(8,399,958)	-		(8,399,958)	-	(8,399,958)	
	-	-	-	-	-		-	5,500,000	5,500,000	
	-	-	800,000	(800,000)	-		-	-	-	
	29,025,850	88,580,000	800,000	(9,199,958)	-		109,205,892	5,500,000	114,705,892	
	-	-	-	12,998,432	-		12,998,432	(354,309)	12,644,123	
	-	-	-	-	-		-	-	-	
	-	-	-	12,998,432	-		12,998,432	(354,309)	12,644,123	
	129,025,850	137,880,369	4,288,590	56,624,006	3,365,197		331,184,012	5,145,691	336,329,703	

The accompanying notes are an integral part of these financial statements.

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

	Notes	In Baht					Total shareholders' equity
		Separate Financial Statements				Other components of shareholders' equity	
		Issued and fully paid-up share capital	Premium on share capital	Retained earnings	Other comprehensive income (loss)		
				Appropriated for legal reserve	Unappropriated		
Balance as at January 1, 2014		100,000,000	49,300,369	2,501,590	45,238,745	-	197,040,704
Transactions with owners, recorded directly in shareholders' equity							
Dividends paid	25	-	-	-	(6,999,825)	-	(6,999,825)
Appropriated for legal reserve	24	-	-	987,000	(987,000)	-	-
Total transactions with owners, recorded directly in shareholders' equity		-	-	987,000	(7,986,825)	-	(6,999,825)
Comprehensive income for the year							
Profit for the year		-	-	-	19,739,384	-	19,739,384
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	19,739,384	-	19,739,384
Balance as at December 31, 2014		100,000,000	49,300,369	3,488,590	56,991,304	-	209,780,263
Balance as at January 1, 2015		100,000,000	49,300,369	3,488,590	56,991,304	-	209,780,263
Transactions with owners, recorded directly in shareholders' equity							
Increase in share capital	22	29,025,850	88,580,000	-	-	-	117,605,850
Dividends paid	25	-	-	-	(8,399,958)	-	(8,399,958)
Appropriated for legal reserve	24	-	-	800,000	(800,000)	-	-
Total transactions with owners, recorded directly in shareholders' equity		29,025,850	88,580,000	800,000	(9,199,958)	-	109,205,892
Comprehensive income for the year							
Profit for the year		-	-	-	15,859,567	-	15,859,567
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	15,859,567	-	15,859,567
Balance as at December 31, 2015		129,025,850	137,880,369	4,288,590	63,650,913	-	334,845,722

The accompanying notes are an integral part of these financial statements.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	15,616,605	17,089,765	19,769,150	24,662,839
Adjustments for				
Depreciation and amortization	6,629,913	5,791,261	5,051,781	4,566,410
Bad debt and provision for doubtful accounts (Reversal)	608,712	967,382	(55,423)	73,641
Loss from decline in value of inventories (Reversal)	(236,612)	5,941	(357,109)	(8,610)
Loss from obsolete inventories	294,282	-	294,282	-
(Gain) Loss on sales of fixed assets	115,257	(163)	69,624	(83)
Unrealized gain on exchange rate	(113,824)	(123,969)	(113,824)	(123,969)
Gain on investment in subsidiary	-	-	-	(1,153,522)
Written-off withholding tax	-	522,138	-	39,529
Employee benefit expense	813,572	776,501	679,444	631,641
Finance costs	1,791,635	1,859,659	1,506,743	1,609,432
Interest income	(395,487)	(246,916)	(874,448)	(788,367)
Profit from operating activities before changes in operating assets and liabilities	25,124,053	26,641,599	25,970,220	29,508,941
Decrease (Increase) in operating assets				
Trade and other receivables - related parties	90,935	239,067	710,855	(460,675)
Trade and other receivables - other parties	15,668,211	(5,107,506)	12,903,148	(9,352,174)
Receivables from finance lease contracts	(11,699,676)	1,080,562	(14,060,366)	-
Inventories	(17,505,593)	(14,352,999)	(18,357,552)	(11,674,675)
Advance payment for goods	(982,636)	2,241,928	(974,586)	2,241,928
Other current assets	(331,074)	311,988	(630,297)	317,910
Other non-current assets	(160,936)	(302,139)	(42,300)	(186,936)
Increase (Decrease) in operating liabilities				
Trade and other payables - related parties	-	(17,077)	331,622	(49,842)
Trade and other payables - other parties	317,289	7,856,619	3,365,253	2,623,480
Advance received for goods	(385,444)	341,390	(385,442)	341,390
Accrued bonus	(4,926,865)	(2,275,241)	(4,237,517)	(2,334,279)
Other current liabilities	922,720	(372,568)	(46,006)	75,000
Other non-current liabilities	-	100,000	-	-
Cash received from transfer of employee benefit obligations	-	-	-	778,630
Cash generated from operations	6,130,984	16,385,623	4,547,032	11,828,698
Interest paid	(1,286,798)	(1,399,529)	(1,088,106)	(1,256,341)
Income tax paid	(5,358,126)	(4,684,198)	(4,370,378)	(3,662,185)
Net Cash Provided by (Used in) Operating Activities	(513,940)	10,301,896	(911,452)	6,910,172

The accompanying notes are an integral part of these financial statements.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2015

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	367,758	193,818	1,197,997	156,162
Increase in current investment	(1,020,666)	-	(1,020,666)	-
Increase in deposit at financial institution pledged as collaterals	(8,061,708)	(1,021,047)	(4,549,073)	(1,004,859)
Cash paid for short - term loan to related party	-	-	(26,200,000)	(13,123,742)
Cash received from short-term loan to related party	-	-	26,523,742	8,500,000
Cash paid for investment in subsidiaries	-	-	(14,500,000)	-
Cash received from liquidation of investment in subsidiary	-	-	-	9,535,870
Purchase of investment property	-	-	(20,889,240)	-
Purchases of property, plant and equipment	(69,849,812)	(2,346,420)	(45,908,703)	(1,930,140)
Purchases of intangible assets	(789,250)	(1,009,901)	(631,450)	(750,100)
Proceeds from sales of fixed assets	11,683	6,210	7,758	1,550
Net Cash Provided by (Used in) Investing Activities	(79,341,995)	(4,177,340)	(85,969,635)	1,384,741
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of bank overdraft and short-term loan from financial institutions	(5,000,000)	-	(5,000,000)	-
Decrease in liabilities under finance lease contracts	(2,666,219)	(2,522,282)	(2,400,560)	(2,358,638)
Repayment of short - term loans from related party	-	-	-	(2,900,000)
Cash received from increase in share capital	117,605,850	-	117,605,850	-
Cash received from share capital of non - controlling interests	5,500,000	-	-	-
Dividends paid	(8,399,958)	(6,999,825)	(8,399,958)	(6,999,825)
Net Cash Provided by (Used in) Financing Activities	107,039,673	(9,522,107)	101,805,332	(12,258,463)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	27,183,738	(3,397,551)	14,924,245	(3,963,550)
Cash and Cash Equivalents - Beginning of Year	17,930,201	21,327,752	13,415,446	17,378,996
CASH AND CASH EQUIVALENTS - END OF YEAR	45,113,939	17,930,201	28,339,691	13,415,446

Supplementary Disclosure of Cash Flow Information

Non-cash items

1) Acquired vehicles under financial lease contracts	436,449	487,850	-	-
2) Outstanding payables from purchase of equipment	4,200,000	-	-	-

The accompanying notes are an integral part of these financial statements.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements

For the year ended December 31, 2015

These notes form an integral part of the financial statements.

The financial statements were authorized for issue by the directors on February 25, 2016.

1. GENERAL INFORMATION

Filter Vision Public Company Limited ("the Company") was incorporated in Thailand and its registered head office is at 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok, 10510, Thailand. The Company has 2 branches in upcountry.

The Company registered in the Stock Exchange of Thailand on October 29, 2013 and its common shares had been approved to be listed in the MAI (MAI: Market for Alternative Investment).

The Company and its subsidiaries operate in Thailand and principally engage in the distribution, design, assembly and installation of pure water treatment system and service preventive maintenance of pure water treatment system for commercial and residential sector, industrial and original equipment manufacturing of water system sector and medical service sector.

2. BASIS OF FINANCIAL STATEMENT PREPARATION

2.1 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.

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

The financial statements are presented in Thai Baht, which is the Company and its subsidiaries' functional currency.

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Filter Vision Public Company Limited and its subsidiaries as follows:

Name of companies	Type of business	In Thousand Baht		Percentage of direct and indirect holdings (%)	
		Paid-up share capital			
		2015	2014	2015	2014
Irving Corporation Ltd.	Distribution products and equipments, design, assembly and installation of pure water treatment system and service preventive maintenance of pure water treatment system for medical service.	25,000	25,000	100	100
KT Medical Service Co., Ltd.	Clinic for dialysis service	10,000	-	70	-
Medical Vision Co., Ltd.	Distribution, rent, preventive and maintenance of tools and diagnosis equipment for medical service including medical supplies and appliances.	10,000	-	75	-

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Name of companies	Type of business	In Thousand Baht		Percentage of	
		Paid-up share capital		direct and indirect holdings (%)	
		2015	2014	2015	2014
New McArthur Co., Ltd.*	Service installation and service preventive maintenance of pure water treatment system.	-	-	-	-

* The subsidiary stopped its operation and already liquidated on June 27, 2014. The Company received cash from return investment in such company amounting to Baht 9.5 million, then it made gain on investment in subsidiary amounting to Baht 1.2 million which included in other income in the statement of comprehensive income.

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

The Management prepared the consolidated financial statements by acquisition method for all business combinations other than those with entities under common control. Acquisition from entities under common control are accounted for using a method similar to the pooling of interest method and in accordance with Guidelines issued by the Securities and Exchange Commission.

c) Subsidiaries are fully consolidated as from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as applied to the Company.

e) Significant balances and transactions between the Company and its subsidiaries are eliminated in the preparation of the consolidated financial statements.

f) Non-controlling interests represent the portion of profit or loss and net assets of its subsidiaries that are not held by the Company and are presented separately in the consolidated statement of comprehensive income and shareholders' equity in the consolidated statement of financial position.

3. NEW FINANCIAL REPORTING STANDARDS

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standards that became effective in the current year

The Company and its subsidiaries have 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. However, some of these standards involve changes to key principles, which are summarised below:

Accounting Standard:

TAS 19 (revised 2014) Employee Benefits

Financial Reporting Standards:

TFRS 10 Consolidated Financial Statements

TFRS 11 Joint Arrangements

TFRS 12 Disclosure of Interests in Other Entities

TFRS 13 Fair Value Measurement

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

The above accounting standard and financial reporting standards do not have any significant impact on the financial statements of the Company and its subsidiaries.

(b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for annual financial periods beginning on or after January 1, in the year indicated in the following table:

TFRS	Topic	Effective Year
TAS 1 (revised 2015)	Presentation of Financial Statements	2016
TAS 2 (revised 2015)	Inventories	2016
TAS 7 (revised 2015)	Statement of Cash Flows	2016
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors	2016
TAS 10 (revised 2015)	Events After the Reporting Period	2016
TAS 11 (revised 2015)	Construction Contracts	2016
TAS 12 (revised 2015)	Income Taxes	2016
TAS 16 (revised 2015)	Property, Plant and Equipment	2016
TAS 17 (revised 2015)	Leases	2016
TAS 18 (revised 2015)	Revenue	2016
TAS 19 (revised 2015)	Employee Benefits	2016
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance	2016
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates	2016
TAS 23 (revised 2015)	Borrowing Costs	2016
TAS 24 (revised 2015)	Related Party Disclosures	2016
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans	2016
TAS 27 (revised 2015)	Separate Financial Statements	2016
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures	2016
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies	2016
TAS 33 (revised 2015)	Earnings Per Share	2016
TAS 34 (revised 2015)	Interim Financial Reporting	2016
TAS 36 (revised 2015)	Impairment of Assets	2016
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets	2016
TAS 38 (revised 2015)	Intangible Assets	2016
TAS 40 (revised 2015)	Investment Property	2016
TAS 41	Agriculture	2016
TFRS 2 (revised 2015)	Share-based Payment	2016
TFRS 3 (revised 2015)	Business Combinations	2016
TFRS 4 (revised 2015)	Insurance Contracts	2016
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations	2016
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets	2016
TFRS 8 (revised 2015)	Operating Segments	2016
TFRS 10 (revised 2015)	Consolidated Financial Statements	2016
TFRS 11 (revised 2015)	Joint Arrangements	2016
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities	2016
TFRS 13 (revised 2015)	Fair Value Measurement	2016
TSIC 10 (revised 2015)	Government Assistance - No Specific Relation to Operation Activities	2016
TSIC 15 (revised 2015)	Operating Leases - Incentives	2016
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders	2016
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease	2016

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

TFRS	Topic	Effective Year
TSIC 29 (revised 2015)	Disclosure - Service Concession Arrangements	2016
TSIC 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services	2016
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs	2016
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2016
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease	2016
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	2016
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) <i>Financial Reporting in Hyperinflationary Economies</i>	2016
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment	2016
TFRIC 12 (revised 2015)	Service Concession Arrangements	2016
TFRIC 13 (revised 2015)	Customer Loyalty Programmes	2016
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) <i>Employee Benefits</i> - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	2016
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate	2016
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners	2016
TFRIC 18 (revised 2015)	Transfers of Assets from Customers	2016
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine	2016
TFRIC 21	Levies	2016

The Company and its subsidiaries have made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expect that there will be no material impact on the financial statements in the period of initial application.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foreign Currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the statements of financial position date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand, cash in-transit, cheque in-transit, deposits at financial institutions and fixed deposit and current investment with a maturity period not over 3 months since it is acquired except for cash at bank held as collateral.

Trade and Other Receivables

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts. The allowance for doubtful accounts is an estimate of those amounts which may prove to be uncollectible based on a review of the current status of the existing receivables. Bad debts are written off when incurred.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Receivables for Finance Lease Contracts

Receivables for finance lease contracts are stated at net realizable value which resulted from carrying book value less unearned income, deferred service income from finance lease contracts and allowance for doubtful accounts. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of whole receivable contracts. The allowance is generally based on collection experiences and analysis of debtor aging. The percentage of allowance for doubtful accounts are summarized as follows:

Period	Percentage of allowance for doubtful accounts
Not yet due	-
Past due	
Less than 3 months	-
More than 3 - 6 months	-
Over 6 months	100

Investment

Investments in subsidiaries

Investments in subsidiaries in the separate financial statement of the Company are accounted for using the cost method less impairment loss (if any).

Inventories

Inventories are filter water cartridges, filter supplies and spare parts which are stated at the lower of cost or net realizable value.

Cost is calculated using the first-in, first-out basis and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10 - 20 years. Depreciation of the investment properties is recognised in profit or loss.

No depreciation is provided for land classified as investment properties.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
For the year ended December 31, 2015

Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (if any).

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 labor, 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 capitalized borrowing costs.

Depreciation

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Leased land improvement	The term of the lease (2 Years)
Building and building improvement	10 and 20 Years and the term of the lease
Machinery and equipment	2 and 5 Years
Furniture, fixtures and office equipment	5 Years
Vehicles	5 and 10 Years

No depreciation is provided on land and assets under constructions.

Intangible Assets

Intangible assets that are acquired by the Company and its subsidiaries which have definite useful lives, are stated at cost less accumulated amortization and impairment loss (if any).

Amortization

Amortization is charged to the statement of comprehensive income on a straight-line basis from the date that intangible assets are available of use over the estimated useful lives of the assets are as follows:

Software licenses	5 and 10 Years
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Impairment of Assets

The carrying amounts of the Company and its subsidiaries' assets are reviewed at each statements of financial position date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and as when indicators of impairment are identified.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of comprehensive income.

Calculation of recoverable amount

The recoverable amount of assets is the greater of the assets' net selling price and value in use. 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.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Reversals of impairment

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.

Trade and Other Payables

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

Employee Benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Company and its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed to by the employees, the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognized as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method on a regular basis. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs are recognized on a straight-line basis over the average period until the amended benefits become vested.

Actuarial gains and losses arising from post-employment benefits are recognized in the statement of comprehensive income. The defined benefit obligations are measured at the present value of estimated future cash flows using a discount rate that is similar to the interest rate on government bond.

Provisions

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

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
For the year ended December 31, 2015

Long-Term Leases

Where the Company and its subsidiaries are the lessee

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

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Where the Company and its subsidiaries are the lessor

Assets leased out under operating leases are included in property and equipment in the statements of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property and equipment owned by the Company and its subsidiaries. Rental income is recognised on a straight-line basis over the lease term.

Assets leased out by the Company and its subsidiaries under which a significant portion of the risks and rewards of ownership are transferred to the lessee are classified as finance lease. The assets held under finance lease are recorded as accounts receivable under finance lease in the statements of financial position.

The sales revenue recorded at the commencement of a finance lease represents the fair value of the asset, or if lower, the present value of the minimum lease payments accruing to the lessor, computed at a commercial rate of interest. The cost of sale recognized at the commencement of the lease term is the cost or carrying amount of the leased property. The difference between the sales revenue and the cost of sale is recorded as gain which is recognized by the Company and its subsidiaries in accordance with its normal accounting policy.

Surplus on Business Combination under Common Control

Surplus on business combination under common control arises from the merger of businesses under the common control of the ultimate majority shareholder of the Company. The surplus represents the difference between the cost of the combination and carrying amounts of net identifiable assets at the date of combination. The Company recognizes the difference arising from common control transactions under shareholders' equity until disposal of the investment.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Revenues

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sales of goods and services rendered

Revenue from sales is recognized in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Service income is recognized as services are rendered.

Service income from finance lease contracts

The Company and its subsidiaries recognize service income in each installment period and cease recognition of income when the receivables are overdue more than 6 months.

Revenue from finance lease contracts

Revenue from finance lease contracts is recognized in the statement of comprehensive income by effective rate. The Company and its subsidiaries cases recognition of revenue when the receivables are overdue more than 3 installments.

Revenue from construction decoration

The subsidiary recognized revenue from construction on a percentage of completion basis. The percentage of completion is measured based on a comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion and the assessment percentage of completion by engineer. Losses on construction projects are made in the comprehensive income in full when the possibility of loss is ascertained.

The recognized revenue which is not yet due per the contracts has been presented under the caption of "Accrued income" in the statement of financial position.

Revenue from rental and utilities

Revenue from rental and utilities are recognized over the term as specified in the agreement.

Interest income and other income

Interest income and other income are recognized in the statement of comprehensive income as it accrues.

Expenses

Finance costs

Interest expenses and similar costs are charged to the statement of comprehensive income for the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
For the year ended December 31, 2015

Income Tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

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

Earnings per Share

Earnings per share is calculated by dividing the profit for the year attributable to equity holders of the parent company by the weighted average number of common shares outstanding during the year.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3- Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

Significant accounting estimates and assumptions

The preparation of financial statements in conformity with financial reporting standard 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 from these estimates. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

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

Deferred tax assets

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

Property, plant and equipment and Depreciation

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

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

Post-employment benefits under defined benefit plans

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

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
For the year ended December 31, 2015

Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of liquidity, correlation and long-term volatility of financial instruments.

5. RELATED PARTIES TRANSACTIONS

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related parties. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

The relationship of the Company and related parties are as follows:

The Company's name	Type of business	Type of relationship
Irving Corporation Ltd.	Distribution products and equipments, design, assembly and installation of pure water treatment system and service preventive maintenance of pure water treatment system for medical service.	Subsidiary
KT Medical Service Co., Ltd.	Clinic for dialysis service.	Subsidiary
Medical Vision Co., Ltd.	Distribution, rent, preventive and maintenance of tools and diagnosis equipment for medical service including medical supplier and appliances.	Subsidiary
New McArther Co., Ltd	Service installation and service preventive maintenance of pure water treatment system.	Subsidiary
Ratchawat Banmi Co., Ltd.	Clinic for dialysis service	Related company via shareholding by company's director.
Racharak Co., Ltd.	Clinic for dialysis service	Related company via shareholding by company's director.
Roi Et Dialysis Co., Ltd.	Clinic for dialysis service	Related company via shareholding by company's director.
Tradratchawat Dialysis Co., Ltd.	Clinic for dialysis service	Related company via shareholding by company's director.
PMAV. Marketing Co., Ltd.	Import and export of retail supplementary food and chemical.	Related company via shareholding by company's director.

Pricing policies for each transaction are described as follows:

Type of transactions	Pricing policy
Revenue from sales	Cost plus margin
Revenue from services	Price approximately price charged to third party
Rental and utilities income	Contract price
Interest income	1.50 - 2.25% p.a. in 2015 (1.75% - 2.25% p.a. in 2014)
Water analysis service	Cost plus margin
Purchases of goods	Cost plus margin

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Significant revenues and expenses derived from transactions with related persons and parties for the years ended December 31, 2015 and 2014 are summarized as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Revenue from sales				
Irving Corporation Ltd.	-	-	3,301	5,740
KT Medical Service Co., Ltd.	-	-	36	-
Ratchawat Banmi Co., Ltd.	4	37	-	-
Ratcharak Co., Ltd.	-	122	-	-
Roi Et Dialysis Co., Ltd.	5	43	-	-
Tradratchawat Dialysis Co., Ltd.	14	118	-	-
PMAV. Marketing Co., Ltd.	3,797	-	3,797	-
	<u>3,820</u>	<u>320</u>	<u>7,134</u>	<u>5,740</u>
Revenue from services				
Irving Corporation Ltd.	-	-	369	1,145
Rental and utilities income				
Irving Corporation Ltd.	-	-	844	887
KT Medical Service Co., Ltd.	-	-	315	-
	<u>-</u>	<u>-</u>	<u>1,159</u>	<u>887</u>
Interest income				
Irving Corporation Ltd.	-	-	591	579
Water analysis service				
Irving Corporation Ltd.	-	-	198	175
Purchases of goods				
Irving Corporation Ltd.	-	-	602	317

Key managements personnel compensation and directors' remunerations for the years ended December 31, 2015 and 2014, are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Key managements personnel				
Compensation and directors remuneration				
Short-term employee benefits	22,938	25,630	19,983	21,637
Post-employment benefits	500	477	403	368
Total	<u>23,438</u>	<u>26,107</u>	<u>20,386</u>	<u>22,005</u>

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Significant outstanding balances with its persons and related parties as at December 31, 2015 and 2014 are summarized as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Trade and other receivables				
Irving Corporation Ltd.	-	-	500	1,249
KT Medical Service Co., Ltd.	-	-	38	-
Ratchawat Banmi Co., Ltd.	-	20	-	-
Ratcharak Co., Ltd.	-	4	-	-
Roi Et Dialysis Co., Ltd.	-	16	-	-
Tradratchawat Dialysis Co., Ltd.	-	51	-	-
	-	91	538	1,249
Less allowance for doubtful accounts	-	-	-	-
	-	91	538	1,249
Short-term loan and interest receivable				
Irving Corporation Ltd.	-	-	26,800	27,124
(interest rates at 1.50% - 1.75% p.a. in 2015 and 1.75 - 2.25% p.a. in 2014)	-	-	278	610
Interest receivable	-	-	27,078	27,734
Trade and other payables				
Irving Corporation Ltd.	-	-	381	49
Accrued bonus				
Management	4,076	7,565	3,982	7,079
Other non-current liabilities - Deposit				
Irving Corporation Ltd.	-	-	10	10

The significant movements of short-term loans and interest receivable to related party during the years are as follows:

	In Thousand Baht			
	Separate Financial Statements			
	December 31, 2014	Increase	Decrease	December 31, 2015
Irving Corporation Ltd.				
Short-term loan	27,124	26,200	(26,524)	26,800
Interest receivable	610	591	(923)	278
	27,734	26,791	(27,447)	27,078
	In Thousand Baht			
	Separate Financial Statements			
	December 31, 2013	Increase	Decrease	December 31, 2014
Irving Corporation Ltd.				
Short-term loan	22,500	13,124	(8,500)	27,124
Interest receivable	31	579	-	610
	22,531	13,703	(8,500)	27,734

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

6. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Cash	265	548	200	453
Deposits at financial institutions	44,849	17,382	28,140	12,962
Total	45,114	17,930	28,340	13,415

As at December 31, 2015 and 2014, the Company and its subsidiaries have bank deposits in saving accounts, bearing the interest rates at 0.37% - 1.80% per annum and at 0.37% - 0.50% per annum, respectively. (Separate financial statements: at 0.38% per annum and at 0.37% - 0.50% per annum, respectively).

7. CURRENT INVESTMENT

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Deposits at financial institutions – fixed deposits	1,021	-	1,021	-

Deposits at financial institutions – fixed deposits was for 6 month term, bearing interest rates at 1.25% p.a. with a maturity date in May 2016.

8. TRADE AND OTHER RECEIVABLES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Trade and other receivables - related parties				
Trade receivables	-	82	400	1,031
Accrued income	-	9	3	59
Total	-	91	403	1,090
Less allowance for doubtful accounts	-	-	-	-
Trade receivables - net	-	91	403	1,090
Other receivables	-	-	135	159
Total trade and other receivables	-	91	538	1,249
Trade and other receivables – other parties				
Trade receivables	64,692	75,688	45,992	56,206
Accrued income	14,816	20,460	7,864	11,594
Total	79,508	96,148	53,856	67,800
Less allowance for doubtful accounts	(5,451)	(4,843)	(244)	(299)
Trade receivables - net	74,057	91,305	53,612	67,501
Other receivables	3,567	2,530	2,047	997
Total trade and other receivables	77,624	93,835	55,659	68,498

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Outstanding balances of trade receivables – related parties which are classified by aging as at December 31, 2015 and 2014, are summarized as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Not yet due	-	56	276	197
Past due:				
Less than 3 months	-	26	124	834
More than 3 – 6 months	-	-	-	-
More than 6 – 12 months	-	-	-	-
More over 12 months	-	-	-	-
	-	82	400	1,031
Less allowance for doubtful accounts	-	-	-	-
Net	-	82	400	1,031

Outstanding balances of trade receivables – other parties which are classified by aging as at December 31, 2015 and 2014, are summarized as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Not yet due	33,710	37,319	24,460	29,339
Past due:				
Less than 3 months	23,334	29,921	18,955	25,703
More than 3 – 6 months	4,081	5,070	2,296	794
More than 6 – 12 months	1,840	2,117	130	204
More over 12 months	1,727	1,261	151	166
	64,692	75,688	45,992	56,206
Less allowance for doubtful accounts	(2,620)	(1,725)	(236)	(270)
Net	62,072	73,963	45,756	55,936

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	2015	2014	2015	2014
Bad debt and doubtful accounts (Reversal)	895	418	(34)	47

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Outstanding balances of accrued income – related parties which are classified by aging as at December 31, 2015 and 2014, are summarized as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Less than 3 months	-	9	3	59
More than 3 – 6 months	-	-	-	-
More than 6 – 12 months	-	-	-	-
More over 12 months	-	-	-	-
	-	9	3	59
Less allowance for doubtful accounts	-	-	-	-
Net	-	9	3	59

Outstanding balances of accrued income – other parties which are classified by aging as at December 31, 2015 and 2014, are summarized as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Less than 3 months	11,223	13,647	7,695	10,316
More than 3 – 6 months	287	2,429	153	1,223
More than 6 – 12 months	229	1,231	16	53
More over 12 months	3,077	3,153	-	2
	14,816	20,460	7,864	11,594
Less allowance for doubtful accounts	(2,831)	(3,118)	(8)	(29)
Net	11,985	17,342	7,856	11,565

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Bad debt and doubtful accounts (Reversal)	(287)	549	(21)	27
A written off bad debts which provision for doubtful debts in full amount (not effect to profit or loss for the year)	-	(10,063)	-	-

9. RECEIVABLES FROM FINANCE LEASE CONTRACTS

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Receivables from finance lease contracts	30,977	17,159	16,050	-
Less Unearned income	(3,790)	(2,587)	(1,990)	-
Deferred service income	(4,744)	(3,828)	-	-
	22,443	10,744	14,060	-
Less allowance for doubtful accounts	-	-	-	-
	22,443	10,744	14,060	-
Less Current portion	(6,276)	(4,371)	(2,778)	-
Net	16,167	6,373	11,282	-

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

As at December 31, 2015 and 2014, the Company and its subsidiary have receivables from finance lease contracts with the period of payments as follows:

In Thousand Baht								
Consolidated Financial Statements								
2015					2014			
	Principal	Unearned income	Deferred service income	Total	Principal	Unearned income	Deferred service income	Total
Payment due 1 year	6,276	1,512	1,379	9,167	4,371	1,136	1,141	6,648
Payment due over 1 year to 5 years	16,167	2,278	3,365	21,810	6,373	1,451	2,687	10,511
Total	22,443	3,790	4,744	30,977	10,744	2,587	3,828	17,159

In Thousand Baht								
Separate Financial Statements								
2015					2014			
	Principal	Unearned income	Deferred service income	Total	Principal	Unearned income	Deferred service income	Total
Payment due 1 year	2,778	699	-	3,477	-	-	-	-
Payment due over 1 year to 5 years	11,282	1,291	-	12,573	-	-	-	-
Total	14,060	1,990	-	16,050	-	-	-	-

Significant outstanding balances with receivable from finance lease contracts which are classified by aging as at December 31, 2015 and 2014, are summarized as follows:

In Thousand Baht								
Consolidated Financial Statements								
	Receivable from finance lease contracts		Percentage of allowance for doubtful accounts		Allowance for doubtful accounts		Net	
	2015	2014	2015	2014	2015	2014	2015	2014
Not yet due	540	308	-	-	-	-	540	308
Past due:								
Less than 3 months	20,410	6,264	-	-	-	-	20,410	6,264
More than 3-6 months	1,493	4,172	-	-	-	-	1,493	4,172
Over 6 months	-	-	100	100	-	-	-	-
Total	22,443	10,744			-	-	22,443	10,744

In Thousand Baht								
Separate Financial Statements								
	Receivable from finance lease contracts		Percentage of allowance for doubtful accounts		Allowance for doubtful accounts		Net	
	2015	2014	2015	2014	2015	2014	2015	2014
Not yet due	-	-	-	-	-	-	-	-
Past due:								
Less than 3 months	14,060	-	-	-	-	-	14,060	-
More than 3-6 months	-	-	-	-	-	-	-	-
Over 6 months	-	-	100	100	-	-	-	-
Total	14,060	-			-	-	14,060	-

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

10. INVENTORIES

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Filter supplies	75,769	60,168	75,769	60,168
Work in process	3,680	4,878	1,280	3,285
Supplies and spare parts	32,983	33,081	24,026	22,465
Goods in transit	16,291	13,385	16,291	13,385
	128,723	111,512	117,366	99,303
Less allowance for decline in value of inventories	(902)	(1,139)	(624)	(981)
Net	127,821	110,373	116,742	98,322

The cost of inventories which is recognized as an expense and included in cost of sales for the years ended December 31, 2015 and 2014, amounted to Baht 191.0 million and Baht 204.1 million, respectively. (Separate Financial Statements: Baht 160.9 million and Baht 178.6 million, respectively).

Movements of the allowance for decline in value of inventories for the years ended December 31, 2015 and 2014 are summarized below.

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Balance as at January 1,	1,139	1,133	981	990
Add: Loss on decline in value of inventories				
(Reversal)	(237)	6	(357)	(9)
Balance as at December 31,	902	1,139	624	981

11. DEPOSITS AT FINANCIAL INSTITUTION PLEDGED AS COLLATERALS

As at December 31, 2015 and 2014, the Company and its subsidiaries used their fixed deposits totaling Baht 11.5 million and Baht 3.5 million, respectively, (Separate Financial Statements: Baht 6.8 million and Baht 2.2 million, respectively.) to secure letters of guarantee issued by bank and its credit facilities obtained from the banks.

12. INVESTMENTS IN SUBSIDIARIES

	Separate Financial Statements					
	In Thousand Baht					
	Percentage of holdings		Issued and fully paid-up share		Investments	
	2015	2014	2015	2014	2015	2014
Cost						
Irving Corporation Ltd.	100	100	25,000	25,000	15,975	15,975
KT Medical Service Co., Ltd.	70	-	10,000	-	7,000	-
Medical Vision Co., Ltd.	75	-	10,000	-	7,500	-
Total					30,475	15,975

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

The Board of Directors' Meetings No. 4/2015, held on May 14, 2015, approved to incorporate KT Medical Service Co., Ltd. and Medical Vision Co., Ltd. newly established subsidiary companies, with the registered share capital of Baht 10 million and was 70% and 75%, respectively held by the Company.

The Company had already paid for the call-up shares in the amount of Baht 7.0 million and Baht 7.5 million on June 3, 2015 and June 30, 2015, respectively. The Subsidiaries were incorporated on June 5, 2015 and July 10, 2015, respectively.

13. INVESTMENT PROPERTIES

	In Thousand Baht Separate Financial Statements
At cost	
At January 1, 2015	-
Additions	20,889
Transfers from (to) property, plant and equipment	-
At December 31, 2015	20,889
Accumulated depreciation	
At January 1, 2015	-
Depreciation charge for the year	111
Transfers from (to) property, plant and equipment	-
At December 31, 2015	111
Net book value	
At January 1, 2015	-
At December 31, 2015	20,778

The Company leased land, building and building improvement to a subsidiary to operate clinic for dialysis service. Total rental income in 2015 was Baht 0.3 million. Such lease agreement covering for one year, maturity in September 2016, the lessee can renew its lease agreement by inform the Company within a period of three months before maturity date.

The aforesaid land, building and building improvement for lease had fair value of Baht 19.4 million appraised by the independent valuer report dated January 12, 2016.

Measurement of fair value

Fair value hierarchy

The fair value of investment properties was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Company investment property portfolio on every 3 years.

The fair value measurement for investment properties has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

14. PROPERTY, PLANT AND EQUIPMENT

	In Thousand Baht						
	Consolidated Financial Statements						
	Land and leased land improvement	Buildings and building improvement	Furniture, fixture and office equipment	Tools and equipment	Vehicles	Construction in progress	Total
<u>At cost</u>							
Balance as at January 1, 2014	8,106	22,215	13,187	5,361	15,370	-	64,239
Acquisitions	-	-	998	860	524	875	3,257
Disposal/write-off	-	-	-	(8)	-	-	(8)
Transfers in/(out)	-	-	-	-	-	-	-
Balance as at December 31, 2014	8,106	22,215	14,185	6,213	15,894	875	67,488
Acquisitions	50,494	7,691	1,315	6,683	477	7,825	74,485
Disposal/write-off	-	-	(795)	(310)	-	-	(1,105)
Transfers in/(out)	-	6,413	1,600	687	-	(8,700)	-
Balance as at December 31, 2015	58,600	36,319	16,305	13,273	16,371	-	140,868
<u>Accumulated depreciation</u>							
Balance as at January 1, 2014	157	7,365	8,143	2,238	2,789	-	20,692
Depreciation charged for the year	152	1,088	1,691	994	1,180	-	5,105
Disposal/write-off	-	-	-	(2)	-	-	(2)
Transfers in/(out)	-	-	-	-	-	-	-
Balance as at December 31, 2014	309	8,453	9,834	3,230	3,969	-	25,795
Depreciation charged for the year	5	1,416	1,846	1,229	1,266	-	5,762
Disposal/write-off	-	-	(759)	(220)	-	-	(979)
Transfers in/(out)	-	-	-	-	-	-	-
Balance as at December 31, 2015	314	9,869	10,921	4,239	5,235	-	30,578
<u>Net book value</u>							
December 31, 2014	7,797	13,762	4,351	2,983	11,925	875	41,693
December 31, 2015	58,286	26,450	5,384	9,034	11,136	-	110,290
<u>Depreciations included in the statements of comprehensive income for the years</u>							
2014							5,105
2015							5,762

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

	In Thousand Baht						
	Separate Financial Statements						
	Land and leased land improvement	Buildings and building improvement	Furniture, fixture and office equipment	Tools and equipment	Vehicles	Construction in progress	Total
<u>At cost</u>							
Balance as at January 1, 2014	8,280	22,720	9,743	1,471	15,370	-	57,584
Acquisitions	-	-	922	556	-	875	2,353
Disposal/write-off	-	-	-	(2)	-	-	(2)
Transfers in/(out)	-	-	-	-	-	-	-
Balance as at December 31, 2014	8,280	22,720	10,665	2,025	15,370	875	59,935
Acquisitions	40,746	1,350	771	1,340	-	1,702	45,909
Disposal/write-off	-	-	(537)	(124)	-	-	(661)
Transfers in/(out)	-	1,017	1,560	-	-	(2,577)	-
Balance as at December 31, 2015	49,026	25,087	12,459	3,241	15,370	-	105,183
<u>Accumulated depreciation</u>							
Balance as at January 1, 2014	157	6,950	5,891	684	2,789	-	16,471
Depreciation charged for the year	152	1,135	1,297	304	1,136	-	4,024
Disposal/write-off	-	-	-	(1)	-	-	(1)
Transfers in/(out)	-	-	-	-	-	-	-
Balance as at December 31, 2014	309	8,085	7,188	987	3,925	-	20,494
Depreciation charged for the year	5	1,255	1,428	436	1,136	-	4,260
Disposal/write-off	-	-	(507)	(76)	-	-	(583)
Transfers in/(out)	-	-	-	-	-	-	-
Balance as at December 31, 2015	314	9,340	8,109	1,347	5,061	-	24,171
<u>Net book value</u>							
December 31, 2014	7,971	14,635	3,477	1,038	11,445	875	39,441
December 31, 2015	48,712	15,747	4,350	1,894	10,309	-	81,012
<u>Depreciations included in the statements of comprehensive income for the years</u>							
2014							4,024
2015							4,260

Depreciations included in the statement of comprehensive income for the years ended December 31, 2015 and 2014 are as follow:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Cost of sales and services	1,382	1,038	436	304
Administrative expenses	4,380	4,067	3,824	3,720
Total	5,762	5,105	4,260	4,024

The Company mortgaged its land and structures there on at net book value as at December 31, 2015 and 2014 totaling Baht 18.8 million and Baht 19.8 million, respectively and right claims for insurance policies of such assets pledged as collaterals for bank overdraft and long term loan from financial institution as described in notes 16 and 19 to the financial statements.

As at December 31, 2015 and 2014, certain buildings and equipment of the Company and its subsidiaries have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 8.2 million and Baht 7.3 million, respectively (Separate Financial Statements: Baht 6.1 million and 5.2 million, respectively).

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

As at December 31, 2015 and 2014, the Company and its subsidiaries acquired vehicles under finance lease contracts, with net book value amounting to approximately Baht 11.1 million and Baht 11.9 million, respectively. (Separate Financial Statements: Baht 10.3 million and Baht 11.4 million, respectively)

15. INTANGIBLE ASSETS

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
<u>At cost</u>		
Balance as at January 1, 2014	4,763	3,977
Acquisitions	1,010	750
Disposal/write-off	-	-
Transfer in / (out)	-	-
Balance as at December 31, 2014	5,773	4,727
Acquisitions	789	631
Disposal/write-off	-	-
Transfer in / (out)	-	-
Balance as at December 31, 2015	6,562	5,358
<u>Accumulated amortization</u>		
Balance as at January 1, 2014	1,964	1,525
Amortization for the year	686	542
Disposal/write-off	-	-
Transfer in / (out)	-	-
Balance as at December 31, 2014	2,650	2,067
Amortization for the year	868	681
Disposal/write-off	-	-
Transfer in / (out)	-	-
Balance as at December 31, 2015	3,518	2,748
<u>Net book value</u>		
December 31, 2014	3,123	2,660
December 31, 2015	3,044	2,610

Amortization expenses for the years ended December 31, 2015 and 2014 amounted to Baht 0.9 million and Baht 0.7 million included in the consolidated financial statements, respectively, and amounted to Baht 0.7 million and Baht 0.5 million, respectively included in the separate financial statements and presented in administrative expenses.

16. BANK OVERDRAFTS AND SHORT TERM LOANS FROM FINANCIAL INSTITUTIONS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Short-term loans	-	5,000	-	5,000

The Company and its subsidiaries have credit facilities of overdrafts line of Baht 35 million (Separate Financial Statements: Baht 20 million) with a financial institution, bearing interest at MOR p.a. and secured by land and structures thereon of the Company's director, as described in Note 14 to the financial statements.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

The Company has a promissory note amounting to Baht 5 million, bearing interest rate at 3% p.a. and secured by Thai Credit Guarantee Corporation, the Company's director and mortgage of land and structures thereon of the Company. The Company had a repayment such loan on August 6, 2015 and cancelled credit line and guarantee on August 26, 2015.

In addition, the Company had revolving loan agreement of Baht 20 million, bearing interest at Prime Rate -0.25% p.a., no collaterals.

17. TRADE AND OTHER PAYABLES

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Related parties				
- Trade payables	-	-	381	49
- Other payables	-	-	-	-
	-	-	381	49
Other payables				
- Trade payables	31,156	28,613	22,476	20,814
- Other payables	10,334	8,488	8,203	6,628
	41,490	37,101	30,679	27,442
Total trade and other payables	41,490	37,101	31,060	27,491

As at December 31, 2015 and 2014, trade payables - other parties classified by currencies as follow:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Baht	13,081	10,797	4,401	2,998
US Dollar	17,069	13,137	17,069	13,137
Pound	901	344	901	344
Euro	105	4,335	105	4,335
Total	31,156	28,613	22,476	20,814

18. LIABILITIES UNDER FINANCE LEASE CONTRACTS

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Liabilities under finance lease contracts	5,950	8,744	5,415	8,390
Less Deferred interest	(573)	(1,137)	(533)	(1,106)
	5,377	7,607	4,882	7,284
Less Current portion	(2,264)	(2,487)	(2,094)	(2,401)
Net	3,113	5,120	2,788	4,883

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

As at December 31, 2015 and 2014, the Company and its subsidiaries have liabilities under finance lease contracts with the period of payment as follows:

In Thousand Baht						
Consolidated Financial Statements						
2015			2014			
	Future minimum lease payment	Deferred interest	Present value of minimum lease payment	Future minimum lease payment	Deferred interest	Present value of minimum lease payment
Payment due 1 year	2,663	399	2,264	3,075	588	2,487
Payment due over 1 year to 5 years	3,287	174	3,113	5,669	549	5,120
Total	5,950	573	5,377	8,744	1,137	7,607

In Thousand Baht						
Separate Financial Statements						
2015			2014			
	Future minimum lease payment	Deferred interest	Present value of minimum lease payment	Future minimum lease payment	Deferred interest	Present value of minimum lease payment
Payment due 1 year	2,470	376	2,094	2,974	573	2,401
Payment due over 1 year to 5 years	2,945	157	2,788	5,416	533	4,883
Total	5,415	533	4,882	8,390	1,106	7,284

19. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

On December 18, 2015, the Company entered into a loan agreement with a local commercial bank of Baht 20 million for a compensation of purchase land and building and building improvement. Such loan is monthly repayable within 96 months (included grace period of 12 months), bearing interest rate at MLR-1.00% p.a. Interest is repayable at each month end. The long-term loan are secured by its investment property as discussed in note 13 to the financial statements and the Company mortgaged such collateral on January 14, 2016. As at December 31, 2015, the Company had not received any loan amount.

20. EMPLOYEE BENEFIT OBLIGATIONS

Movement in the present value of the defined benefit obligations for the years ended December 31, 2015 and 2014 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Defined benefit obligations as at January 1,	10,060	8,825	8,395	6,621
Current service costs and interest	1,333	1,235	1,112	995
A transfer of employee benefit obligations from subsidiary	-	-	-	779
Defined benefit obligations as at December 31,	11,393	10,060	9,507	8,395

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
For the year ended December 31, 2015

Expenses recognized in the statement of comprehensive income for the years ended December 31, 2015 and 2014 are as follow:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Current service costs	814	777	679	631
Interest on obligation	519	458	433	364
Total	1,333	1,235	1,112	995

The above expenses recognized in the statement of comprehensive income is included in the following line items for the years ended December 31, 2015 and 2014 as follow:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Cost of services	158	151	134	129
Administrative expenses	156	149	142	135
Management benefits	500	477	403	367
Total	814	777	679	631

Principal actuarial assumptions as at December 31, 2015 and 2014 are as follow:

	Consolidated Financial Statements and Separate Financial Statements
	(Percentage)
Discount rate	4.77 - 4.79
Salary increase rate	10.23
Employee turnover rate	0, 14, 23, 33, 67 (depend on length of service)
Mortality rate	100 (Thai Mortality Ordinary Table 2008)

21. INCOME TAX

The Company and its subsidiaries have income tax expenses for the years ended December 31, 2015 and 2014 as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Current income tax expenses:				
Current income tax expenses for the years	4,050	5,135	4,050	5,135
Deferred tax:				
The recognition and reversal of temporary differences				
Effect to income tax from tax-exempt incomes and non-deducted expenses	(1,078)	(588)	(140)	(212)
Income tax expense reported in the statement of comprehensive income	2,972	4,547	3,910	4,923

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Reconciliation of effective tax rate for the years ended December 31, 2015 and 2014 as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	2015		2014	
	Rate (%)	Amount	Rate (%)	Amount
Accounting profit before tax		15,617		17,090
Income tax by applicable tax rate	20	3,123	20	3,418
Effect to income tax from tax-exempt incomes and non-deductible expenses		927		1,717
The recognition and reversal of temporary differences		(1,078)		(588)
Income tax expenses	19	2,972	27	4,547

	In Thousand Baht			
	Separate Financial Statements			
	2015		2014	
	Rate (%)	Amount	Rate (%)	Amount
Accounting profit before tax		19,769		24,663
Income tax by applicable tax rate	20	3,954	20	4,933
Effect to income tax from tax-exempt incomes and non-deductible expenses		96		202
The recognition and reversal of temporary differences		(140)		(212)
Income tax expenses	20	3,910	20	4,923

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income tax levied by the same tax authority on the same taxable entity.

Deferred tax assets (liabilities) as at December 31, 2015 and 2014 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Deferred tax assets	2,825	1,779	1,919	1,779
Deferred tax liabilities	-	(32)	-	-
Net	2,825	1,747	1,919	1,779

The components of deferred tax assets (liabilities) as at December 31, 2015 and 2014 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Deferred tax assets				
Allowance for doubtful accounts	1,090	968	48	60
Allowance for decline in value of inventories	180	228	125	196
Employee benefit obligations	2,279	2,012	1,746	1,523
Loss carryforward	297	-	-	-
Others	92	12	-	-
Total	3,938	3,220	1,919	1,779

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Deferred tax liabilities				
Receivables for finance lease contracts	(1,113)	(1,473)	-	-
Net	2,825	1,747	1,919	1,779

As at December 31, 2015 and 2014, the subsidiaries had temporary differences for future tax deductible which has not been recognized as deferred tax assets in the Consolidated financial statements amount of Baht 14.2 million and Baht 14.1 million, respectively, since it is not probable that it will be able to utilise the tax benefit in the foreseeable future.

22. SHARE CAPITAL

	In Thousand Baht / In Thousand shares					
	Consolidated Financial Statements and Separate Financial Statements					
	2015			2014		
	Par value (Baht)	Number of Shares	Amount	Par value (Baht)	Number of Shares	Amount
Share capital						
As at January 1,						
- Common shares	0.50	200,000	100,000	0.50	200,000	100,000
Increase of share capital	0.50	190,000	95,000	-	-	-
As at December 31,						
- Common shares	0.50	390,000	195,000	0.50	200,000	100,000
Issued and fully paid-up share capital						
As at January 1,						
- Common shares	0.50	200,000	100,000	0.50	200,000	100,000
Increase of share capital	0.50	58,052	29,026	-	-	-
As at December 31,						
- Common shares	0.50	258,052	129,026	0.50	200,000	100,000

At the Extraordinary Shareholders' Meeting No.1/2015 held on March 16, 2015, approved

1) increase of the Company's registered share capital from Baht 100.0 million to Baht 195.0 million by issuing 190 million common shares at par value of Baht 0.50 to be allocated as follows:

a) allotment of total 60 million shares at par value of Baht 0.50 to specific persons (Private Placement) with the offering price at Baht 2.56 per share and the Company offered such share subscription on April 3 - 10, 2015. The Company already received the payments as at April 9 - 16, 2015 and registered the change of issued and paid-up share capital from Baht 100.0 million to Baht 121.5 million with the Ministry of Commerce on April 20, 2015.

b) allotment of 130.0 million shares to reserve for the exercise of rights by warrant holders No.1 ("FVC-W1")

The Company registered its increase share capital from Baht 100.0 million to Baht 195.0 million with the Ministry of Commerce on March 30, 2015.

2) the issuance of the Company's warrants No.1 (FVC-W1) amounting 130 million units. The warrants shall be allocated to the existing shareholder's after offering via the private placement at the ratio of 2 existing shares to 1 unit of warrant.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

In November 2015, the holders of the warrants exercised the rights to purchase the Company common shares in the amount of 15,051,700 shares at par value Baht 0.50 totaling Baht 7.5 million. The Company registered the change of issued and paid-up share capital from Baht 121.5 million to Baht 129.0 million with the Ministry of Commerce on December 11, 2015.

23. WARRANTS

The Company issues and offers of 121,499,466 units of free warrants on May 14, 2015 to the existing shareholders on the basis of 2 common shares for 1 unit of warrants. The terms of the warrants are as follows:

Exercise	:	1 unit of warrant to 1 new common share (the exercise ratio may from time to time be changed in accordance with the adjustment provisions of the warrants).
Exercise price per share	:	Baht 0.50 per share (the exercise price may from time to time be changed in accordance with the adjustment provisions of the warrants).
Exercise period	:	Warrant holders can exercise their rights to purchase the Company's common shares every last business day of November and May of each year until the maturity day (3 years from the issue date of warrants.) The first exercise date will be on November 30, 2015.

On June 19, 2015, the Stock Exchange of Thailand granted the Company's warrants 121,499,466 units status as a listed stock and permitted the warrants to be traded on the Stock Exchange of Thailand.

On November 30, 2015, the holders of the warrants exercised 15,051,700 units. As at December 31, 2015, the unexercised warrants was 106,447,766 units.

24. PREMIUM ON SHARE AND LEGAL RESERVE

Premium on share capital

Premium on share capital is share subscription monies received in excess of the par value of the shares. Share premium is not available for dividend distribution.

Legal reserve

Section 116 of the Public Companies Act. B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

25. DIVIDENDS PAID

On April 24, 2014, the Annual General Shareholder's Meeting approved for payment of dividend for the year 2013 of Baht 0.035 per share, or a total of approximately Baht 7.0 million and appropriate for legal reserve amounting to Baht 0.6 million. The dividend was paid in May 2014.

The Annual General Shareholders' Meeting held on April 27, 2015, the Shareholders approved for payment of dividends for the year 2014 of Baht 0.042 per share or a total of approximately Baht 8.4 million and appropriated for legal reserve amounting to Baht 1.0 million. The Company already paid such dividend in May 2015.

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
For the year ended December 31, 2015

26. EXPENSES BY NATURE

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Changes in inventories and work in process	(16,969)	(14,402)	(18,109)	(11,675)
Purchase	219,758	220,229	189,833	190,578
Bad debt and doubtful accounts (Reversal)	609	967	(55)	74
Loss from decline in value of inventories (Reversal)	(237)	6	(357)	(9)
Depreciation and amortization	6,630	5,791	5,052	4,566
Car rental	6,065	6,258	4,746	4,760
Employee benefit expenses	60,476	53,822	44,970	40,848
Management benefit expenses	23,438	26,107	20,386	22,005
Subcontract service fee	14,003	12,851	1,383	9,085
Supplies usages	523	234	330	129
Finance cost	1,792	1,860	1,507	1,609
Other expenses	36,740	32,455	26,078	23,595
Total	352,828	346,178	275,764	285,565

27. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of common shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of common shares in issue during the year plus the weighted average number of common shares which would need to be issued to convert all dilutive potential common shares into common shares. The calculation assumes that such conversion took place either at beginning of the year or on the date the potential common shares were issued.

Details of calculation of earnings per share for the years ended December 31, 2015 and 2014 are as follows :

	In Thousand Baht / In Thousand shares					
	Consolidated Financial Statements					
	Profit for the year		Weighted average number of common shares		Earnings per share (Baht)	
	2015	2014	2015	2014	2015	2014
Basic earnings per share						
Profit attributable to equity holders of the parent company	12,998	12,542	232,820	200,000	0.06	0.06
Effect of dilutive potential common shares						
Warrants (FVC-W1)	-	-	87,641	-		
Diluted earnings per share						
Profit of common shareholders assuming the conversion of dilutive potential common shares	12,998	12,542	320,461	200,000	0.04	0.06

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

	In Thousand Baht / In Thousand shares					
	Separate Financial Statements					
	Profit for the year		Weighted average number of common shares		Earnings per share (Baht)	
	2015	2014	2015	2014	2015	2014
Basic earnings per share						
Profit attributable to equity holders of the parent company	15,860	19,739	232,820	200,000	0.07	0.10
Effect of dilutive potential common shares						
Warrants (FVC-W1)	-	-	87,641	-		
Diluted earnings per share						
Profit of common shareholders assuming the conversion of dilutive potential common shares	15,860	19,739	320,461	200,000	0.05	0.10

28. AGREEMENTS

In January and February 2013, the Company entered into distributor agreements with 2 foreign companies for a period of two years and five years expiring in December 2014 and 2017, respectively. The agreements are automatic renewable for a period of one year unless the agreements is not terminated. The Company is authorized to sell the products and service of filtration in residential and food business in Thailand. Under the agreements, the Company is committed to achieve certain distributor's sales goals as specified in the agreements.

29. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assess its performance.

Segment results and operating assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise other income, selling and administrative expenses, finance cost and income tax expenses and corporate common assets and liabilities.

Business segments

The Company and its subsidiaries have 3 business segments including segment of sales and provide service for pure water treatment system to (1) industrial and original equipment manufacturing of water system, (2) commercial and residential and (3) medical service.

Geographic segments

Management considers that the Company and its subsidiaries operate in a single geographic area, mainly in Thailand, and has, therefore, only one major geographic segment.

Major customer

Revenues from a customer of the Company's sales and services of commercial and residential segment represent approximately Baht 39.2 million of the Company's total revenues for the year 2015. (2014: None)

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

The financial information segregate by segment of the Company and its subsidiaries for the years ended December 31, 2015 and 2014 are as follows :

	In Million Baht							
	For the years ended December 31,							
	Sales and services of industrial and original equipment manufacturing water system segment		Sales and services of commercial, and residential segment		Sales and services of medical service segment		Eliminated	Consolidated Financial Statements
	2015	2014	2015	2014	2015	2014	2015	2014
Revenues from external customers	75	75	212	226	78	60	-	365
Inter-segment revenues	5	7	-	-	-	-	(5)	-
Total revenue	80	82	212	226	78	60	(5)	361
Profit from operation	28	29	62	59	13	10	-	103
Unallocated income and expenses:								
Revenues from finance lease								1
Other income								2
Selling expenses								(18)
Administrative expenses								(47)
Management benefit expenses								(23)
Finance costs								(2)
Income tax expense								(3)
Profit for the year							13	13
Other comprehensive income - net of tax							-	-
Total comprehensive income for the year							13	13

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
For the year ended December 31, 2015

The segment assets of the Company and its subsidiaries as at December 31, 2015 and 2014 are as follows:

	In Million Baht					
	As at December 31,					
	Sales and services of industrial and original equipment manufacturing		Sales and services of medical service segment		Eliminated	
	2015	2014	2015	2014	2015	2014
Property, plant and equipment	102	40	9	3	(1)	(1)
Other assets						
Total assets						
					110	42
					297	244
					407	286

* Sales and service of industrial and original equipment manufacturing water system segment has used assets jointly with sales and service of commercial and residential segment

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

30. FINANCIAL INSTRUMENTS

Risk management policies

The Company and its subsidiaries are exposed to risks from changes in market interest rates and in currency exchange rates and from non-performance of contractual obligations by counterparties. The Company and its subsidiaries does not hold or issue derivative instruments for speculative or trading purposes.

Interest rate risk

Interest rate risk arises from the changing of interest rates in the market which effects net interest expense. The Company and its subsidiaries manages interest rate risk relates primarily to its cash at financial institutions, receivables for finance lease contracts, loan to, bank overdrafts and short - term loan, liabilities under finance lease contracts and long-term loan by using both fixed interest rates and floating interest rates, depending on the market circumstances.

As at December 31, 2015 and 2014, financial assets and liabilities are classified by type of interest rates. Financial assets and liabilities with fixed interest rates by the due date or the date on which the new interest rate (If the date of the new interest rate to it) are as follows:

	In Million Baht			
	Consolidated Financial Statements			Effective
	As at December 31, 2015			rate
	Within 1 year	1-5 years	Total	(% p.a.)
Financial assets				
Cash and cash equivalents	45.1	-	45.1	0.37 - 1.80
Current investment	1.0	-	1.0	1.25
Receivables from finance lease contracts	6.3	16.2	22.5	MOR, MLR-1
Deposit at financial institution pledged as collaterals	-	11.5	11.5	0.85 - 1.75
Total	52.4	27.7	80.1	
Financial liabilities				
Liabilities under finance lease contracts	2.3	3.1	5.4	4.29 - 14.36
Total	2.3	3.1	5.4	

	In Million Baht			
	Separate Financial Statements			Effective
	As at December 31, 2015			rate
	Within 1 year	1-5 years	Total	(% p.a.)
Financial assets				
Cash and cash equivalents	28.3	-	28.3	0.38
Current investment	1.0	-	1.0	1.25
Short - term loans to related parties	27.1	-	27.1	1.50 - 1.75
Receivables from finance lease contract	2.8	11.3	14.1	MLR - 1
Deposit at financial institution pledged as collaterals	-	6.8	6.8	1.35 - 1.75
Total	59.2	18.1	77.3	
Financial liabilities				
Liabilities under finance lease contracts	2.1	2.8	4.9	4.29 - 14.36
Total	2.1	2.8	4.9	

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

	In Million Baht			Effective Rate (% p.a.)
	Consolidated Financial Statements			
	As at December 31, 2014			
	Within 1 year	1-5 years	Total	
Financial assets				
Cash and cash equivalents	17.9	-	17.9	0.375 - 1.10
Receivables from finance lease contracts	4.4	6.4	10.8	MOR
Deposit at financial institution pledged as collaterals	-	3.5	3.5	1.10 - 2.25
Total	22.3	9.9	32.2	
Financial liabilities				
Bank overdrafts and short-term loans form financial institutions	5.0	-	5.0	3
Liabilities under finance lease contracts	2.5	5.1	7.6	4.29 - 14.36
Total	7.5	5.1	12.6	

	In Million Baht			
	Separate Financial Statements			Effective
	As at December 31, 2014			rate
	Within 1 year	1-5 years	Total	(% p.a.)
Financial assets				
Cash and cash equivalents	13.4	-	13.4	0.375 - 1.10
Short - term loans to related parties	27.7	-	27.7	1.75 - 2.25
Deposit at financial institution pledged as collaterals	-	2.2	2.2	2.25
Total	41.1	2.2	43.3	
Financial liabilities				
Bank overdrafts and short-term loans from financial institutions	5.0	-	5.0	3
Liabilities under finance lease contracts	2.4	4.9	7.3	4.29 - 14.36
Total	7.4	4.9	12.3	

Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases, which are denominated in foreign currencies insignificant, since the Company mainly entered into forward exchange contracts to hedge such foreign currency risk.

As at December 31, 2015 and 2014 the balance of trade payables in foreign currencies and most are repayable within one year, which are not hedged against exchange rate risk are as follows.

Currency	Unit : Currency		Average of exchange rate (Baht/currency)	
	Consolidated Financial Statements and Separate Financial Statements			
	2015	2014	2015	2014
US Dollars	12,629	127,418	36.2538	33.1132
Pounds	1,946	6,677	53.9343	51.5035
Euro	22,652	107,423	39.7995	40.3552

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Company and its subsidiaries as and when they fall due. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. By analyzing the financial position of all customers who request a certain credit limit. The maximum exposure to credit risk presented in the book value of assets less allowance for doubtful accounts.

Liquidity risk

The Company and its subsidiaries monitors its liquidity risk by maintaining a level of cash and cash equivalents deemed adequately for its operation and mitigating the effects of fluctuations in cash flow.

Fair value

Accounting policies and disclosure of the Company and its subsidiaries requires that the fair value of financial assets and liabilities and non-financial. Fair value is the amount the buyer and seller agree to exchange an asset or a liability settled while both sides have a knowledgeable and willing to reciprocate and the market price independently of the characteristics of those who are not related. The purpose of the measurement and / or disclosure of fair value is determined by the following method. More information about the assumptions in determining fair values is disclosed in the notes associated with the assets and liabilities.

The fair value of cash equivalents, trade and other receivables current portion of receivable for finance lease contracts, short-term loans to related parties, other current assets, bank overdrafts and short - term loan from financial institution, trade and other payables, current portion of liabilities under finance leases contracts, income tax payable and other current liabilities approximates their carrying values due to its maturity is short-term.

Long-term portion of receivable for finance lease contracts, long - term portion of liabilities under finance leases contracts not practicable to estimate the proper fair values without incurring excessive costs.

31. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern. The Company and its subsidiaries manage its capital position by maintaining an appropriate debt-to-equity ratio. As at December 31, 2015, the Company and its subsidiaries' debt-to-equity ratio was 0.21:1 (2014: 0.37:1) and the Company's debt-to-equity ratio was 0.17:1 (2014: 0.30:1).

FILTER VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

For the year ended December 31, 2015

32. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2015 and 2014, the Company and its subsidiaries have

32.1 outstanding commitments from entering into lease vehicle, equipment and warehouse which are liable to make payment under operating lease agreement as follows:

Payable within	In Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Less than 1 year	7.0	8.4	5.6	6.5
Over 1 year to 5 years	5.7	7.3	4.6	5.7
Total	12.7	15.7	10.2	12.2

32.2 short-term forward contracts to hedge its purchase of inventories as follow:

	Currency	In Million	Maturity	Forward contract rate
As at December 31, 2015	USD	0.5	February - June 2016	35.8835 - 36.3051
As at December 31, 2014	USD	0.5	January - February 2015	32.9696 - 33.0315

32.3 contingent liabilities from bank guarantee which most are guarantee of the operations based on the contracts and others, amounting to Baht 6.9 million and Baht 4.9 million, respectively. (Separate Financial statements: Baht 4.0 million and Baht 1.5 million, respectively)

33. EVENTS AFTER THE REPORTING PERIOD

At the Board of Directors' meeting No. 1/2016 held on February 25, 2016, the Board passed a resolution proposing to the annual general shareholders' meeting the payment of dividends for the year 2015, at the rate of Baht 0.05 per share, The proposed dividends shall be approved by the shareholders.



บริษัท ฟิลเตอร์ ویژัน จำกัด (มหาชน)
Filter Vision Public Company Limited