



Annual Report 2016

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In this regards, investors may obtain further information from Form 56 - 1 at www.sec.or.th or www.filtervision.co.th

Vision

“To be the leader of the water treatment equipment distributions and services for the quality of life for domestic & regional consumer, community, and society”

Mission

1. To develop the organization to get across domestic and regional market by distributing a proper standard and innovation of products and services which created from the best technical knowledge by our specialist.
2. To make profit and return from management, by applying a good governance to the business transaction for interested person, stakeholders, and community.
3. To share success and 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 of Board of Director

“

As a representative of the Board of Directors, I would like to say “THANK YOU” for all support and motivation to the company. These have driven us to search for a good quality products and keep improve our service continually

”



2016, is the year which everyone has an expectation to see the recovery of Thailand's economic. However, 2016 economic fluctuations has happening throughout the world from many reasons, including the Brexit and US presidential election in the late 2016. As a result, world economy still continued without confidence which directly has an impact on Thailand's economic.

With the government's policy to encourage people spending and investment, Thailand's economic in the first three quarter of 2016 has improving continually. The government has announced many measures to constantly stimulate our economic, such as the measures for disbursement in small's investment, investment in transport project, etc. Especially the taxation measure was announced to stimulate tourism and spending in late 2016, which lead to more spending from tourist and local, and that is conform to the total revenue of company's group which increase from the previous year with the amount of 28.65 million baht or 7.78 percent.

The growth rate of total revenue directly demonstrates the performance of the company. Even though the economic pressures and market competition is considered intense, but the company had always prepare and develop marketing strategy for such an event. This including operating our business according to company's policy framework and strategic, which lead to sale and service that reaches customer's satisfaction and requirement. With mentioned factors, the company is being recognized and trusted by many customers continually, and that is an important role for the company to develop in a steady manner.

However, the growth rate of revenue was driven from every staff in the company. That is why Filter Vision Public Company Limited always focuses to create the balance between the company's growth rate and the development of social, customer, partner, employee, and environment as to create a sustainable growth and being able to adapt to any changes that happen all the time in real world business.

In 2016, Filter Vision will and always maintain the standards of our operations to improve the quality of products and efficiency service as to continually serve regional markets and being the leader in distribution and services for water purification systems in ASEAN, which according to the concept **"Water is the basic element for life"**. As well as creating reliability for investors and everyone under honest and trustworthy corporate governance to all interested person. And that is our believe to grow steadily and sustainably together with Thai and ASEAN society.

Finally, as a representative of the Board of Directors, I would like to say "THANK YOU" for all support and motivation to the company. These have driven us to search for a good quality products and keep improve our service continually, which help us grow repeatedly with confidence for more than 20 years. I would like to express my gratitude to all interested person, shareholder, partner, executive officer, employee, and including financial institutions that always trusted and supported us. And please rest assured that we will always committing to operate this company with integrity and ethic, under the concept of good governance for the most benefit for every parties. And we hope that the company will receive a great support from every one forever and ever.



(Mr. Chotisak Asapawiriya)

Board of Director

Message from Chairman of Executive Board and Managing Director

“

I would like give my gratitude to all of our customers, the Board of Directors, Executive Committee, employees and interested person for your thoughtfulness and continued support

”



2016 is another year of significant events on business circumstances and social surrounding. However, with our determination and effort, it turns out to be a year of success and pride for a good performance of Filter Vision Public Company Limited. In spite of all satisfactory performance, our company still invariably and continually dedicate ourselves to improving our performance, in response to a consistently confidence and expectations of all customers on Filter Vision Public Company Limited.

In order to enhance competitiveness in business, the company has adjusted marketing strategy to be more concentrate on product differentiation. The fundamental goal of this strategy is to increase prospective customer sales. Examples of our new products are: BIOWELL (hydrogen & ozonated water generator which produces ozonated water for disinfection and hydrogen drinking water for antioxidants), and WATERLOGIC (Hygiene drinking water dispenser). These also include the ozonated water generator which we had our debut installation on the third quarter of 2016, and had been consistently increased in new purchasing orders from our customers. Moreover, the new marketing strategy also emphasizes the developing of customer awareness on quality of water, new technology of water purification system, and innovation of disinfection product for food and beverage industry. This has been accomplished through marketing activities, such as academic seminars, which have been arranged continually. I am confident that this awareness shall sustainably benefit our company value and wealth in the long terms.

Regarding to our new business, overall achievements in the second year from a dialysis center (KT Medical Services Dialysis Center, Phatthanakan) and the Pneumatic Tube Dispatch System have become the new source of revenue which grows continually. In 2016, the new business can generate revenue of 17.37 million Baht totally. Furthermore, in 2017, a second dialysis center has been successfully established in a government hospital. Hence, I intend to make this new business another main source of company's revenue in the future.

The successive product developments and leading service qualities of Filter Vision Group, along with all employee dedication and readiness for variation, these led to result in the group's total revenue increase of 28.65 million Baht compared to the previous year. Although the revenue may not increase as much as expected, but I am still confident that Filter Vision Public Company Limited, under our good governance principle, will be a leader in pure water treatment products and water purification system business, and will be continually and steadily recognized by every customers.

Finally, I would like give my gratitude to all of our customers, the Board of Directors, Executive Committee, employees and interested person for your thoughtfulness and continued support, including your useful opinions and suggestions, in the company's operations. I am confident that these thoughtfulness and trust shall be a great inspiration for our company steady growth and accomplishment.



(Wijit Techakasem, PhD)

Chairman of Executive Committee
and Managing Director

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



**MR. CHOTISAK
ASAPAVIRIYA**
AGE 62 YEARS OLD
(THE PRESIDENT)

Educational qualifications Institute

- The Programme of Senior Executives of Justice Administration Batch 9 National Justice Academy
- Diploma, National Defence College, National Defence College The Joint State – Private Sector Course Class 9th
- M.S.T. (Business Ed.) Portland, Oregon, Portland State University
- Master of Arts (Communication Management for Public and Business Sectors), Thammasat University
- Bachelor of Laws, Thammasat University
- Director Accreditation Program Class 90/2011(DAP)

Percentage of shareholding None

Family relationship with the executive None

Working experience during the past 5 years

- | | |
|----------------|---|
| Present | • Independent Director/Risk Management Committee ,
Nok Airlines Co.,Ltd. |
| 2011 - Present | • Chairman, Filter Vision PCL. |
| 2013 - 2016 | • Executive Board member, Qualified Member,
Chairman of the Business Development and
Marketing, Subcommittee of the Policy Formulation
and Strategic Planning, Pinkanakorn Development
Agency (Public Organization) |
| 2014 – 2016 | • Chairman of the Corporate Governance for The International
Convention and Exhibition Centre Commemorating His
Majesty's 7 th Cycle Birthday Anniversary, Pinkanakorn
Development Agency (Public Organization) |
| 2014 – 2016 | • Chairman of the Corporate Governance and Special
Projects Taskforce, Pinkanakorn Development Agency
(Public Organization) |
| 2013 – 2014 | • Chairman of the Compliance Policy, Amanah Leasing PCL. |
| 2013 – 2014 | • Director, Universal Utilities PCL. |
| 2012 – 2014 | • Advisor of Deputy Minister of Finance, Ministry of Finance |
| 2011 – 2014 | • Chairman, TV Direct Indochina Co.,Ltd. |
| 2011 – 2014 | • Director, TV Direct Public PCL. |
| 2010 – 2011 | • Senior Executive Consultant, Piyavate Hospital |

Illegal Record in past 10 years: None



DR. WIJIT TECHAKASEM
AGE 53 YEARS OLD
(DIRECTOR, MANAGING
DIRECTOR, AND THE CHAIR OF
EXECUTIVE BOARD)

Educational qualifications Institute

- 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 21.48%

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. |

Illegal Record in past 10 years: None



MR. RAPEEPAT SUANSILPONG
AGE 54 YEARS OLD
(INDEPENDENT DIRECTOR
AND THE CHAIR OF AUDIT
COMMITTEE)

Educational qualifications Institute

- Master of Business Administration, Finance, Chulalongkorn University
- 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	<ul style="list-style-type: none"> • Managing Director of Platinum Auto Service Co., Ltd.
Feb 2014 - Oct 2014	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • The President of Tong Hua Communications PCL.
2011 - Present	<ul style="list-style-type: none"> • Independent Director and The Chair of Audit Committee of Filter Vision PCL. • Director of Lomchai Development Co., Ltd.
2008 - 2013	<ul style="list-style-type: none"> • Independent Director and Audit Committee of Thai Rotary Engineering PCL.
2007 - 2013	<ul style="list-style-type: none"> • Managing Director of Altimate Success Advisory Co., Ltd.
Apr 2012 - Dec 2012	<ul style="list-style-type: none"> • Independent Director and Audit Committee of Pandinthong Property Development PCL.
Dec 2014 - Present	<ul style="list-style-type: none"> • Director of Malachi Co., Ltd.
Apr 2015 - Present	<ul style="list-style-type: none"> • Managing Director of Ruamjai Plantation Co.,Ltd.

Illegal Record in past 10 years: None



**MR. KIATTIPORN
SIRICHAISAKUL**
AGE 48 YEARS OLD
**(INDEPENDENT DIRECTOR AND
AUDIT COMMITTEE)**

Educational qualifications Institute

- Bachelor's Degree, Faculty of Commerce and Accountancy, 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 Service Office |
| Dec 2014 - Present | • Director of Malachi Co., Ltd. |

Illegal Record in past 10 years: None



**MR. THANET
KHAMCHERDCHOOCHAI
AGE 52 YEARS OLD
(INDEPENDENT DIRECTOR
AND AUDIT COMMITTEE)**

Educational qualifications Institute

- Master of Business Administration, Chulalongkorn University
- 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.

Illegal Record in past 10 years: None



**DR. MANIT
TEERATANTIKANONT
AGE 66 YEARS OLD
(INDEPENDENT DIRECTOR)**

Educational qualifications Institute

- Master of Primary Health Care Management, Mahidol 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 - 2011 | • 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 |

Illegal Record in past 10 years: None



**MR. MONTRIE
PRAJUNPANICH
AGE 53 YEARS OLD
(DIRECTOR)**

Educational qualifications Institute

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

Percentage of shareholding 2.11%

Family relationship with the executive None

Working experience during the past 5 years

- | | |
|----------------|---|
| 2011 – Present | <ul style="list-style-type: none"> • Director of Filter Vision PCL. • Director of VR Stephy Co., Ltd. |
| 2012 – Present | <ul style="list-style-type: none"> • Executive Committee of Altered Co., Ltd. |
| 2010 – Present | <ul style="list-style-type: none"> • Executive Committee of Vamp Intelligent Products Co., Ltd. |
| 2007 – Present | <ul style="list-style-type: none"> • Executive Committee of Panovision Co., Ltd. |
| 2005 – Present | <ul style="list-style-type: none"> • Executive Committee of PMAV Marketing Co., Ltd. |

Illegal Record in past 10 years: None



MR. RAPEE MOUNGNONT
AGE 52 YEARS OLD
(NOMINATION AND
REMUNERATION COMMITTEE)

Educational qualifications Institute

- 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

- 2016 - Present • Audit Committee and Director of PM Thoresen Asia Holdings PCL.
- 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 - 2015 • Chair of Audit Committee and Director of Piyavate Hospital PCL.

Illegal Record in past 10 years: None



MR. DANUJ BUNNAG
AGE 53 YEARS OLD
(DIRECTOR)

Educational qualifications Institute

- Bachelor of Special Study (Mathematics), Cornell College, USA.
- Bachelor of Science in Systems Science And Engineering, Server Institute School of Engineering and Applied Science, Washington University, USA
- Master of Construction Management, Server Institute School of Engineering and Applied Science, Washington University, USA.
- Master of Construction Management, Sever Institute School of Engineering and Applied Science, Washington University, USA.
- DAP for Thai executives, The Thai Institute of Directors Association (IOD)
- DCP class 48, The Thai Institute of Directors Association (IOD)
- Thailand National Defence College 2554
- Capital Market Academy class 18

Percentage of shareholding 1.83%

Family relationship with the executive None

Working experience during the past 5 years

- Present • Advisor to the President
- Present • Director of Filter Vision PCL.
- Present • chairman of Alumni, class 10 Chitralada Alumni Association

Illegal Record in past 10 years: None



**MR. ATTAWUT
JINGTHAISONG**
AGE 40 YEARS OLD
(INDEPENDENT DIRECTOR)

Educational qualifications Institute

- Master of Business Administration (Marketing) Ramkhamhaeng University
- Bachelor of Arts Program in Management Krirk University
- Mini MBA In Franchise Management Sripatum University

Percentage of shareholding None

Family relationship with the executive None

Working experience during the past 5 years

Present	• Director of Filter Vision PCL.
Present	• Managing Director – VSA Holding Co.,Ltd.
Present	• Managing Director – Franex Co.,Ltd.
2557 - 2559	• Managing Director – Business Coach and Consulting Co.,Ltd.
2550 - 2557	• Senior Consultant – Franchise Strategic Planning & Marketing

Illegal Record in past 10 years: None



**MR. TANAPAT
TANTIWATTANAWIJIT
AGE 47 YEARS OLD
(DIRECTOR, EXECUTIVE
COMMITTEE & GENERAL
MANAGER)**

Educational qualifications Institute

- Bsc. Agro-Industry Prince of Songkla University
- Director Accreditation Program (DAP) batch#99/2012, Thai Institute of Directors

Percentage of shareholding 2.64%

Family relationship with the executive None

Working experience during the past 5 years

- | | |
|--------------------|---|
| 1996 - Present | • Director, Executive Committee & General Manager at Filter Vision PCL. |
| 2014 - Present | • Director at Irving Corporation Ltd. |
| Jun 2015 – Present | • Director at KT Medical Service Co., Ltd. |
| Jul 2015 – Present | • Director at Medical Vision Co., Ltd. |

Illegal Record in past 10 years: None



MS. THANAPA TECHAKASEM
AGE 50 YEARS OLD
(DIRECTOR, EXECUTIVE
COMMITTEE, AND
ADMINISTRATION MANAGER)

Educational qualifications Institute

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

Percentage of shareholding 2.42%

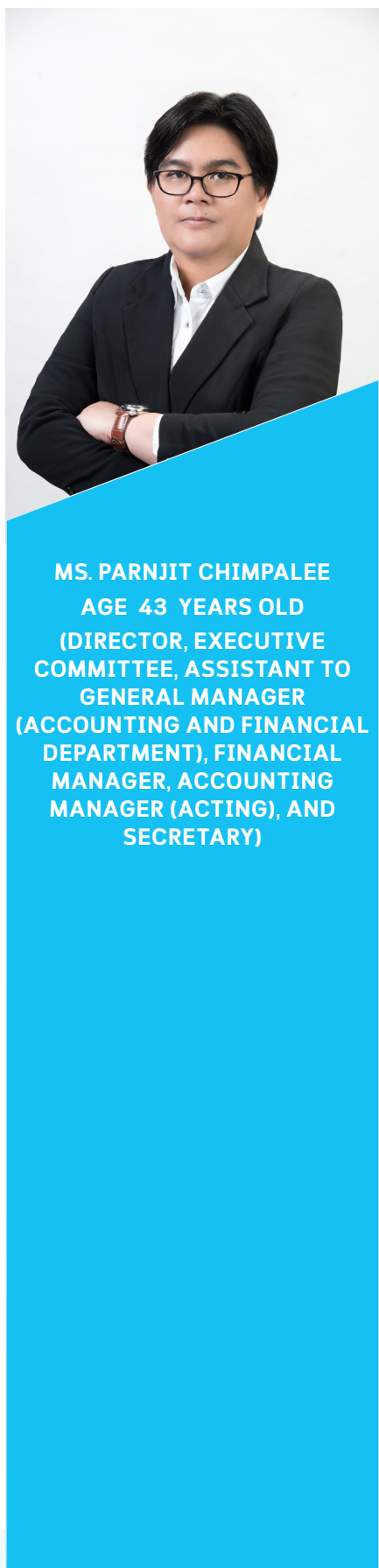
Family relationship with the executive Younger sister of

Dr. Wijit Techakasem

Working experience during the past 5 years

- | | |
|--------------------|---|
| 1999 - Jul 2016 | • Director, Executive Committee, and Administration Manager of Filter Vision PCL. |
| Jul 2016 – Present | • Executive Committee, and Administration Manager of Filter Vision PCL. |
| 2014 - Present | • Director of Irving Corporation Ltd. |

Illegal Record in past 10 years: None



MS. PARNJIT CHIMPALEE
AGE 43 YEARS OLD
(DIRECTOR, EXECUTIVE
COMMITTEE, ASSISTANT TO
GENERAL MANAGER
(ACCOUNTING AND FINANCIAL
DEPARTMENT), FINANCIAL
MANAGER, ACCOUNTING
MANAGER (ACTING), AND
SECRETARY)

Educational qualifications Institute

- Master of Accountancy, Thammasat University
- 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.
- Present • Financial Manager at Irving Corporation Ltd.
- 2010 - Present • Director, Executive Committee, Assistant to General Manager (Accounting and Financial Department), Financial Manager, Accounting Manager (Acting) of Filter Vision PCL.

Illegal Record in past 10 years: None



**MS. SUPAPAN
YEAMLAENGAMKUL
AGE 51 YEARS OLD
(EXECUTIVE COMMITTEE)**

Educational qualifications Institute

- Master of Engineering, Chulalongkorn University
- Bachelor of Science, Chulalongkorn University

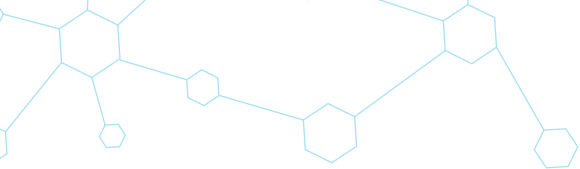
Percentage of shareholding None

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. |

Illegal Record in past 10 years: None



**MR. ANUPONG
TANGPANITARNNAN
AGE 46 YEARS OLD
(EXECUTIVE COMMITTEE)**

Educational qualifications Institute

- 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. |

Illegal Record in past 10 years: None



**MR. PATTANAPONG
KONGKARAT**
AGE 54 YEARS OLD
**(EXECUTIVE COMMITTEE,
B2 BUSINESS MANAGER,
HUMAN RESOURCES AND
GENERAL AFFAIR MANAGER
(ACTING), AND TECHNICAL
SERVICES MANAGER)**

Educational qualifications Institute

- Bachelor of Laws, Ramkhamhaeng University

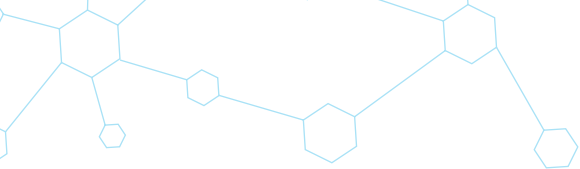
Percentage of shareholding None

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 of Filter Vision PCL. |
| 2013 - Present | • Human Resources and General Affair Manager (Acting) of Filter Vision PCL. |
| 2001 - 2014 | • Sales and Marketing Manager of Filter Vision PCL. |

Illegal Record in past 10 years: None



MR. SOMCHAI HONGSA
AGE 46 YEARS OLD
(EXECUTIVE COMMITTEE AND
PROJECT AND INNOVATION
MANAGER)

Educational qualifications Institute

- Master of Business Administration (Marketing) 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

- | | |
|----------------|---|
| 2017 – Present | • Supply Chain Management Manager of Filter Vision PCL. |
| 2015 - 2016 | • 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 |

Illegal Record in past 10 years: None



MR. RATHAPHON TATONG
AGE 47 YEARS OLD
(EXECUTIVE COMMITTEE AND
B1 BUSINESS MANAGER)

Educational qualifications Institute

- Master of Engineering Program in Environmental Engineering
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. |

Illegal Record in past 10 years: None



**MR. CHANATHEP
RAKPRAKOBKIJ**
AGE 30 YEARS OLD
(ACCOUNTING MANAGER)

Educational qualifications Institute

- B.A. (Accounting), Second Class Honor Suan Sunandha Rajabhat University, Bangkok

Percentage of shareholding None

Family relationship with the executive None

Working experience during the past 5 years

- | | |
|-------------|--|
| Present | • Accounting Manager, Filter Vision Public Company Limited. |
| 2015 - 2016 | • Audit Manager, Thirty – four Audit Office Company Limited. |
| 2014 - 2015 | • Vice President of Accounting and Finance, Phoenix Insurance (Thailand) Public Company Limited. |
| 2010 – 2014 | • Senior Assistant Auditor, Thirty – four Audit Office Company Limited. |

Illegal Record in past 10 years: None

Corporate Governance Report of Audit Committee

To the Shareholders of Filter Vision Public Company Limited.

Audit Committee of Filter Vision Public Company Limited consists of 3 independent directors who are proficient in finance, accounting, legal, and management. Those are Mr. Rapeepat 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 Audit Committee charter which harmonizes with code of conduct and guideline for audit committee outlined by the Securities and Exchange Commission and the 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 2016, 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 reviewed separate financial and consolidated financial statements of the Company and its subsidiaries for quarters and the year ended 2016, that qualified by Auditor and presented to the Board of Directors for approval consideration. Executive and Auditor were invited to the meeting be for approved the financial statement with checking accuracy, completeness, and reliability of the validity of some significant items that happened during the year, and a sufficient correctness for disclosure. In addition, the meeting was for the acknowledgement about audit plan and the official meeting with Auditors 4 times to independently discuss about important information for financial statement.

Audit Committee considered that accounting and financial reports process of the Company has a sufficient internal controlling system to assure that the financial report and overall operation are accurate in materiality according with accounting standard There is a sufficient and punctual accounting disclosure for the shareholders, investors, or who used the financial statement for consideration to invest

2. Internal controlling system audit

Audit Committee has considered reviewed and followed up continuously on the internal controlling system with the internal audit's company. The report of internal audit is covering following up on the result and adjusting any significant points according to the report to evaluate the sufficiency of internal controlling system and management 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 reviewed

For the integrity and accordance with the regulations of the 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 reviewed to assure that it was the ordinary process of business as well as processing with other party or business that were not related and not 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 2017 by evaluating independence, audit performance quality as of 2016, 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 EY Office Limited 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 2017 to appoint Mr. Sophon Permsirivallop, Auditor with license no.3182 and/or Ms. Rungnapa Lertsuwankul, Auditor with license no.3516 and/or Ms. Pimjai Manitkajohnkit, Auditor with license no.4521 and/or Ms. Rosaporn Decharkom, Auditor with license no.5659 from EY Office Limited. as the Auditor as of 2017 with the remuneration of baht 1,180,000

6. Audit Committee Report


Audit Committee has done the report of the committee approved by the Chair of Audit Committee to be disclosed with 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.Manit Teeratanthakorn, MD Independent Director as the Chair of Nomination and Remuneration Committee
2. Mr.Rapeepat Suansilpong, Chair of Audit Committee and Independent Director
3. Mr.Rapee Moungnont, non-interested third person

Anyhow, in 2016, there was the Nomination and Remuneration Committee meeting for 3 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 Teeratanthakorn, MD)
Chair of Nomination and Remuneration Committee

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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.

Later in year 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 2556 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 2557, 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

In 2558, 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 2016, is the year of business's growth in both from exist and new business. Cause of the significant growth from the large wastewater treatment project, which continuation from the exist business. While, the new business is KT Medical Services Co., Ltd., which a provider of dialysis services has patients to increase continually to full as capacity of the kidney machine and Medical Vision Co., Ltd., can distribute and installed of the air tube systems for transfer documents and parcel (Pneumatic Tube Carrier Systems) to clients as the targets for this year.

In conclusion, in the past 21 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. In 2016, the Company registered decrease in the Company's registered share capital from the shares the Private Placement (PP) and the shares to reserve for the exercise of rights by warrant holder (FVC-W1). Present, the Company has registered share capital amount Baht 182.75 million and paid-in capital of 154.21 million baht as of February 3rd 2017 when was the closing date of the latest share register book. Techakasem family is holding shares of 31.88% 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, 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 which the first products that introduced to market as the air tube systems for transfer documents and parcel (Pneumatic Tube Carrier Systems) 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 Toredco, 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) Dialysis centers

In 2016, the Subsidiary KT Medical Services Co., Ltd., opened the new dialysis center in Pattanakarn area, which the first center. The Company operate to provide health care facilities for patients with end-stage chronic kidney disease who receive replacement therapy with dialysis kidneys machine

5) Distribute medical products and equipment

The Company has distributor / rent and maintenance of medical instruments and medical supplies which operated by Medical vision Co., Ltd. In 2016, the company has distributing and installation of air tube system for transfer documents and parcel (Pneumatic Tube Carrier Systems) to client in both. Government and Private Hospital

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.

1.2 Important development and progress

- Year 1995 - 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 - 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 - 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 - 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 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 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.
- On March 15th 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.

Year 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 May 29th 2013, in the Board's meeting, a resolution was made to open a technical service department at Hat Udon Thani to be in charge of the Northeastern part of Thailand. It has been operating since June 2013 onward.
 - 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 21st 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.

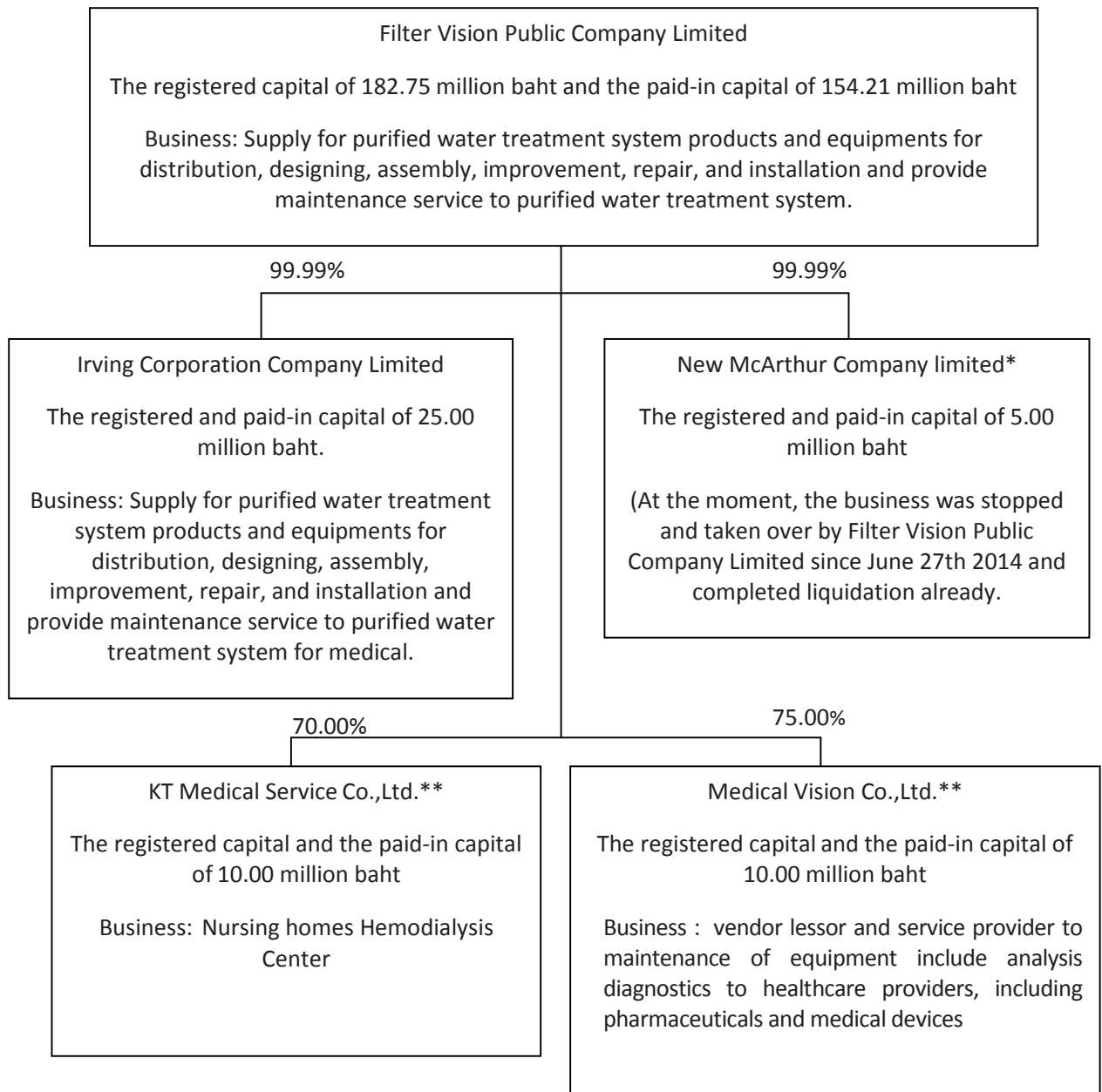
- On June 27th 2014, New McArthur Co., Ltd. completed the process of liquidation.
- On July 6th 2014, the company made a rental agreement of a warehouse to keep products. It is located at Klong Samwa, Bangkok to support expanding business and increasing customer.
- In August 2014, the company added Food 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 2558, we launched innovative products: "Biowel" 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

- Year 2016 - January 2016, the Company joined the Corporate Sustainability Advisory Program season 2nd to study and develop the business to sustainable. Including optimization to create a strategic plan, corporate social responsibility plan (CSR) which consulted by the advisory team of the Stock Exchange of Thailand.
- February 2016, KT Medical Services Company Limited, began serving at first Dialysis Center in Pattanakarn area.
 - May 2016, the Company has changed its organization to reduce duplication of work and streamline workflow be faster by combining the administration department. (responsible for issuing sales documents) with internal sales department (coordinates the customer) together to be the new department, Business Support Center (BSC).
 - September 2016, Medical Vision Co., Ltd. began the installation of the Pneumatic Tube Carrier System to customers which government hospital in the central area.
 - December 2016, began to take the technology for customer management, Application: Cloud for Customer to use for management on sales and service.

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 4/2558 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 2014 - 2016 as follows;

(Unit: Thousand Baht)

Revenue	2014		2015		2016	
	Amount	%	Amount	%	Amount	%
Revenue from distribution, improvement, and system repair	321,073.70	88.38%	297,931.27	80.86%	318,013.87	79.96%
Revenue from distribution with design, assembly, and installation						
Revenue from selling with normal payment	24,833.32	6.84%	40,812.28	11.08%	51,690.24	13.20%
Revenue from financial leases agreement and installment sales	2,318.50	0.64%	15,140.13	4.11%	7,778.90	1.96%
Revenue from maintenance	12,526.58	3.45%	11,021.70	2.99%	16,823.10	4.23%
Other revenue*	2,515.94	0.69%	3,539.42	0.96%	2,792.42	0.65%
Total revenue	363,268.04	100.00%	368,444.80	100.00%	397,098.52	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 are KT Medical Service Co., Ltd. operated is the "Dialysis Center" provide health care facilities for patients with end-stage chronic kidney disease who received replacement therapy with dialysis kidneys. This business was cap

from our experiences and expertise in installation and maintenance services of water treatment system for artificial kidney machine which operated by Irving Corporation Ltd. And our subsidiary are Medical Vision Co., Ltd. operated is the distributor of medical products and instruments. Now, the Company is principally engaged in the distribution and installation of Pneumatic Tube Carrier System.


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
- 5) The Distributer of medical products & instruments

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



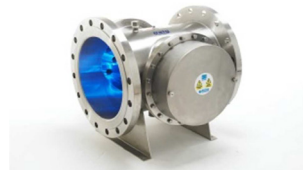

1. Filtration 2. Disinfection 3. Other products and equipments as details below;

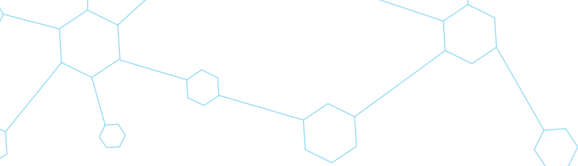
Filtration

Fleck Automatic Control Valve For Water Treatment	
Water Care Water Treatment Plant Package System	
DMI 65 Super Deiron /Manganese Filter Media	<p>DMI  Super Deiron & Manganese media</p> <p>Catalytic Water Filtration Media for Iron, Manganese and heavy metal from water</p>  <p>DMI - 65 has been tested and certified acc. to NSF/ANSI 61 from Water Quality Association USA.</p> 
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	



<p>Biosure High Concentration Ozonated Water For Foods & Beverage Industrail</p>	
<p>Biospin High Concentration Ozonated Water For Comerical Laundry Application</p>	
<p>Biowell High Concentration Ozonated Water For Medical Service</p>	
<p>+HOCL Slightly Acidic Electrolyzed Water</p>	
<p>Promed Ozone Generator</p>	

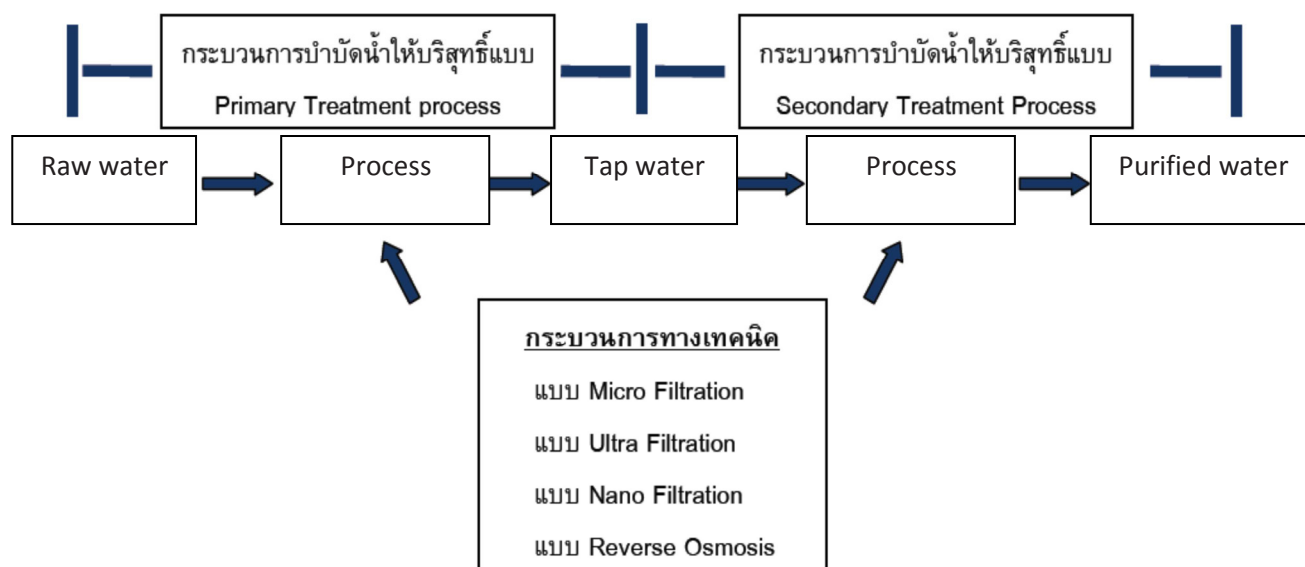
Others

<p>Water logic High performance Hot/Cold water dispenser.</p> <p>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).</p>	
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CELLI COUNTER BEVERAGE DISPENSER	
CELLI DROP IN BEVERAGE DISPENSER	
Wisy Rainwater Harvesting System	
KT MEDICAL SERVICE Dialysis center	
Telecom Pneumatic Tube Carrier System	

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. In some cases, disinfection system is being use to disrupt get rid of the unwanted micro-organism to make water safe for drinking by UV disinfection technology with validated UV system, dissolved ozone generator which provides greater disinfection and decomposes chemicals and pesticides that is totally natural and residue-free, or +HOCL machine: a slightly acidic electrolyzed water generator which are organic substance that can naturally disrupt unwanted micro-organism.

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

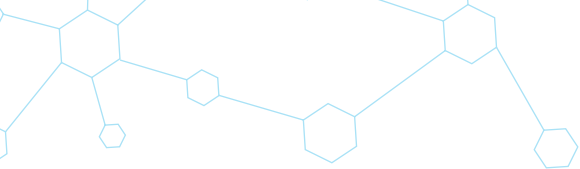
NSF standard

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 21 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 21 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) The competition to bidding for installation of the purified water treatment system projects and Pneumatic Tube Carrier System which almost the government project.
- 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 which applied in the hemodialysis dialysis business too.
- 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 a good image and the quality of portfolio as credible considering the project which service completed from client who government and private hospital as a result, the Company is confident to reach more customers, The experience in water purification system for Dialysis Center and decoration dialysis unit can applied to the operation of the Company's dialysis center. In addition, the quality and credibility from the portfolio has led to the introduction of new products, including Pneumatic Tube Carrier System, both government and private hospitals as well.
- 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	2014		2015		2016		Increasing rate of customer
	Million baht	Ratio (%)	Million baht	Ratio (%)	Million baht	Ratio (%)	
1. Industrial business and water treatment entrepreneurs	74.67	20.70%	75.00	20.55%	98.16	24.89%	30.88%
2. Commercial and residential business	225.74	62.57%	212.78	58.31%	209.20	53.05%	(1.68%)
3. Medical service business	60.34	16.73%	77.13	21.14%	86.95	22.06%	12.73%
Total revenue	360.75	100.00%	364.91	100.00%	394.31	100.00%	
Increasing rate	19.11%		1.15%		8.06%		

1) Commercial and residential business

In 2014 - 2016, the company got revenue from the commercial and residential business for 62.57%, 58.13%, and 53.05% 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 2014 - 2016, the company got revenue from the industrial and original equipment manufacturer for 20.70%, 20.55%, and 24.89%, 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 2014 – 2016, the company got revenue from the medical service business for 16.73%, 21.14%, and 22.06%, 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.

In addition, the Company has expand from expertise in the dialysis centers business by establishing a new company, KT Medical Services Co., Ltd., to operate hemodialysis services for patients with end-stage chronic kidney disease with dialysis machine. In 2016, the Subsidiary opening. Dialysis Centers in Phatthanakan area which. The total revenue amount Bath 5.78 million, including the establishing Medical Vision Co., Ltd., the distributor of medical instrument, in 2016 The Company operated the air tube systems for transfer document and parcel (Pneumatic Tube Carrier System) with. Total revenue amount Baht 11.59 million, which start for a new business as wall.

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.

The company seeking for the opportunity to expand our business into neighboring country (Cambodia, Laos, Myanmar, Vietnam), which are a country that their business are continually growing with pace. The company had foreseen such an opportunity and already set up a team which will cover the business in this region. The main objective is to expand business of the company, and seeking for a qualified partner who can maintain our products and services standard. In this region, the company is usually making a direct contact to customer, and also distributing to the approved partner. Moreover, the company had prepared marketing strategy with a plan to involve with exhibition that related to our products and services. As well as conducting a seminar in mentioned countries, to make an impact and brand awareness to their market, which will surely benefit the businesses in this region continually.

2) Industrial and original equipment manufacturer "OEM"

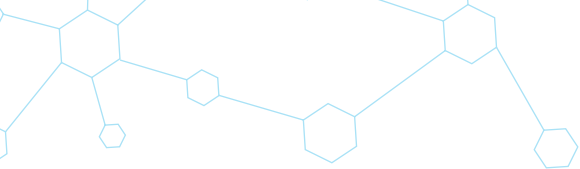
The company has dealer that is an entrepreneurs of the purified water treatment system as OEM to find new customer. The condition and responsibility depends on negotiation between the company and the dealer. Meanwhile, the company has the Sales team that will analyze the target customer to offer the 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 21 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 2016 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 - 2016 can be concluded as the following diagram;

The number of certified industrial factories by the Department of industrial works since December 2012 - December 2016

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
Dec-2016	430	55,504	129

Source of information The Department of industrial works

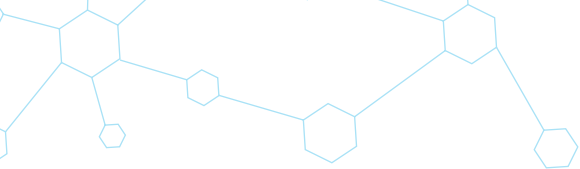
In December 2016, there are 113 certified factories in Bangkok and surrounding provinces, In provincial area, there are 317 certified factories.

The number of certified industrial factories by the Department of industrial works since December 2016 by region

(Unit: Million Baht)

Region	Number of factories	Investment (million baht)	Average of investment per factory (million baht)
- Bangkok	13	878	67
- Surrounding provinces of Bangkok	100	6,092	61
Total Bangkok and Surrounding	113	6,970	62
Region			
- Central region	102	15,206	149
- The Eastern	55	4,635	84
- The North Eastern	67	15,968	238
- The Northern	53	11,343	214
- The Southen	40	1,381	34
Total Region	317	48,534	153
Total	430	55,504	129

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 2014 - 2016, the number of imported purified water treatment system is at 53.35%, 55.25% and 63.63%, 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 2014 - 2016, the company purchased products from the business group at 30.51%, 32.30% and 38.51%, 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 2016, 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 5 agreements. The total job value is 3.62 million baht. The job will be handovered within year 2017.



3. Risk Factor

3. Risk Factor

The risk factor will discuss are significant risk factors which impact to the Company's operations. Therefore, investors should consider the risk factor that may be with the Company besides the particularized in this document to consider invest. The significant risk factor is summarized as follows:

3.1 The risk's default from trade receivable and accrued income

In 2016, the Company had trade receivable and accrued income before allowance for doubtful accounts amount Baht 96.32 million or 20.63 per cent of total assets. Which the proportion of trade receivable and accrued income per total assets be quite high. Therefore, if the Group's customers are significant likely to bad debts or doubtful accounts, or repayment is over due to frequently. The Company may be exposed to financial liquidity risk, including loss to operating from bad debt or doubtful debts. In addition, if the Company has not control, audit and follow up the lending process to client as efficiency, may be the risk on bad credit of customers too.

In addition, the Company and its subsidiary (Irving Corporation Limited.) have provide design and installment services related to pure water treatment systems to customers in the medical services segment by financial lease agreement, including the installation of ice machines by installment sale agreement. The lease term on agreement is 5-8 years. As at the end 2016, the Company has outstanding of receivable under financial lease and installment sales amount Baht 24.65 million or 5.28 per cent of total assets. Considering 3 years ago, the receivables under finance leases and installment sales had growth as continually according with the revenue growth. As a result, the Company and its subsidiary may be exposed to default risk from receivables under financial lease and installment sale payments if the Company does not have effective credit control include criteria to consider the customers for sell products by the financial lease and installment sale. This may affect the Company's performance in the future.

The credit for customers is the basis of normal operations in business. The Company has a policy to control quality of the new customers (Unless a major general as well-known), the new customer is required to orders and pay for goods on cash for a certain period before consider the credit's limit for purchase order in next time (if requested by the customer). In addition, the Company has a policy for tight credit terms by consider and review the credibility of the customer, including the collection from debtors as closely. In addition, the Company also assigned to the finance department set up a working group to track repayments from customers who has overdue. Focus on coordinating with sales and marketing department as important. And starting with beware and tracking of trade receivable that are overdue more than 30 days, which the Company will review as monthly. Also, to prepare the summary report on the causes on overdue of each trade receivable. In addition, every quarter, the Company must prepare and present report of trade receivables and accrued income to the Audit Committee to be informed. The Company has the policy of allowance for doubtful accounts for private customers, based on overdue receivables from 180 days to 360 days as allowance for doubtful accounts at 50 per cent of outstanding balances. And trade receivables have overdue more 360 days as allowance for doubtful accounts at 100 per cent of outstanding balances. For government customers, trade receivable with outstanding balance at 540 - 720 days will be considered allowance for doubtful accounts at 50 per cent of outstanding balances. And trade receivable overdue more than 720 days, the Company will set allowance for doubtful accounts at 100 per cent of outstanding balance. The Company has policy for allowance for doubtful accounts of receivable

finance lease and installment sale as overdue more 6 installments. The Company will cease recognition of income and recorded the allowance for doubtful accounts at 100 per cent of the outstanding balance under the finance lease and the sale of installments on each contract. However, in 3 years ago, the Company has never suffered bad debt from financial lease and installments sales just has delayed for repayment only. Most of the receivable under finance leases and installments sale are hospitals or clinics of the government that have been operating for a long time and have good creditability.

3.2 The risk of inventory has a lot of stock.

As at the ended 2016, the Company has inventory amount Baht 138.98 million or 29.76 per cent of total assets. The Company has a lot of inventory, cause to carry costs for storage and financial costs such as warehouse rental, warehouse staff and the installation of security systems in the warehouse, etc., and the Company has risk of fire and other accidents which may affect to inventories. In addition, the Company may suffer from a lack of financial liquidity if the inventories are low turnover. Including the risk of technological from change factors of products and equipment related the water purification systems as significantly. These factors may result in outdated and difficult-to-sale which the Company must recognize the allowance for diminution in value of inventories which affect to impact on the Company's performance and financial position.

From policy is focus on providing and distributing products and equipment related to a pure water treatment systems as fully option by delivering the products and services to fast and quality. These reason are the Company has order a lot of products and accessories to preparation for receiving orders from customers /or ready to serve the customers. In addition, many orders make the Company have the power for bargain, effect to, the cost of goods sold and transportation costs as decreased. In the order, the Company will consider to order from the minimum inventories which the Company's policy by calculated from the Bill of Quantity (BOQ) for each project as significant to ensure the inventories volume is consistent with actual usage. Including to avoid over-inventory and protects against the risk of outdated products too. However, when considering the products and equipment in stock, the almost of products and equipment has high turnover rate. In addition, the Company provides the aging of stock report and the last moving report every quarter for sales department and management to use for analysis to plan and carry out for inventory has not outstanding and prevent deterioration and obsolete goods. However, the transformation of technology related to water treatment systems in 21 years ago, has not significantly changed the technology beyond the development of the product's appearance to be more modern. In addition, the Company and its subsidiaries consider the allowance for diminution in value of inventories for normal inventories from the overall rate, which will be determined by the management. And allowance for diminution in value of inventories is determined the difference between the cost of goods sold and the expected value of goods sold (specifically items that are expected to have a lower than cost price only). Include the allowance for devaluation of inventories for damaged and obsolete goods. In addition, the Company and its subsidiaries have made fire insurance and other insurance for inventories as at December 31, 2016, with total sum insurance amount Baht 74.10 million or 53.32 per cent of inventories net to prevent damage from fire and other accidents.

3.3 Risks on commercial and residential segments

From 2014 to 2016, the Company's main income was in commercial and residential segment which has proportion as 62.57 per cent, 58.31 per cent and 53.05 per cent of total revenue, respectively. Almost of the customers in this segment was food and beverage business. If demand on food and beverage declined or overall income of consumer to declined will be impact on revenue growth in this business.

Commercial and residential business segment is related to consumption as directly which another important factor for daily life. With this factor is expected that the demand for consumption as continually and will not decline as significant to impact for the Company's operating. However, the Company has generated revenue from industry and OEM, which proportion as 20.70 per cent, 20.55 per cent, and 24.89 per cent of total revenues, respectively. As well as, the revenue from medical services which proportion as 16.73 per cent, 21.14 per cent and 22.06 per cent of total revenue respectively. Therefore, the Company's revenues are not dependent on customers in the commercial and residential segments as merely.

In 2015 and 2016, the Company has a local customer which purchase order from the Company exceeds 10 per cent of sales and service income. The customer is retail business (convenience store) which has the most branches in the country. The Company has been doing the business with this customer more than 18 years and has good relations throughout (2014, no major customer) and is confident that the Company will operate with this customers continually as well.

3.4 Risk of reliance on major manufacturers

The Company operate to design, install and service of water filters and related to pure water treatment systems, and almost of products are imported from abroad which is Pentair Group's products include Pentair Filtration Solutions, LLC, Pentair Pacific Rim (Water) Limited and Pentair Water Asia Pacific Pte. Ltd. In 2014 - 2016, the Company has purchase the Pentair's products at 30.51 per cent, 32.30 per cent and 38.51 per cent of the total order, respectively. Forasmuch, the products and equipment that distributes to customers is the product from this supplier's group under the dealer contract with the target's order to the Company. As a result, the Company had to import products and equipment from these manufacturers as significantly. So if this manufacturer is out of business or liquidation or change the price of the product as significantly may result in the Company being unable to supply replacement products and equipment for immediate sale and service to customers. As a result, damage to operations and loss of revenue from the sale of such products as continually.

The Company has aware of the risk from such major manufacturers. So therefore, the Company has signed dealer contract for distributor a products and equipment of the Pentair group. The Company and the Pentair group have been in good relations over 17 years, both the deliberate of product and service such as water filters, filters and equipment related to pure water treatment systems including consign the executives and supervisors to attend and train in various courses in locally and internationally as determined by the Pentair Group etc. The Company has never any indication to disputes caused the Pentair Group to terminate the dealer contract. These factors make the relationship between the Company and the group of manufacturers can to operation of business until the present. In addition,

Pentair Group is the world's leading manufacturer of quality water filters and accessories which have customers and dealer throughout the world including Thailand, so be assured the Pentair group has stability and reliable. For price risk factors that may be adjusted as significantly, the Pentair Group has a policy of pre-pricing on a yearly basis and inform to the Company to be able to plan and adjust selling prices according to costs incurred.

3.5 The risk from no representative dealer in major brand

The Company's product almost all are the Pentair group which has two companies consisting of, Pentair's Pentair Filtration Solutions, LLC and Pentair Pacific Rim (Water) Limited, under brand products, Pentair, Everest, GE, Shurflo, Pentek, Fleck, Structural, Park. Homespring, Merlin and Fiberdyne etc., which are the product related to pure water treatment systems. The Company has been appointed as a non-exclusive distributor in Thailand of Pentair Filtration Solutions, LLC. with 5-year contract (January 2, 2013 to December 31, 2017) and Pentair Pacific Rim (Water) Limited with one-year contract (March 28, 2016 to March 27, 2017), With conditions of minimum order requirements per annum, Pentair Filtration Solutions, LLC has minimum order requirements from 2013 to 2017, an average increase of 11% per annum throughout the contract period and Pentair Pacific Rim (Water) Limited has minimum order amount Dollar US 600,000. Therefore, the Company has the risk from no representative dealer if the Company can do not require from the conditions.

However, in 3 years ago, the Company has order from Pentair Filtration Solutions, LLC and Pentair Pacific Rim (Water) Limited, exceeds than minimum order in dealer contract, it shows the minimum order that set by such manufacturers do not significantly impact dealer status. If cannot order from specifications, the Company and manufacturers will meeting to negotiate for the most beneficial deals both the Company and manufacturers. Throughout 17 years ago, with the good relationship between the Company and manufacturer, and the Company has been supported to be dealer from manufacturer as continues and we are confident that the Company will be a dealer of the manufacturers group as continually. And if the Company has to permanently lose dealer rights. The Company is confident that will be possible to select other manufacturers with the same standard products.

3.6 The risk from new competitors and brand owners to market themselves.

The distribution and service of related to pure water treatment systems is the most important business for development the country. Because is the factor to essential for consumption. It is also important for the business sector, such as food and beverage businesses. Industrial businesses which use water in the production process and the medical business etc., So that the trend of related to pure water treatment systems business is a good business as growth, including demand of customers as continually. As a result, the Company may be the risk from a new competitor or brand owners to market themselves.

Throughout 21 years ago, the Company operates business related to pure water treatment systems by knowledge, ability and attention to customers as important. Include customers in commercial and residential segment, industry and OEM segment and medical services segment. The Company is aware of the competitions and the new competitors such as the purchase of products and equipment of the Company for sale and installation to other

customers etc. Also the development of product and service with systematical and relationships with existing customers which understand in the problem and working as effectively and experience as accumulated over the years. As a result the Company has distinctive from other operators in the market, as well as the training of staff to have knowledge and ability to cover the job as regular basis, including products and equipment with international standards. Therefore, the entry of new competitors in the market is still a major obstacle which will require a complete of products and services. For owner brand who want enter the market for competing with the dealer or the Company has a little chance, due to the owner brand has policy to co-operating and promoting dealer in the market which owner brand will focus on developing products and equipment more effectively than competing in the market themself.

3.7 Risk from exchange rate fluctuation

Almost of products are imported from abroad which must paid by US dollar. In 2014 - 2016, the Company had order from abroad at 53.35 per cent, 55.25 per cent and 63.63 per cent of total orders. While, all domestic sales are in Baht if the Baht weakens will affect to cost of goods sold and gross profit of the Company.

Hence, the Company has entered into a forward contract with a credit facility amount Baht 40 million to prevent and/or mitigate the impact of exchange rate fluctuations. And the Company can set the price of product cost as clearly. However, if the exchange rate fluctuates has affect to the cost of products has increase. The Company will adjust selling price according to price changing in market by informing to customers in advance. Therefore, the fluctuation of exchange rate did not affect to the revenue and the cost of goods sold as significantly.

3.8 Risk of dependence on skilled personnel

The Company engages in design, distribution, and service of related to pure water treatment systems and including the project related to water treatment system purification. It provides services ranging from designing, installing, maintaining and maintaining systems related to pure water treatment systems. The good service and efficiently in related to pure water treatment systems, as well as demand of customers, it is necessary to have staff who have knowledge, skills and experience as important includes engineers who supervisors and technical design and technician department who install the purification water treatment systems and other related equipment. The engineers will co-ordinary with the technicians to working for ensures that work is the best standard and quality. Therefore, if the Company is lack of such personnel, it may affect to the operation which do not from target.

Based on 21 years of management experience in this business, we have a good understanding of the business. The Company is very aware of personnel as importance to prevent and reduce the potential risk of such event. The Company has set the standard for develop the quality of employees as continually, such as sending to training courses, to increase a knowledge and skills to employees as thoroughly. Together with encouraging employees to love and want to be the part of the Company by taking care and providing the good welfare to be morale for do work. In addition, the Company has activities for relationships with employees as continually such as internal seminars, traditional activities, etc. As a result, the Company has never shortage of engineers and technicians.

4. Assets Used in Business Engagement

4.1 Main Fixed Assets

The assets of which the Company and its subsidiaries company have used in business engagement as at December 31, 2016 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	95,Soi Ramintra 117, Bangchan, Minburi, Bangkok.	1-2-20 rais	The Company	7.54	Mortgage with the financial institution for financial credit amount Baht 35 million	Head Office
78396,78175	Pa Sak, Mueang Lamphun, Lamphun.	70.9 sqw.	The Company	0.18	None	Customer Service Center
116829, 116830	Tha Phra, Mueang Khon Kaen, Khon Kaen.	36 sqw.	The Company	0.08	None	Customer Service Center
152208, 152209, 152210	Khlong Tan,Khlong Tan(at North Shore, Phra Kanong, 8) Phra Khanong, Bangkok.	57.1 sqw.	The Company	9.75	Mortgage with the financial institution for financial credit amount Baht 20 million.	for a Subsidiary rent to Dialysis Center.
152246	Khlong Tan, Khlong Tan (at North Shore, Phra Kanong, 8) Phra Khanong, Bangkok.	15 sqw.	The Company	2.56		Distribution center in development process
89426	Sam Wa Tawantok, Khlong Sam Wa, Bangkok.	4-1-33 rais	The Company	38.13	None	Warehouse in development process
Land Improvements and Leased land Improvements	In the area adjacent to the Company office's location.	720 sqw.	Mr. Nattapol Sunanthasook (the third party without connection with the Company)	0.04	None	The Company leased the land to parking for staff and visitor.
Total				58.28		

4.1.2 Other Fixed Assets

Description	Title Owner	Net Value (million Baht)	Obligation
Office Building and Building Improvement	The company and its subsidiaries company	25.54	Guarantee of bank credit in total financial limit of 55.00 million Baht
Tool, Equipment and Purified Water Making Machine	The company and its subsidiaries company	14.18	None
Furniture and Office Equipment	The company and its subsidiaries company	5.19	None
Vehicle	The company and its subsidiaries company	10.37	Guarantee of financial lease for purchase of vehicles
Total		<u>55.28</u>	

Total net property, plant and equipment, furniture and office equipment and vehicle, including assets under construction as at December 31, 2016 were 113.56 million Baht.






4.1.3 Intangible Assets

Computer Software

As at December 31, 2016, the Company and its subsidiaries have intangible assets for operated consisting of software package and computer software such as System Application and Products (SAP Business One), Accounting Program, Warehouse Management Program, and Microsoft Program, etc. which net had book value amount Baht 3.01 million.

4.1.4 Trademark

The Company has registered the trademark with Department of Intellectual Property, Ministry of Commerce for safeguard and protection of each product. This trademark which registered has aging for 10 years and it may be renewed every 10 years as follows.

Name	Trademark	Type of Product	Registration Date	Expiry Date
TORERO		Filter Element of Water Filter	October 7, 2009	October 6, 2019
Water Care		Automatic Cleaning Water Filter Aquatic Bactericidal Disinfecting Machine	November 13, 2008	November 12, 2018
HYDRA Mate		Water Filter, Filter Element	May 22, 1998	May 21, 2018
HYDRA mate		Water Filter, Filter Element	May 22, 1998	May 21, 2018
INNOVATEK		Automatic hot and cold water dispenser	July 24, 2015	July 23, 2025

Moreover, Irving Corporation Limited 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 Limited
Name of Inventor	Dr. Wijit Techakasem
Date of Application	December 4, 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 January 2, 2013 to December 31, 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, Park, 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	:	1-year contractual term from March 28, 2016 to March 27, 2017
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> Pentair Pacific Rim (Water) Limited has minimum order requirements per annum amount USD 600,000. 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, Structural 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 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 Contract

1) Lease of Warehouse Building, As at No. 450 Charoen Phatthana Road, Bang Chan, Khlong Samwa, Bangkok, Area about 1,680 square meter, according the Lease date 1 August 2016 are as follows.

Lessor	:	Meechai Real Estate Company Limited
Lessee	:	Filter Vision Public Company Limited
Lease Fee Rate	:	Rental fee amount Baht 113,400 per month and security amount Baht 453,600. If the Lessee has defaults to payment on due, the Lessor can charge a fine amount Baht 3,780 per day.
Term of the Contract	:	5 months from August 1, 2016 to December 31, 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	:	<ul style="list-style-type: none"> - 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 Baht 3,780 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, As at No. 290/1 (Warehouse 4-B and 4-D), Charoen Phatthana Road, Bang Chan, Khlong Samwa, Bangkok, Area about 450 square meter, according the Lease date August 1 ,2016 are as follows.

Lessor	:	Meechai Property Company Limited
Lessee	:	The subsidiaries company (Irving Corporation Limited)
Lease Fee Rate	:	Rental fee amount Baht 26,000 per month and security amount Baht 120,672. If the Lessee has defaults to payment on due, the Lessor can charge a fine amount Baht 1,900 per day.
Term of the Contract	:	5 months from August 1, 2016 to December 31, 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	:	<ul style="list-style-type: none"> - 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 Baht 1,900 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, As at No. 292, Charoen Phatthana Road, Bang Chan, Khlong Samwa, Bangkok, Area about 250 square meter, according the Lease date 1 December 2016 are as follows.

Lessor	:	Meechai Property Company Limited
Lessee	:	The subsidiaries company (Irving Corporation Limited)
Lease Fee Rate	:	Rental fee amount Baht 32,125 per month and security amount Baht 64,250. If the Lessee has defaults to payment on due, the Lessor can charge a fine amount Baht 1,070 per day.
Term of the Contract	:	1 year and 8 months from December 1, 2016 to July 31, 2018
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	:	<ul style="list-style-type: none"> - 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 Baht 1,070 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) Lease of Warehouse Building, As at No. 292, Charoen Phatthana Road, Bang Chan, Khlong Samwa, Bangkok, Area about 200 square meter, according the Lease date 1 December 2016 are as follows.

Lessor	:	Meechai Property Company Limited
Lessee	:	The subsidiaries company (Medical Vision Company Limited)
Lease Fee Rate	:	Rental fee amount Baht 25,700 per month and security amount Baht 51,400. If the Lessee has defaults to payment on due, the Lessor can charge a fine amount Baht 860 per day.
Term of the Contract	:	1 year and 8 months from December 1, 2016 to July 31, 2018
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	:	<ul style="list-style-type: none"> - 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 Baht 860 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.

1.) Fire insurance policy of building(Ramintra office) Filter Vision Public Company Limited

Contractual Party	:	Krungthai Panich Insurance Public Company Limited
Insurance Policy No.	:	30-16-00031105
Type of Insurance	:	Fire insurance policy for building (exclude foundation) At 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok, 10510.
Term of the Contract	:	1-year of insurance from May 18, 2015 to May 18, 2016
Insured Sum	:	Amount insured under policy Baht 19,600,000. Location of Property Insured particulars as here under:- <ol style="list-style-type: none"> 1. Office building amount Baht 18,901,000. 2. Other building structures inside the insured assets such as warehouse, guardhouse and covering roof and fence amount Baht 699,000. However, coverage of such insurance policy does not cover foundation of the building structure.
Beneficiary Pursuant to Insurance Policy	:	financial institution to secure credit facilities of the Company

2.) Fire insurance policy of building(Phatthanakan office) Filter Vision Public Company Limited

Contractual Party	:	Krungthai Panich Insurance Public Company Limited
Insurance Policy No.	:	30-16-00017499
Type of Insurance	:	Fire insurance policy for building (exclude foundation) AT 553,343,345,347 (Deed No.152208-152210,152246) Soi Pattanakarn 3, Pattanakarn Road, Suanluang, Suanluang, Bangkok 10250
Term of the Contract	:	1-year of insurance from March 11, 2016 to March 11, 2017
Insured Sum	:	Amount insured policy for building (exclude foundation) Baht 7,715,300.
Beneficiary Pursuant to Insurance Policy	:	financial institution to secure credit facilities of the Company

3.) Fire insurance Policy for office equipment and inventory of Filter Vision Public Company Limited

Contractual Party	:	Dhipaya Insurance Public Company Limited
Insurance Policy No.	:	12001-018-160052423
Type of Insurance	:	Fire insurance policy amount for the assets on the location - At 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok, 10510. - At 450 Charoen Phatthana Road, Bang Chan, Khlong Samwa, Bangkok, 10510.
Term of the Contract	:	1-year of insurance from July 1, 2016 to 1 July 1, 2017
Insured Sum	:	<p>Amount insured under policy Baht 70,100,000. Particulars as here under:-</p> <p>1. Furniture and decorated things, and office equipment amount Baht 4,500,000.</p> <p>2. Inventory amount insured under policy Baht 65,600,000. Particulars as here under:-</p> <ul style="list-style-type: none"> - Baht 25,000,000, for inventory at 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok, 10510 - Baht 40,600,000, for inventory at 450 Charoen Phatthana Road, Bang Chan, Khlong Samwa, Bangkok, 10510. <p>The additional insured financial limit of this Insurance Policy for assets from damage includes the following.</p> <p>1. Explosion Risk for Baht 35,500,000, 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.</p> <p>2. Windstorm Risk (not disaster) (except residence) for Baht 5,260,000, 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.</p> <p>3. Water Risk (excluding flood) for Baht 35,500,000, 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.</p>
Beneficiary Pursuant to Insurance Policy	:	Filter Vision Public Company Limited

4.) Fire Insurance Policy for office equipment and inventory of Irving Corporation Limited

Contractual Party	:	Dhipaya Insurance Public Company Limited
Insurance Policy No.	:	12001-018-160059681
Type of Insurance	:	Fire insurance policy amount for the assets on the location - At 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok, 10510. - At 290/1 Charoen Phatthana Road, Bang Chan, Khlong Samwa, Bangkok, 10510.
Term of the Contract	:	1-year of insurance from July 1, 2016 to July 1, 2017
Insured Sum	:	<p>Amount insured under policy Baht 12,000,000. Particulars as here under:-</p> <ol style="list-style-type: none"> 1. Amount insurance under policy for the assets on the location at 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok, 10510. - Inventory amount Baht 8,000,000. - Furniture and decorated and office equipment amount Baht 1,900,000. 2. Amount insurance under policy for the assets on the location at 290/1 Charoen Phatthana Road, Bang Chan, Khlong Samwa, Bangkok, 10510. - Inventory amount Baht 500,000. - Furniture and decorated and office equipment amount Baht 1,600,000. <p>The additional insured financial limit of this Insurance Policy for assets from damage includes the following.</p> <ol style="list-style-type: none"> 1. Explosion Risk for Baht 12,000,000, 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 Baht 1,200,000, 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 Baht 5,800,000, 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 Limited.

5.) Fire Insurance Policy for furniture and decorated things of KT Medical Service Company Limited.

Contractual Party	:	Krunghthai Panich Insurance Public Company Limited
Insurance Policy No.	:	30-16-00055453
Type of Insurance	:	Fire insurance policy amount for furniture and decorated Baht 3,600,000. AT 343,345,347 Pattanakarn Road, Suanluang, Suanluang, Bangkok 10250
Term of the Contract	:	1-year of insurance from August 23, 2016 to August 23, 2017
Insured Sum	:	Amount insured under policy for furniture and decorated Baht 6,067,745.
Beneficiary Pursuant to Insurance Policy	:	KT Medical Service Company Limited.

4.1.8 Lease of Automobiles for Commerce

The company and its subsidiaries company have made lease of automobiles for commerce (pickups) for use in operation and service provision to customers of the company and its subsidiaries company. The number of automobiles leased from external companies by the company and its subsidiaries companies is 39 automobiles for 48 month lease term. The monthly expense of lease of automobiles for commerce of the company and its subsidiaries company has been 0.57 million Baht.

4.2 Investment Policy in Subsidiaries Company

The Company has had the investment policy in subsidiaries 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 subsidiaries companies as follows.

- Irving Corporation Limited has invested at 100 per cent of paid-up registered capital amount Baht 25.00 million, operated in distribution products and equipment, design, assembly and installation of pure water treatment system and service in preventive maintenance of pure water treatment system for medical service.
- KT Medical Service Company Limited has invested at 70 per cent from amount Baht 10.00 million which fully paid-up and registered capital. The nature of business is Clinic for dialysis.
- Medical Vision Company Limited has invested at 75 per cent from Baht 10.00 million which fully paid-up and registered capital, operation in distribution, rent, preventive and maintenance of tools and diagnosis equipment for medical service including medical supplies and appliances. Including implement the installation of air tube systems for transfer documents and parcel (Pneumatic Tube Carrier Systems).

However, the investment in subsidiaries company and joint venture has been under control and audit of the Audit Committee and under governance of subsidiaries 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 subsidiaries 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 at December 31, 2016, the Company and its subsidiaries had not a legal dispute which affect to the Company's operation. Including, the Company and its subsidiaries had not a legal dispute which affect to the Company's assets higher than 5 per cent of equity.

6. General and other significant information

6. General and other significant information

6.1 General Information

6.1.1 FVC Information

Company Name	:	Filter Vision Public Company Limited (“the Company” or “FVC”) and the name for trading in the stock exchange is “FVC”.
Type of Business	:	Engage in the distributor of product and accessories, design, assembly and installation system related to water purification system and servicing and maintenance of pure water treatment system.
Company Registration No.	:	0107555000091
Business Category	:	Medium-Sized Business
Industrial Group	:	Services
Registered Capital	:	Baht 182,749,733.00
Paid-Up Capital	:	Baht 154,211,387.00
Par Value	:	Baht 0.50
Location of Head Office	:	95, Soi Ramintra 117, Ramintra Road, Minburi, Minburi, 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 Reference information

Regulatory Agency of Security Issuing Company	The Securities and Exchange Commission 333/3 Viphavadi 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
External Auditor	Name of External Auditor Mr. Sophon Permsirivallop Certified Public Accountant No.3182 and/or Ms. Rungrapa Lertsuwankul Certified Public Accountant No.3516 and/or Ms. Pimjai Manitkajohnkit Certified Public Accountant No.4521 and/or Ms. Rosaporn Decharkom Certified Public Accountant No.5659 (EY Office Limited) Tel +(662)264 9090 Fax +(662)264 0789-90 Website www.ey.com
Legal Consultant	Name of Lawyer Mr. Phod Khomanant (Premier Lawyer Company Limited) Tel +(662)982 8049-50 Fax +(662)982 8053 Email phodkhomanant@gmail.com Website -

6.1.3 General Information of the Company and its subsidiaries

General Information

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 Registration No. 0107555000091 Office 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok. Telephone +(662)518-2772 Facsimile +(662)518-2723 Business Category Medium-Sized Business Industrial Group Service Website www.filtervision.co.th	Distributor of product and accessories, design, assembly and installation of related to water purification system and servicing and maintenance of pure water treatment system for commercial and residential industrial.	182.75	0.50	154.21	N/A

Subsidiaries

Company	Type of Business	Registered Capital (million Baht)	Par Value per Share (Baht)	Paid-Up Capital (million Baht)	Shareholding Proportion (Direct+Indirect) (%)
Irving Corporation Ltd. Registration No. 0105534119941 Office 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok. Telephone +(662)518-0600 Facsimile +(662)518-0620	Distributor products and equipment, design, assembly and installation of related to water purification system and servicing maintenance of pure water treatment system for medical service.	25.00	100.00	25.00	100.00
KT Medical Service Co., Ltd.⁽¹⁾ Registration No. 0105558091419 Office 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok. Telephone +(662)517-0274 Facsimile +(662)517-0275	Clinic for dialysis Service.	10.00	100.00	10.00	70.00
Medical Vision Co., Ltd.⁽²⁾ Registration No. 0105558112491 Office 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok. Telephone +(662)517-0134-5 Facsimile +(662)517-0136	Distribution/rent and preventive maintenance of medical instruments.	10.00	100.00	10.00	75.00

Company	Type of Business	Registered Capital (million Baht)	Par Value per Share (Baht)	Paid-Up Capital (million Baht)	Shareholding Proportion (Direct+Indirect) (%)
New McArther Co., Ltd. ⁽³⁾ Registration No. 0105541079631 Office 95 Soi Ramintra 117, Ramintra Road, Minburi, Minburi, Bangkok. Telephone +(662)518-2772 Facsimile +(662)518-2723	At present, the Company had go out of business and transferred the operation to Filter Vision Public Company Limited.	5.00	100.00	5.00	99.99

Remark

⁽¹⁾The Board of Director's Meeting No. 4/2015 on May 14, 2015, approved for invest in subsidiary, KT Medical Service Co., Ltd., which registered the Company with the Ministry of Commerce on June 5, 2015.

⁽²⁾The Board of Director's Meeting No. 4/2015 on May 14, 2015, approved for invest in subsidiary, Medical Vision Co., Ltd. which registered the Company with the Ministry of Commerce On July 10, 2015.

⁽³⁾The Board of Director's Meeting No. 2/2013 on May 15, 2013, approve for liquidation to New McArther Company Limited within September 2013. However, this subsidiary registered for liquidation of with Ministry of Commerce in September 30, 2013, which liquidation as complete on June 27, 2014.

6.2 Other Significant Information

-None-

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Part 2

Management and Corporate Governance



7. Information of Securities and Shareholders

7.1 Number of Registered Capital and Paid-Up Capital

As at December 31, 2016 the Company's registered shares capital has been Baht 182.75 million divided to 365.50 million ordinary shares at par value of Baht 0.50 and issued and paid-up Baht 154.21 million capital amount

7.2 Shareholders

The list top ten of the shareholders as at February 3, 2017 which closing date consisted of

Name of Shareholders	Number of Shares (Shares)	Percent (%)
1. The Techakasem's family		
- Mr. Wijit Techakasem	66,249,585	21.48
- Mr. Burachote Techakasem	9,241,600	3.00
- Ms. Thanapa Techakasem	7,457,600	2.42
- Mr. Pisarn Techakasem	6,852,400	2.22
- Mr. Burawat Techakasem	6,000,000	1.95
- Mr. Kritsada Techakasem	2,500,000	0.81
Total the Techakasem's family	98,301,185	31.88
2. Nippon Pack (Thailand) Public Company Limited	23,084,200	7.48
3. Thai NVDR Company Limited	11,388,350	3.69
4. Ms. Anunya Rueongsakvichit	10,325,000	3.35
5. Mr. Suraphong Triamchanchai	10,201,900	3.31
6. Mr. Anurot Seneepragonkrai by Securities Company AEC PLC.	10,106,000	3.28
7. Mr. Pongrak Jindasombatcharoen	10,000,000	3.24
8. Mr. Parin Chanuntranont	8,616,900	2.79
9. Mr. Tanapat Tantiwattanawijit	8,144,600	2.64
10. Mr. Montrie Prajunpanich	6,515,000	2.11
Total	196,683,135	63.77

7.3 Issuance of Other Securities

Securities name	Description
The warrants to Purchase Ordinary Shares No. 1 (FVC-W1)	<ul style="list-style-type: none"> - The Company issued 121,499,466 units warrant - Number of shares issued to support 121,499,466 shares (par value of Baht 0.50) - Type of warrants are type of bearer and transferable. - The term of the warrants is 3 years from the issuing date of the warrants. - The date of issuance and offering of warrants is May 14, 2015. - Offering to the existing shareholders at the rate of 2 existing ordinary shares per 1 unit of warrants without value - 1 unit of warrant is entitled to purchase 1 ordinary share at the price of Baht 0.50 - The exercise date is the last business day of May and November. each year throughout the term of the warrants. - The first exercise date is November 30, 2015. - The last exercise date is January 14, 2018.

7.4 Policy of Dividend Payment

The Company and its subsidiaries dividend payment policy to shareholder 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, shareholders and stakeholders, including staff and community in the area which the Company is operating, and also mutually determining vision, policy as well as operating budget with the management and follow-up the overall operation of the executives and mutually consideration for giving proper suggestion in problem solving.

At present, the number of Board of Director's has 11 persons consisted of

- 8 Non-Executive Directors consist of 6 company directors and 2 independent directors;
- 3 Executive Directors consist of Managing Director, General Manager, Assistant General Manager of Finance and Accounting department

The list of the Board of Directors as at December 31, 2016, has consisted of

No.	Name of directors	Positions	Appointed Date
1	Mr. Chotisak Asapaviriya	Chairman of the Board/Independent Director	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. Kiattiporn Sirichaisakul	Audit Committee Member/Independent Director	26 May 2012
5	Mr. Thanet Khamcherdchoochai	Audit Committee Member/Independent Director	26 May 2012
6	Mr. Attawut jingthaisong	Independent Director	11 Aug 2016
7	Dr. Manit Teeratantikanont, MD	Independent Director	26 May 2012
8	Mr. Montrie Prajunpanich	Director	26 May 2012
9	Mr. Tanapat Tantiwattanawijit	Director	26 May 2012
10	Mr. Danuj Bunnag	Director	11 Aug 2016
11	Ms. Panchit Chimpalee	Director	26 May 2012

Directors Authorized to Bind Pursuant to Affidavit

The directors authorized to enter signature (s) binding the Company are Mr. Wijit Techakasem or Mr. Tanapat Tantiwattanawijit or Mr. Montrie Prajunpanich or Ms. Panchit Chimpalee two of these four directors jointly signs, with the Company common seal being affixed

Changing Shareholding of directors as at December 31, 2016.

No.	Name of directors position	Ordinary share (shares)			Warrants (Units)		
		31 Dec 2015	Buy(+)/Sell (-)	31 Dec 2016	31 Dec 2015	Buy(+)/Sell (-)	31 Dec 2016
1.	Mr. Chotisak Asapaviriya Chairman of the Board/Independent Director	-	-	-	-	-	-
2.	Dr. Wijit Techakasem Director	59,790,400	6,459,185	66,249,585	29,895,200	-29,895,200	-
3.	Mr. Rapeepat Suansilpong Chairman of the Audit Committee/Independent Director	-	-	-	-	-	-
4.	Mr. Kiattiporn Sirichaisakul Audit Committee Member/ Independent Director	-	-	-	-	-	-
5.	Mr. Thanet Khamcherdchoochai Audit Committee Member/ Independent Director	-	-	-	-	-	-
6.	Mr. Attawut jingthaisong Independent Director	-	-	-	-	-	-
7.	Dr. Manit Teeratantikanont, MD Independent Director	-	-	-	-	-	-
8.	Mr. Montrie Prajunpanich Director	6,515,000	-	6,515,000	3,257,500	-	3,257,500
9.	Mr. Tanapat Tantiwattanawijit Director	8,144,600	-	8,144,600	4,072,300	-	4,072,300
10.	Mr. Danuj Bunnag Director	6,850,000	(1,221,900)	5,628,100	-	351,700	351,700
11.	Ms. Panchit Chimpalee Director	-	-	-	-	-	-

8.2 Executives

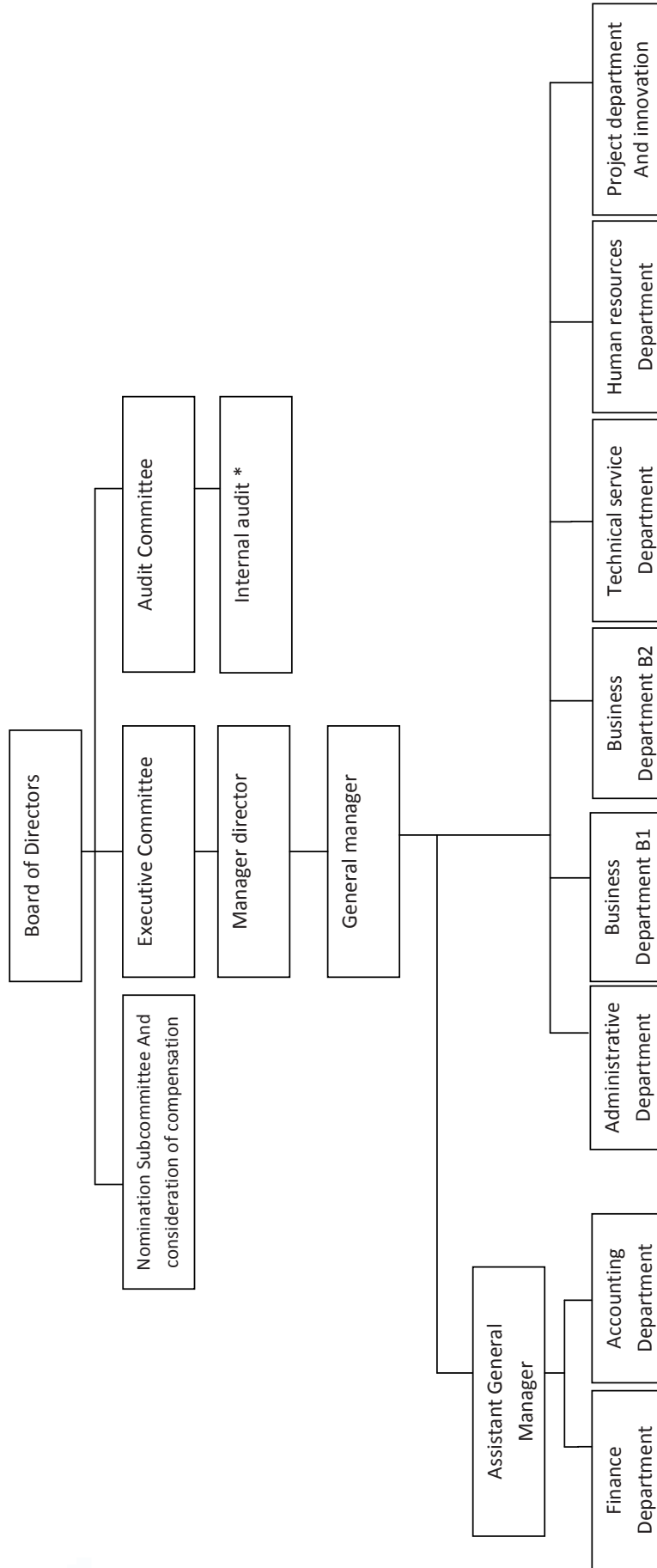
As at December 31, 2016 the number of the Company's executives has been 8 persons as follows.

Name	Position
Dr. Wijit Techakasem	Managing Director
Mr. Tanapat Tantiwattanawijit	General Manager
Ms. Panchit Chimpalee	Assistant General Manager of Finance and Accounting Department Finance Department Manager Company secretary
Ms. Thanapa Techakasem	Administrative Department Manager
Mr. Pattanapong Kongkarat	B2 Business Department Manager Technical Service Department Manager General Affair and Human Resource Department Manager (Acting)
Mr. Somchai Hongsa	Innovation and Project Department Manager
Mr. Rathaphon Tatong	B1 Business Department Manager
Mr. Chanathep Rakprakobkit	Accounting Manager

Change in Shareholding of Management as at December 31, 2016.

No.	Name	Ordinary share (shares)			Warrants (Units)		
		31 Dec 2015	Buy(+)/Sell (-)	31 Dec 2016	31 Dec 2015	Buy(+)/Sell (-)	31 Dec 2016
1.	Dr. Wijit Techakasem General Manager	59,790,400	6,459,185	66,249,585	29,895,200	(29,895,200)	-
2.	Mr. Tanapat Tantiwattanawijit General Manager	8,144,600	-	8,144,600	4,072,300	-	4,072,300
3.	Ms. Panchit Chimpalee Assistant General Manager of Finance and Accounting Department Finance Department Manager Company secretary	-	-	-	-	-	-
4.	Ms. Thanapa Techakasem Administrative Department Manager	7,457,600	-	7,457,600	3,728,800	-	3,728,800
5.	Mr. Pattanapong Kongkarat 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	19,600	(19,600)	-	50	(50)	-
7.	Mr. Rathaphon Tatong B1 Business Department Manager	-	-	-	-	-	-
8.	Mr. Chanathep Rakprakobkit Accounting Manager	-	-	-	-	-	-

Organization Chart as at December 31, 2016.



* The company hired Re-Adds co., Ltd. Serving as internal auditor of the company.

Scope of Authority and Responsibility of the Managing Director

With reference to the company's Annual General Meeting of Shareholders 2012, held on April 26 2012 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 held on April 10 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 Baht 10.00 million 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 Baht 3.50 million 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 Baht 10.00 million 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 held on May 14 2014, the Board of Directors resolved to appoint Ms. Panjit Chimpalee to hold office as the company secretary pursuant to Section 89/15 of Securities and Exchange Act B.E. 2535 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 2015 which was approved from the Annual General Meeting of Shareholders 2015 held on April 27, 2015 was Baht 1,335,000 for remuneration of the Board of Directors and the Nomination and Remuneration Subcommittee for 2015.

In addition, the remuneration of the Board of Directors and the Nomination and Remuneration Subcommittee for 2016 which was approved from the Annual General Meeting of Shareholders 2016, on April 29 2016, amount Baht 1,335,000 for remuneration of the Board of Directors and the Nomination and Remuneration Subcommittee for 2016.

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 Baht 50,000	In case of meeting attendance, none of meeting allowance is paid.
The Board of Directors	Meeting allowance for Baht 10,000	Every time of meeting attendance
The Audit Committee		
- Chairman of the Audit Committee	Meeting allowance for Baht 15,000	Every time of meeting attendance
- Audit Committee Member	Meeting allowance for Baht 10,000	Every time of meeting attendance
The Nomination and Remuneration Subcommittee		
- Chairman of the Nomination and Remuneration Subcommittee	Meeting allowance for Baht 15,000	Every time of meeting attendance
- Nomination and Remuneration Subcommittee Member	Meeting allowance for Baht 10,000	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 2015-2016 can be presented as follows.

Name	Year 2015						
	Director		Audit Committee Member		Nomination and Remuneration Subcommittee		Total (Baht)
	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. Kiattiporn Sirichaisakul ¹⁾	*6/7	60,000.-	*3/4	30,000	-	-	90,000
5. Mr. Thanet Khamcherdchuchai ¹⁾	7/7	70,000.-	4/4	40,000	-	-	110,000
6. Dr. Manit Teeratantikanont, MD ^{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. Montrie Prajunpanich ¹⁾	7/7	70,000.-	-	-	-	-	70,000
9. Mr. Tanapat Tantiwattanawijit ¹⁾	*5/7	-	-	-	-	-	-
10. Ms. Thanapa Techakasem ¹⁾	7/7	-	-	-	-	-	-
11. Ms. Panchit Chimpalee ¹⁾	7/7	-	-	-	-	-	-
12. Mr. Rapee Moungnont ²⁾	-	-	-	-	1/1	10,000	10,000
Total		<u>990,000</u>		<u>130,000</u>		<u>35,000</u>	<u>1,155,000</u>

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

Name	Year 2016						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⁾	6/6	600,000	-	-	-	-	600,000
2. Dr. Wijit Techakasem ¹⁾	6/6	-	-	-	-	-	-
3. Mr. Rapeepat Suansilpong ^{1),4)}	6/6	60,000	4/4	60,000	3/3	30,000	150,000
4. Mr. Kiattiporn Sirichaisakul ¹⁾	*5/6	50,000	4/4	40,000	-	-	90,000
5. Mr. Thanet Khamcherdchuchai ¹⁾	*5/6	50,000	4/4	40,000	-	-	90,000
6. Dr. Mani Teeratantikanont, MD ^{1), 4)}	*5/6	50,000	-	-	3/3	45,000	95,000
7. Mr. Tosit Visalset ^{1),2)}	*1/6	10,000	-	-	-	-	10,000
8. Mr. Montrie Prajunpanich ¹⁾	6/6	60,000	-	-	-	-	60,000
9. Mr. Danuj Bunnag ³⁾	2/6	20,000	-	-	-	-	20,000
10. Mr. Attawut jingthaisong ³⁾	2/6	20,000	-	-	-	-	20,000
11. Mr. Tanapat Tantiwattanawijit ¹⁾	6/6	-	-	-	-	-	-
12. Ms. Thanapa Techakasem ^{1), 2)}	3/6	-	-	-	-	-	-
13. Ms. Panchit Chimpalee ¹⁾	6/6	-	-	-	-	-	-
14 Mr. Rapee Moungnont ⁴⁾	-	-	-	-	*2/3	20,000	20,000
Total		<u>920,000</u>		<u>140,000</u>		<u>95,000</u>	<u>1,155,000</u>

¹⁾ The Annual General Meeting of Shareholders 2012 held on April 26, 2012 resolved to appoint 11 directors as the new set of the Board of Directors after transformation of the company into public public limited including Mr.Chotisak Asapaviriya, Dr.Wijit Techakasem, Mr.Rapeepat Suansilpong, Mr.Thanet Khamcherdchoochai, Mr.Kiattiporn Sirichaisakul, Dr.Mani Teeratantikanont, MD, Mr.Tosit Visalset, Mr.Montrie Prajunpanich, Mr.Tanapat Tantiwattanawijit, Ms. Thanapa Techakasem and Ms. Panchit Chimpalee.

²⁾ On August 10, 2016 , Ms. Thanapa Techakasem, the Company's director, and Mr.Tosit Visalset, Independent Director. A letter requesting the company to resign from the position. Aforementioned Since there are more missions nowadays, they can not fully function.

³⁾ At the Board of Directors Meeting No. 4/2016 held on August 11, 2016, the Board of Directors resolved to appoint 2 new directors to resign, including Mr. Danuch Bunnag, to be the Company's director. Instead, Ms. Thanapa Techakasem Mr. Attawuth Traisongse serve as the Independent Directors in replacement of Mr. Tosit Visaset

⁴⁾ The Annual General Meeting of Shareholders for 2012 No.3/2012 held on May 14, 2012 resolved to appoint 3 members of the Nomination and Remuneration Subcommittee including Dr.Manit Theeratantikanon, MD, Mr. Rapeepat Suansilpong, and Mr. Rapee Moungnont.

*Unable to attend the meeting due to necessary task.

In 2016, the company paid remuneration for the Board of Directors for 920,000 Baht, remuneration for the Audit Committee for 140,000 Baht and remuneration for the Nomination and Remuneration Subcommittee for 95,000 Baht.

The Company's Executive

For 2015-2016, 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.

	2015	2016
Number of the Executives (persons)	9 ⁽¹⁾	10 ⁽²⁾
Remuneration (million Baht)	22.28	24.50

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

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

⁽²⁾ On October 2016, appoints new executive Position 1

8.4.2 Other Remunerations

-None-

8.5 Personnel

As of December 31, 2015 and 2016, total number of staffs (excluding executives) of the company and its subsidiary company have been 218 persons and 245 persons, respectively. The staffs in accordance with work line have comprised of below.

Department	31 December 2015			31 December 2016		
	Daily	Permanent	Total	Daily	Permanent	Total
Sales and Marketing Department	-	33	33	-	27	27
Technical Service Department	-	94	94	-	111	111
General Affair and Human Resource Department	-	5	5	-	5	5
Administrative Department	-	35	35	2	45	47
Accounting Department	-	9	9	-	12	12
Finance Department	-	7	7	-	5	5
Warehouse Division	-	16	16	-	17	17
Business Development Division	2	17	19	5	16	21
Company Secretary	-	-	-	-	-	-
Total	2	216	218	7	238	245

In 2015-2016, 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 2015 and 2016 for Baht 60.48 million and Baht 71.89 million, 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 recognizes the importance of human resource development. To be effective and effective. Therefore, the Company has a policy of continuous training and development of its personnel at all levels. The company has developed a performance appraisal system with performance indicators at the organizational and agency levels. Also review the nature of work in accordance with the business plan. To lead to continuous system development of human resources. Including the company has set the guidelines by setting training plans and developing employees in relevant areas. The training and development plan is set up by exploring the needs and necessities of the various departments of the company to optimize and enhance the performance of the organization.

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. 2535 (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. 2535 (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 4 sets of Subcommittees including the Executive Board, the Audit Committee, the Risk Management 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 2016, 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. And the Board of Directors Meeting No. 5/2559 held on November 11, 2016, has resolved to appoint the Risk Management Committee consists of two directors and two independent directors, that to tallying four directors.

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 2016, the company held 6 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	6/6
2	Mr. Rapeepat Suansilpong	Vice Chairman/Chairman of the Audit Committee/Independent Director	6/6
3	Dr. Wijit Techakasem	Director	6/6
4	Mr. Kriettiporn Sirichaisakul	Audit Committee/Independent Director	*5/6
5	Mr. Thanate Khamcherdchuchai	Audit Committee/Independent Director	*5/6
6	Mr. Manit Theeratantikanon, M.D.	Independent Director	*5/6
7	Mr. Tosit Visalset ¹⁾	Independent Director	*1/6
8	Mr. Montri Prachanpanich	Director	6/6
9	Mr. Tanapat Tantiwattanawijit	Director	6/6
10	Miss Thanapa Techakasem ¹⁾	Director	3/6
11	Miss Panjit Chimpalee	Director	6/6
12	Mr. Auttawut Jringtaisong ²⁾	Independent Director	2/6
13	Mr. Danuj Bunnag ²⁾	Director	2/6

¹⁾ On August 10, 2016, Miss Thanapa Techakasem , the Company's director, and Mr. Tosit Visalset, independent director. A letter of intent to the Company in order to resign from director position since there are more missions nowadays, they cannot fully function.

²⁾ The Board of Directors Meeting No. 4/2559 held on August 11, 2016, who has for Board of Directors resolved to appoint 2 new directors for 2 directors who resign consist of Mr. Danuch Bunnag, serve as the director instead. Miss Thanapa Techakasem and Mr. Auttawut Jringtaisong serve as the independent directors who instead for of Mr. Tosit Visalset

* Cannot attend because of the important's mission.

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 Risk Management Committee, the Executive Committee, and the Nomination and Remuneration Subcommittee, as follows.

9.2.1 Board of Directors

As of December 31, 2016, 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	Mr. Rapeepat Suansilpong	Vice Chairman, Chairman of the Audit Committee/Independent Director
3	Dr. Wijit Techakasem	Director
4	Mr. Krietiiporn Sirichaisakul	Audit Committee/Independent Director
5	Mr. Thanate Khamcherdchuchai	Audit Committee/Independent Director
6	Mr. Auttawut Jringtaisong	Independent Director
7	Mr. Manit Theeratantikanon, M.D.	Independent Director
8	Mr. Montri Prachanpanich	Director
9	Mr. Tanapat Tantiwattanawijit	Director
10	Mr. Danuj Bunnag	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.
10. 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.
11. 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, คณะกรรมการกำกับตลาดทุน or laws relevant to the company's business.

9.2.2 The Audit Committee

As of 31 December 31, 2016, 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/Independent Director
3	Mr. Kriettiporn Sirichaisakul	Audit Committee/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 Risk Management Committee

In 2016, the Board of Directors Meeting No. 5/2559, held on November 11, 2016, approved to the appointment for the Risk Management Committee. A totaling of 4 consist of directors and independent directors are appointed for term of three years.

	Name-Surname	Position
1	Mr. Thanate Khamcherdchuchai	Chairman, Risk Management Committee/Independent Director
2	Mr. Krietiiporn Sirichaisakul	Risk Management Committee/Independent Director
3	Mr. Montri Prachanpanich	Risk Management Committee
4	Mr. Wijit Techakasem	Risk Management Committee

Scope, Authority and Responsibility of the Risk Management Committee

1. Reviewed and present the risk management policy and framework to Board of Directors for approve
2. Reviewed and approve the risk appetite and present to Board of Directors for be informed.
3. Corporate Governance, development and compliance according the policy and risk management framework to the Group has the effective risk management system in the organization and followed as consistently..
4. Review the risk management report to track the significant risk and proceed to ensure that the organization has appropriate risk management as adequately.
5. Coordinate with the Audit Committee on the major risks which has the internal audit to reviewed ensuring the Company has an appropriate internal control system to manage the risk. Including the implementation of risk management systems to be deployed appropriately and implemented in the organization.
6. Report to Board of Directors on major risks and risk management as regularly.
7. advice and consultation with the committee on risk management. Also consider the appropriate process to correct the data related within the development of risk management systems.
8. Resorving to appointing the commite according with the risk management as appropriate. Including the prescribe of roles and responsibilities for avail to operation on object of performing the objective.
9. To perform in other tasks according to risk management which assigned by Board of Directors.

9.2.4 The Executive Committee

As of December 31, 2016, 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. Tanapat Tantiwattanawijit	Executive Committee
3	Miss Supapan Yienglaengamkoon	Executive Committee
4	Mr. Anupong Tangpanithannan	Executive Committee
5	Miss Thanapa Techakasem	Executive Committee
6	Mr. Patthanapong Khongkharat	Executive Committee
7	Mr. Somchai Hongsa	Executive Committee
8	Miss Panjit Chimpalee	Executive Committee
9	Mr. Ratthapong Tathong	Executive Committee

Scope 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.

1. 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;
2. To determine the company's business plan, budget and managerial authority to request for approval with the Board of Directors;
3. 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;
4. 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;
5. 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;
6. 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.

9.2.5 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. 2535 (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 Lawentering 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. 2535 (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. 2535 (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 public 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 2016, the Company appointed Mr. Sophon Permsirivallop and/or Ms. Rungnapa Lertsuwankul and/or Ms. Pimjai Manitkajohnkit and/or Ms. Rosaporn Decharkom of EY Office Limited, as the auditor. The remuneration was paid to the auditor in total of Baht 1,100,000 which not include other service expenses. The audit fee has divided to yearly audit fee amount Baht 650,000 and quarter reviewed fee for 3 quarters amount Baht 450,000. However, the person or related to the auditor and auditing firm is not related with the Company and its subsidiaries parties.

In addition, the auditor listed as mentioned above are also the auditors of the Subsidiaries, Irving Corporation Co., Ltd., Medical Vision Co., Ltd. and KT Medical Services Co., Ltd. which audit fee for the year 2016, amount Baht 1,050,000. It only provides audit fee and services no other service charge.

And in 2016, none other service expense which paid to auditors or audit firm.

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

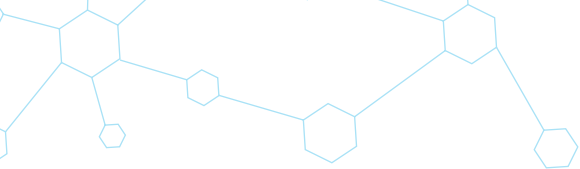
The operation is transparently made and verifiable under adequate information disclosure to all relevant parties concerned. The disclosure of important information related to the company both financial information and non-financial information is supervised to be accurate, complete, in time, and transparent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

Filter Vision Public Company Limited is committed to operating under good corporate governance. Good governance Along with environmental care. There is a sense of social responsibility. Taking into account those who have a stake. Relevant both inside and outside the organization. From shareholders, employees, customers, communities, and wider society. This will lead to sustainable business development.

In order for the operation of the organization to succeed, the standard is taken seriously. And ensure that the operation. It will follow the vision and mission set. Ensure that stakeholders are truly involved with the organization. It also demonstrates the social responsibility in various fields as concrete. It is defined as a sustainable development policy and the team works to oversee the work in accordance with the policy. For details it is listed in the Sustainability Report 2016.

The Company sends a sustainability report 2016 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. 1/2017 on 23 February 2017, 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 EY Office Limited as the company's auditor in 2016 and EY Office 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. 1/2017 on 23 February 2017;

EY Office Limited reported the Audit Committee for acknowledgement that no observation from account auditing for 2016.

In the Audit Committee's Meeting on 23 February 2017 No. 1/2017, RE-ADDS CO.,LTD. was appointed to perform internal auditor of the company for 2017. RE-ADDS CO.,LTD. has assigned Mr.Dhitiwat Supanpong, the Managing Director, to be mainly responsible for performing internal auditor of the company.

The Audit Committee considered the qualification of RE-ADDS CO.,LTD. and Mr.Dhitiwat Supanpong and deemed as adequately proper for such function due to its independence and experience in performing internal audit.

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Filter Vision Public Company Limited

Summary Report of Related Parties Transactions

For the Year Ended 31 December 2016



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 2016 as follows.

Nature of Relationship

Person and Juristic Person who may have conflict	Nature of Relationship
Irving Corporation Limited	- The Company holds 100.00% 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	<ul style="list-style-type: none"> - 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 21.48%. - 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	<ul style="list-style-type: none"> - The 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 2.42%. - The signatory authorized director of Irving Corporation Limited
Mr. Pisarn Techakasem	<ul style="list-style-type: none"> - Shareholders of the company in proportion of 2.22% 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 Ms. Panchit Chimpalee (authorized director and executive director of the Company) at a ratio 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%.
PMAV. Marketing Company Limited	- Shares have been held by Mr. Montrie Prajunpanich in proportion of 60.00% (The signatory authorized director and shareholder of the company in proportion of 2.11%).

Guarantee of Overdraft Loan

Related Company/Person	Nature of Transaction	Outstanding Debt Value (Baht)
		As of 31 December 2016
Dr. Wijit Techakasem	<ul style="list-style-type: none"> - Overdraft loan line of the company for total of 20 million Baht used in normal business operation is divided into 2 contracts as follows. <ul style="list-style-type: none"> ○ 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. Pisarn 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		
Mr. Pisarn 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 31 December 2016
Irving Corporation Limited	<ul style="list-style-type: none"> - Guarantee on forward line of the company and Irving Corporation Limited in total line of 20 million Baht consists of below. <ul style="list-style-type: none"> 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 Public Company Limited have been assigned for joint guarantee. 	0.00

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 31 December 2016
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. <ul style="list-style-type: none"> ○ 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. Pisarn 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. Pisarn Techakasem, who sign for guarantee on behalf of the titleholder of the Techakasem family's assets. 	0.00
Miss Thanapa Techakasem		
Mr. Pisarn 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 2016	
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.
PMAY. Marketing Company Limited	Trade Debtor of Filter Vision Public Company Limited	7,062.00	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 2016	
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	25,656,775.73	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	sell product Membrane type, filter, UV lamp, filter head, filter tank And Fitting	6,080,522.25	<p>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 Limited) 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.</p> <p>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.</p> <p>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.</p>

Related Company/Person	Nature of Transaction	Transaction Value (Baht)	Necessity and Reasonability
		For the Year Ended 31 December 2016	
Irving Corporation Limited	Service charge revenue from being employed for service and photocopying	209,097.07	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	756,711.23	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 1.15% - 5.275% per annum)	522,287.98	The subsidiary 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 Company.
Irving Corporation Limited	Water analysis service charge Water analysis for infection inspection charge	219,700.00	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, Electrical Equipment ,Pure salt, Flow gauge, Pressure gauge	643,032.35	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	1,086,034.44	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 2016	
KT Medical Service Company Limited	Interest income Short-term loans (Interest rates are 1.35 - 5.275% per annum.	46,253.31	The subsidiary 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 Company.
KT Medical Service Company Limited	Revenue service and photocopying	9,037.10	The company has charged service charge in the same price as the service charge of the general photocopier service provider.
Medical Vision Company Limited	Rental income	14,102.30	The Company charged rental income base from lessor's building in the nearby area.
Medical Vision Company Limited	Service charge revenue from being employed for service and photocopying	282,944.04	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.
Medical Vision Company Limited	Selling products Fittings and Electrical Equipment	11,400.50	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 75% 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
Medical Vision Company Limited	Revenue from managed services	382,572.50	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

Related Company/Person	Nature of Transaction	Transaction Value (Baht)	Necessity and Reasonability
		For the Year Ended 31 December 2016	
Medical Vision Company Limited	Interest Short-term loans (Interest rate is 1.35% per annum)	3,251.10	The 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 subsidiary
Ratchawat Banmi 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.
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	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.
Tradratchawat Dialysis Company Limited	Water analysis service charge Water analysis for infection inspection charge	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.
PMAV. 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)	76,521.67	1. The Holding Company (Filter Vision Pcl.) has been approved to be the dealer of products "Biowell" from foreign vendor which make PMAV. Marketing Co., Ltd. must purchase with Filter Vision Pcl. only. 2. PMAV. 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.

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, Re-Adds 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.

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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, 2016, 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		
	2014	2015	2016
Revenues from sales and services - net	360.75	364.91	394.31
Gross profit from sales and services	98.15	101.93	112.72
Other income	2.52	3.54	2.79
Selling expenses	(15.90)	(18.03)	(22.72)
Administrative expenses	(65.82)	(70.55)	(75.54)
Net profit before finance costs and corporate income tax	18.95	16.89	17.25
Finance costs	(1.86)	(1.27)	(1.90)
Corporate income tax	(4.55)	(2.97)	(3.33)
Net profit for the year	12.54	12.65	12.02
Other comprehensive income - net of tax			
- Actuarial losses from employee benefit plan	-	-	(2.06)
- Income tax relating to components of other comprehensive income	-	-	0.41
Total comprehensive income for the year	12.54	12.65	10.37
<u>Profit attributable to :-</u>			
- Owners of the Company	12.54	13.00	12.31
- Non-controlling interests	-	(0.35)	(0.29)

Financial position (million baht)	Consolidated financial statements		
	2014	2015	2016
Assets	285.95	407.05	466.93
Liabilities	76.97	70.72	107.95
Shareholders' equity	208.98	336.33	358.98
Share capital			
Issued and fully paid-up common share (million share)	200.00	258.05	308.42
Par (baht)	0.50	0.50	0.50
Statement of cash flows (million baht)			
Net cash provided by (used in) operating activities	11.70	1.12	8.81
Net cash provided by (used in) investing activities	(4.18)	(79.71)	(10.67)
Net cash provided by (used in) financing activities	(10.92)	105.77	25.19
Net increase (decrease) in cash and cash equivalents	(3.40)	27.18	23.33

13.3 Financial ratios

	Consolidated financial statements		
	2014	2015	2016
Liquidity ratio			
Current ratio (time)	3.70	4.65	3.99
Quick ratio (time)	1.78	2.15	2.04
Cash flow current ratio (time)	0.20	0.02	0.13
Receivables and accrued income turnover (time)	3.65	3.99	4.45
Average collection period (day)	99	90	81
Inventory turnover (time)	1.96	1.68	1.59
Average selling period (day)	183	214	226
Receivables turnover (time)	8.87	7.35	6.75
Average repayment period (day)	41	49	53
Cash Cycle (day)	241	255	254

	Consolidated financial statements		
	2014	2015	2016
Profitability ratio			
Gross profit margin (%)	27.21%	27.93%	28.59%
Operating profit margin (%)	5.25%	4.63%	4.37%
Cash to profit margin (%)	61.75%	6.63%	51.10%
Net profit margin (%)	3.45%	3.43%	3.03%
Efficiency ratio			
Return on equity (%)	6.08%	4.64%	3.46%
Return on assets (%)	4.47%	3.65%	2.75%
Return on fixed assets (%)	43.02%	25.36%	18.49%
Asset turnover (time)	1.29	1.06	0.91
Financial policy ratio			
Debt to equity ratio (time)	0.37	0.21	0.30
Interest coverage ratio (time)	5.74	8.94	5.33
Commitment coverage ratio (Cash Basis) (time)	1.99	0.02	0.61
Dividend payout ratio (%)	66.97%	102.05%	56.45%
Information per share **			
Basic earnings per share (baht)	0.06	0.06	0.05
Book value per share (baht)	1.04	1.30	1.16

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.
3. Basic earnings per share of the year 2016 calculate from number of weighted average ordinary shares of 263 million shares. Book values per share of the year 2016 calculate from number of weighted average ordinary shares of 308 million shares.

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

Overview of operating results in the year 2016.

Since early 2016, the world economy continues to fluctuate throughout from many events include the major change, Brexit and the consequence of the US presidential election, as a results, the world economy continued lack of confidence and the impact on Thailand's economic confidence.

During the three quarters ago of 2016, Thailand's economic has been improving continually from government's policies, encourage for spending and investment. The measures disbursement in small's investment and transport projects according to stimulus of government coming from the period September 2015 – April 2016. In the last quarter of 2016, consumption rates had growth from tax measures to stimulate tourism and spending for goods and services. Cause to the revenue from sales of goods and services of the Group has increased in this year. And predicted that the economic tenor is improving steadily and resulted in sales of goods and services in 2017 increased more than 2016, as well.

Filters Vision Public Company Limited and its subsidiaries (Herein after "The Group") operating as a distributor of products and accessories design, assembly and installation system related to water purification system, servicing and maintenance of pure water treatment system. In 2016, the Company also focuses on expansion in main businesses either equipment and water treatment systems on the demand of consumers who want the good and quality water for consumption successively. Filters Vision Public Company Limited (Herein after "The Company") has led to new products such as ozone water machine (Ozonated Water), which can be applied on variety business, and now the Company recognize revenue from finance lease agreement for ozone water machine. In additions, the Company also has marketing's activities continually for educate about the quality of water to the customer's business, such as, cafe and laundry business etc., Include activities for promote in educating the cleaning and disinfection for the target clients for aware of the importance and enhance the quality of products and services that consistently good.

Also, its subsidiaries (Herein after "Subsidiaries") can response on demand of consumers continuously, consist of: Irving Corporation Limited, sale of products and equipment, design and installation of systems related to pure water treatment system and servicing and maintenance of water treatment purification for medical services that extend customers have continued to result in sales of goods (dialysis solution) and services (installation and maintenance of pure water treatment system) as a result, the overall performance has profit in this year. KT Medical Services Company Limited, provide health care facilities for patients with end-stage chronic kidney disease who receive replacement therapy with dialysis kidneys (The 1 st branch : KT Medical Services Dialysis Center (Phatthanakan)), which is a great business when considering the volume of patients is increasing steadily and Medical Vision Company Limited, sale medical instruments and can to implement the installation of air tube systems for transfer documents and parcel (Pneumatic Tube Carrier Systems) have been recognize income on targets as a result has gains within this year.

In 2016, the Company has been changed in the registered capital by decrease and increase in share capital from conclusion of the Annual General Meeting of Shareholders 2016 held on April 29, 2016. As a result, the registered capital balance at Baht 182.75 million (365.50 million shares at Baht 0.50 per share). Furthermore, at the end of 2016, the Company received cash from increase share capital from the exercise of common share purchase warrant holders (FVC-W1) of 50.37 million shares amount Baht 25.19 million. As a result, December 31, 2016, the Company has a paid-up share capital of Baht 154.21 million (308.42 million shares, Baht 0.50 per share).

Analysis of results of operations.

Statements of comprehensive income (Million Baht)	Consolidated			
	2016	2015	+ / (-)	%
Revenues from sales and services - net	394.31	364.91	29.40	8.06%
Gross profit from sales and services	112.72	101.93	10.79	10.59%
Other income	2.79	3.54	(0.75)	(21.19%)
Selling expenses	(22.72)	(18.03)	4.69	26.01%
Administrative expenses	(75.54)	(70.55)	4.99	7.07%
Net profit before finance costs and corporate income tax	17.25	16.89	0.36	2.13%
Finance costs	(1.90)	(1.27)	0.63	49.61%
Corporate income tax	(3.33)	(2.97)	0.36	12.12%
Net profit for the year	12.02	12.65	(0.63)	(4.98%)
Other comprehensive income - net of tax	(1.65)	-	(1.65)	(100.00%)
Total Comprehensive income for the year	10.37	12.65	(2.28)	(18.02%)
<u>Profit attributable to</u>				
- Equity holder of the Company	12.31	13.00	(0.69)	(5.31%)
- Non-controlling interests of the subsidiaries	(0.29)	(0.35)	0.06	17.14%

● Revenue

Total revenue (revenues from sales and services and other income) increase from the same period of prior year Baht 28.65 million or 7.78 per cent. The revenue classify by business segments were follows as:-

Revenue by business segments	2016		2015		Growing Rate
	Million Baht	(%)	Million Baht	(%)	
1. Industrial and OEM (B1) ¹	98.16	24.89%	75.00	20.55%	30.88%
2. Commercial and residential (B2) ¹	209.20	53.05%	212.78	58.31%	(1.68%)
3. Medical services (B3) ²	86.95	22.06%	77.13	21.14%	12.73%
Total Revenues	394.31	100.00%	364.91	100.00%	8.06%

¹B1, B2: Filters Vision Public Company Limited (Herein after "The Company")

²B3: Irving Corporation Ltd., KT Medical Services Co., Ltd. and Medical Vision Co., Ltd. (Herein after "The Subsidiaries")

During 2016, The Group has revenues from sales and services increased from prior year Baht 29.40 million or 8.06 per cent which can be explained by business segments were follows as:-

Industrial and OEM (B1)

Revenue in this segment has increased from prior year amount Baht 23.16 million or 30.88 per cent. Because in this year, The Company has revenues from the project to increase when compared with the last year such as project for installation of waste infections and increase water capacity's project, and comprise the many volumes from sale in strainer product's group has growing continually. Forasmuch, the quality of products and services which the customer's demand. As a result, the volume of business in this segment increased significantly.

Commercial and residential (B2)

Revenue in this segment decreased Baht 3.58 million or 1.68 per cent compared to the previous year. Mainly results as the special orders of ice machine for installment sales decreased from last year which in 2015, has ordered for ice machine and revenue recognized under the installment sales amount 60 machines (Baht 14.00 million), while the year 2016, has ordered for ice machine on remainder of the contract and revenue recognition amount 15 machines (Baht 3.51 million) only, therefore income in this segment has decrease. However, sale performance be expanding continue in water filtration systems. Consist of the customers in businesses line, convenience store, restaurant and café with the expansion continually and focuses on the use of such products and services from the Group as well, and existing customers with maintenance income on based period in used (Preventive Maintenance-PM) increasing continually. These revenue has compensated for the revenue from installments sales above and this business segment decreased insignificant when compared with the previous year.

Medical services (B3)

Revenue in this segment has increased from the prior year Baht 9.82 million or 12.73 per cent. In 2016, the revenue from sales of products for artificial kidney's dialysis machine (Dialysis solution) and the installation and maintenance of water purification increased from last year by Baht 20.29 million and increasing steadily. Include the revenue of new subsidiaries consists of: sale medical instruments and installation of air tube systems for transfer documents and parcel (Pneumatic Tube Carrier Systems) amount Baht 11.49 million and income from Dialysis center amount Baht 5.69 million which trend of revenue growth up continually. Although in 2016, the revenues from decorating for hemodialysis unit and sales of dialysis machine has decrease amount 27.54 million, but not affect the expansion of the overall revenue.

- Gross profit

In 2016 and 2015, the Company has gross profit amount Baht 112.72 million and Baht 101.93 million respectively, with gross margin of 28.59 per cent and 27.93 per cent respectively, which increase from the previous year. In 2016, when consider of details can predicated sell of goods and services projects with higher gross margins have increased, such as pneumatic tube carrier systems, pure water system etc. And the Company sale the products group in low gross margin as decreased such as decorated project and sales of dialysis machine. As a result in the year 2016, gross profit to be increased.

- Other income

Other income decreased Baht 0.75 million or 21.19 per cent from the previous year, mainly due to foreign exchange gains from paid to foreign creditors decreased. As a result of the foreign currency forward contracts (Forward Contract) to reduce the risk of fluctuations in foreign currency occurred.

- Selling expenses

Selling expenses has increased Baht 4.69 million or 26.01 per cent from the previous year, mainly the selling expenses of the new business according to revenues (2015 not selling expenses), include an increase in salary (base realignment and new staff to support new business expansion), bonuses and travel expenses of employees in the existing group.

- Administration expenses

An overview of administration expenses increased amount Baht 4.99 million or 7.07 per cent from the previous year due to addition adjustment of employee benefits for officers and executive as annual policy. Include administration expenses of two new subsidiaries. With such business was incorporated in June and July 2015 had still not begun operating and little bit in administration expenses when compared with the present.

● Operating results

For the year 2016, the Company has net profit decreased Baht 0.63 million or 4.98 per cent from previous year due to the selling and administrative expenses increased higher margin possible. As a result, the operating decreased when compared with previous year. When considering the increase of expenses thereof are intended to prepare for market expansion and support the growth of the company as significant.

Financial position

● Assets

Overview of assets in 2016 increased from year-end 2015 amount Baht 59.88 million or 14.71 per cent. The main factors are cash received from increase share capital from the exercise of common share purchase warrant holders (FVC-W1) at the end of this year, trade receivables of the Subsidiaries which increased from new business on the business volume in the last quarter and a number of goods increase from inventories balance of 2 new subsidiaries and purchase order's the Company for support the expansion of business in 2017.

The Company's significant assets are as follows:

Statement of Financial Position (Million Baht)	Consolidated Financial Statement			
	2016	2015	+ / (-)	%
Cash and cash equivalents	68.45	45.11	23.34	51.74%
Trade and other receivables	91.95	74.31	17.64	23.74%
Receivables from financial lease agreements and installment sales	24.65	22.44	2.21	9.85%
Inventories	138.98	127.82	11.16	8.73%
Property, plant and equipment	113.56	110.29	3.27	2.96%
Other assets	29.34	27.08	2.26	8.35%
Total assets	466.93	407.05	59.88	14.71%

➤ Cash and cash equivalents

As at 31 December 2016, the Company has cash and cash equivalents increased from the previous year amount Baht 23.34 million or 51.74 per cent. Forasmuch in the end of 2016, the Company received cash from increase share capital from the exercise of common share purchase warrant holders (FVC-W1) amount Baht 25.19 million. The capital increase for used in investment activities in new business and operation.

➤ Trade and other receivables

Classified by aging as follows:

Unit : Thousand baht	2016		2015		Change	
	Receivables	Accrued income	Receivables	Accrued income	Receivables +/-	Accrued income +/-
Not yet due	35,673	-	33,710	-	1,963	-
Past due :						
Less than 3 months	29,424	15,433	23,334	11,223	6,090	4,210
More than 3 – 6 months	10,036	550	4,081	287	5,955	263
More than 6 – 12 months	675	149	1,840	229	(1,165)	(80)
More over 12 months	2,000	2,384	1,727	3,077	273	(693)
	77,808	18,516	64,692	14,816	13,116	3,700
<u>Less</u> allowance for doubtful accounts	(2,287)	(2,324)	(2,620)	(2,831)	333	507
Net	75,521	16,192	62,072	11,985	13,449	4,207
Total trade receivables		91,713		74,057		17,656
<u>Add</u> other receivables		238		251		(13)
Total		91,951		74,308		17,643

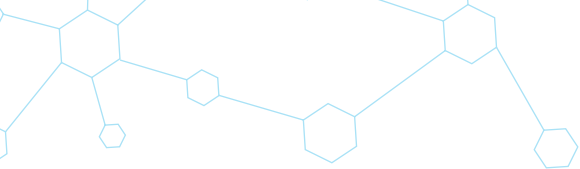
Overview:

The Company has trade and other receivables increased from previous year amount Baht 17.64 million or 23.74 per cent, according to expanding business volume. Due to trade receivable of two new businesses originate engage in business in this year and sales of goods and rendering of services of the Company in the end of 2016, which not yet due.

Not yet due and past due but less than 3 months:

Trade receivable increase from the previous year amount Baht 8.05 million or 14.12 per cent. The main reason is revenue from the sale of goods and services have increase continuously and the volume of business expansion in the last quarter of 2016, as a result, trade receivable as at December 31, 2016, which not yet due.

Accrued income increase from the previous year amount Baht 4.21 million or 37.51 per cent. Due to, in the end of 2016, the Company maintains the installation system related to water purification system and preventative maintenance which have been completed but not issued invoice has increase which compared with previous year.

Overdue more than 3 - 6 month:

Trade receivable increase from last year amount Baht 5.96 million or 145.92 per cent, mainly due to the debtors of the Company as service completed in the third quarter of 2016, but in the process on payment (collected on January 2017).

Overdue more than 6 - 12 month:

Trade receivable decrease from the previous year amount Baht 1.17 million or 63.32 per cent because in 2016, the Subsidiaries have ability to collect debts from trade receivables increased compared with the previous year.

Other periods:

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

➤ Receivables from financial lease agreements and installment sales

As at 31 December 2016, the Company had receivables from financial lease agreements and installment sales increased from the previous year amount Baht 2.21 million or 9.85 per cent because in 2016, the Company had delivered the ice maker under installment contract to domestic customers 15 units (selling price before interest amount Baht 3.51 million) and the Subsidiary can be installed and delivered the pure water treatment system for the kidneys to customers within 2016 amount 5 contracts (selling price before interest of Baht 4.27 million), resulting in the Company has receivables from financial lease agreements and installment sales (net of receipts) increased from the previous year.

➤ Inventories

As at December 31, 2016, inventories - net has increased amount Baht 11.16 million or 8.73 per cent from the previous year. Cause of the inventories increase from order in high value inventories from special request (sold in the first quarter of 2017) and new products that open in 2016, as well as orders for support the expansion on 2 new businesses (2015 not inventories balance). Therefore inventories balance at the year ended 2016, has higher than last year.

Inventories as follows:

Unit : Thousand baht	2016	2015	+/(-)	%
Finished goods	85,458	75,769	9,689	12.79%
Work in process	4,422	3,680	742	20.16%
Supplies and spare parts	29,435	32,983	(3,548)	(10.76%)
Goods in transit	20,630	16,291	4,339	26.63%
Total	139,945	128,723	11,222	8.72%
<u>Less</u> allowance for decline in value of inventories	(968)	(902)	(66)	7.32%
Inventories - net	138,977	127,821	11,156	8.73%

➤ Property, plant and equipment

As at December 31, 2016, fixed assets increased from the previous year amount Baht 3.27 million or 2.96 per cent. Overall from investment in tool and equipment in the end of 2016, to expand the Dialysis center in government hospitals total Baht 4.70 million. Besides the Company has general investment in furniture and office equipment, tools and equipment. When considering the change in overall, it has decreased, cause from depreciation on fixed assets increased from investment in 2015, especially depreciation of buildings and improvements increase amount Baht 0.64 million from KT Medical Services Dialysis Center (Phatthanakan), which started operation in the end of 2015. Fixed assets are consisted of:

Unit : Thousand baht	2016	2015	+/(-)	%
Land and leased land improvement	58,280	58,286	(6)	(0.01%)
Buildings and building improvement	25,534	26,450	(916)	(3.46%)
Furniture, fixture and office equipment	5,194	5,384	(190)	(3.53%)
Tools and equipment	14,176	9,034	5,142	56.92%
Vehicles	10,373	11,136	(763)	(6.85%)
Property, plant and equipment - net	113,557	110,290	3,267	2.96%

● Liabilities

Overall of liabilities has increased amount Baht 37.23 million or 52.64 per cent from the previous year. The main reasons consist of trade payable, long-term loans and employee benefit obligations.

The Company's significant liabilities are as follows:

Statement of Financial Position (Million Baht)	Consolidated Financial Statement			
	2016	2015	+ / (-)	%
Trade and other payables	55.55	40.50	15.05	37.16%
Liabilities under hire purchase and financial lease agreements	3.42	5.38	(1.96)	(36.43%)
Accrued bonus expenses	10.48	8.22	2.26	27.49%
Long-term loans	16.28	-	16.28	100.00%
Provision for long-term employee benefits	14.90	11.39	3.51	30.82%
Other liabilities	7.32	5.23	2.09	39.96%
Total liabilities	107.95	70.72	37.23	52.64%

➤ Trade and other payable

Increase amount Baht 15.05 million or 37.16 per cent from the previous year, due to the purchase order in December 2016, to support the special orders from customers which sold in the first quarter of 2017. Especially two new subsidiaries has payable to purchase orders as increase amount Baht 9.32 million (previous year: no outstanding accounts payable).as mentioned in "Inventories"

➤ Long-term loan from financial institute

Increased amount Baht 16.28 million for invest in real estate, including, buildings (KT Medical Services Dialysis Center (Phatthanakan)) and renovation and decoration for this building.

➤ Provision for long-term employee benefits

Increased amount Baht 3.51 million, due to, the Company has policy for increase the benefits for employees who worked 10 years and the number of employees increased in 2016 to support business expansion. These reasoning render the employee benefits have increased significantly.

- Shareholders' equity

An overview of the shareholders' equity increased amount Baht 22.65 million or 6.73 per cent compared with prior year by the major changes are increase from received share capital from the exercise of common share purchase warrant holders (FVC-W1) 50.37 million shares, amounting to Baht 25.19 million and net profit amount Baht 12.02 million, and decrease from a dividend payment to shareholders amount 258.05 million shares at the rate of Baht 0.050 per share, totaling amount Baht 12.90 million. As a result the overall's shareholder had increase.

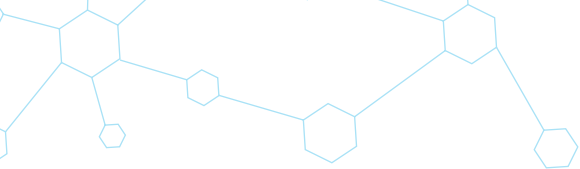
The composition of the shareholders consists of:

Statement of Financial Position (Million Baht)	Consolidated Financial Statement			
	2016	2015	+ / (-)	%
Authorized share capital	182.75	195.00	(12.25)	(6.28%)
Issued and fully paid-up share capital	154.21	129.03	25.18	19.51%
Premium on share capital	137.88	137.88	-	-
Retained earnings - appropriated for legal reserve	4.97	4.29	0.68	15.85%
Retained earnings - unappropriated	53.70	56.62	(2.92)	(5.16%)
Other components of shareholders' equity	3.37	3.37	-	-
Non-controlling interests	4.85	5.14	(0.29)	(5.64%)
Total shareholders' equity	358.98	336.33	22.65	6.73%

Cash Flow

For the year 2016, the Company has net cash increase (decrease) totaling Baht 3.85 million when compare with previous year. The details of cash flows each activities as follows.

Statement of cash flow (Million Baht)	Consolidated Financial Statement		
	2016	2015	+ / (-)
Net cash provided by (used in) operating activities	8.81	1.12	7.69
Net cash provided by (used in) investing activities	(10.67)	(79.71)	69.04
Net cash provided by (used in) financing activities	25.19	105.77	(80.58)
Net increase (decrease) in cash and cash equivalents	23.33	27.18	(3.85)



- Cash flow from operating activities

Overview the Company's cash flows from operating activities net increase Baht 7.69 million, important transactions from operating activities are follows as.

1. Trade and other receivables have cash flow received decreased amount Baht 33.66 million compared with the previous year (cash flow decrease). Because of expanding of sale in 3 subsidiaries in the last quarter (previous year: only one subsidiary) and not yet due. Include the trade receivable of the Company has service completed in the third quarter of 2016, but in the process on payment (collected on January 2017).

2. Proceeds from installment sale decrease amount Baht 9.49 million compared with the previous year (cash flow increase). Forasmuch the year 2015, has ordered for ice machine under the installment sales amount 60 machines, while the year 2016, has ordered for ice machine on remainder of the contract amount 15 machines.

3. Trade payable has cash flow increasing Baht 17.24 million compared with the previous year (cash flow increase). Due to big orders in the last quarter in this year of the Group and not yet due especially two new subsidiaries which has purchase orders increase amount Baht 9.32 million (previous year: no outstanding accounts payable).

4. Cash flows used in inventories increase amount Baht 6.31 million from orders increased by cash flow from accounts payable, as mentioned above.

- Cash flow from investing activities

Cash flow used in investing activities decreased amount Baht 69.04 million compared with the previous year. In 2015, has a long-term investment in fixed assets such as property, building and kidney's machine of subsidiary company. That different from this year has investment in general assets only such as office furniture and equipment, tools and equipment etc.

- Cash flow from financial activities

Cash flow from financing activities decreased amount Baht 80.58 million compared with the previous year. The important transactions from financial activities are follows as.

1. Cash received from capital has decrease from prior year amount Baht 92.42 million (In 2016, increase capital amount Baht 25.19 million and in 2015, increase capital amount Baht 117.61 million).

2. Dividend paid increase from the last year amount Baht 4.50 million (In 2016, dividend paid amount Baht 12.90 million and in 2015, dividend paid amount Baht 8.40 million).

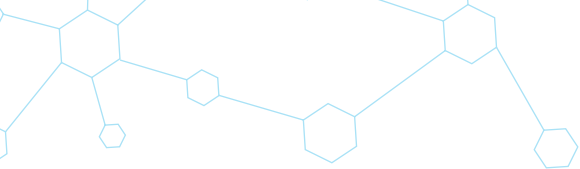
3. Proceeds from loans from financial institutions net increase amount Baht 11.28 million from the previous year due to growth in the Dialysis Center in 2015 and invest in real estate, which is highly valued in the section on cash flow from investing activities.

Financial ratios

	Consolidated Financial Statement		
	2016	2015	+ / (-)
Liquidity ratio			
Current ratio (Time)	3.99	4.65	(0.66)
Quick ratio (Time)	2.04	2.15	(0.11)
Average collection period (Day)	81	90	(9)
Days of inventory (Day)	226	214	12
Profitability ratio			
Gross profit margin (%)	28.59%	27.93%	0.66%
Operating profit margin (%)	4.37%	4.63%	(0.26%)
Net profit margin (%)	3.03%	3.43%	(0.40%)
Efficiency Ratio			
Return on equity (%)	3.46%	4.64%	(1.18%)
Return on assets (%)	2.75%	3.65%	(0.90%)
Financial Policy Ratio			
Debt to equity ratio (Time)	0.30	0.21	0.09
Information per share **			
Basic earnings per share (Baht)	0.05	0.06	(0.01)
Book value per share (Baht)	1.16	1.30	(0.14)

Note : **

1. Basic earnings per share of the year 2015 calculate from number of weighted average ordinary shares of 233 million shares.
The book value per share for FY2015 is calculated from the number of 258 million ordinary shares at the end of the year 2015.
2. Book values per share of the year 2016 calculate from number of weighted average ordinary shares of 263 million shares.
The book value per share for FY2016 is calculated from the number of 308 million ordinary shares at the end of the year 2016.



- Liquidity ratio

Current ratio and quick ratio decreased from the previous year 0.66 times and 0.11 times respectively. In 2015, the Company has been cash received from capital increase amount Baht 117.61 million, but in 2016, the proceeds from the increase capital amount Baht 25.19 million, and the beginning of 2016 proceeds from loans from financial institutions amount Baht 16.28 million for investment as investment property for expand Business (2015, no loans payable outstanding). As a result, the current ratio and quick ratio decreased compared to the previous year. But considering on cash flow received and proceeds from the capital increase in 2016, the Company had outstanding cash flow better than the prior year. It shows that the company has good liquidity to repay debt and going operations.

In 2016, the average collection period has faster than last year. Since, the policy in debts collector both finance and sales departments.

In 2016, the days of inventory had slow down when compared with last year. Since 2016, has the purchase of a high value on special order and new products can be launched on the market in 2016 and an order for support the expansion in new business of two subsidiaries (in 2015, the subsidiaries has no inventories). As at December 31, 2016, the inventories increased compared with previous year and effect to inventory balance had longer than last year.

- Profitability ratio

In 2016, the ability to generate earnings to be in a good direction compare with the previous year. The Group can sold its group of goods or service has better margin than last year such as installation of pure water system and pneumatic tube carrier systems etc. In 2016, the operation has focus on expanding the business and prepared to support policy such as increased sales staff, traveling expenses and administrative expenses for support sales is significant. As a result, the total expenses in this year are higher than the previous year. As a result, net margin decreased slightly over the previous year.

- Efficiency ratio

In December 2016, the payment of proceeds from the exercise of the warrants shareholder (FVC-W1) amount Baht 25.19 million, resulting in shareholders' equity increase, while turnover in 2016 base on a similar level with the previous year. And the investment in fixed assets for expansion of the dialysis unit in some government hospital and sales in the last quarter has higher than previous year. All this result make the return on assets and return on equity ratio decrease due to the limited time. As a result, this investment has not make benefits as well for this year.

- Financial policy ratios

Borrowing from financial institutions to invest in investment property (Dialysis center) which this business is beginning return in the first quarter of 2016, coupled with an increase in trade payables following the order in the end of the year to support the expansion of the business in 2017 and increase on advance received from the previous year. It reflects that debt on investments has generating returns as successively. Considering the group of accounts payable and advances received, indicates that the Company's business volume has expanded from orders of customers and can make good sales in the future that will effect on the liquidity of the company will be able to repay the loan and interest too.

Foreign 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.

Although in 2016, the Baht has fluctuated on exchange rate from the global economic situation. However, it did not significantly affect the operations of the Group.

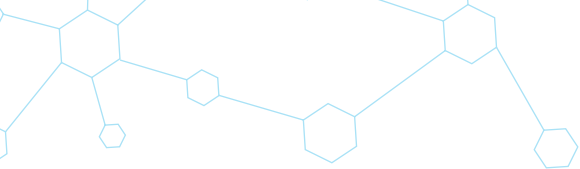
Consumer's behavior

"Water" is important factor for human survival and also important factor in the industrial production and medical treatment. At present, the water's demand for human is constantly escalate. At the same time, contamination of water increase too. Therefore, water treatment equipment is an important role in improving water quality in all sectors, whether, household, commercial or industrial. These factors are important for our business expansion in the current and future.

Company's direction for the year 2017.

Overall significant events are as follows.

➤ KT Medical Service Company Limited operates to provide health care facilities for patients with end-stage chronic kidney disease who receive replacement therapy with dialysis kidneys. In 2016, with patients accepted replacement therapy with dialysis with dialysis machines increased steadily until fully. And 2017, the Company purchases dialysis machines to accommodate more patients. In addition, on December 21, 2016 the Company signed a service contract for Dialysis Units with some government hospital which opening the Dialysis Unit officially on February 14, 2017, and began serving the first artificial kidney dialysis machine on February 15, 2017.



➤ Medical Vision Company Limited, the Company operated the installation of air tube systems for transfer documents and parcel (Pneumatic Tube Carrier Systems) for the 6 customer is already, amount Baht 10.71 million. The end of 2016, the Company has imported product for installation of pneumatic tube carrier systems for 2 consumer's order, contracts amount Baht 2.29 million which installation to be completed in March 2017 and July 2017.

➤ Irving Ltd. In 2016, the Company has operating on net profit. Because of the revenue from the installation of water for hemodialysis unit increased steadily and 2017, has received an order from 6 customers, amount Baht 10.37 million. Now, these projects in process of installing. Also include sales of dialysis solution can be expanded to target's consumer continually.

➤ The Company can proceed to install ozone water (Ozonated Water) to the first client has completed in the third quarter of 2016 which resulted in the Company can offer product and received orders from target customers continuously.

➤ Continue to offer new products, 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 (Water Logic), which new innovation product to related purification and treatment water systems in Thailand, to the target's consumers after this products is launched in 2015.

➤ The Group emphasize encouraging to customers aware about the quality water and new technology of water system and innovative of disinfection for food and beverages industrial, through the seminars activity continually. Including, take the technology's customer management, Application: Cloud for Customer, to use for management on sales and service.



Board of Directors' Responsibility for Financial Reporting

The Board of Directors is responsible for the financial statements of Filter Vision Public Company Limited and the consolidated financial statements of Filter Vision Public Company Limited and its subsidiaries include the financial information presented in the annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles under the Accounting Act. BE. 2543 and the Securities and Exchange Commission (SEC) BE. 2535, using careful judgment and the best estimation. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

The Board of Directors is responsible for provides and maintains risk management system and appropriate and efficient internal controls to ensure that accounting records of the Company and its subsidiaries are accurate, reliable and adequate to retain its assets as well as to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed an Audit Committee comprising independent directors to be responsible for reviewing quality of the financial reports, internal controls, internal audit and risk management system. The Audit Committee also reviews a disclosure of related party transactions. All their comments on these issues are presented in the Audit Committee Report included in this annual report.

The separate financial statements and the consolidated financial statements of the Company have been examined by an external auditor, EY Office Limited. In the audit, the Board supported the information and documents to conduct the audits and express an opinion in accordance with generally accepted auditing standards, all records and related data, as requested, are provided to the auditor. The auditor's opinion is presented in the auditor's report as a part of this annual report.

The Board of Directors considers the Company's overall internal control system of the Company and its subsidiaries has satisfactory and provides credibility and reliability for the financial statements of Filter Vision Public Company Limited's and the consolidated financial statements of Filter Vision Public Company Limited and its subsidiaries for the year ended 31 December 2016, the financial statements present fairly, in all material respects



(Mr. Chotisak Asapawiriya)
Board of Director



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

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Filter Vision Public Company Limited and its subsidiaries **Report and consolidated financial statements**

31 December 2016



Independent Auditor's Report

To the Shareholders of Filter Vision Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Filter Vision Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2016, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Filter Vision Public Company Limited for the same period.

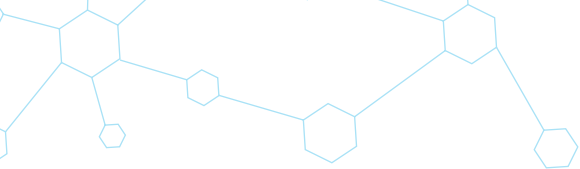
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Filter Vision Public Company Limited and its subsidiaries and of Filter Vision Public Company Limited as at 31 December 2016, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

The revenue from sales is the significant amount in the consolidated statement of comprehensive income of the Group and is also the key indicator of business performance on which the users of financial statements focus. In addition, the Group has a large customer base. There are therefore risks of revenue being recognised at actually occurring and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's IT system and its significant internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales documents to assess whether revenue recognition was consistent with the conditions of the relevant sale documents, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Group issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period.

Other matter

The financial statements of Filter Vision Public Company Limited and its subsidiaries for the year ended 31 December 2015 were audited by another auditor who, under his report dated 25 February 2016, expressed an unqualified opinion on those financial statements.



Other Information

Management is responsible for the other information. The other information comprises the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Miss Pimjai Manitkajohnkit.



Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 23 February 2017

Filter Vision Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
		2016	2015	2015	2016	2015	2015
Assets							
Current assets							
Cash and cash equivalents	7	68,445,609	45,113,939	17,930,201	55,156,669	28,339,691	13,415,446
Current investments	8	6,763	1,020,666	-	6,763	1,020,666	-
Trade and other receivables	6, 9	91,951,217	74,308,212	91,616,268	60,654,456	54,572,044	69,531,815
Current portion of receivables from financial lease agreements and installment sales	10	6,404,379	6,276,015	4,370,778	3,628,469	2,778,394	-
Inventories	11	138,976,678	127,820,943	110,373,020	122,786,913	116,742,246	98,321,867
Short-term loans to related parties	6	-	-	-	36,500,000	26,800,000	27,123,742
Advance payments for purchases of goods		2,030,415	1,836,903	854,267	2,030,415	1,828,853	854,267
Other current assets		5,399,755	4,332,735	2,995,384	4,106,422	2,677,979	970,040
Total current assets		313,214,816	260,709,413	228,139,918	284,870,107	234,759,873	210,217,177
Non-current assets							
Restricted bank deposits	12	11,685,011	11,518,643	3,456,935	6,855,786	6,752,131	2,203,058
Receivables from financial lease agreements and installment sales - net of current portion	10	18,245,036	16,167,129	6,372,690	11,289,596	11,281,972	-
Investments in subsidiaries	13	-	-	-	30,474,661	30,474,661	15,974,661
Investment properties	14	-	-	-	20,404,166	20,778,316	-
Property, plant and equipment	15	113,557,117	110,290,291	41,692,687	80,807,424	81,012,128	39,440,670
Intangible assets	16	3,013,397	3,043,944	3,122,890	2,524,275	2,610,008	2,659,551
Deferred tax assets	25	3,644,800	2,824,663	1,779,297	2,609,968	1,919,283	1,779,297
Other non-current assets		3,574,203	2,500,199	1,389,864	713,390	721,790	679,490
Total non-current assets		153,719,564	146,344,869	57,814,363	155,679,266	155,550,289	62,736,727
Total assets		466,934,380	407,054,282	285,954,281	440,549,373	390,310,162	272,953,904

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

Filter Vision Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2016	31 December 2015	1 January 2015	31 December 2016	31 December 2015	1 January 2015
Liabilities and shareholders' equity							
Current liabilities							
Bank overdrafts and short-term loan from financial institutions		-	-	5,000,000	-	-	5,000,000
Trade and other payables	6, 17	66,031,808	48,721,202	48,556,527	44,551,249	37,831,615	37,883,828
Current portion of long-term loans	18	2,856,000	-	-	2,856,000	-	-
Current portion of liabilities under hire purchase and financial lease agreements	19	2,620,903	2,264,369	2,487,247	2,361,701	2,094,383	2,400,560
Income tax payable		611,631	1,152,546	1,473,355	611,631	1,152,546	1,473,355
Advance received for sales of goods		2,889,877	1,486,900	1,872,344	2,679,597	1,486,901	1,872,343
Other current liabilities		3,481,565	2,419,128	2,198,867	1,867,286	593,187	1,255,829
Total current liabilities		78,491,784	56,044,145	61,588,340	54,927,464	43,158,632	49,885,915
Non-current liabilities							
Long-term loans - net of current portion	18	13,421,000	-	-	13,421,000	-	-
Liabilities under hire purchase and financial lease agreements - net of current portion	19	795,783	3,113,332	5,120,223	426,620	2,788,321	4,882,704
Provision for long-term employee benefits	20	14,898,611	11,393,272	10,060,479	12,315,267	9,507,487	8,395,022
Deferred tax liabilities		-	-	31,721	-	-	-
Other non-current liabilities		339,680	173,830	173,830	165,850	10,000	10,000
Total non-current liabilities		29,455,074	14,680,434	15,386,253	26,328,737	12,305,808	13,287,726
Total liabilities		107,946,858	70,724,579	76,974,593	81,256,201	55,464,440	63,173,641

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

Filter Vision Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2016	31 December 2015	1 January 2015	31 December 2016	31 December 2015	1 January 2015
Shareholders' equity							
Share capital	21						
Registered							
365,499,466 ordinary shares of Baht 0.50 each							
(31 December 2015: 390,000,000 ordinary shares of Baht 0.50 each)		182,749,733	195,000,000	100,000,000	182,749,733	195,000,000	100,000,000
Issued and paid-up							
308,422,774 ordinary shares of Baht 0.50 each							
(31 December 2015: 258,051,700 ordinary shares of Baht 0.50 each)		154,211,387	129,025,850	100,000,000	154,211,387	129,025,850	100,000,000
Share premium		137,880,369	137,880,369	49,300,369	137,880,369	137,880,369	49,300,369
Retained earnings							
Appropriated - statutory reserve	23	4,968,590	4,288,590	3,488,590	4,968,590	4,288,590	3,488,590
Unappropriated		53,709,708	56,624,006	52,825,532	62,232,826	63,650,913	56,991,304
Other components of shareholders' equity		3,365,197	3,365,197	3,365,197	-	-	-
Equity attributable to owners of the Company		354,135,251	331,184,012	208,979,688	359,293,172	334,845,722	209,780,263
Non-controlling interests of the subsidiaries	13	4,852,271	5,145,691	-	-	-	-
Total shareholders' equity		358,987,522	336,329,703	208,979,688	359,293,172	334,845,722	209,780,263
Total liabilities and shareholders' equity		466,934,380	407,054,282	285,954,281	440,549,373	390,310,162	272,953,904

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

Directors

Filter Vision Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2016

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
Profit or loss:					
Revenues					
Revenues from sales and services	6	394,306,107	364,905,384	313,947,077	291,482,992
Revenues from financial lease agreements and installment sales		1,673,505	1,187,485	761,067	64,440
Other income	6	1,119,683	2,351,934	3,720,647	3,985,939
Total revenues		397,099,295	368,444,803	318,428,791	295,533,371
Expenses					
Cost of sales and services	6	281,590,114	262,971,811	221,368,186	202,537,172
Selling expenses		22,723,419	18,032,726	15,653,215	14,540,465
Administrative expenses	6	75,537,564	70,551,247	62,909,328	57,612,862
Total expenses		379,851,097	351,555,784	299,930,729	274,690,499
Profit before finance cost and income tax		17,248,198	16,889,019	18,498,062	20,842,872
Finance cost	6	(1,899,075)	(1,272,414)	(1,739,573)	(1,073,722)
Profit before income tax		15,349,123	15,616,605	16,758,489	19,769,150
Income tax expenses	25	(3,329,511)	(2,972,482)	(3,245,950)	(3,909,583)
Profit for the year		12,019,612	12,644,123	13,512,539	15,859,567
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss - net of income tax	20, 25	(1,644,745)	-	(1,348,041)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(1,644,745)	-	(1,348,041)	-
Other comprehensive income for the year		(1,644,745)	-	(1,348,041)	-
Total comprehensive income for the year		10,374,867	12,644,123	12,164,498	15,859,567
Profit attributable to:					
Equity holders of the Company		12,313,032	12,998,432	13,512,539	15,859,567
Non-controlling interests of the subsidiaries	13	(293,420)	(354,309)		
		12,019,612	12,644,123		
Total comprehensive income attributable to:					
Equity holders of the Company		10,668,287	12,998,432	12,164,498	15,859,567
Non-controlling interests of the subsidiaries	13	(293,420)	(354,309)		
		10,374,867	12,644,123		
Earnings per share					
26					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.05	0.06	0.05	0.07
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.04	0.04	0.04	0.05

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

Filter Vision Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2016

Consolidated financial statements										(Unit: Baht)		
Equity attributable to the parent's shareholders												
Note	Issued and paid-up share capital	Share premium	Retained earnings			Other components of equity			Total equity attributable to shareholders of the Company		Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
			Appropriated	Unappropriated	Surplus on business combination under common control	components of shareholders' equity	Total other					
Balance as at 1 January 2015												
	100,000,000	49,300,369	3,488,590	52,825,532	3,365,197	3,365,197	-	-	208,979,688	-	208,979,688	
							</					

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

Filter Vision Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2016

(Unit: Baht)

		Separate financial statements				
		Issued and paid-up		Retained earnings		Total shareholders'
Note		share capital	Share premium	Appropriated	Unappropriated	equity
Balance as at 1 January 2015		100,000,000	49,300,369	3,488,590	56,991,304	209,780,263
Profit for the year		-	-	-	15,859,567	15,859,567
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	15,859,567	15,859,567
Increase in share capital	21	21,500,000	88,580,000	-	-	110,080,000
Conversion of warrants to ordinary shares	21, 22	7,525,850	-	-	-	7,525,850
Unappropriated retained earnings transferred to statutory reserve	23	-	-	800,000	(800,000)	-
Dividends paid	28	-	-	-	(8,399,958)	(8,399,958)
Balance as at 31 December 2015		<u>129,025,850</u>	<u>137,880,369</u>	<u>4,288,590</u>	<u>63,650,913</u>	<u>334,845,722</u>
Balance as at 1 January 2016		129,025,850	137,880,369	4,288,590	63,650,913	334,845,722
Profit for the year		-	-	-	13,512,539	13,512,539
Other comprehensive income for the year		-	-	-	(1,348,041)	(1,348,041)
Total comprehensive income for the year		-	-	-	12,164,498	12,164,498
Conversion of warrants to ordinary shares	21, 22	25,185,537	-	-	-	25,185,537
Unappropriated retained earnings transferred to statutory reserve	23	-	-	680,000	(680,000)	-
Dividends paid	28	-	-	-	(12,902,585)	(12,902,585)
Balance as at 31 December 2016		<u>154,211,387</u>	<u>137,880,369</u>	<u>4,968,590</u>	<u>62,232,826</u>	<u>359,293,172</u>

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

Filter Vision Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before tax	15,349,123	15,616,605	16,758,489	19,769,150
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	8,671,243	6,629,913	6,277,570	5,051,781
Allowance for doubtful accounts (reversal)	(840,770)	608,712	(173,495)	(55,423)
Bad debt expenses	64,721	-	64,721	-
Loss from obsolete inventories	-	294,282	-	294,282
Adjust cost of inventories to net realisable value (reversal)	41,612	(236,612)	40,511	(357,109)
Unrealised loss (gain) on exchange	81,850	(113,824)	85,392	16,898
Loss (gain) on disposal/write-off of property, plant and equipment	679	115,257	(24,019)	69,624
Write-off of withholding tax	592	-	-	-
Provision for long-term employee benefits	1,449,408	1,332,793	1,122,729	1,112,465
Allowance for warranty	181,839	-	-	-
Interest expenses	1,139,213	1,251,602	1,109,183	660,194
Interest income	(350,596)	(395,487)	(784,202)	(874,448)
Profit from operating activities before changes in operating assets and liabilities	25,788,914	25,103,241	24,476,879	25,687,414
Operating assets (increase) decrease				
Trade and other receivables	(16,895,114)	16,765,423	(5,547,095)	14,691,645
Receivables from financial lease agreements and installment sales	(2,206,269)	(11,699,676)	(857,699)	(14,060,366)
Inventories	(11,197,347)	(17,505,593)	(6,085,178)	(18,357,552)
Advance payments for purchases of goods	(193,512)	(982,636)	(201,562)	(974,586)
Other current assets	(1,487,494)	(1,337,351)	(1,428,443)	(1,707,939)
Other non-current assets	(86,850)	(160,936)	8,400	(42,300)
Operating liabilities increase (decrease)				
Trade and other payables	14,906,674	(3,939,355)	6,573,366	(1,163,536)
Advance received from sales of goods	1,387,684	(385,444)	1,177,404	(385,442)
Other current liabilities	3,141,804	252,499	1,274,098	(662,642)
Other non-current liabilities	165,850	-	155,850	-
Cash flows from operating activities	13,324,340	6,110,172	19,546,020	3,024,696
Interest received	336,869	367,758	237,854	274,952
Cash paid for income tax	(4,846,651)	(5,358,126)	(4,140,540)	(4,370,378)
Net cash flows from (used in) operating activities	8,814,558	1,119,804	15,643,334	(1,070,730)

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

Filter Vision Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2016

(Unit: Baht)

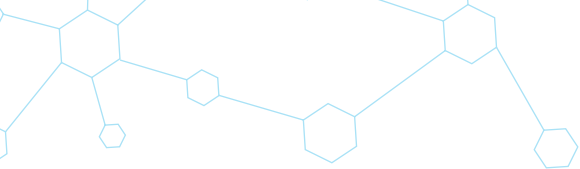
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
Increase in restricted bank deposits	(166,369)	(8,061,708)	(103,655)	(4,549,073)
Decrease (increase) in current investments	1,013,904	(1,020,666)	1,013,904	(1,020,666)
Interest received	42,778	-	195,973	923,045
Increase in short-term loan to related parties	-	-	(9,700,000)	323,742
Increase in investment in subsidiaries	-	-	-	(14,500,000)
Proceeds from sales of property, plant and equipment	111,423	11,683	79,274	7,758
Purchases of property, plant, equipment	(10,680,469)	(69,849,812)	(4,681,873)	(45,669,805)
Purchases of investment properties	-	-	(248,165)	(20,019,330)
Purchases of intangible assets	(997,800)	(789,250)	(738,200)	(631,450)
Net cash flows used in investing activities	(10,676,533)	(79,709,753)	(14,182,742)	(85,135,779)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loan from financial institutions	-	(5,000,000)	-	(5,000,000)
Repayment of liabilities under financial lease agreements	(2,711,339)	(2,666,219)	(2,470,072)	(2,973,220)
Cash receipt from long-term loan	16,277,000	-	16,277,000	-
Cash paid for interest expenses	(654,968)	(1,265,986)	(733,494)	(101,918)
Cash received from increase share capital	25,185,537	117,605,850	25,185,537	117,605,850
Increase in equity attributable to non-controlling interests of subsidiaries	-	5,500,000	-	-
Dividends paid	(12,902,585)	(8,399,958)	(12,902,585)	(8,399,958)
Net cash flows from financing activities	25,193,645	105,773,687	25,356,386	101,130,754
Net increase in cash and cash equivalents	23,331,670	27,183,738	26,816,978	14,924,245
Cash and cash equivalents at beginning of year	45,113,939	17,930,201	28,339,691	13,415,446
Cash and cash equivalents at end of year (Note 7)	68,445,609	45,113,939	55,156,669	28,339,691

Supplemental cash flows information

Non-cash transactions

Purchase of vehicles under financial lease agreements	455,140	436,449	-	-
Purchase of property, plant and equipment and intangible assets for which cash has not been paid	-	4,200,000	-	1,028,809

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



Filter Vision Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 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, Khwaeng Minburi, Khet Minburi, Bangkok. 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 for preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise 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 (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016	2015
			%	%
Irving Corporation Ltd.	Distribution products and equipment, design, assembly and installation of pure water treatment system and service preventive maintenance of pure water treatment system for medical service	Thailand	100	100
KT Medical Service Co., Ltd.	Clinic for dialysis service	Thailand	70	70
Medical Vision Co., Ltd.	Distribution, rent, preventive and maintenance of tools and diagnosis equipment for medical service including medical supplier and appliances	Thailand	75	75

- 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.
- c) Subsidiaries are fully consolidated, being 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 the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiary companies under the cost method.

3. New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(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 financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Company and its subsidiaries believe that the revised financial reporting standards and interpretations and new accounting treatment guidance will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which are summarised below.

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

This standard will not have any significant impact on the Company and its subsidiaries' financial statements because the management has decided to continue accounting for such investments under the cost method in the separate financial statements.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Service income from financial lease agreements

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

Revenue from financial lease agreements

Revenue from financial lease agreements is recognised 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

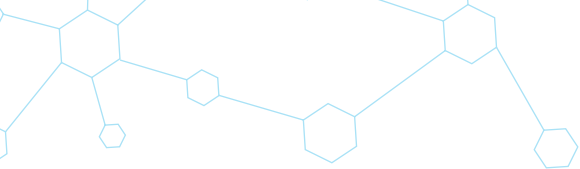
The subsidiary recognises revenue from construction on a percentage of completion basis. The percentage of completion is measured based on a comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion and the assessment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

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cash and cash equivalents

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



4.3 Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Inventories are valued at the lower of cost (under the first-in, first-out method) and net realisable value. Work in process includes costs and labour costs of installation, which is not yet complete.

Allowance for diminution in value of inventories is set up for old, obsolete, slow-moving or deteriorated inventories.

4.5 Investments

- a) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- b) Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

The weighted average method is used for computation of the cost of investment.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

4.6 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 included in determining income.

No depreciation is provided on land.

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.

4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Lease land improvement	The term of lease agreement (2 years)
Building and building improvement	10 and 20 years and the term of the lease agreement
Tools and equipment	5, 10, 12 and 20 years
Furnitures and fixtures	5 and 10 years
Vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Intangible assets

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Computer software	5 years
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4.9 Related party transactions

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

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

4.10 Long-term leases

Leases of motor vehicles which transfer substantially all the risks and rewards of ownership are classified as financial leases. Financial leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the land, building and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.14 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 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, using the tax rates enacted at the end of the reporting period.

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.

4.16 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.

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.

5. Significant accounting judgements and estimates

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

Allowance for doubtful accounts

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

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review 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 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.

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 judgment 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.

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.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

6. Related party transactions

The relationships between the Company and related parties are summarised below.

The Company's name	Type of business	Type of relationship
Irving Corporation Ltd.	Distribution products and equipment, 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
Ratchawat Banmi Co., Ltd.	Clinic for dialysis service	Common directors
Ratcharak Co., Ltd.	Clinic for dialysis service	Common directors
Roi Et Dialysis Co., Ltd.	Clinic for dialysis service	Common directors
Tradratchawat Dialysis Co., Ltd.	Clinic for dialysis service	Common directors
PMAY. Marketing Co., Ltd.	Import and export of retail supplementary food and chemical	Common directors

Pricing policies for each transaction are described as follows:

Type of transaction	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	1.15% - 5.275% per annum (2015: 1.50% - 1.75% per annum)
Interest expenses	1.35% per annum
Water analysis service expenses	Cost plus margin
Purchases of goods	Cost plus margin

During the years ended 31 December 2016 and 2015, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Thousand Baht)

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<u>Transactions with subsidiaries</u>				
(being eliminated in the consolidated financial statements)				
Sales of goods	-	-	6,092	3,337
Service income	-	-	884	369
Rental and utilities service income	-	-	1,857	1,159
Interest income	-	-	569	591
Water analysis service expenses	-	-	220	198
Purchases of goods	-	-	643	602
Interest expenses	-	-	3	-
<u>Transactions with related companies</u>				
Sales of goods	77	3,820	77	3,797

As at 31 December 2016 and 2015, the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<u>Trade and other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	2,582	816
Related company	7	-	7	-
Total	7	-	2,589	816
<u>Short-term loans to related parties</u>				
Subsidiaries	-	-	36,500	26,800
<u>Trade and other payables - related parties (Note 17)</u>				
Subsidiaries	-	-	228	381
Directors	4,561	4,076	4,354	3,982
Total	4,561	4,076	4,582	4,363
<u>Other non-current liabilities - Deposits</u>				
Subsidiary	-	-	-	10

Short-term loans to related parties

As at 31 December 2016 and 2015, the balances of short-term loans to related parties and the movement are as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	1 January	During the year		31 December
	2016	Increase	Decrease	2016
<u>Short-term loans to related parties</u>				
Subsidiaries				
Irving Corporation Ltd.	26,800	11,800	(5,300)	33,300
KT Medical Service Co., Ltd.	-	3,200	-	3,200
	26,800	15,000	(5,300)	36,500

Short-term loans to related parties are not collateralised and due at call. Interest is charged at rates of 1.15% - 5.275% per annum (2015: 1.50% - 1.75% per annum).

Directors and management's benefits

During the years ended 31 December 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Short-term employee benefits	25,133	22,938	21,442	19,983
Post-employment benefits	524	500	385	403
Total	25,657	23,438	21,827	20,386

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2016	2015	2016	2015
Cash	283	265	216	200
Bank deposits	68,163	44,849	54,941	28,140
Total	68,446	45,114	55,157	28,340

As at 31 December 2016, bank deposits carried interests between 0.25% and 0.375% per annum (2015: between 0.37% and 1.80% per annum).

8. Current investments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2016	2015	2016	2015
Fixed deposits	7	1,021	7	1,021

Fixed deposits were for 6 months term, bearing interest rates at 1.15% per annum (2015: 1.25% per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	December	December	December	December
	2016	2015	2016	2015
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	253	276
Past due				
Up to 3 months	7	-	1,467	127
Total trade receivables - related parties	7	-	1,720	403
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	35,673	33,710	22,458	24,460
Past due				
Up to 3 months	44,850	34,557	27,065	26,650
3 - 6 months	10,586	4,368	8,346	2,449
6 - 12 months	824	2,069	89	146
Over 12 months	4,384	4,804	7	151
Total trade accounts receivable				
- unrelated parties	96,317	79,508	57,965	53,856
<u>Other receivables</u>				
Interest receivables - related parties	-	-	726	278
Interest receivables - unrelated parties	55	84	42	65
Other receivables - related parties	-	-	143	135
Other receivables - unrelated parties	183	167	128	79
Total other receivables	238	251	1,039	557
Total trade and other receivables	96,562	79,759	60,724	54,816
Less: Allowance for doubtful accounts	(4,611)	(5,451)	(70)	(244)
Trade and other receivables - net	91,951	74,308	60,654	54,572

10. Receivables from financial lease agreements and installment sales

10.1 As at 31 December 2016 and 2015, the balances of receivables from financial lease agreements and installment sales are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Current portion of receivables from financial lease agreements and installment sales		Long-term portion of receivables from financial lease agreements and installment sales		Total	
	2016	2015	2016	2015	2016	2015
Receivables from financial lease agreements and installment sales	10,149	9,167	29,215	21,810	39,364	30,977
Less: Deferred service income	(1,860)	(1,379)	(6,818)	(3,365)	(8,678)	(4,744)
Less: Amount representing finance charges	(1,885)	(1,512)	(4,152)	(2,278)	(6,037)	(3,790)
Total accounts receivable	6,404	6,276	18,245	16,167	24,649	22,443
Less: Allowance for doubtful accounts	-	-	-	-	-	-
Receivables from financial lease agreements and installment sales, net	6,404	6,276	18,245	16,167	24,649	22,443

(Unit: Thousand Baht)

	Separate financial statements					
	Current portion of receivables from installment sales		Long-term portion of receivable from installment sales		Total	
	2016	2015	2016	2015	2016	2015
Receivables from installment sales	4,346	3,477	12,300	12,573	16,646	16,050
Less: Amount representing finance charges	(718)	(699)	(1,010)	(1,291)	(1,728)	(1,990)
Total accounts receivable	3,628	2,778	11,290	11,282	14,918	14,060
Less: Allowance for doubtful accounts	-	-	-	-	-	-
Receivables from installment sales, net	3,628	2,778	11,290	11,282	14,918	14,060

10.2 As at 31 December 2016 and 2015, the balances of receivables from financial lease agreements and installment sales (net of amount representing finance charges and deferred service income) and allowance for doubtful accounts aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

Aging	Consolidated financial statements					
	Receivables from financial lease agreements and installment sales		Allowance for doubtful accounts		Receivables from financial lease agreements and installment sales, net	
	2016	2015	2016	2015	2016	2015
Not yet due	1,235	540	-	-	1,235	540
Past due:						
Up to 3 months	22,602	20,410	-	-	22,602	20,410
3 - 6 months	812	1,493	-	-	812	1,493
Over 6 months	-	-	-	-	-	-
Total	24,649	22,443	-	-	24,649	22,443

(Unit: Thousand Baht)

Aging	Separate financial statements					
	Receivables from installment sales		Allowance for doubtful accounts		Receivables from installment sales, net	
	2016	2015	2016	2015	2016	2015
Not yet due	-	-	-	-	-	-
Past due:						
Up to 3 months	14,918	14,060	-	-	14,918	14,060
3 - 6 months	-	-	-	-	-	-
Over 6 months	-	-	-	-	-	-
Total	14,918	14,060	-	-	14,918	14,060

10.3 The Company's and its subsidiary's receivables from financial lease agreements and installment sales have terms of 5 - 8 years and require settlement in equal installments.

10.4 As at 31 December 2016 and 2015, the future minimum lease payments receivable under financial agreements and installment sales together with the present value of the net minimum lease payments receivable are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	2016		2015	
	Minimum payments receivable	Present value of payments receivable	Minimum payments Receivable	Present value of payments receivable
Within one year	10,149	6,404	9,167	6,276
After one year but not more than five years	29,215	18,245	21,810	16,167
Total	39,364	24,649	30,977	22,443
Less: Deferred service income	(8,678)		(4,744)	
Less: Amounts representing finance charges	(6,037)		(3,790)	
Present value of minimum lease payments	24,649		22,443	

(Unit: Thousand Baht)

	Separate financial statements			
	2016		2015	
	Minimum payments Receivable	Present value of payments receivable	Minimum payments receivable	Present value of payments receivable
Within one year	4,346	3,628	3,477	2,778
After one year but not more than five years	12,300	11,290	12,573	11,282
Total	16,646	14,918	16,050	14,060
Less: Amounts representing finance charges	(1,728)		(1,990)	
Present value of minimum lease payments	14,918		14,060	

11. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	31	31	31	31	31	31
	December 2016	December 2015	December 2016	December 2015	December 2016	December 2015
Finished goods	85,458	75,769	(431)	(347)	85,027	75,422
Work in process	4,422	3,680	-	-	4,422	3,680
Supplies and spare parts	29,435	32,983	(537)	(555)	28,898	32,428
Goods in transit	20,630	16,291	-	-	20,630	16,291
Total	139,945	128,723	(968)	(902)	138,977	127,821

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	31	31	31	31	31	31
	December 2016	December 2015	December 2016	December 2015	December 2016	December 2015
Finished goods	83,135	75,769	(408)	(347)	82,727	75,422
Work in process	2,225	1,280	-	-	2,225	1,280
Supplies and spare parts	20,329	24,026	(257)	(277)	20,072	23,749
Goods in transit	17,763	16,291	-	-	17,763	16,291
Total	123,452	117,366	(665)	(624)	122,787	116,742

12. Restricted bank deposits

These represent fixed deposits of the Company and its subsidiaries, which have been pledged with the banks to secure credit facilities and bank guarantees of the Company and its subsidiaries.

13. Investments in subsidiaries

13.1 Details of investments in subsidiaries as presented in the separate financial statements as at 31 December 2016 and 2015 are as follows:

(Unit: Thousand Baht)										
Company's name	Paid-up capital		Shareholding		Cost		Allowance for		Carrying amounts	
			Percentage				impairment		based on cost	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
			(%)	(%)						
Irving Corporation Ltd.	25,000	25,000	100	100	15,975	15,975	-	-	15,975	15,975
KT Medical Service Co., Ltd.	10,000	10,000	70	70	7,000	7,000	-	-	7,000	7,000
Medical Vision Co., Ltd.	10,000	10,000	75	75	7,500	7,500	-	-	7,500	7,500
					30,475	30,475	-	-	30,475	30,475

13.2 Details of investments in subsidiaries that have material non-controlling interests as at and for the years ended 31 December 2016 and 2015.

(Unit: Thousand Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit or loss allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2016	2015	2016	2015	2016	2015	2016	2015
	(%)	(%)						
KT Medical Service Co., Ltd.	30	30	2,310	2,681	(371)	(319)	-	-
Medical Vision Co., Ltd.	25	25	2,542	2,464	78	(35)	-	-

13.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position as at 31 December 2016 and 2015

(Unit: Thousand Baht)

	KT Medical Service Co., Ltd.		Medical Vision Co., Ltd.	
	2016	2015	2016	2015
Current assets	3,759	5,041	16,678	8,841
Non-current assets	13,278	8,343	1,191	1,039
Current liabilities	9,330	4,447	7,694	22
Non-current liabilities	7	-	6	-

Summarised information about comprehensive income

(Unit: Thousand Baht)

	For the year ended 31 December			
	KT Medical Service Co., Ltd.		Medical Vision Co., Ltd.	
	2016	2015	2016	2015
Revenue	5,780	28	11,589	51
Profit (loss)	(1,238)	(1,062)	312	(143)
Other comprehensive income	-	-	-	-
Total comprehensive income	(1,238)	(1,062)	312	(143)

Summarised information about cash flow

(Unit: Thousand Baht)

	For the year ended 31 December			
	KT Medical Service			
	Co., Ltd.		Medical Vision Co., Ltd.	
	2016	2015	2016	2015
Cash flow used in operating activities	(2,539)	(1,385)	(47)	(203)
Cash flow used in investing activities	(5,263)	(3,920)	(207)	(965)
Cash flow from financing activities	3,200	10,000	-	10,000
Net increase (decrease) in cash and cash equivalents	(4,602)	4,695	(254)	8,832

14. Investment properties

(Unit: Thousand Baht)

	Separate financial statements			
	Land	Buildings	Building improvements	Total
Cost				
1 January 2015	-	-	-	-
Additions	9,748	6,341	4,800	20,889
31 December 2015	9,748	6,341	4,800	20,889
Additions	-	-	248	248
31 December 2016	9,748	6,341	5,048	21,137
Accumulated depreciation				
1 January 2015	-	-	-	-
Depreciation for the year	-	100	11	111
31 December 2015	-	100	11	111
Depreciation for the year	-	317	305	622
31 December 2016	-	417	316	733
Net book value				
31 December 2015	9,748	6,241	4,789	20,778
31 December 2016	9,748	5,924	4,732	20,404

The Company leased land, buildings and building improvements to a subsidiary to operate clinic for dialysis service (the land, buildings and building improvements is classified as property, plant and equipment in the consolidated financial statements). Total rental income for the year ended 31 December 2016 was Baht 1.1 Million (2015: Baht 0.3 Million). Such lease agreement covering for one year, maturity in September 2017, the lessee can renew its lease agreement by inform the Company within a period of three months before maturity date.

The aforesaid land, buildings and building improvements for lease had fair value of Baht 20 Million appraised by the independent valuer on 12 January 2016, using the market approach and replacement cost approach.

The Company's investment properties are mortgaged with the financial institution to secure long-term loan of the Company, as discussed in Note 18.

15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land and leased land improvements	Buildings and building improvements	Furnitures and fixtures	Tools and equipment	Vehicles	Construction in progress	
Cost							
As at 1 January 2015	8,106	22,215	14,185	6,213	15,894	875	67,488
Additions	50,494	7,691	1,315	6,683	477	7,825	74,485
Disposals/write-off	-	-	(795)	(310)	-	-	(1,105)
Transfer in (out)	-	6,413	1,600	687	-	(8,700)	-
As at 31 December 2015	58,600	36,319	16,305	13,273	16,371	-	140,868
Additions	-	1,250	1,913	7,362	497	-	11,022
Disposals/write-off	-	-	(227)	(832)	-	-	(1,059)
As at 31 December 2016	58,600	37,569	17,991	19,803	16,868	-	150,831
Accumulated depreciation							
As at 1 January 2015	309	8,453	9,834	3,230	3,969	-	25,795
Depreciation for the year	5	1,416	1,846	1,229	1,266	-	5,762
Depreciation on disposals/write-off	-	-	(759)	(220)	-	-	(979)
As at 31 December 2015	314	9,869	10,921	4,239	5,235	-	30,578
Depreciation for the year	6	2,166	2,094	2,117	1,260	-	7,643
Depreciation on disposals/write-off	-	-	(218)	(729)	-	-	(947)
As at 31 December 2016	320	12,035	12,797	5,627	6,495	-	37,274
Net book value							
As at 31 December 2015	58,286	26,450	5,384	9,034	11,136	-	110,290
As at 31 December 2016	58,280	25,534	5,194	14,176	10,373	-	113,557
Depreciation for the year							
2015 (Depreciation of Baht 1.4 million included in cost of sales and services, and the balance in administrative expenses)							5,762
2016 (Depreciation of Baht 2.6 million included in cost of sales and services, and the balance in administrative expenses)							7,643

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land and leased land improvements	Buildings and building improvements	Furnitures and fixtures	Tools and equipment	Vehicles	Construction in progress	
Cost							
As at 1 January 2015	8,280	22,720	10,665	2,025	15,370	875	59,935
Additions	40,746	1,350	771	1,340	-	1,702	45,909
Disposals/write-off	-	-	(537)	(124)	-	-	(661)
Transfer in (out)	-	1,017	1,560	-	-	(2,577)	-
As at 31 December 2015	49,026	25,087	12,459	3,241	15,370	-	105,183
Additions	-	941	1,253	2,488	-	-	4,682
Disposals/write-off	-	-	(78)	(161)	-	-	(239)
As at 31 December 2016	49,026	26,028	13,634	5,568	15,370	-	109,626
Accumulated depreciation							
As at 1 January 2015	309	8,085	7,188	987	3,925	-	20,494
Depreciation for the year	5	1,255	1,428	436	1,136	-	4,260
Depreciation on disposals/write-off	-	-	(507)	(76)	-	-	(583)
As at 31 December 2015	314	9,340	8,109	1,347	5,061	-	24,171
Depreciation for the year	6	1,386	1,604	756	1,079	-	4,831
Depreciation on disposals/write-off	-	-	(75)	(108)	-	-	(183)
As at 31 December 2016	320	10,726	9,638	1,995	6,140	-	28,819
Net book value							
As at 31 December 2015	48,712	15,747	4,350	1,894	10,309	-	81,012
As at 31 December 2016	48,706	15,302	3,996	3,573	9,230	-	80,807
Depreciation for the year							
2015 (Depreciation of Baht 0.4 million included in cost of sales and services, and the balance in administrative expenses)							4,260
2016 (Depreciation of Baht 0.8 million included in cost of sales and services, and the balance in administrative expenses)							4,831

The Company's land and construction including right claims for insurance policies of such assets are mortgaged with the financial institution to secure credit facilities of the Company and its subsidiaries and secure long-term loan of the Company, as discussed in Note 18.

As at 31 December 2016, the Company and its subsidiaries has motor vehicles acquired under hire purchase agreements, with net book value amounting to approximately Baht 6.5 Million (2015: Baht 11.1 Million), the Company only: Baht 5.5 Million (2015: Baht 10.3 Million).

As at 31 December 2016, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 10.3 Million (2015: Baht 8.2 Million), the Company only: Baht 7.8 Million (2015: Baht 6.1 Million).

16. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		
	Licenses	Computer softwares	Total
Cost			
1 January 2015	2,626	3,147	5,773
Additions	-	789	789
31 December 2015	2,626	3,936	6,562
Additions	-	998	998
31 December 2016	2,626	4,934	7,560
Accumulated amortisation			
1 January 2015	1,177	1,473	2,650
Amortisation for the year	263	605	868
31 December 2015	1,440	2,078	3,518
Amortisation for the year	263	766	1,029
31 December 2016	1,703	2,844	4,547
Net book value			
31 December 2015	1,186	1,858	3,044
31 December 2016	923	2,090	3,013

(Unit: Thousand Baht)

	Separate financial statements		
	Licenses	Computer softwares	Total
Cost			
1 January 2015	2,626	2,101	4,727
Additions	-	631	631
31 December 2015	2,626	2,732	5,358
Additions	-	738	738
31 December 2016	2,626	3,470	6,096
Accumulated amortisation			
1 January 2015	1,177	890	2,067
Amortisation for the year	263	418	681
31 December 2015	1,440	1,308	2,748
Amortisation for the year	263	561	824
31 December 2016	1,703	1,869	3,572
Net book value			
31 December 2015	1,186	1,424	2,610
31 December 2016	923	1,601	2,524

17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2016	2015	2016	2015
Trade accounts payable - related parties	-	-	228	381
Trade accounts payable - unrelated parties	44,456	31,156	28,049	22,476
Accrued expenses- related parties	4,561	4,076	4,354	3,982
Accrued expenses- unrelated parties	11,823	7,262	8,052	5,733
Other payables	5,192	6,227	3,868	5,260
Total	66,032	48,721	44,551	37,832

18. Long-term loan

(Unit: Thousand Baht)			
Consolidated and Separate			
financial statements			
Interest rate	Repayment	31 December	31 December
(% per annum)		2016	2015
MLR - 1	Monthly installments as from		
	15 January 2017	16,277	-
Less: Current portion		(2,856)	-
Long-term loan, net of current portion		13,421	-

The long-term loan of the Company is secured by the mortgage of land and construction of the Company.

19. Liabilities under hire purchase and finance lease agreements

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	December	December	December	December
	2016	2015	2016	2015
Liabilities under hire purchase and				
finance lease agreements	3,628	5,950	2,946	5,415
Less: Deferred interest expenses	(211)	(573)	(157)	(533)
Total	3,417	5,377	2,789	4,882
Less: Current portion	(2,621)	(2,264)	(2,362)	(2,094)
Liabilities under hire purchase and finance				
lease agreements - net of current portion	796	3,113	427	2,788

The Company and its subsidiaries has entered into the hire purchase and finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 5 years.

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	31 December 2016					
	Consolidated			Separate		
	financial statements			financial statements		
	Less than			Less than		
	1 year	1 - 4 years	Total	1 year	1 - 4 years	Total
Future minimum lease payments	2,801	827	3,628	2,511	434	2,946
Deferred interest expenses	(180)	(31)	(211)	(149)	(7)	(157)
Present value of future minimum						
lease payments	2,621	796	3,417	2,362	427	2,789

(Unit: Thousand Baht)

	31 December 2015					
	Consolidated			Separate		
	financial statements			financial statements		
	Less than 1 year	1 - 4 years	Total	Less than 1 year	1 - 4 years	Total
Future minimum lease payments	2,663	3,287	5,950	2,470	2,945	5,415
Deferred interest expenses	(399)	(174)	(573)	(376)	(157)	(533)
Present value of future minimum lease payments	<u>2,264</u>	<u>3,113</u>	<u>5,377</u>	<u>2,094</u>	<u>2,788</u>	<u>4,882</u>

20. Provision for long-term employee benefits

As at 31 December 2016 and 2015, provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Provision for long-term employee benefits at beginning of year	11,393	10,060	9,507	8,395
Included in profit or loss:				
Current service cost	864	814	679	679
Interest cost	585	519	444	433
Included in other comprehensive income:				
Actuarial loss arising from				
Demographic assumptions changes	(363)	-	(294)	-
Financial assumptions changes	504	-	439	-
Experience adjustments	1,916	-	1,540	-
Provision for long-term employee benefits at end of year	<u>14,899</u>	<u>11,393</u>	<u>12,315</u>	<u>9,507</u>

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Cost of sales	171	158	141	134
Selling and administrative expenses	1,278	1,175	982	978
Total expenses recognised in profit or loss	<u>1,449</u>	<u>1,333</u>	<u>1,123</u>	<u>1,112</u>

As at 31 December 2016, the weighted average duration of the liabilities for long-term employee benefit is between 14 and 24 years (the Company only: 14 years) 2015: between 27 and 29 years (the Company only: 27 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		(Unit: percent per annum) Separate financial statements	
	2016	2015	2016	2015
Discount rate	2.62 - 3.55	4.77 - 4.79	2.62 - 3.40	4.77 - 4.79
Salary increase rate	8.51	10.23	8.51	10.23
Turnover rate	0 - 50	0 - 67	0 - 50	0 - 67

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2016 are summarised below:

	(Unit: Thousand Baht) As at 31 December 2016			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(732)	781	(608)	650
Salary increase rate	728	(690)	606	(575)
Turnover rate	(790)	192	(656)	159

21. Share capital

On 30 March 2015, the Company registered the increase in the Company's registered share capital from Baht 100,000,000 to Baht 195,000,000 through the issuance of 190,000,000 new ordinary shares with a par value of Baht 0.50 per share to be allocated as follows:

- Allotment of total 60,000,000 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 3 - 10 April 2015. The Company received the payments on 9 - 16 April 2015 and registered the change of issued and paid-up share capital from Baht 100,000,000 to Baht 121,500,000 with the Ministry of Commerce on 20 April 2015.
- Allotment of total 130,000,000 shares to reserve for the exercise of rights by warrant holders No.1 (FVC-W1).

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 7,525,850. The Company registered the change of issued and paid-up share capital from Baht 121,500,000 to Baht 129,025,850 with the Ministry of Commerce on 11 December 2015.

On 13 May 2016, the Company registered the decrease in the Company's registered share capital from Baht 195,000,000 to Baht 182,249,733 by cancelling the 25,500,534 unallocated registered ordinary shares with a par value of Baht 0.50 per share. And on 16 May 2016, the Company registered the increase in the Company's registered share capital from Baht 182,249,733 to Baht 182,749,733 through the issuance of 1,000,000 new ordinary shares with a par value of Baht 0.50 per share.

In November 2016, the holders of the warrants exercised the rights to purchase the Company common shares in the amount of 50,371,074 shares at par value Baht 0.50 totaling Baht 25,185,537. The Company registered the change of issued and paid-up share capital from Baht 129,025,850 to Baht 154,211,387 with the Ministry of Commerce on 9 December 2016.

Reconciliation of share capital

	Consolidated and Separate financial statements			
	2016	2016	2015	2015
	(Number of share)	(Baht)	(Number of share)	(Baht)
<u>Registered share capital</u>				
At beginning of year	390,000,000	195,000,000	200,000,000	100,000,000
Increase share capital	1,000,000	500,000	190,000,000	95,000,000
Decrease share capital	(25,500,534)	(12,750,267)	-	-
At end of year	365,499,466	182,749,733	390,000,000	195,000,000
<u>Issued and paid-up share capital</u>				
At beginning of year	258,051,700	129,025,850	200,000,000	100,000,000
Increase from increasing share capital	-	-	43,000,000	21,500,000
Conversion of warrants to ordinary shares	50,371,074	25,185,537	15,051,700	7,525,850
At end of year	308,422,774	154,211,387	258,051,700	129,025,850

22. Warrants

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

Exercise ratio:	1 unit of warrant to 1.003 new ordinary share (2015: 1 unit of warrant to 1 new ordinary share) (the exercise ratio may from time to time be changed in accordance with the adjustment provisions of the warrants).
Exercise price:	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 30 November 2015.

On 19 June 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 30 November 2015, the holders of the warrants exercised 15,051,700 units. As at 31 December 2015, the unexercised warrants were 106,447,766 units.

On 31 May 2016, no warrants were exercised. And on 2 December 2016, the holders of the warrants exercised 50,220,417 units. As at 31 December 2016, the unexercised warrants were 56,227,349 units.

Reconciliation of number of FVC-W1 warrants

	(Unit: Units)	
	Consolidated and Separate financial statements	
	2016	2015
Number of warrants at the beginning of year	106,447,766	121,499,466
Exercised during the year (Note 21)	(50,220,417)	(15,051,700)
Number of warrants at the end of year	56,227,349	106,447,766

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

24. Expenses by nature

Significant expenses by nature for the years ended 31 December 2016 and 2015 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Salary and wages and other employee benefits	71,892	60,476	51,570	44,970
Directors and management's benefits	25,657	23,438	21,827	20,386
Subcontract service fee	10,087	14,003	7,552	1,383
Depreciation and amortisation	8,671	6,630	6,278	5,052
Purchases of goods	255,177	219,758	185,756	189,833
Changes in finished goods and work in process	(11,222)	(17,211)	(6,086)	(18,063)

25. Income tax

Income tax expense for the years ended 31 December 2016 and 2015 is made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Current income tax:				
Corporate income tax charge	3,739	4,050	3,599	4,050
Deferred tax:				
Relating to origination and reversal of temporary differences	(409)	(1,078)	(353)	(140)
Income tax expenses reported in the statement of comprehensive income	3,330	2,972	3,246	3,910

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2016 and 2015 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Deferred tax on actuarial loss	(411)	-	(337)	-
	(411)	-	(337)	-

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2016 and 2015 can be presented as follows.

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Accounting profit before tax	15,349	15,617	16,758	19,769
Applicable tax rates	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	3,070	3,123	3,352	3,954
Tax effect of intercompany transactions	145	(18)	-	-
Effects of:				
Non-deductible expenses	648	1,061	342	213
Additional expense deductions allowed	(124)	(117)	(94)	(117)
Total	524	944	248	96
Unused tax losses expected to be utilised in the future	(409)	(1,077)	(354)	(140)
Income tax expenses reported in the statement of comprehensive income	3,330	2,972	3,246	3,910

The components of deferred tax assets and deferred tax liabilities as at 31 December 2016 and 2015 are as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Deferred tax assets				
Allowance for doubtful accounts	922	1,090	14	48
Allowance for diminution in value of inventories	189	180	133	125
Provision for long-term employee benefits	2,980	2,279	2,463	1,746
Unused tax losses	570	297	-	-
Others	143	92	-	-
Total	4,804	3,938	2,610	1,919
Deferred tax liabilities				
Receivables from financial lease agreements	(1,159)	(1,113)	-	-
Total	(1,159)	(1,113)	-	-
Deferred tax assets - net	3,645	2,825	2,610	1,919

As at 31 December 2016, the Company and its subsidiaries have unused tax losses totaling Baht 4.3 million (2015 Baht 4.1 million), the Company only: Nil (2015: Nil), on which deferred tax assets have not been recognised as the Company believes future taxable profit may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

26. 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 ordinary shares in issue during the year.

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

The following table sets forth the computation of basic earnings per share and diluted earnings per share:

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	12,313	12,998	262,568	232,820	0.05	0.06
Effect of dilutive potential ordinary shares						
Warrants	-	-	46,248	87,641		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	12,313	12,998	308,816	320,461	0.04	0.04

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	13,513	15,860	262,568	232,820	0.05	0.07
Effect of dilutive potential ordinary shares						
Warrants	-	-	46,248	87,641		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>13,513</u>	<u>15,860</u>	<u>308,816</u>	<u>320,461</u>	0.04	0.05

27. 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 decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have three reportable segments as follows:

- Sales and provide service for pure water treatment system to industrial and original equipment manufacturing of water system
- Sales and provide service for pure water treatment system to commercial and residential
- Sales and provide service for medical service

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2016 and 2015, respectively.

(Unit: Million Baht)

	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	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues from external customers	98	75	209	212	88	78	-	-	395	365
Inter-segment revenues	8	5	-	-	2	-	(10)	(5)	-	-
Total revenue	106	80	209	212	90	78	(10)	(5)	395	365
Profit from operation segments	34	28	59	61	19	13	-	-	112	102
Unallocated income and expenses:										
Revenues from financial lease agreements and installment sales									2	1
Other income									1	2
Selling expenses									(23)	(18)
Administrative expenses									(75)	(70)
Finance cost									(2)	(1)
Income tax expense									(3)	(3)
Profit for the year									12	13
Other comprehensive income - net of income tax									(2)	-
Total comprehensive income for the year									10	13

The segment assets of the Company and its subsidiaries as at 31 December 2016 and 2015 are as follows:

(Unit: Million Baht)

	Sales and services of industrial and original equipment manufacturing		Sales and services of medical service segment		Eliminated		Consolidated financial statements	
	2016	2015	2016	2015	2016	2015	2016	2015
Property, plant and equipment	101	102	14	9	(1)	(1)	114	110
Other assets							353	297
Total assets							467	407

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

Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2016, the Company and its subsidiaries have revenue from one major customer in amount of Baht 45 Million, arising from sales and services of commercial and residential segment (2015: Baht 39 Million derived from one major customer, arising from sales services of commercial and residential segment).

28. Dividend payments

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends for the year 2015	Annual General Meeting of the shareholders on 29 April 2016	12,903	0.0500
Dividends for the year 2014	Annual General Meeting of the shareholders on 27 April 2015	8,400	0.0042

29. Distributor 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 authorised 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.

30. Provident fund

The Company and its employees have joined as members of Provident Fund of Siam Commercial Master Fund, which is a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of between 2% and 5% of basic salary. The fund, which is managed by SCB Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2016 amounting to approximately Baht 1.6 Million (2015: Baht 1.4 million), the Company only: Baht 1.3 Million, 2015: Baht 1.2 Million) were recognised as expenses.

31. Commitments and contingent liabilities**31.1 Operating lease commitments**

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of motor vehicles, equipment and warehouses. The terms of the agreements are generally between 1 and 5 years.

As at 31 December 2016 and 2015, future minimum lease payments required under these non-cancellable operating leases and services agreements were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Payable				
in up to 1 year	9.5	7.0	6.8	5.6
in over 1 and up to 5 years	11.8	5.7	8.3	4.6

31.2 Subcontracted work commitments

As at 31 December 2016, the Company and its subsidiaries had outstanding commitments in respect of subcontracted work of Baht 1.1 Million (2015: Nil).

31.3 Guarantees

As at 31 December 2016, the Company and its subsidiaries have outstanding bank guarantees regarding to guarantee of contractual performance totalling of approximately Baht 8.1 Million (2015: Baht 6.9 Million) (the Company only: Baht 5.4 Million, 2015: Baht 4.0 Million) issued by bank on behalf of the Company in respect of certain performance bonds as required in the normal course of business of the Company.

32. Fair value hierarchy

As at 31 December 2016 and 2015, the Company had the assets that were disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Separate Financial Statements			
	31 December 2016 and 2015			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	20	-	20

33. Financial instruments

33.1 Financial risk management

Financial instruments of the Company and its subsidiaries, as defined under Thai Accounting Standard No.107 “Financial Instruments: Disclosure and Presentations”, principally comprise cash and cash equivalents, trade and other receivables, loans, investments, trade and other payables, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The management manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables, and loans as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries’ exposure to interest rate risk relates primarily to their deposits at financial institutions, loans, bank overdrafts, short-term and long-term borrowings. Most of financial assets and liabilities of the Company and its subsidiaries bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rate are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2016						
Consolidated financial statements						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial Assets						
Cash and cash equivalents	68	-	-	-	68	0.25 - 0.375
Trade and other receivables	-	-	-	92	92	-
Receivables from financial lease agreements and installment sales	6	18	-	-	24	MOR, MLR-1
Restricted bank deposits	-	12	-	-	12	0.85 - 1.35
	<u>74</u>	<u>30</u>	<u>-</u>	<u>92</u>	<u>196</u>	
Financial liabilities						
Trade and other payables	-	-	-	66	66	-
Long-term loans	-	-	16	-	16	MLR-1
Liabilities under hire purchase and finance lease agreements	3	1	-	-	4	5.21 - 14.36
	<u>3</u>	<u>1</u>	<u>16</u>	<u>66</u>	<u>86</u>	

(Unit: Million Baht)

As at 31 December 2016						
Separate financial statements						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial Assets						
Cash and cash equivalents	55	-	-	-	55	0.25 - 0.375
Trade and other receivables	-	-	-	61	61	-
Receivables from installment sales	4	11	-	-	15	MLR-1
Short-term loans to related parties	37	-	-	-	37	1.15 - 5.275
Restricted bank deposits	-	7	-	-	7	1.15 - 1.35
	<u>96</u>	<u>18</u>	<u>-</u>	<u>61</u>	<u>175</u>	
Financial liabilities						
Trade and other payables	-	-	-	45	45	-
Long-term loans	-	-	16	-	16	MLR - 1
Liabilities under hire purchase and finance lease agreements	2	-	-	-	2	6.76 - 14.36
	<u>2</u>	<u>-</u>	<u>16</u>	<u>45</u>	<u>63</u>	

(Unit: Million Baht)

As at 31 December 2015						
Consolidated financial statements						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial Assets						
Cash and cash equivalents	45	-	-	-	45	0.37 - 1.80
Current investment	1	-	-	-	1	1.25
Trade and other receivables	-	-	-	74	74	-
Receivables from financial lease agreements and installment sales	6	16	-	-	22	MOR, MLR - 1
Restricted bank deposits	-	12	-	-	12	0.85 - 1.75
	52	28	-	74	154	
Financial liabilities						
Trade and other payables	-	-	-	49	49	-
Liabilities under hire purchase and finance lease agreements	2	3	-	-	5	4.29 - 14.36
	2	3	-	49	54	

(Unit: Million Baht)

	As at 31 December 2015					
	Separate financial statements					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial Assets						
Cash and cash equivalents	28	-	-	-	28	0.38
Current investment	1	-	-	-	1	1.25
Trade and other receivables	-	-	-	55	55	-
Receivables from installment sales	3	11	-	-	14	MLR - 1
Short-term loans to related parties	27	-	-	-	27	1.50 -1.75
Restricted bank deposits	-	7	-	-	7	1.35 - 1.75
	59	18	-	55	132	
Financial liabilities						
Trade and other payables	-	-	-	38	38	-
Liabilities under hire purchase and finance lease agreements	2	3	-	-	5	4.29 - 14.36
	2	3	-	38	43	

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2016 and 2015 are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets as at		Financial liabilities as at		Average exchange rate as at	
	2016	2015	2016	2015	2016	2015
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	88	60	355	471	35.7843	36.0022
Pound Sterling	-	-	3	17	44.4775	53.9343
Euro	-	-	179	3	38.1362	39.7995
Separate financial statements						
Foreign currency	Financial assets as at		Financial liabilities as at		Average exchange rate as at	
	2016	2015	2016	2015	2016	2015
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	88	60	355	471	35.7843	36.0022
Pound Sterling	-	-	3	17	44.4775	53.9343
Euro	-	-	93	3	38.1362	39.7995

There was no foreign exchange contracts outstanding at 31 December 2016.

Foreign exchange contracts outstanding at 31 December 2015 are summarised below:

31 December 2015				
Foreign currency	Bought	Sold	Contractual exchange rate	
	amount	amount	Bought	Sold
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.50	-	35.8835 - 36.3051	-

33.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

34. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2016, debt-to-equity ratio of the Company and its subsidiaries was 0.30:1 (2015: 0.21:1) and the Company's was 0.23:1 (2015: 0.17:1).

35. Events after the reporting period

On 23 February 2017, a meeting of the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2017, to propose the Meeting for approval the following significant matters.

- (a) To approve a decrease in the Company's registered share capital from Baht 182,749,733 to Baht 182,409,403 by cancelling the 680,660 unallocated registered ordinary shares with a par value of Baht 0.50 per share.
- (b) To approve an increase in the Company's registered share capital from Baht 182,409,403 to Baht 340,034,994 through the issuance of 315,251,182 new ordinary shares with a par value of Baht 0.50 per share.
- (c) To approve the allocation of 315,251,182 newly issued ordinary shares as follows.
 - (1) Up to 154,211,387 ordinary shares to be reserved for the existing shareholders who exercise their right to subscribe the newly issued ordinary shares (Rights Offering).
 - (2) Up to 138,790,248 ordinary shares to be reserved for the exercise of Warrant No. 2 (FVC - W2), which will be issued to the existing shareholders who exercise their right to subscribe to the newly issued ordinary shares (Rights Offering).
 - (3) Up to 22,249,547 ordinary shares to be reserved for the change in the exercise ratio of the Warrant No. 1 (FVC - W1).
- (d) To approve the issuance of not more than 138,790,248 warrants to purchase the Company's ordinary shares (FVC - W2), to be allocated to the existing shareholders who exercise their rights to subscribe to the newly issued ordinary shares (Rights Offering).
- (e) To approve a dividend payment of Baht 0.022 per share, or a total of Baht 6.8 Million, to the shareholders. Such dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders

36. Reclassifications

Certain amounts in financial statements have been reclassified to conform to the current year's classifications with no effect to previously reported net profit or shareholders' equity as follow:

(Unit: Thousand Baht)

	Consolidated statement of financial position			
	As at 31 December 2015		As at 1 January 2015	
	As reclassified	As previously reported	As reclassified	As brought forward
<u>Current assets</u>				
Trade and other receivables	74,308	-	91,616	-
Trade and other receivables - related parties	-	-	-	91
Trade and other receivables - unrelated parties	-	77,624	-	93,835
Other current assets	4,332	1,016	2,995	685
<u>Current liabilities</u>				
Trade and other payables	48,721	-	48,556	-
Trade and other payables - unrelated parties	-	41,490	-	37,101
Accrued bonus	-	8,224	-	13,151
Other current liabilities	2,419	1,426	2,199	503

(Unit: Thousand Baht)

	Separate statement of financial position			
	As at 31 December 2015		As at 1 January 2015	
	As reclassified	As previously reported	As reclassified	As brought forward
<u>Current assets</u>				
Trade and other receivables	54,572	-	69,532	-
Trade and other receivables - related parties	-	538	-	1,249
Trade and other receivables - unrelated parties	-	55,659	-	68,498
Short-term loans to related parties	26,800	-	27,124	-
Short-term loans and interest receivable to related party	-	27,078	-	27,734
Other current assets	2,678	775	970	145

(Unit: Thousand Baht)

	Separate statement of financial position			
	As at 31 December 2015		As at 1 January 2015	
	As previously			
	As reclassified	reported	As reclassified	As brought forward
<u>Current liabilities</u>				
Trade and other payables	37,832	-	37,884	-
Trade and other payables - related parties	-	381	-	49
Trade and other payables - unrelated parties	-	30,679	-	27,443
Accrued bonus	-	7,336	-	11,573
Other current liabilities	593	29	1,256	75

(Unit: Thousand Baht)

	For the year ended 31 December			
	Consolidated		Separate	
	statement of income		statement of income	
	As previously		As previously	
	As reclassified	reported	As reclassified	reported
<u>Expenses</u>				
Administrative expenses	70,551	46,593	57,613	36,794
Management benefit	-	23,438	-	20,386
Finance cost	1,272	1,792	1,074	1,507

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2017.



FILTER VISION

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