

CREATIVE INNOVATION ORGANIZATION





EASTERN POLYMER GROUP
BUSINESS UNIT



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Message from the Honorary President



“ Eastern Polymer Group PLC is one of the prides and successes in life and my family throughout the past 36 years. ”

Dear Shareholders

Eastern Polymer Group PLC is one of the prides and successes in life and my family. Throughout the past 36 years, the Company has determined to nurture good people, build effective organizations, care for and continue to help societies. These achievements derived from life philosophy I have always taught all family members, that is **“Don’t forget the well digger when you get water to drink from the well”**. More importantly, they must be a person with virtue, honesty, generosity, self-restraint, integrity, unselfishness and sharing. From such philosophy, the company is thriving with stability. Today, EPG has 17 companies both in Thailand and overseas.

I, as founder of Eastern Polymer Group PLC, would like to thank you for entrusting us and for being part of the company as our shareholders. With the best of my confidence, all executives and employees will conduct the business with merit and excellence to achieve sustainable future.

陳修試

Dr. Chen Xiu Shi
Honorary President



Message from the Chairman of the Board



“Our products with premium quality, special properties and differentiated innovation are well accepted by both local and foreign customers.”

Dear Shareholders

The previous year was another year which Eastern Polymer Group Public Company Limited announced its leading position in innovation of polymer and plastic conversion.

Local economic retraction impacts many business sectors in Thailand, including the Company. Nonetheless, the Company Group's diversified businesses in various industries such as construction, automotive and food packaging help mitigating overall impact. In addition, our products with premium quality, special properties and differentiated innovation are well accepted by both local and foreign customers resulting in more market expansion to overseas markets.

With readiness and determination to create sustainable growth, the Company Group has expanded its investments to both local and international territories for steady growth to the Group. In fiscal year ended 2015, the Company Group acquired business in Australia enabling the Company Group to distribute products more effectively, and allowing for expansion of sales channels to other

countries worldwide. This will elevate the company to be the leader in manufacturing and distributing polymer and plastic conversion product in the future.

On this occasion, I, on behalf of the Company, would like to thank all shareholders, stakeholder, executives, and employees for your dedication to create quality products and support to company and grant the company the opportunity to utilize innovation in product development and steps toward being **“The Organization of Creative Innovation”** for a sustainable future.

Mr. Vachara Tuntariyanond

Chairman of the Board and Independent Director



Message from the Chief Executive Officer



“ With strong aspiration to becoming an organization of creative innovation, the Company will continue its commitment to invent new products and technologies in near future. ”

Dear Shareholders

This is the first annual report of the Company group after becoming Public Company, and beginning first securities trading in the Stock Exchange of Thailand on 24th December 2014. I would like to summarize the operational result of the Company during the past year.

In 2014, The economy of Thailand and other countries across the globe experienced quite a bit of volatility. Furthermore, Thailand had encountered several political issues during the first half of the year, which affected the overall Thai economy. Growth rate as measured from GDP was quite low, in comparison to past several years. EPG Group strived to grow in terms of sales and profitability continually, based on the fact that our products play a crucial part in the modern lifestyle, and they are of high quality with own brand distributed to several regions across the globe more than 100 countries. With production facilities located in many countries such as China, USA, Germany and India, this helps to reduce fluctuation and maintain stable business growth.

Throughout its past years of operation, the Company Group has constantly been expanding its business in terms of production, research and distribution channels both local and international markets. This enables us to build a firm

foundation which prepare the business for exponential growth worldwide. Thanks to all the support from our shareholders, EPG has better financial stability which will allow further expansion of business to generate steady and sustainable growth. EPG's recent investments in subsidiaries included the acquisition of large distributor of automotive accessories and parts in Australia under TJM Brand. This is an automotive company with more than 43 years of history and 60 shops under Brand Distribution License across Australia and 8 shops in USA. From the said acquisition, EPG will benefit from sale channels while using them as a base for the development of technology of other products. With strong aspiration to becoming an organization of creative innovation, the Company will continue its commitment to invent new products and technologies in near future.

I would like to thank you all for your ongoing support and for being a shareholder of Eastern Polymer Group.

Dr. Pawat Vitoorapakorn
Chief Executive Officer

Vision

"Creative Innovation Organization"

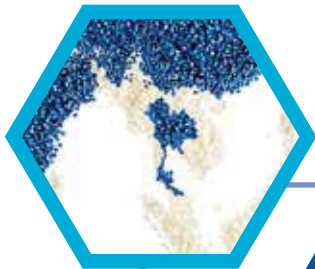
EPG is thriving on innovation by capitalizing various technologies to further infuse creative thinking leading to the development of new qualified products that benefit society for better livelihood.



Mission

"World-Class Premium Polymer and Plastic Converter"

EPG group is technology and innovation leader of polymer and plastic products for construction industry, automotive industry, and plastic packaging for food and beverage industry. With constant investment in R&D, the company is determined to emphasize technology development with perpetual continuation.





Board of Directors



01. Mr. Vachara Tuntariyanond

Chairman of the Board and
Independent Director

02. Dr. Pawat Vitoorapakorn

Vice Chairman and
Director

03. Mr. Chaiwat Atsawintarakun

Chairman of the Audit Committee and
Independent Director

04. Mr. Thanachai Santichaikul

Audit Committee and
Independent Director

05. Mr. Panchai Wattanachai

Audit Committee and
Independent Director



06. Mr. Teerawat Vitoorapakorn

Director

07. Mr. Chumnan Vitoorapakorn

Director

08. Assoc.Prof.Dr. Chalio Vitoorapakorn

Director

09. Mr. Ekawat Vitoorapakorn

Director



Executive Committee



01. Dr. Pawat Vitoorapakorn

Chief Executive Officer and
Managing Director of EIC

02. Mr. Teerawat Vitoorapakorn

Deputy Chief Executive Officer and
Managing Director of EPP

03. Mr. Chumnan Vitoorapakorn

Deputy Chief Executive Officer and
Managing Director of AFC

04. Assoc.Prof.Dr. Chalio Vitoorapakorn

Deputy Chief Executive Officer
of Business Development and
Investment

05. Mr. Ekawat Vitoorapakorn

Deputy Chief Executive Officer
Managing Director of AEROKLAS



06. Mr. Tanawat Vitoorapakorn

Deputy Chief Executive Officer
Managing Director of APT

07. Ms. Rungravee Vitoorapakorn

Deputy Chief Executive Officer (Acting)
of Financial and Accounting

08. Ms. Maliwan Kittiwiriyakarn

Deputy Chief Executive Officer
of Information Technology

09. Mr. Jarintr Warintaraporn

Deputy Chief Executive Officer of
Human Resources (Acting) And
Corporate Secretary



The Profile of Directors



Mr. Vachara Tuntariyanond
Chairman of the Board and
Independent Director

Age : 57 Years

Education

Master of Science in Management Administration,
Northrop University, California, USA

2013 - Present

National Credit Bureau
Independent Director and
Audit Committee member
Big C Supercenter Public Company
Limited

Training background

- Audit Committee and Continuing Development Program (ACP), Class 41/2012, The Thai Institute of Directors Association (IOD)
- Monitoring Fraud Risk Management (MFM), Class 8/2012, Thai Institute of Directors Association (IOD)
- Monitoring the Quality of Financial Reporting (MFR), Class 6/2012, Thai Institute of Directors Association (IOD)
- Monitoring the Internal Audit Function (MIA), Class 13/2012, Thai Institute of Directors Association (IOD)
- Monitoring the System of Internal Control and Risk Management (MIR), Class 13/2012, Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP), Class 94/2007, Thai Institute of Directors Association (IOD)

2010 - Present

Advisor
The Fiscal Policy office,
Ministry of Finance

2009 - Present

Board of Directors
Government Saving Bank

2008 - Present

Advisor
National Power Supply Public
Company Limited

2007 - Present

Advisor
Ace Capital Company Limited

2006 - Present

Advisor
Double A(1991) Public Company
Limited

2010 - 2013

President and CEO
MFC Asset Management Public
Company Limited

2009 - 2011

Advisor
Port of Authority of Thailand
President, Subcommittee to select
foreign fund manager
Social Security Office,
Department of Labor

Working Experience in the 5 preceding years

2013 - Present Chairman of the Board and
Independent Director
Eastern Polymer Group Public
Company Limited

2014 - Present Chairman of the Board and
Risk Management member
Krungthai Asset Management Public
Company Limited

2013 - Present Director and Risk Management member

Holding shares in the company as of 16 June 2015

Ordinary share 1,000,000 shares, 0.036%



Dr. Pawat Vitoorapakorn
Vice Chairman
Director
Chief Executive Officer and
Managing Director of EIC

Age : 64 Years

Education

- Honorary Doctorate of Chemical Engineering, Kasetsart University
- Bachelor Degree of Economics, Kirk University

Training background

- National Researcher Academy (Economic No. SA033)
- Capital Market Academy (CMA), Class 16/2013, Capital Market Academy, 2013.
- Senior Executive Program, Graduate Institute of Business Administration of Chulalongkorn
- Director Accreditation Program (DAP), Class 98/2012, Thai Institute of Directors Association (IOD)

Working Experience in the 5 preceding years

1978 - Present	Chief Executive Officer and Director Eastern Polymer Group Public Company Limited
2014 - Present	Director Aeroklas USA Inc.
2014 - Present	Director ALP Aeroflex India Private Ltd.
2012 - Present	Director Vitoorapakorn Holding Company Limited
2012 - Present	Director Aeroflex Company Limited
2011 - Present	Director Aeroklas Shanghai Company Limited
2011 - Present	Director Sanki Eastern (Thailand) Company Limited
2011 - Present	Director Aerocel Construction Material (Jiangsu) Company Limited

2009 - Present	Director Eastern Polytech Company Limited
2007 - Present	Director Patton Aero Company Limited
2006 - Present	Managing Director and Director EPG Innovation Center Company Limited
2005 - Present	Director Esco Service Company Limited
2003 - Present	Director Aeroflex USA Company Limited
2001 - Present	Director Eastern Polypack Company Limited
1999 - Present	Director Aeroflex Polymer Technologies (Shanghai) Company Limited
1995 - Present	Director Zeon Advance Polymix Company Limited
1995 - Present	Director Tokai Eastern Rubber (Thailand) Company Limited
1994 - Present	Director I.P.P.(Thailand) Company Limited
1992 - Present	Director Eastern Syntech Company Limited
1992 - Present	Director Aeroklas Company Limited
1994 - 2014	Director Abric Eastern International Company Limited

Holding shares in the company as of 16 June 2015

Ordinary share 92,400,100 shares, 3.300%



Mr. Chaiwat Atsawintarakun
Chairman of the Audit Committee and
Independent Director

Age : 63 Years

Education

- Master's degree in Business Administration, Thammasat University
- Bachelor's degree in Laws, Ramkhamhaeng University
- Bachelor's degree in Business Administration, Ramkhamhaeng University

Training background

- Master of Education Curriculum and Teaching Methodology (Teaching Chinese as a foreign language), Beijing Language and Cultural University)
- Bachelor of Arts in Chinese Languages (Trade & Economics), Beijing Language and Cultural University
- Director Certification Program (DCP) Course, Class 81/2006, Thai from Institute of Directors Association (IOD)
- Audit Committee and continuing Development Program (ACP), Class 12/2006 Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP), Class 24/2004 Thai Institute of Directors Association (IOD)
- Thailand Bar Association, Institute of Legal Education of the Thai Bar under Royal Patronage

Working Experience in the 5 preceding years

2013 - Present	Chairman of the Audit Committee and Independent Director Eastern Polymer Group Public Company Limited
2013 - Present	Chairman of the Audit Committee and Independent Director Merchant Partners Asset Management Company Limited
2013 - Present	Audit Committee and Independent Director AQ Estate Public Company Limited

2012 - Present	Director Amatara A Destination Spa Company Limited
2010 - Present	Director Ma Trad Company Limited
2007 - Present	Chairman of the Audit Committee and Independent Director Merchant Partners Securities Public Company Limited
2006 - Present	Director Resort Holding Company Limited
2005 - Present	Chairman of the Audit Committee and Independent Director U City Public Company Limited
2005 - Present	Chairman of the Audit Committee and Independent Director Eastern Printing Public Company Limited
2005 - Present	Director Boat House Hua Hin Company Limited
2004 - Present	Chairman of the Audit Committee and Independent Director Krungthai Car Rent & Lease Public Company Limited
2004 - Present	Director Andaman Long Beach Resort Company Limited
2003 - Present	Chairman of the Audit Committee and Independent Director Syntec Construction Public Company Limited
1997 - Present	Executive Partner and Director Property Consulting Company Limited

Holding shares in the company as of 16 June 2015
- None -



Mr. Thanachai Santichaikul
Audit Committee and
Independent Director

Age : 61 Years

Education

- Master's degree in Business Administration, Thammasart University
- Bachelor's degree in Accountancy (Cost Accounting) Chulalongkorn University
- Advanced Certificate Course in Financial Audit, Chulalongkorn University

Training background

- Graduate Diploma in Politics and Governance in Democratic Systems for Executives Course, Class 11/King, Prajadhipok's Institute
- Capital Market Academy Leadership Program (CMA) Class 1/2005
- Directors Certification Program (DCP) Class 18/2002, Thai Institute of Director Association (IOD)

Working Experience in the 5 preceding years

2013 - Present	Audit Committee and Independent Director Eastern Polymer Group Public Company Limited
2013 - Present	Audit Committee and Independent Director LCD Public Company Limited
2013 - Present	Chairman of the Audit Committee and Independent Director M Pictures Entertainment Public Company Limited
2012 - Present	Audit Committee Chulalongkorn University
2012 - Present	Executive Director TPN Media Company Limited
2012 - Present	Advisor VIV Interchem Company Limited

2012 - Present	Advisor The Majestic Creek Country Club Company Limited
2012 - Present	Director Chulabook of Chulalongkorn University
2012 - Present	Advisor Printing and Paper Packing Industry Group of The Federation of Thai Industry
2012 - Present	Director Federation of Accounting Professions of Thailand
2012 - Present	Advisor The faculty of Commerce and Accountancy of Chulalongkorn University Alumni Association
2010 - Present	Advisor Thai Printing Association
2007 - Present	Advisor The Publishers and Booksellers Association of Thailand
2012 - 2014	Advisor Thai Edible Oil Company Limited
1979 - 2012	Chief Executive Officer Nation Multimedia Group Plc.
2008 - 2011	Director Chulalongkorn University Alumni Association Under The Patronage of His Majesty the King
2008 - 2011	Director Faculty of Commerce and accountancy of Chulalongkorn University

Holding shares in the company as of 16 June 2015

- None -



Mr. Panchai Wattanachai
Audit Committee and
Independent Director

Age : 63 Years

Education

- Master's degree in Public Administration, Chulalongkorn University
- Bachelor's degree in Laws, Chulalongkorn University

Training background

- Director of Accreditation Program (DAP), SEC/2013, Thai Institute of Directors Association (IOD)
- National Defense course, Private Sector and Politics 2006 from Thailand National Defense College
- High Level Administration course, class 34, Institute of Administration Management, Department of Provincial Administration, Ministry of Interior
- Sheriff School of 32, Institute of Administration Management, Department of Provincial Administration, Ministry of Interior

Working Experience in the 5 preceding years

- | | |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2013 - Present | Audit Committee and Independent Director
Eastern Polymer Group Public Company Limited |
| 2012 - Present | Advisor, Institute of promotion and development of Pid Thong Lang Pra (to do good without ostentation) activities under the guidance of her majesty the King |

2012 - Present

Subcommittee, population and development public health committee, Senate

2011 - Present

Subcommittee, government service for provincial and regional development committee, Office of the Public Sector Development Commission; Office of Prime Minister Committee, Policy Committee Nomination Thai Public Broadcasting Service

2012

Recruitment Subcommittee, National Identity and Outstanding Project Committee

2011 - 2012

Deputy Permanent Secretaries to the Office of the Prime Minister, Office of the Permanent Secretary; Prime Minister Office

2011 - 2012

Inspector General, Office of the Permanent Secretary; Prime Minister Office

2005 - 2011

Holding shares in the company as of 16 June 2015

- None -



Mr. Teerawat Vitoorapakorn
 Director
 Deputy Chief Executive officer and
 Managing Director EPP

Age : 56 Years

Education

- Master of Business Administration Chulalongkorn University
- Bachelor of Economics Program in Economics, Kasetsart University

Training background

- Director Accreditation Program (DAP), 94/2012 Thai Institute of Directors Association (IOD)

Working Experience in the 5 preceding years

1991 - Present	Director and Deputy Chief Executive officer Eastern Polymer Group Public Company Limited
2012 - Present	Director Vitoorapakorn Holding Company Limited
2012 - Present	Director Aeroflex Company Limited
2010 - Present	Director Eastern Polytech Company Limited
2007 - Present	Director FOUR-S (2007) Company Limited
2007 - Present	Managing Partner V.R.S. Service Limited Partnership
2006 - Present	Director EPG Innovation Center Company Limited

2005 - Present	Director Esco Service Company Limited
2001 - Present	Managing Director and Director Eastern Polypack Company Limited
1999 - Present	Director Aeroflex Polymer Technologies (Shanghai) Company Limited
1999 - Present	Associate Judge, the Central Intellectual Property and International Trade Court
1997 - Present	Deputy Secretary, Employers' Confederation of Thailand
1994 - Present	Director I.P.P.(Thailand) Company Limited
1992 - Present	Director Eastern Syntech Company Limited
1992 - Present	Director Aeroklas Company Limited
1994 - 2014	Director Abric Eastern International Company Limited

Holding shares in the company as of 16 June 2015

Ordinary share 63,000,100 shares, 2.250 %



Mr. Chumnant Vitoorapakorn
 Director
 Deputy Chief Executive Officer and
 Managing Director of AFC

Age : 54 Years

Education

- Master's degree in Business Administration, Chulalongkorn University
- Bachelor's degree in Faculty of Science, Chulalongkorn University

Training Background

- Director Accreditation Program (DAP), Class 94/2012, Thai Institute of Directors Association (IOD)

Working Experience in the 5 preceding years

1992 - Present	Director and Deputy Chief Executive Officer Eastern Polymer Group Public Company Limited
2013 - Present	Director Talis Tech Company Limited
2013 - Present	Director APS Company Limited
2012 - Present	Managing Director and Director Aeroflex Company Limited
2012 - Present	Director Vitoorapakorn Holding Company Limited
2011 - Present	Director Sanki Eastern (Thailand) Company Limited
2011 - Present	Director Aeroklas Shanghai Company Limited
2009 - Present	Managing Director and Director Eastern Polytech Company Limited

2006 - Present	Deputy Managing Director and Director EPG Innovation Center Company Limited
2005 - Present	Director Esco Service Company Limited
2001 - Present	Director Eastern Polypack Company Limited
1999 - Present	Director Aeroflex Polymer Technologies (Shanghai) Company Limited
1996 - Present	Director Hayakawa Eastern Rubber Company Limited
1995 - Present	Director Zeon Advanced Polymix Company Limited
1995 - Present	Director Tokai Eastern Rubber (Thailand) Company Limited
1994 - Present	Director I.P.P.(Thailand) Company Limited
1992 - Present	Director Eastern Syntech Company Limited
1992 - Present	Director Aeroklas Company Limited
1994 - 2014	Director Abric Eastern International Company Limited

Holding shares in the company as of 16 June 2015

Ordinary share 58,800,000 shares, 2.100%



Assoc.Prof.Dr Chalio Vitoorapakorn
Director
Deputy Chief Executive Officer
of Business Development
and Investment

Age : 52 Years

Education

- Associate Professor in Business Administration California University, Los Angeles, USA
- Doctor of Business Administration, International American University USA
- Doctor of Philosophy in Public Administration, California University USA
- M.D.A. Kasetsart University
- B.B.A. Bangkok University

Training Background

- IR Professional Certification Program (IR2/2013), Federation of Accounting Professional
- Security Connection Development of Executive Version 2, Internal Security Operations
- Corporate Governance for Committee and Chief Executive of State Enterprise and Public Organization (PDI Course), King Prajadhipok's Institute
- Director Certification Program - DCP 117/2009, Thai Institute of Directors Association (IOD)
- Financial Statement for Director - FSD 5/2009, Thai Institute of Directors Association (IOD)
- Role of the Compensation Committee - RCC 8/2009, Thai Institute of Directors Association (IOD)
- Successful Formulation & Execution of Strategy - SFE 5/2009, Thai Institute of Directors Association (IOD)

Working Experience in the 5 preceding years

- 1992 - Present Director and Deputy Chief Executive Officer of Business Development and Investment
 Eastern Polymer Group Public Company Limited
- 2013 - Present National researchers
 (Code Researchers: NU 327)

- 2013 - Present Director
 Academic Committee of California University, USA (Thailand)
- 2012 - Present Director
 Vitoorapakorn Holding Company Limited
- 2012 - Present Director
 Aeroflex Company Limited
- 2009 - Present Director
 Eastern Polytech Company Limited
- 2006 - Present Director
 Patton Aero Company Limited
- 2006 - Present Director
 EPG Innovation Center Company Limited
- 2005 - Present Director
 Esco Service Company Limited
- 2001 - Present Director
 Eastern Polypack Company Limited
- 1999 - Present Director
 Aeroflex Polymer Technologies (Shanghai) Company Limited
- 1994 - Present Director
 I.P.P. (Thailand) Company Limited
- 1994 - Present Managing Director and Director
 Dinamic Eastern Garment Company Limited
- 1992 - Present Managing Director and Director
 Eastern Syntech Company Limited
- 1992 - Present Director
 Aeroklas Company Limited
- 1994 - 2014 Director
 Abric Eastern International Company Limited

Holding shares in the company as of 16 June 2015

Ordinary share 54,600,000 Shares ,1.950%



Mr. Ekawat Vitoorapakorn

Director

Deputy Chief Executive Officer

Managing Director of AEROKLAS

Age : 50 Years

Education

- Master's degree in Administration International, University of Dallas
- Bachelor's degree in Marketing, Bangkok University

Training Background

- Director Accreditation Program (DAP), Class106/2013, Thai Institute of Director Association (IOD)

Working Experience in the 5 preceding years

1992 - Present	Director and Deputy Chief Executive Officer Eastern Polymer Group Public Company Limited
2012 - Present	Director Vitoorapakorn Holding Company Limited
2012 - Present	Director Aeroflex Company Limited
2011 - Present	Director Aeroklas Shanghai Company Limited
2011 - Present	Director Faraero Oto, Santic A.S.
2009 - Present	Director Eastern Polytech Company Limited

2006 - Present	Executive Vice President and Director EPG Innovation Center Company Limited
2005 - Present	Director Esco Service Company Limited
2001 - Present	Director Eastern Polypack Company Limited
1999 - Present	Director Aeroflex Polymer Technologies (Shanghai) Company Limited
1994 - Present	Director I.P.P. (Thailand) Company Limited
1992 - Present	Director Eastern Syntech Company Limited
1992 - Present	Managing Director and Director Aeroklas Company Limited
1994 - 2014	Director Abric Eastern International Company Limited

Holding shares in the company as of 16 June 2015

Ordinary share 50,400,000 Shares, 1.800%



Mr. Tanawat Vitoorapakorn Age : 42 Years
Deputy Chief Executive Officer
Managing Director of APT

Education

- Master's degree in Business Administration, Kasetsart University
- Bachelor's degree in Business Administration, Bangkok University

Working Experience in the 5 preceding years

1992 - Present	Deputy Chief Executive Officer Eastern Polymer Group Public Company Limited
2013 - Present	Director APS Company Limited
2012 - Present	Director Vitoorapakorn Holding Company Limited
2012 - Present	Deputy Managing Director and Director Aeroflex Company Limited
2011 - Present	Director Aerocel Construction Material (Jiangsu) Company Limited
2011 - Present	Director Aeroklas Shanghai Company Limited
2010 - Present	Director Eastern Polytech Company Limited
1999 - Present	Managing Director and Director Aeroflex Polymer Technologies (Shanghai) Company Limited

Holding shares in the company as of 16 June 2015

Ordinary share 29,400,000 Shares, 1.050%



Ms. Maliwan Kittiwiriyakarn Age : 49 Years
Deputy Chief Executive Officer
of Information Technology

Education

- Master's degree in Business Administration - Finance and Banking, Sripatum University
- Bachelor's degree in Management of Information System, Chulalongkorn University
- Bachelor's degree in Science, Statistics, and Computer, Ramkhamhaeng University

Training Background

- Director Accreditation Program (DAP) Class SEC/2013 from Thai Institute of Directors Association (IOD)
- Development of Energy Management System in compliance with Ministerial Regulation and ISO 50001:2011, 2555, by Dr. Somchai Dechapanitkul
- Energy Management System Internal Auditor, Mahidol University, 2011
- Internal Assessment ISO14001/TIS/OHSAS 18001, 2006

Working Experience in the 5 preceding years

1993 - Present	Deputy Chief Executive Officer of Information Technology Eastern Polymer Group Public Company Limited
1987 - 1993	Sales Manager and System Development CH Inter Computer Co., Ltd

Holding shares in the company as of 16 June 2015

- None -



Mr. Jarintr Warintaraporn Age : 57 Years
Deputy Chief Executive Officer of
Human Resources (Acting) and Corporate Secretary

Education

- Master's degree in Business Administration, Chulalongkorn University
- Bachelor's degree in Economics of Money and Banking, Thammasat University

Training Background

- "How Directors Create Value to The Company", Thai Institute of Directors Association (IOD), 2015
- Technical writing for important documents as required by Labor law for effective human resource management, The committee for improvement of legal knowledge of Labor law and Labor Welfare, 2013
- Guidelines after the Approval of Investment Promotion, Investor Club Association, 2013
- Draft for the amendment of new Labor Protection Act, Employers' Confederation of Thailand, 2015
- Learning and Operational workshop on critical issues regarding human capital management in the organization, Sripatum University, 2015

Working Experience in the 5 preceding years

1995 - Present	Deputy Chief Executive Officer of Human Resources (Acting) Eastern Polymer Group Public Company Limited
2015 - Present	Corporate Secretary Eastern Polymer Group Public Company Limited
2000 - Present	Deputy Managing Director IPP (Thailand) Company Limited
1996 - Present	Director Hayakawa Eastern Rubber Company Limited

Holding shares in the company as of 16 June 2015

- None -



Ms. Rungravee Vitoorapakorn Age : 45 Years
Deputy Chief Executive Officer (Acting) of
Financial and Accounting

Education

- Master's degree in Business Administration with concentration on Finance, Kasetsart University,
- Master's degree in Business Administration with concentration on International Business, Saginaw Valley State University, MI, USA,
- Bachelor's degree in Business Administration with concentration on Finance, Bangkok University,

Training Background

- Director Certification Program - DCP 98/2013, Thai Institute of Directors Association (IOD)
- Micro Master of Tax Administration (Class 26/2010) By Bangkok Training Center.
- "Operating Accountant" Program, by The Federation of Thai Industries in collaboration with Vocational Education Commission under supervision of Ministry of Education, 2011

Working Experience in the 5 preceding years

1997 - Present	Deputy Chief Executive Officer (Acting) of Financial and Accounting Eastern Polymer Group Public Company Limited
2005 - Present	Director Best Architectural Lighting Company Limited

Holding shares in the company as of 16 June 2015

Ordinary share 14,700,000 shares, 0.525%



General Information

General Information

Company Name	: Eastern Polymer Group Public Company Limited
Stock symbol	: EPG
Registered No.	: 0107556000540
Typed of business	: Holding company investing in plastic conversion business
Website	: www.epg.co.th
Registered capital	: 2,800,000,000 Thai Baht
Paid in Capital	: 2,800,000,000 Thai Baht
	Consists of 2,800,000,000 ordinary shares (as of 16 June 2015)
Group of Industry	: Real Estate and Construction
Business sector	: Construction materials
IPO date	: 24 December 2014
Market Value	: 26,460 Million Baht (as of 16 June 2015)
Members of shareholders	: 3,649 (as of 16 June 2015, the closing date of registration book for participating right in the ordinary shareholders' meeting 2015)
% of shares held by minority shareholders	: 24.96%



Name of Company	Business / Main product	Place of Business Engagement	Telephone	Fax	Type of Share	Paid in capital (Number of Shares : Million)	Paid in capital ^{1/} (Million Baht)	Paid in capital (Million Foreign Currency)	Direct / Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary shares	Ratio (%)	Number of preferred shares	Ratio (%)
Susidiaries of Eastern Polymer Group Public Co., Ltd														
1. Aeroklas Co., Ltd : address 111/1,111/10, Mu 2, Tumbon Makamku, Nikom Pattana, Rayong	Bed liner, Canopy, Automotive parts and accessories	Thailand	02-7443020-30	02-7443032	Ordinary share	180	1,800		100	Eastern Polymer Group Public Co., Ltd	179,999,998	100	-	
2. Eastern Polypack Co., Ltd : address 770 Mu 6 , Teparak road, Teparak, Muang, Samutprakam	Plastic packaging	Thailand	02-7443139	02-3618854	Ordinary share	100	1,000		100	Eastern Polymer Group Public Co., Ltd	99,999,998	100	-	
3. Aeroflex Co., Ltd : address 770 Mu 6 , Teparak road, Teparak, Muang, Samutprakam	Rubber Insulation	Thailand	02-3836599	02-7597147	Ordinary share	6	600		100	Eastern Polymer Group Public Co., Ltd	5,999,998	100	-	
4. EPG Innovation Center Co., Ltd : address 111/1,Mu 2, Tumbon Makamku, Nikom Pattana, Rayong	Research and development, and standard testing	Thailand	038-893599	038-893611	Ordinary share	5	50		100	Eastern Polymer Group Public Co., Ltd	4,999,998	100	-	
5. Aeroflex Polymer Technologies (Shanghai) Co., Ltd No.251-S Min Yi Rd., Song Jiang Industrial District, Shanghai, P.R.China	Insulation, import & export of machineries and chemical materials	China	862-157-680-860	862-157-680-876	Ordinary share	No par value	313.917 (equivalent value)	USD 8.1	100	Eastern Polymer Group Public Co., Ltd	No par value	100	-	
Associated Companies of Eastern Polymer Group Co., Ltd														
6. Zeon Advanced Polymix Co., Ltd : address 111/2 Soi Nikom 13, Mu 2, Tumbon Makamku, Nikom Pattana, Rayong	Rubber compound	Thailand	038-893565	038-893167	Ordinary share	10	100		27	Eastern Polymer Group Public Co., Ltd. Toyota Tusuho (Thailand) Co., Ltd. Zeon Polymix Incorporation Zeon Corporation Toyotsu Chemiplas Corporation	2,700,000 2,400,000 2,000,000 2,000,000 900,000	27 24 20 20 9		

Name of Company	Business / Main product	Place of Business Engagement	Telephone	Fax	Type of Share	Paid in capital (Number of Shares : Million)	Paid in capital ^{1/} (Million Baht)	Paid in capital (Million Foreign Currency)	Direct / Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary shares	Ratio (%)	Number of preferred shares	Ratio (%)
Associated Companies of Eastern Polymer Group Co., Ltd														
7. Tokai Eastern Rubber (Thailand) Co., Ltd :	Anti-vibration rubber parts for automobile and	Thailand	038-893565	038-893167	Ordinary share	1.525 (ordinary share	152.5		20	Sumitomo Riko Co., Ltd. (Previous name : Tokai Rubber Industry Co.,Ltd.)	735,000	49	25,000**	100
Soi Nikom, Tambon Makamku, Nikom Pattana, Rayong	Automotive Fuel Resin Hose					1.5 million preferred share 0.025 million)				Eastern Polymer Group Public Co., Ltd.	450,000	30*		
										Sumipol Corporation Co., Ltd.	135,000	9		
										Toyota Tsusho (Thailand) Co., Ltd.	120,000	8		
										S.E.I. Thai Holding Co., Ltd.	60,000	4		
* Ratio not including preferred stock														
** Preferred share entitles to have voting right and receive dividend 30 times of ordinary share. Every significant agenda must receive votes from shareholder's meeting at least 81.0%.														
Subsidiaries of Aeroflex Co., Ltd														
8. Aeroflex USA Inc. (Shares hold by Aeroflex Co.,Ltd.) : address No.282 Industrial Park Rd., Sweetwater, TN37874 USA	Rubber insulation	USA			Ordinary share	0.02891	395.283 (Equivalent value)	USD 12.0925	100	Aeroflex Co., Ltd.	28,910	100	-	
9. APS Co., Ltd (Shares hold by Aeroflex Co.,Ltd.): address 770 Mu 6 , Teparak road, Teparak, Muang, Samutprakarn	Rubber profile for automobile, machine, building and other application	Thailand	02-3836599	02-7597147	Ordinary share	0.1	3 (30%)		60	Aeroflex Co., Ltd.	60,000	60	-	
										ALP Aeroflex India Private Ltd.	40,000	40		

Name of Company	Business / Main product	Place of Business Engagement	Telephone	Fax	Type of Share	Paid in capital (Number of Shares : Million)	Paid in capital / (Million Baht)	Paid in capital (Million Foreign Currency)	Direct / Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary shares	Ratio (%)	Number of preferred shares	Ratio (%)
Associated Companies of Aeroflex Co., Ltd														
10. Aerocel Construction Materials (Jiangsu) Co., Ltd. : address No.8, Wenhua Rd., Taixing City, Jiangsu, P.R.China	Rubber insulation	China			Ordinary share	No par value	170.268 (Equivalent value)	RMB 35	40	Wincell Insulation Co.,Ltd. (Previous name: China Jiangsu Zhaosheng Bulkdng Materials)	No par value	60	-	-
11. ALP Aeroflex India Private Ltd : address 25/31, Anbros House, East Patel Nagar, Delhi-DL, INDIA 110008	Rubber insulation	India			Ordinary share	17	93.6 (Equivalent value)	INR 170	40	ALP OVERSEAS Private Limited Aeroflex Co., Ltd.	10,200,000 6,800,000	60 40	-	-
12. Aeroflex Europe GmbH Im Lehrer Feld 30 89081 Ulm, Deutschland, Germany	Rubber insulation	Germany			Ordinary share	No par value	114.6 (Equivalent value)	EUR 2.5	40	BAUMANN GMBH Aeroflex Co., Ltd.	No par value	60 40	-	-
Subsidiaries of Aeroklas Co., Ltd														
13. Aeroklas USA Inc (Shares hold by Aeroklas Co.,Ltd.) : address 282Industrial Park Rd.,Sweetwater, TN37874 USA	Assemble and sales of automotive parts and accessories	USA			Ordinary share	0.001	31.924 (Equivalent value)	USD 1	100	Aeroklas Co., Ltd	1,000	100	-	-
14. Aeroklas Australia Pty Ltd. (Shares hold by Aeroklas Co.,Ltd.) : address 1831-1833 Sydney Rd,Campbellfield VIC3061, AUSTRALIA	Assemble and sales of automotive parts and accessories	Australia			Ordinary share	20	514.748 (Equivalent value)	AUD 20	100	Aeroklas Co., Ltd	20,000,000	100	-	-

Name of Company	Business / Main product	Place of Business Engagement	Telephone	Fax	Type of Share	Paid in capital (Number of Shares : Million)	Paid in capital ^{1/} (Million Baht)	Paid in capital (Million Foreign Currency)	Direct / Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary shares	Ratio (%)	Number of preferred shares	Ratio (%)
Subsidiaries of Aeroklas Co., Ltd														
15. Aeroklas (Shanghai) Co., Ltd. (Shares hold by Aeroklas Co., Ltd.) : address No.251-5 Min Yi Rd., Song Jiang Industrial District, Shanghai, P.R.China	Manufacturing of automotive parts and accessories	China			Ordinary share	No par value	124.308 (Equivalent value)	USD 4	100	Aeroklas Co., Ltd	No par value	100	-	-
16. Aeroklas Europe GmbH (Shares hold by Aeroklas Co., Ltd.) : address IM LEHRER 30 89081 ULM DEUTSCHLAND/GERMANY	Assemble and sales of automotive parts and accessories	Germany			Ordinary share	No par value	7.104 (Equivalent value)	EUR 0.2 40%	74.9	Aeroklas Co., Ltd BAUMANN GMBH	No par value	74.9 25.1	-	-
Subsidiaries of Aeroklas Australia Pty. Ltd.														
17. TJM Products Pty. Ltd. (Shares hold by Aeroklas Australia Pty. Ltd.)	Design and sales of automobile accessories for 4x4 and trucks	Australia			Ordinary share	0.445	11.241 (Equivalent value)	AUD 0.44532	100	Aeroklas Australia Pty.Ltd.	445,320	100	-	-
Subsidiaries of TJM Products Pty. Ltd.														
18. TJM Off-Road Products Inc (Shares hold by TJM Products Pty. Ltd.)	Design and sales of automobile accessories for 4x4 and trucks	USA			Ordinary share	0.1	2.39 (Equivalent value)	USD 0.1	100	TJM Products Pty. Ltd.	100,000	100	-	-
19. TJM Shenzhen Ltd. (Shares hold by TJM Products Pty. Ltd.)	Design and sales of automobile accessories for 4x4 and trucks	China			Ordinary share	No par value	50.08 (Equivalent value)	USD 1.865	100	TJM Products Pty. Ltd.	No par value	100	-	-

^{1/}Par value. Not including profit (loss) from investment trading



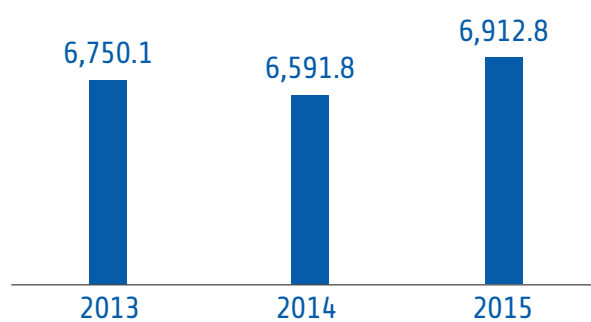
Financial Highlights

Consolidated Financial Highlights (As at 31 th March)	Unit : Baht Million		
	2015	2014	2013
Income Statement			
Revenue from Sales	6,912.8	6,591.8	6,750.1
Cost of Goods Sold	5,094.8	4,870.2	4,923.8
Gross Profit	1,820.3	1,722.1	1,826.4
Selling and Administrative Expenses	1,167.4	1,145.5	1,202.0
Share of Profit from Investments in Associates	229.1	305.7	337.2
Finance Costs	216.1	356.2	239.9
Income Tax	27.8	54.2	63.9
Net Profit	628.2	630.4	787.2
EBITDA*	1,144.7	1,016.7	982.9
EBITDA including Profit Sharing*	1,373.8	1,322.3	1,320.1
<i>*Excluding other revenue / other expenses / gain(loss) from exchange</i>			
Financial Position Statements			
Total Assets	12,000.6	10,898.9	10,686.9
Total Liabilities	3,800.3	7,116.5	7,563.5
Issued and Fully Paid-Up Share Capital	2,800.0	2,100.0	2,100.0
Total Equity	8,200.3	3,782.5	3,123.4
Financial Ratio			
Net Profit (%)	9.1%	9.6%	11.7%
Return on Equity Ratio (%) (ROE)	10.5%	18.3%	20.3%
Return on Assets Ratio (%) (ROA)	5.5%	5.8%	7.2%
Debts to Equity Ratio (time) (D/E)	0.46	1.88	2.42
Ordinary Shares			
Number of Share (Million)	2,800.0	2,100.0	21.0
Par Value (Baht)	1.0	1.0	100.0
Book Value Per Share (Baht)	2.93	1.80	1.49
Earnings Per Share (Baht)	0.27	0.30	0.37

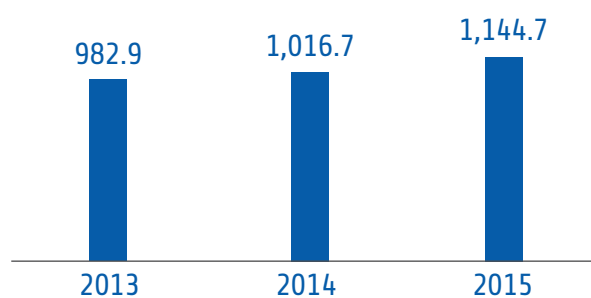
Revenue Portion for the year 2015



Revenue from Sales

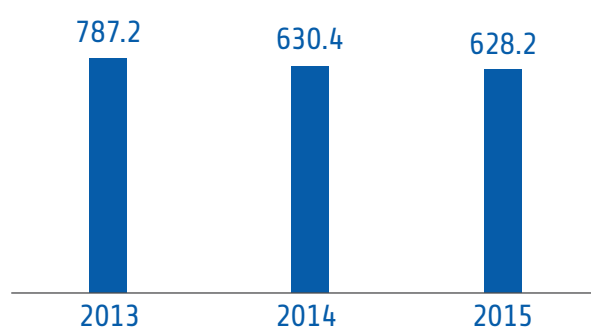


EBITDA*



**Excluding other revenue / other expenses / gain(loss) from exchange*

Net profit



1978



After our success with the manufacturing of fishing equipment and adhesive tape at a small factory in Klongtoey district Chen Xiu Shi and his son, Pawat Vitoorapakorn, set up Eastern Polymer Industry Co., Ltd. on Theparak Road in Samutprakarn province. An office building and standardized factory were constructed for the manufacture of rubber insulation and other equipment.

1989

The Company decided to expand its business into the plastic industry and ordered plastic sheet manufacturing machinery from Japan for molding plastic products.

1995



An agreement was signed to set up a joint-venture with Japanese companies at the IPP industrial estate.

2001



- The plastics business expanded with the acquisition of Thai Modern Plastic Plc, and Eastern Polypack Co., Ltd. Was set up to manufacture and distribute plastic packaging for foods and drinks under the EPP trademark.
- "No drill" technology was developed for the installation of truck's bed liners which was the first of its kind in the world. This technology made installation easier and left the truck body intact.

2003



Aeroflex USA Inc. was set up to invest in a rubber insulation manufacturing plant in Sweetwater, Tennessee, USA.

EPG success stories



1988



Owning to its high quality and continuous development, "Aeroflex" rubber insulation became a trusted brand among businesses both locally and internationally. To cope with the rising demand and popularity, the company decided to invest in a new factory on Theparak Road and equip it with new machinery to increase its production capacity.

1994

The company increased its production base with the purchase of land in Ampur Nikompattana in Rayong province and set up the International Polymer Park (IPP) Industrial estate, established Aeroflex International Co., Ltd. to cater to its rubber insulation and plastic product manufacturing.

1996



The company decided to enter into the automobile parts industry with an investment in pickup truck's bed liner manufacturing machinery, producing bed liners under the trademarks "Aeroliner" and "Heroliner"

2002



The company expanded its investment overseas and set up Aeroflex Insulation (Shanghai) Co., Ltd. to manufacture and distribute rubber insulation and other equipment in Shanghai, China.



AEROFLEX®
CLOSED CELL EPDM INSULATION FOR HVAC & R

3rd
Largest market share in the world

AEROKLAS

World's number **1** manufacturer of truck's bed liners

EPP

ASEAN's number **1** manufacturer of thermoforming plastic packaging

2005



The company proudly celebrated its 25th anniversary and was chosen to provide plastic roofing, cooling systems and lighting in the Bangkok Suvarnabhumi Airport terminal.

2012



Aeroflex Europe GmbH was established as a rubber insulation joint-venture in Germany to expand its market in Europe.

2013

35



The company celebrated its 35th anniversary and turned a new page in its history with a major restructuring. Aeroflex Co., Ltd. was set up to oversee the rubber insulation business, and Eastern Polymer Industry Co., Ltd. became Eastern Polymer Group Public Company Limited on August 15th, 2013.

2014



2014 The Stock Exchange of Thailand to list Eastern Polymer Group Public Company Limited on Dec 24th, 2014.

2015



Aeroklas Australia Pty Ltd., wholly owned subsidiary of Aeroklas Company Limited acquired TJM Products Pty Ltd. in Australia.

2006



An innovation development and research center was created with the establishment of EPG Innovation Center Co., Ltd. to develop technologies for the group of companies.

2009



The company changed its name from Aeroflex International Co., Ltd. to Aeroklas Co., Ltd. to oversee its automobile part business, and transferred its rubber insulation business to be under Eastern Polymer Industry Co., Ltd.

2011



- During a major flood in Thailand, Aeroklas Co., Ltd. invested in small boat molding machinery and made some alterations to turn its truck liners into over 65,000 boats and donating 5,000 of them to flood victims in affected parts of the country.
- The automobile part business was expanded with the establishment of automobile part manufacturing and distribution companies in China, Australia and the United states.

6



the number of countries where EPG's subsidiaries are located : Thailand, China, India, USA, Germany and Australia

100+

the number of countries EPG exports to



450

the number of patents registered worldwide



EPG THAILAND



2,800

approximate current number of employees worldwide

4

the number of R&D laboratories



1

the number of companies set up for R&D



CREATIVE INNOVATION ORGANIZATION



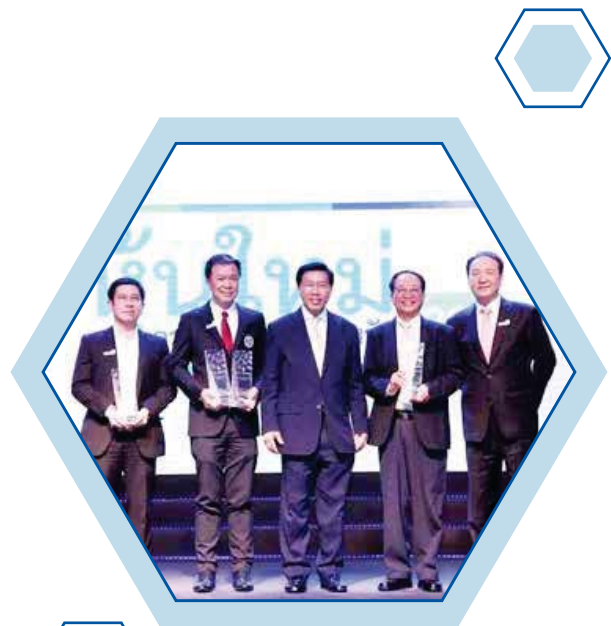
Standards and Awards



The Company is a manufacturer of innovative products with more than 450 registered patents worldwide, being certified internationally in standards such as Quality Management System ISO 9001 / Environment Management System ISO 14001 / Hygienic Management System. Safety and Working Environment OHSAS 18001, TIS 18001 / Good Manufacturing Practice , GMP / Hazard Analysis and Critical Control Point , HACCP / Quality Management for Automotive and Parts ISO/TS 16949 etc.

The Company also receives Corporate Governance Award Thai - Owned Brand / Thai - Owned Distinguished Design / Best Export Award/Prime Minister's Export Award 2007 and ASEAN Outstanding Engineering Achievement Award 2009

In 2015 The Securities and Exchange Commission have awarded New Shares - the Pride of Province and Innovative Shares Award to the Company. This is the first Company that receives Innovative Share Award.





Business Overview and Industry Environment

Strategies for sustainable growth

The Company's success begun from being a family run SMEs business in Thailand before growing to be a Public Company that is of world class organization. Creating sustainable growth under its "Endless Possibility" idea, the Company has implemented business expansion strategy on the world stage ("EPG Global Strategy Execution") which can be summarized as follows :

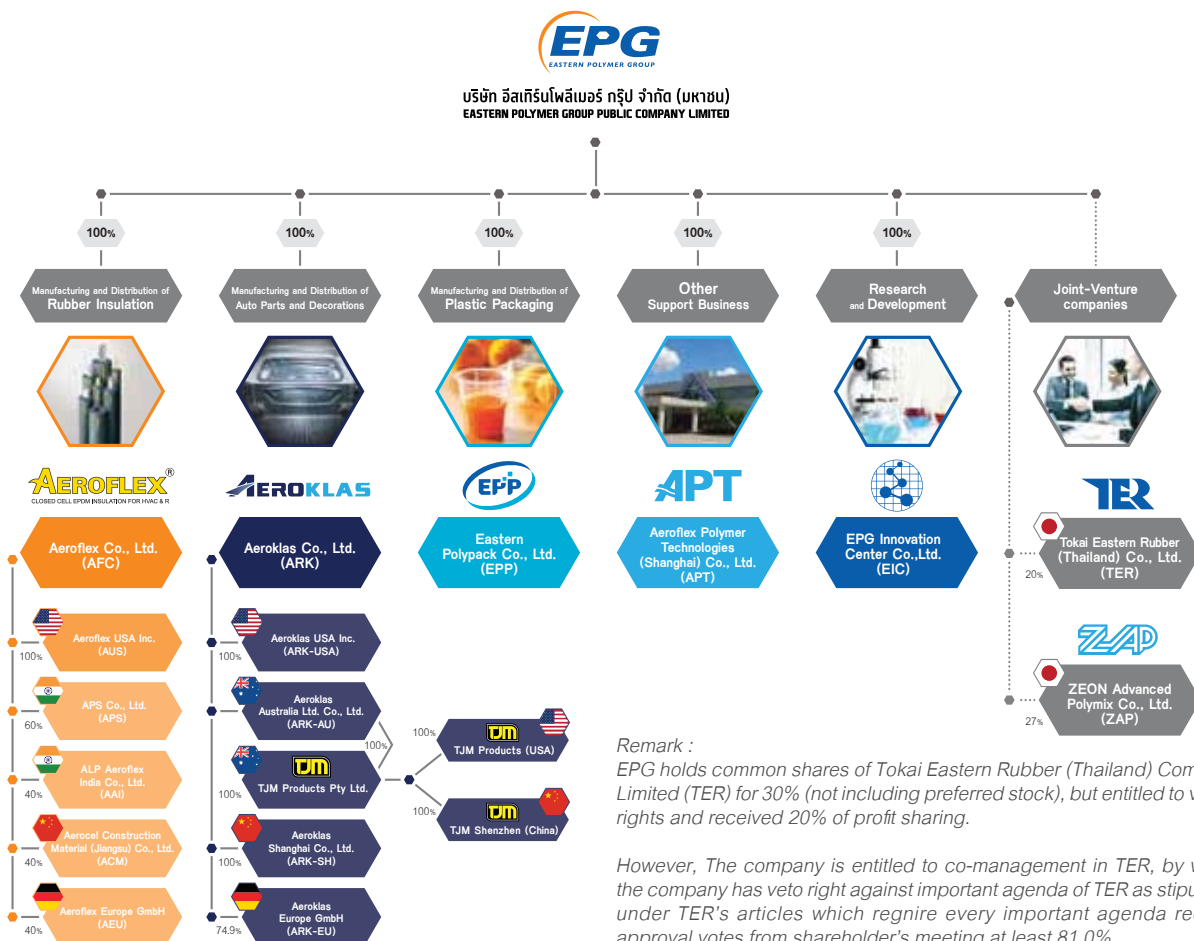
- 1) Exporting : Export products to more than 100 countries across the globe.
- 2) Licensing : Distribute license to Sales Agents worldwide creating more Business Alliances.
- 3) Franchising : Distribution Franchises or grant rights for manufacturing Company's products to Sales Agents which help create more sales channels and manufacturing bases worldwide with effective use of investment budgets.

4) Strategic Alliances : Collaborate with Business Alliances to generate competitive advantages worldwide.

5) Joint Ventures : Becoming Joint Partners with some world leading companies with the aim to strengthen technologies and cash flow of the Company Group.

6) Wholly Owned Subsidiaries : Investments such as building manufacturing facilities in countries like USA, China and Australia so as to use such facilities as important distribution bases for such regions.

7) Mergers and Acquisitions : Acquire other business entities and make improvements using technologies and innovation of the Company so as to add value to products, enabling the Company to reach target companies faster.



Remark :
EPG holds common shares of Tokai Eastern Rubber (Thailand) Company Limited (TER) for 30% (not including preferred stock), but entitled to voting rights and received 20% of profit sharing.

However, The company is entitled to co-management in TER, by which the company has veto right against important agenda of TER as stipulated under TER's articles which require every important agenda receive approval votes from shareholder's meeting at least 81.0%

AEROFLEX

INSULATION REDEFINED



AEROFLEX[®]
CLOSED CELL EPDM INSULATION FOR HVAC & R



PRODUCTION AND DISTRIBUTION OF EPDM THERMAL INSULATION

by Aeroflex Co., Ltd.,
subsidiaries
and joint ventures.

Business Overview

Aeroflex Co., Ltd. is the world major and sole manufacturer of thermal insulation based on Ethylene Propylene Diene Methylene (EPDM). Through years of continuous researches and development, Aeroflex has registered various patents and expanded its sales to more than 100 countries across the globe.

Aeroflex's products outclass its competitors with capability to operate in wider range of temperature between -200C to 125C, weather condition resistance and environmental friendly properties.

Aeroflex rubber insulations are used extensively for keeping temperature in air-conditioning industry - as an insulation for air ducting system, indoor chilled/hot water pipings. In addition, it can also be applied as acoustic absorber and reducing noise generated by equipment, air movement, and the expansion and contraction noise of sheet metal duct.

Aeroflex standard products have been specially formulated to meet and exceed the international fire standards such as ASTM, JIS, EC, EMPA, BS, GB, Lloyd's Register and RoHS etc. AEROFLEX thermal insulation has been widely installed in thousands of high standard buildings including hotels, hospitals, office buildings, universities, shopping centers, international airports, nuclear power stations, and other industrial buildings worldwide. For example, Atlantis Palm Jumeirah/Burj Khalifa/Marina Bay Sands Resort/

Guangzhou International Exhibition Center/Suvarnabhumi Airport/Ferrari World/Swiss Prime Site Tower and Swiss International Airport etc.

Products

Aeroflex's rubber insulations are distributed worldwide under 3 brand names (trademarks) "AEROFLEX" "AEROCEL" and "CELFLUX"

AEROFLEX® **AEROCEL®** **Celflex®**

In addition to EPDM thermal insulation to increase competitiveness capability (as well as to offer more choices to consumers in rubber insulation market where price competition is intense), Aeroflex decided to invest in affiliated companies namely AEROCEL Construction Materials (Jiangsu) Co., Ltd in China/ALP Aeroflex India Private Ltd in India and Aeroflex Europe Co., Ltd. in Germany. These companies produce thermal insulators based on Nitrile Butadiene Rubber or NBR.

Aside from rubber insulators, Aeroflex also has other various products such as tapes, rubber molds, rigid foam, flexible ducts, insulating paint and rubber seal to offer complete range of insulation installation needs.

Sale Channels

Aeroflex distributes its products to domestic and overseas customers. Domestic customers mainly are refrigeration machines dealers, large construction contractors or system

installation contractors. In regard to international market, Aeroflex has designated sale agents or local retailers whereas in some particular countries such as Russia and Switzerland, sale agents are required to purchase license from Aeroflex.

Industry Trend and Competition

Presently, there are 3 main manufacturers of Elastomeric Thermal Insulation which are 1) Armacell 2) K-Flex and 3) Aeroflex. Aeroflex is considered as the only manufacturer of EPDM that can compete in the world market. Nonetheless, as other large manufacturers such as Armacell and K-Flex are already well known and widely recognized in Europe and America market, Aeroflex's market share ranks at 10%. Another factor that obstructs market expansion of our product is logistic cost since transportation of rubber insulation requires large space. To improve this disadvantage, Aeroflex is considering to expand its manufacturing base.

Prefoam Tube and Sheet is considered as one of the solution. Currently Aeroflex has put its investment on research/development of compound and Prefoam Tube and Sheet with aim to set up manufacturing base in different countries worldwide.

Manufacturing Base

At present, Aeroflex's total production capacity is 15,000 tonnes/year of EPDM and 15,000 tonnes of NBR from 6 production bases, locating in different countries across the globe which are Thailand, USA, India, Germany and China (2 bases). Additionally, Aeroflex conducts license business in 2 production bases in Switzerland and Russia which provide production capacity of 200 and 80 tonnes/year respectively. Accordingly, Aeroflex is assured of its performance to meet wide scope of requirements so as to ensure Customers satisfaction.

Procurement of Products and Services

The production process of our rubber insulation consists of various chemicals which are mainly based on EPDM (Ethylene Propylene Diene Methylene) - approximately 30-32%. Our products are processed from mixture of artificial rubber, additives, flame retardants including other

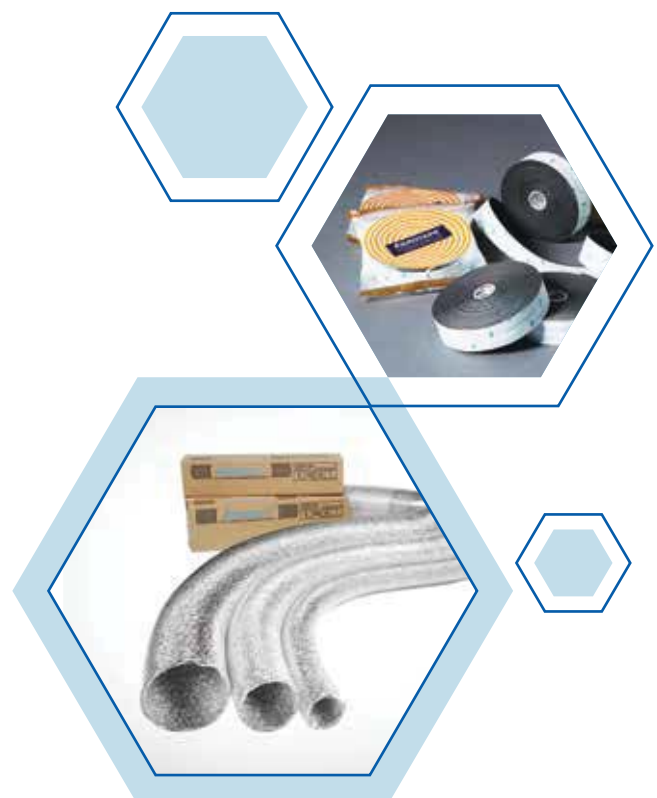
chemical supplies. Aeroflex orders such components from different suppliers such as Mitsui Chemical and Albemarle. We maintain purchases from a single supplier to be not more than 30% of the total cost.

In regards to procurement of other products which are used in or for installation of insulation, we purchase from reputable producers to ensure the quality of our all products delivered to customers.

Impacts to Environment

Aeroflex places great consideration on impact to environment and health safety of the local community and its employees at all levels. We undertake analysis on all chemical substances involved, based on the fact that the chemicals we use must be safe to human as well as surrounding ecosystem. Moreover, all of Aeroflex's production bases are established and managed in accordance with ISO 14001 and OHSAS 18001, TIS 18001 etc.

Apart from the production process that preserves environment, Aeroflex's product can be recycled and harmless to the environment. After being recycled, the product can be used for growing plants - increasing more oxygen to the soil, and subsequently nourish trees to grow.



AUTOMERIC INNOVATION





PRODUCTION AND DISTRIBUTION OF AUTOMOTIVE PARTS AND ACCESSORIES

by Aeroklas Co., Ltd.
and subsidiaries.

Business Overview

Aeroklas Co., Ltd. is the world leading manufacturer of car trunk parts where designs and development of products are based on our own patents. Our products are made with focus to enhance efficiency of pick-up trucks.

Products

Our main product are:



Bed Liner

Bed liners are protective liners that enhances durability and loading performance. Aeroklas is the sole and first manufacturer that developed technology and owns patent of manufacturing bed liners made from HDPE (High Density Polyethylene), using plates which can be installed to the truck without drilling any holes.



Canopy

Canopy installed on the truck enlarging passengers space as well as increasing safety to the carried loading. Aeroklas is the sole and first manufacturer that produces and distributes special ABS Alloy Canopy-under own formula. Comparing to other brands, the material is lighter, with 2 layers, being seamlessly integrated into a single piece. ABS Alloy canopy can prevent destructive impact of external high temperature while keeping internal temperature at a steady level. Adding more safety in case of accident, as ABS Alloy does not crumble or breaks into sharp pieces upon impact.



Deck Cover

Deck cover is a part installed at the back of the trunk without drilling any holes while

being lockable. Deck covers are designated to protect storage of materials in the trunk, protect against dust and rain as well as to upgrade the look of pickup trucks. Our deck covers are made of Polycarbonate ABS (PC-ABS) - the material is hard, resilient while the weight is much lighter compared to other competitive products.



Side Step

Our Side Step design is based on collaboration between Aeroklas and large automotive manufacturers. Side Steps are used in SUV cars and off-road pickup trucks, providing easy step when accessing the car. The products are made from polymer alloy which has light weight and is environmental friendly. In term of cost, comparing to reinforced plastic, polymer alloy cost is much lower.



Aeroklas have wide ranges of parts and accessories for pickup trucks and passenger cars including automotive parts for agriculture and utility plastic sheets, front and rear bumper and accessories for 4x4 business, such as Bull bar, winch, choke up, from the company recently acquired - TJM Products Pty Ltd, who is the manufacturer and distributor in Australia and more than 35 country worldwide.

Sale Channels

Aeroklas is one of the few Thai manufacturing companies that are not only categorized as an Original Equipment Manufacturer (OEM) only. Aeroklas main income is from contract production for Original Design Manufacturer (ODM) and Replacement Equipment Manufacturers (REM).

Aeroklas sale channels are through the followings:

1. Domestic Customers

- Sale of products in ODM and OEM channel

ODM (Original Design Manufacturer)

ODM is a direct distribution to automotive assemblers. Aeroklas designs and manufactures products for leading automotive firms under their own brands. Each automotive model lasts for 5-8 years, therefore, the income is stable and the risk of order being cancelled is low. In the case when the production technology is under patent of Aeroklas, we have an advantage of being the sole manufacturer and distributor including the possibility to conduct manufacture and sale of such products to other automotive firms.

OEM (Original Equipment Manufacturer)

We undertake OEM upon circumstance when the profit derived from such contract is within expected range.

- We distribute products from REM to dealers and automotive sale centers under “Aeroklas” brand. At present, the products are traded to more than 300 showrooms and automotive accessories shops across the country as well as to approximately 100 countries worldwide.

2. Oversea Customers

The sale is conducted through export to our oversea subsidiaries or dealers over 100 countries worldwide.

3. Franchise

Aeroklas delegates sale channel of accessories for off-road cars in Australia under management of TJM Products Company - TJM brand. There are 60 shops in Australia and another 8 shops in USA.

Industry Trend and Competition

Automotive industry is one of the world major industries. Presently, automotive accounts to 1 billion USD or 2-3% of the world GDP, based on the fact that cars are the most popular vehicle used for transportation. In addition, there are various fields related directly and indirectly to the automotive business such as parts and accessories, dealers etc.

Nowadays, the demand of plastic in automotive industry is predicted to be steadily increasing as a result of ideas and changing consumers trends which comprises of 4 important factors (1) focus on energy saving (2) focus on environment (3) focus on automotive safety standards and (4) production of plastic parts fast and standardized.

Manufacturing Base

We have 2 factories located in Thailand and China where the main production remained in Thailand in IPP Industrial Estate, Nikom Pattana district, Rayong while the factory in China is established in Shanghai. On the other hand, our oversea subsidiaries in USA and Australia are delegated as distribution centers for it's own territory and neighboring countries.

In 2015, Aeroklas has a total polymer and plastic production capacity of 25,000 tonnes, while the production performance stands at 65%.

Procurement of Products and Services

Plastic beads is the raw material in our manufacturing processes with majority of HDPE ABS PC PC/ABS and DCPD. Aeroklas orders plastic beads from both domestic and oversea manufacturers based on quality and delivery conditions.

Nevertheless, the plastic beads are a product of oil refining process where the cost of production depends on the price of crude oil in the world market. Thus, volatility of the crude oil price does have an impact to Aeroklas's cost of production.

Furthermore, Aeroklas purchases other parts and components such as hooks, polymer alloy, mirrors, chokes and other fitting sets as accessory/components for our products.

Impacts to Environment

Aeroklas has created different innovations for consumers taking into consideration the importance of environment, under the idea “Technology & Environment in Harmony”. On continual basis, we develop manufacturing process and technology with aim to reduce impacts to the environment, while excessive amount of plastic generated from manufacturing process is reused. According to such effort, Aeroklas has been certified to ISO 9001/ISO 14001/ISO/TS 16949/ OHSAS 18001, TIS 18001- the management and environmental standards. In addition, many of our products received Green Label which indicates that the product passed production assessment criteria and can be recycled. Such criteria is the major regulations adhered by world leading automotive manufacturers nowadays.

Another advantage of plastic parts comes with weight where the total weight of pickup trucks is much less, which subsequently reduces emission of CO₂ into the air. In Europe, automotive companies can apply such advantage for tax redemption on carbon credit with their government authorities.

EASTERN POLYPACK

CONTAINERS MADE PERFECT





PRODUCTION AND DISTRIBUTION OF PLASTIC PACKAGING

by Eastern Polypack Co., Ltd.

Business Overview

Eastern Polypack is a manufacturer and distributor of disposable plastic packaging for food and beverage such as drinking cups, plates and bowls. All products are manufactured under the trademark of EPP. EPP brand is well recognized among food and beverage industries and is known as a Premium Products.

Products

Our products are categorized into 2 main types:



1. Plastic Packaging

Each plastic type contain different properties, Eastern Polypack has developed their production focusing on 3 main packaging business which are (1) Polypropylene (PP) (2) Polystyrene (PS)-General Purpose Polystyrene (GPPS) / High Impact Polystyrene (HIPS), K-Resin and (3) Polyethylene Terephthalate (PET). EPP is one of few manufacturers in Asia with the capability to manufacture plastic packaging from 3 main types of plastics. In addition, EPP provides products related to packaging such as paper cup, straw, fork and spoon via distribution channels.



2. Plastic Sheet

Plastic sheets are divided into various types such as Polypropylene (PP)/Polyethylene Terephthalate (PET)/ Polystyrene (PS) Polycarbonate (PC)/Acrylonitrile Butadiene Styrene (ABS). These plastic sheets are used as a raw material in forming into products for different industries eg. automotive accessories, advertisement boards, transparent and translucent tiles, cast plastic sheets for walls, concrete floorings and as replacements for paper and bottle components etc.

Sale Channels

Our customers are classified into 3 groups:

1. Traditional Trade - mainly orders our existing products for re-sale to customers such as beverage retailers.
2. Industry and Modern Trade - customers in this group engage us for design and product development mainly for their customized solutions.

3. International export business - customers order our existing products for sales through sale agents or representatives in each country.

As for plastic sheet sale, we supply to leading firms from different industries which includes manufacturers of construction materials, automotive accessory parts etc.

Industry Trend and Competition

Manufacturing industry of disposable packaging became a huge market. However, most manufacturers are small entrepreneurs while the demand is likely to grow especially on high quality products. That means small factories do not enough potential to accommodate such growth, Mass production and high quality product require advanced technologies and machines. There are limited amount of manufacturers in ASEAN region capable of such performance. Eastern Polypack is ranked as one of the leading manufacturers in ASEAN market where we account to 10-15% of ASEAN market share and 35-40% of market in Thailand.

Manufacturing Base

Eastern Polypack has its production based in Rayong, Thailand, With total production capacity of all plastic types in financial year 2015 at 24,000 tonnes. Eastern Polypack has invested and expanded its production lines to cope with high demand in the market such as PET production lines, implementation of extrusion technology (raw plastic is melted and formed into a continuous profile),

implementation of Thermoforming technology (heating plastic sheet, pressing the sheet against a cool mold) which has been improved into new technology called In-Line High Speed Thermoforming. The development has enhanced production capacity at great pace, resulting in high production capacity with following premium quality in line with world standards.

Procurement of Products and Services

Eastern Polypack uses varieties of plastic beads for production of different products. Thereby purchase of plastic beads is the main cost. Since the price of plastic beads vary according to the price of crude oil, the price of raw material borne by Eastern Polypack is reflected through the price of crude oil. Mainly, we purchase plastic grains from domestic market, and occasionally, purchase from abroad depending on property and prices variation.

Impacts to Environment

With due care and consideration to the environment, Eastern Polypack adds additive substances to make our products environmental-friendly and biodegradable. We are certified by various environmental and quality standards for instance: GMP, HACCP, ISO9001, ISO14001, OHSAS 18001, TIS 18001, Green Industry Award - 4 Level: Green Culture from the Ministry of Industry, Carbon Footprint Certification from Thailand Greenhouse Gas Management Organization (Public Organization :TGO), National Science and Technology Development Agency etc.



APT

Other Supporting Businesses

Eastern Polymer Group Public Company Limited incorporated Aeroflex Polymer Technologies (Shanghai) Limited (APT) in order to support production and distribution of 3 business afore mentioned to ensure efficiency in business operation. For example, supporting Eastern Polypack Company Limited (EPP) in sourcing products for trading i.e. papercap, plastic forks and spoons, and supporting Aeroflex Company Limited (AFC) in the production of thermal EPDM insulation in some case.

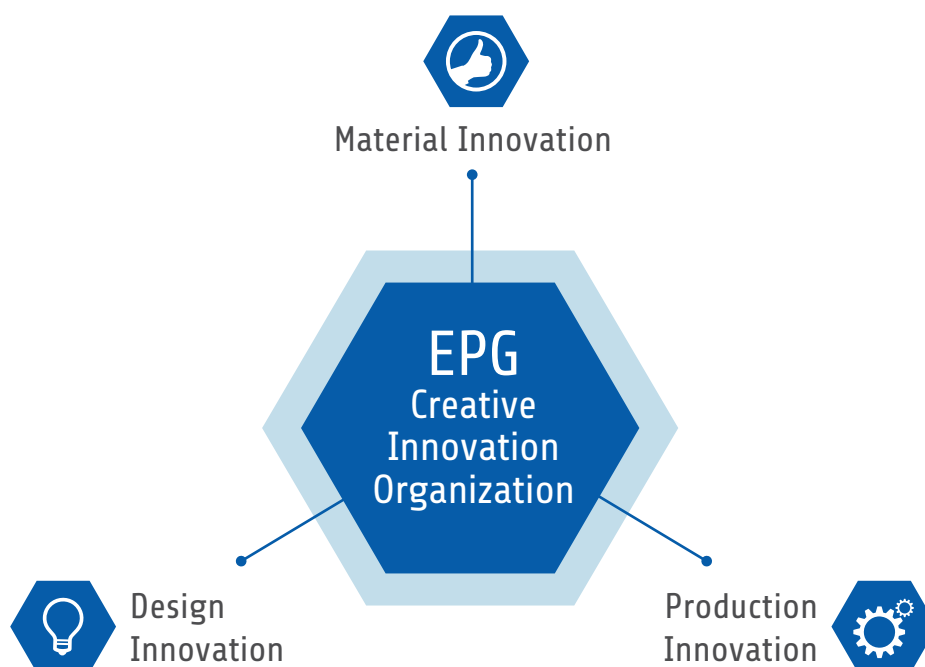
EPG INNOVATION CENTER

RESEARCHING FOR THE FUTURE





EPG – Creative Innovation Organization



Eastern Polymer Group's years of success since 1978 resulted through continual creation and innovation. A combination of knowledge from science, engineering, marketing, finance and management lead us to achieve our targeted goal - which is to produce innovative and high quality products, creating strong image of our brands and leadership in the market.

The core of our strong and sustainable success rise from 3 leading innovations:

- 1. Material Innovation** - We conduct research and study to seek using the best materials to ensure our products are of the best quality, eco-friendly and harmless to human.
- 2. Design Innovation** - Our products are designed based on quality, applications and packaging that is space efficient.
- 3. Production Innovation** - We conduct continuous development projects to enhance faster production processes, by achieving greater efficiency and performances while maintaining costs reflecting our competitiveness.

In addition, Since 1996 The Company and subsidiaries have registered a total of 450 patents both in Thailand and many countries across the world in order to protect against copying and this helps generate higher profit. As of 31 March 2015, The Company and subsidiaries hold 99 unexpired patents and 113 patents in registration process.

Originating from an idea to response to the demand for sustainable growth, EPG Innovation Center (EIC) is established initially to conduct research and development for internal testing. However, EIC has now developed to be a center of research and creative development - it is one of the most advanced private polymer research lab centers in Thailand equipped with a variety of equipment, which can provide testing services that covers many industries including creation of new products under the vision of "Creative Innovation Organization".

TOKAI / ZEON

EMBRACING TOMORROW'S TECHNOLOGIES



TR ZAP



ASSOCIATED OF EASTERN POLYMER GROUP

**Tokai Eastern Rubber
(Thailand) Co., Ltd. and Zeon
Advanced Polymix Co., Ltd.**

Business Overview

Investment in Tokai Eastern Rubber (Thailand) Co., Ltd.

for manufacturing of shock absorbing rubber and fuel hoses for motorcycles.

The Company has a associated with Japanese firm, Sumitomo Riko Company Group - one of the world biggest manufacturers of anti-vibration rubber. The product ranges include rubber covers for engine and fuel hoses for cars and motorcycles which are distributed to large manufacturers with production based in Thailand and worldwide.

The Company holds 30% of ordinary shares (not included preferred shares) in Tokai Eastern Rubber but is entitled to receive dividend and has voting rights at 20% in Tokai Eastern Rubber (Thailand) Co., Ltd. The reason is based on the fact that Sumitomo Riko Co., Ltd. hold 25,000 preferred shares which allows voting right and receive dividend - 30 times of ordinary shares. However, according to the joint venture agreement, any significant amendment must be approved by at least 81% of represented shares .

The products of Tokai Eastern Rubber are mainly distributed to domestic automotive manufacturers and assemblers. The remaining products are sold to companies under Sumitomo Riko Company Group as well as other automotive firms worldwide.

Production Capacity and Factories: Tokai Eastern Rubber

produces all products in its 2 factories located in IPP Industrial Estate, Nikom Pattana District, Rayong and Eastern Seaboard Industrial Estate, Pluakdaeng District, Rayong. These factories provide total production capacity of 120 million pieces/year.

Investment in Zeon Advanced Polymix Co., Ltd.

This business is production and distribution of rubber compound for natural and artificial rubber used in various industries. Customers are from within the country and oversea whereby more than 70% of them are automotive industry which produces anti-vibration rubber, seals, car doors including rubber parts used in construction site. At present production capacity of Zeon Advanced Polymix is approximately 47,000 tonnes/year, - considered as one of the biggest manufacturers of compound rubber and artificial rubber in Thailand.

The Company holds 27% of shares in Zeon Advanced Polymix Co., Ltd.

Majority of products from Zeon Advanced Polymix are distributed to more than 100 automotive part manufacturers (Original Equipment Manufacturer "OEM") both domestically and overseas.

Product Procurement

Tokai Eastern Rubber

Rubber is considered as the main compound in production process of Tokai Eastern Rubber. Presently most of the products are made from 2 types of rubber (1) natural rubber (NR) - which is used to manufacture anti-vibration components in cars and (2) artificial rubber made from EPDM or other types - which is used in production of fuel hoses for cars. In comparison, the production of rubber is mainly focused on natural rubber since the sale volume of anti-vibration rubber is high.

Tokai Eastern Rubber Co., Ltd. orders ready-made compound rubber and natural rubber from Thai and overseas manufacturers where Tokai Rubber Compounding Co., Ltd. - one of the joint venture companies from Sumitomo Riko Company Group, is the main distributor. Tokai Eastern Rubber Co., Ltd. also orders raw material from Zeon Advanced Polymix Co., Ltd. ("ZAP") - one of Thailand biggest distributor of rubber compounding and one of the joint venture companies of Eastern Polymer Group PLC.

Metal parts are important components of Tokai Eastern

Rubber. Tokai Eastern Rubber procures such material from high quality domestic part manufacturers to achieve lower cost of production and for transportation convenience.

Zeon Advanced Polymix

Polymer substance is the main compound in production process of Zeon Advance. Currently, most of the products are made from 3 polymers which are (1) EPDM polymer (2) NBR polymer and (3) NR polymer.

Zeon Advanced purchases raw materials from domestic and overseas suppliers of world class quality. The purchase is made through local trade agents as well as directly from overseas suppliers. Nonetheless, the quantity and types of polymers used in each production is specified by customers, therefore, Zeon Advance do not experience obsolete stocks issue.

i Tokai Rubber Industries Co., Ltd. has changed its name to Sumitomo Riko Co., Ltd on February 9th, 2015.



Social Responsibility, Environmental Policy and Anti-Corruption Policy

Eastern Polymer Group PLC and its subsidiaries have intention to conduct business to grow on ethical ground with socially responsible and environmentally sustainable manner, while protecting the benefit of all stakeholders. To create harmony among industries, communities and society as well as to develop and progress in all aspects together. To achieve such anticipation and ideas, the meeting of the Company's Board no. 4, held on 8 September 2014 specified CSR policy and Anti-corruption Policy including Anti-corruption Guidance as follows:

CSR Policy

- 1) To conduct business with honesty, transparency, integrity and auditability by focusing on business growth of the Company Group together with comprehensive development of life quality for all employees, communities, society, and environment; sustain interest of stakeholders based on vision and mission as determined by the Company.
- 2) Place importance on corporate governance under moral and ethical management, with transparency and auditability, especially focus on the procedures involving or containing exposure to the risk of internal corruption, what can arise directly and indirectly.
- 3) To conduct business with respect to human rights; refrain from taking advantages of trading partners, employees, customers as well as people in society; and treat the said persons with equality and fairness.
- 4) Assign employees of the Company and subsidiaries to perform their duties in line with CSR policy and good practice; provide training courses and personnel development programs, and support employees to progress in their line of work, and have fair and rewarding future.

- 5) Places importance on product quality, Continual to offer products that comes with health benefits and safe for consumers, society and environment with reasonable prices, for good life quality of all consumers and society.
- 6) Support the development activities in saving natural resources such as water, energy, as well plastic and paper.
- 7) Place importance on community development projects, based on the principle that "without strong community, business cannot grow" ; engage in and be responsible to the communities is a crucial factor that need to be conducted together with the Company's sustainable growth. The Company and subsidiaries support various activities and projects concerning communities and educational program for rural schools including help to victims of natural disasters.
- 8) Place importance on innovation relating to sustainable social and environmental development; including policies on marketing, investment, products and services with social responsibility as well as providing special services as customers may required appropriately.

Anti-corruption Policy

- 1) Directors, executives and employees are not allowed to initiate, accept or support any form of corruption directly or indirectly. The policy has effect on all companies, sub-contractors or other related entities; determine to have anti-corruption preventive investigation on regular basis, review practice guidelines to ensure its compliance with policy, regulations, provisions, notices, law and changes of business direction.
- 2) Implement anti-corruption standard as a part of business operation and apply into duties and responsibilities of directors, executives and employees of the Company and subsidiaries; including contractors or sub-contractors to express their opinions on work operations as a part of anti-corruption policy

- 3) Amend anti-corruption policy to be in compliance with applicable laws including moral guidance; conduct assessment on activities which contains risk of corruption; provide guidelines-handbook for related parties to comply with.
- 4) Refrain from execute or support of any kind of bribery under their duty or responsibility; control all donation, charity, donation for political parties, business gifts and supports of all activities to ensure transparency, without intention to persuade government employees or private officer to conduct any inappropriate actions.
- 5) Optimize internal control on regular basis to prevent employees from inappropriate actions, especially sale, marketing and procurement department.
- 6) Provide knowledge on anti-corruption to directors, executives and employees in order to encourage honesty, good faith and responsibilities toward their duties as well as to reflect the Company's determination.
- 7) Implement transparent and correct financial report mechanism.
- 8) Provide multiple communication channels to allow employees or related parties to report suspicious behaviors and ensure that the whistle-blower will be protected (without possibility to get punish or get unfair treatment in return); appoint personnel to monitor and follow up all matters being reported.

Anti-Corruption Guidance

- 1) Directors, executives and employees must comply with anti-corruption policy and refrain from corruption both directly or indirectly.
- 2) Employees shall not ignore or neglect any corruption that involve the Company and subsidiaries, inform supervisor or person in charge of such matter including collaborate in investigation procedures.
- 3) The Company and subsidiaries shall provide protection and integrity to employees who refuse or inform corruption matter.
- 4) The Company and subsidiaries shall keep information of whistle-blowers and protect them against any threat during and after investigation process.
- 5) The person who commits corruption is deemed as

breaching the Company's ethics and is subjected to disciplinary action as prescribed in the regulation as well as subject to the legal penalty if such action is considered as a legal offense.

6) Directors, executives and employee must undertake following actions with caution:

- 6.1) Gifts, banquets, expenses, giving-delivery or accepting of gifts shall be in accordance with regulation of the Company and subsidiaries
- 6.2 The money donated for charities or supporting or receipt of donation or supporting funds must proceed with transparency and in line with law.

Process and report

To control compliance of the Company and subsidiaries on CSR policy and Anti-Corruption Policy, the Company has assigned CSR Department to launch CSR activities, propose CSR plan to the Management for approval annually, and to provide report of CSR activities in previous year to the Board.

As for Anti-corruption Policy, the Company has made its announcement that matter related to corruption shall be reported to internal audit department to further propose to Audit Committee as another channel to support and prevent all types of corruptions.

CSR In-process

The Company and its subsidiaries have put efforts on seeking new innovation to develop product quality, to create better life quality of customers and people, including environment. The Company's business operation policy is not concentrate on profit or economic only, but taking into account overall society and environment. The Company and Subsidiaries are concern for overall society and environment and adhere to the principle model that any good business cannot grow with stability among degenerate society and environment. Hence, our products are invested and designed to be harmless to human lives and environment. Furthermore, we have put in between business, the social activities as follows:

1. Business operation that affect social responsibility of Aeroflex Co., Ltd.

Environment-friendly Products

Main product of Aeroflex is thermal insulation which is used in air-conditioning. The purpose of insulation is to maintain coolness and prevent condensation, and especially to effectively save energy. Insulation product contains low and stable k-value and it is the perfect solution for air-conditioning industry. Our products are made of non-toxicity material, HCN, non CFC –which damages the ozone layer and cause greenhouse effect. Our products are guaranteed of its environment-friendliness. In addition, after useful life, Aeroflex's products can be mixed with soil for planting as well.

One of our prides since 1979 is Aeroflex produces thermal insulation which saves energy. We are a part that help nation and many countries save energy. Furthermore, Aeroflex strives to continue our mission for a better world and sustainable business.



2. Business operation on CSR of Aeroklas Co., Ltd.

Aeroklas Boats Help Flood Victims

During the flood disaster in 2011 which caused problems in transportation among Thai citizen for both land and air. The only choice of transportation is through waterway, and boat is the main vehicle during that particular time. With intention to help Thai people, Aeroklas, as a leader of plastic conversion and polymer business, decided to produce small plastic boats that were sold to people at affordable prices. In addition, the company donated some boats with the aim to support those who cannot afford to buy. During the flood period, Aeroklas produced, donated and sold more than 58,000 boats – as well as being a part in helping the flood victims.



Products that save energy

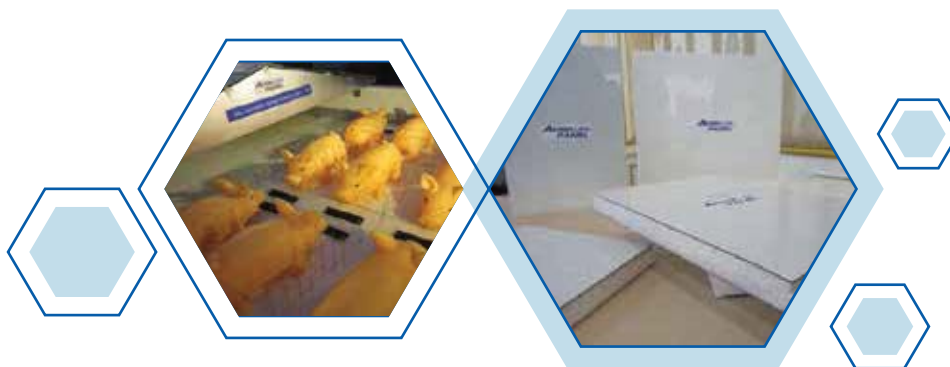
Aeroklas has policies to help the world save energy and to improve environment quality. All of Aeroklas's products are made from light-weight plastic and has special hardness property which can be used as metal. Motor vehicles that use our products contain less weight and therefore consume less energy while the pollution released to the air is much less as well.

- For example, bed liner which is made from HDPE strengthens the pickup trunk. Leading automotive companies consume less metal or iron in their manufacturing process and the pickup trucks are hence, lighter.
- Deck cover or canopy is made from main material such as ABS giving lighter weight than fiberglass. The material helps save energy, reduce pollution caused by fiberglass which has negative impact to human respiratory system.

- Side Step - made from PP composite, the material is produced to replace metal. PP Composite is light and help save energy of transportation

Design and Construction of Ready-made Livestock Buildings for Pigs

Thailand is a tropical country where the main climate is hot and sunny. Pig business entrepreneurs have to import livestock shelters from abroad which are expensive. Aeroklas collaborated with King Mongkut's University of Technology Thonburi in building shelters for the pigs for domestic usage. The wall is constructed with properties temperature that suits the current local weather. This helps keep the coolness inside by more than 50% as compared to those imported from abroad. Aeroklas also produces geomembrane plastic sheets up to 7 - meter width for use as a paving sheets for ponds to reserve water, and for use to cover soil before burying waste to prevent leakage of chemical or toxic into the soil - helping to reduce pollution released to the soil and water.

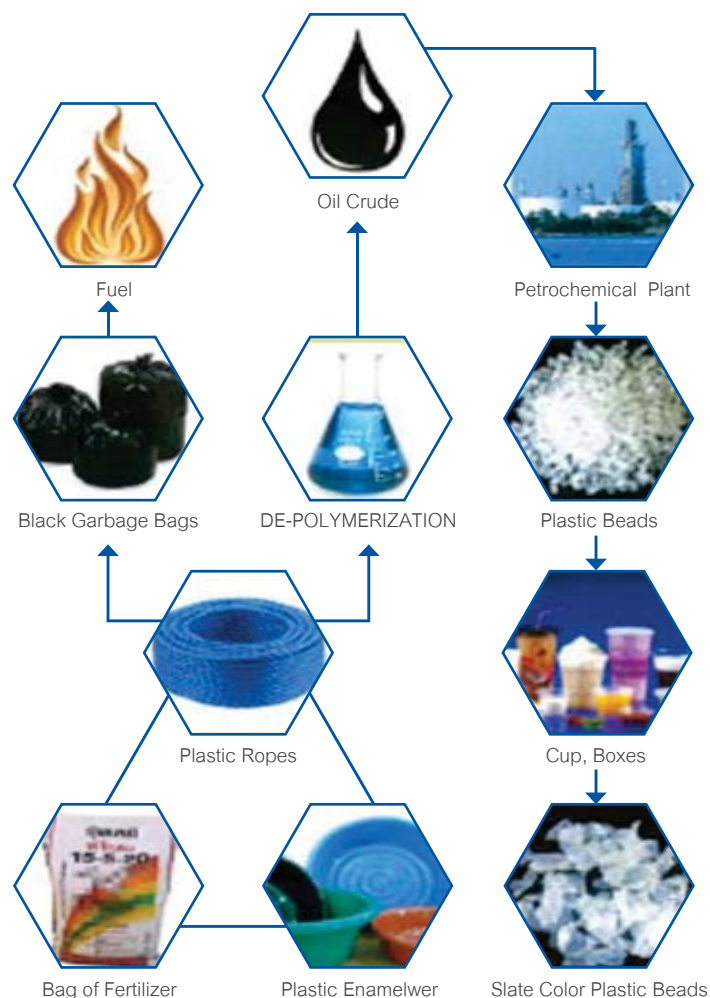


3. Business operation on CSR of Eastern Polypack Co., Ltd.

Products that can be recycled

Plastic products from Eastern Polypack can be re-processed into other plastic products such as scraps from plastic packaging production can be re-processed

into plastic bags, bowls, garbage bags. The possibility of re-process through De-polymerization - to turn the plastic into crude oil or fuel for energy production. All these recycle procedures are conducted to ensure that we have effectively used all resources and that our products are environment-friendly.



Discount for Plastic Packaging

The Company has implemented policies to reduce garbage of plastic bag by encouraging its trading partners to return used plastic bag packaging for discount. This method helps reduce huge amount of plastic bag garbage.

Bioplastic

Plastic is a by product from petroleum process which is considered as an activity that releases pollution to the earth. However, Eastern Polypack is undergoing feasibility studies on implementation of new technologies such as production of plastic from plant to replace plastic products from petroleum process. The Company utilized a variety of plants into such process including corn, sugar cane, cassava, potatoes, beaches and jute. Even though such technology has limitation in term of less variety of applications. It's biodegradation process does not harm the environment.



Bioplastic Products

After-process CSR

Apart from conducting business based on social responsibility, the Company and subsidiaries take into account the relationship with society and personnel. Following is the activities we launch on regular basis:

1. Life Quality Development Project for Employees Education scholarship to employees and children of employees

The Company provides education scholarship from Kindergarten level to bachelor degree to children of employees who has worked with the Company for 1 year. The Company also rewards employees who has worked with the Company for 5 years. In 2015 the Company Group provided 1,200 education scholarship to children of employees who work with the Company for 1 year. The scholarship project first commenced in 1988.



Reward for Excellent Workers

To encourage and reward employees, Eastern Polymer Group (EPG) rewards its employees on regular basis.



Dhamma Activities for Employees

Eastern Polymer Group (EPG) takes into consideration the positive influence of Dhamma on employees and has, therefore, launched Dhamma orientation projects within the factory and externally with the aim to implant morality to employees. The Dhamma project has been in practice for 10 consecutive years.





2. Social Development Activities

The Company and subsidiaries saw the importance of education and provided support by constructing school buildings, sport fields, including distributing educational fund to schools, students, across the country. Funds were also donated to the Thai Red Cross and hospitals, such as:

- Construction of a building for community near industrial estate, 7 Makamkoo sub-district, Nikompattana district, Rayong.
- Vitoorapakorn Building for Pradabos Foundation
- School buildings for Wat Ratbamrung School, Klong Bang Poo School, Samut Prakarn province.
- School buildings for Chaidane Prachasan, Udonthani, Nongkhai province.
- Supporting fund to the Thai Red Cross, Chulalongkorn Hospital, Siriraj Hospital

“Share Happiness to Children” Projects

Eastern Polymer Group (EPG) shares its happiness to 1,585, children from Orphan Home in Sakeo province. EPG provided lunch, snack, and other necessities for daily use with aim to fill the children with warmth and love. Aeroflex has conducted such activities for 5 year continuously.



Growing the Forest

Eastern Polymer Group (EPG) has started its “Growing the Forest Project” for 4 year continuously. The project is mainly under collaboration with state authorities from Rayong province, EPG employees, customer groups including students from state and private universities. So far, we have grown 150 rai of forest in Rayong province which is divided into new forest with 10,000 trees such as Siammintr Teak wood, golden teak wood, Maka, Yangna, Iron Wood, java plum and Tamarind. Another part of project is to maintain existing trees in 200 rais. We are determined to play our part in restoring forest surrounding industrial estate area of more than 4,600 rai so as to bring back the rich natural resource to Rayong province.

Support to 3 Southern Border Provinces

Eastern Polymer Group donated pickup trucks to Rescue Association in Southern border-provinces.



Drinking Water for Children Project

Aeroflex places importance on quality of drinking water toward quality of life for students, and therefore, has launched drinking water project for Nikom Sangtoneng School, Rayong province on 18 June 2013.



Field Trip

Aeroflex is aware of the necessity of education and has invited students to visit and experience the manufacturing procedures of thermal insulation throughout the year. The project was well attended and received visits from state and private universities.



Volunteer Project

In each seminar project organized for customers, Aeroflex usually looks for volunteer activities to engage customers participation under the idea "To Receive and To Give". Example, - visits to the elderly centers in Bang Lamung, Chonburi, Angthong province.



“Shares to the Kids” Project

Aeroklas joined hands with Big Bike Club hosting “Shares to the Kids” Project, providing education funds to students as well as distributing learning equipment. The project has been launched for 3 consecutive years.



Food Project to Recovery Center

Placing importance on human lives both inside and outside the organization, including communities, stakeholders, disabilities, the Company showed its support to the Recovery Center (Rayong). The Recovery Center provides treatment, occupation training to patients who had accidents while working. The project commenced since 2005.



EPP Share Project

Eastern Polypack supports accommodation area for people as a merit devoted to the King.



Mushroom Project

Eastern Polypack places importance on creating occupations to community and has encouraged its employees and communities including stakeholders to attend training courses of growing different types of mushroom. The course took place at Moo 1, Maenam Koo sub-district, Pluakdaeng district, Rayong province.

EPP Paints for the Temples

Eastern Polypack places importance on religion and has hosted activities to paint temples in Rayong area and Wat Ang Keo temple in Rayong province and education places for monks in Chiang Rai province, and Wat Thong Bor Temple in Ayudhaya province.

Donation of Medical Supplies

Aeroklas donated medical supplies worth 100,000 baht to Nikom Pattana Hospital.



Aeroklas Volunteer

Aeroklas and Eastern Ability Recovery Center and Local Administrative Center, Nikom Pattana sub-district hosted activity and painted walls for Young Children Learning Center Nikom Pattana Soi 4.



Teacher Project

Aeroklas donated 180,000 baht per school or 360,000 bahts in total for engaging teacher to teach in Nikom 4 Community School and Nikom Community 7 Schools



Donation for HIV patient

Aeroflex donated money to HIV patients in Wat Prabath Nampu. The project started in 2007 and has continued until present.

3. Development of Social and Environment Quality

Aeroklas Conserves the Mangrove

Being aware of the negative impacts of global warming on environment, activities were launched to increase mangrove forest at Bangpu area, Samut Prakarn province. The project brought *Avicennia alba* - a type of local mangrove which is grown along the shore.



“Grow Mangrove” project with Triton Club

Aeroklas joined hands with Triton Club launching mangrove forest project with aim to promote Thai tourism and create sustainable development to local communities.



Coral Reef and Conservation Project

Aeroklas sees the importance of restoration of ecosystem to replace the loss of natural resource. To maintain ecosystem sustainable, Aeroklas has put its support to growing of coral reef in Rayong and nearby areas. The project started since 2012 on Nangram beach and Toeyngam beach.



Risk factors as mentioned in this document are based on information in the current situation and future prediction as far as can be determined. These risk factors contain certain material implication which may adversely affect the company and its stock value. Besides the aforementioned risk factors cited in this document, there may be other risks unknown to the company, or considered immaterial at present, but can affect future operating result of the company. In addition, forward looking statements as appeared in this document such as “it is believed to be”, “it is anticipated that”, “it is expected that”, “it is planned to”, “intended to” or “estimated to” etc or the forecast about operating result, business, business plan, change of law associated with the business of the company, subsidiaries and affiliated entities, including government policies and others, are the prediction of future events. As a result, the actual outcome may materially differ from the calculation or prediction. For information that refer to or related to the government or the economy of a country, they are obtained from public domain or other reliable sources.

Risks related to business operation

Risks related to overall business operation of Eastern Polymer Group Public Company Limited

Risks from procurement of raw materials and volatility of raw material price

The Company manufactures and distributes Polymer and Plastic Converter for different industries. Therefore, one of the main cost of sales is raw material cost which is estimated to 50-60% of the cost of sales. As a downstream manufacturer, the Corporate group may be affected in the event of insufficient supply of polymer for production which can result in business stopped.

In addition, polymer is a by product from oil refinery process which means the quantity and price of polymer vary according to the quantity and price of crude oil which are depended on world economy and political factors. Prices of plastic beads which the company uses in main business such as PP, PET, PS, and HDPE fluctuate in the

same direction with fluctuation of crude oil price. The company cannot accurately forecast or control the price factors of plastic beads. Therefore, of the rise of polymer price may materially affect the company's profitability and result in decreasing profit or causes the corporate group to incur losses.

Nonetheless, the Corporate group are aware of the importance of procurement and cost management of polymer. As such; a strict measure to prevent such risks is imposed. Quantitatively speaking of polymer, the corporate group (only subsidiaries) have purchasing guidelines by maintaining good relationship with all suppliers. At present, Eastern Polymer Group purchase raw materials of plastic and polymer from more than 40 suppliers, both domestic and abroad (Global Sourcing). Such Policy helps managing risk to certain degree. According to the purchase records for the entire fiscal year of 2015 (April 2014 – March 2015) it was estimated that almost 50% of raw materials, the corporate group purchased from foreign suppliers.

Including in the purchase of raw material, the corporate group would inquire about selling prices and trading terms with every trading partner in each class to ensure the corporate group receive the highest benefit and the best trading term. Besides, to assure the corporate group of efficiency in raw material cost management for each purchasing order, the corporate group will compile on the demand for polymer to increase purchasing volume, in order to increase the corporate group's bargaining power.

Despite the fact that volume purchase may provide price advantage to the corporate group, it does not render the corporate group the ability to minimize the fluctuation of polymer price. Presently, financial instruments that can reduce aforesaid risk are not available in Thailand. Therefore, the corporate group still expose to such risk. However, Eastern Polymer Group can manage some risk by passing polymer cost to customers. Such method takes an estimated time of 3 – 6 month. Besides, to manage risk in other parts apart from contract manufacturing, the

subsidiaries may consider passing polymer cost to customers by increasing price of the products manufactured under their own brands, including switching certain materials to lower the cost of production at the time or selling products made from alternative materials in place of original materials. For example, the company may consider selling PET plastic cup instead of PP or PS plastic cup under the same qualification required by customers.

Risks from changing of technologies

Since the corporate group manufacture and distribute plastic products and all income are derived from plastic and polymer conversion, which the corporate group implement variety of technologies, for example, Mixing and Compounding, Extrusion, Injection, Thermoforming, Blow Molding, and Reaction Injection Molding (R.I.M.). If competitors of the corporate group can invent better and more advance technology than those of the corporate group and result in lowering the cost of production, they may affect the competitive advantage of the corporate group. If the corporate group cannot improve its production technology in time, it may materially affect the result of operation.

In addition to production technology, unique features of plastic materials rendering products made by the corporate group to outperform their competitors. Such are the main factors that customers consider when making decision to buy products. If competitors can invent materials with better features, they may adversely affect the corporate group's turnover or result in possible state of losses.

Considering the importance of technologies and risks, the Company, decided to invest in EPG Innovation Center Co., Ltd. ("EIC") to conduct research and product development for the corporate group. EIC has testing lab which is ranked as one of the biggest and most advanced polymer and plastic laboratory centers in Southeast Asia. Also, skilled researchers are hired to research and develop products.

In addition to research on new products, EIC works on improvement of existing products to attain more prominent properties, including improvement of production to increase its efficiency. As a result, with ongoing research, the corporate group's products with superior features stand out against the competitors', all along.

Simultaneously, subsidiaries such as AFC has investment in specialized center for the development of () fire-retardant polymer, and one of the most advanced flammability Test Centers in the country while EPP also invests in biological research and development center for safety of food and beverage packaging.

Risks of possible loss of income or business performance from the incurrence of unavoidable calamity and natural disaster to factories or machines of the company

Main business of the subsidiaries is manufacturing products for distribution which is subject to factories and machines. The incurrence of damage, unavoidable calamity, and natural disaster to factories or machines cause production under-capacity or the production to stop and could have a material adverse effect on subsidiaries, and result in a loss of major customers because they need to find other manufacturers in place of subsidiaries. To win back said customers after fixing damaged factories or machines could be difficult. Besides aforementioned subjects, subsidiaries have to bear additional cost of maintenance, building new factories or purchasing new machines in order to continue running business further in the future.

Well aware of the necessity for risk management, the subsidiaries have insurance policy to prevent risks from unavoidable calamity and natural disaster. The subsidiaries also implement preventive measures and other arrangement to ensure uninterrupted continuity of business in the event of unavoidable calamity and severe natural disaster directly impact the company.

Risks from damages as a result of problem in product's quality

Thailand and most other countries in the world have laws stipulated for the incurrence of damages due to unsafe products or poor quality. Such laws stipulate for the manufacturers to be responsible parties of any damages, regardless whether such actions are intentional or the result of negligence. Thus, if customers file lawsuit against products made by subsidiaries or affiliated companies, such class action may result in joint-responsibility by subsidiaries or affiliated companies. Besides damages caused by subsidiaries or affiliated companies whether such actions are intentional or the result of negligence, customers of subsidiaries or affiliated companies may consider cancellation of future business transactions which will cause the decline in operating result and incur stage of loss. In addition to such fallibility, repercussive effects resulting in negative image of the subsidiaries or affiliated companies will affect future turnovers of the subsidiaries or affiliated companies.

Nonetheless, subsidiaries or affiliated companies have never encountered such events since their inception. Subsidiaries and affiliated companies are aware of the significance of such risks. Hence, preventive measures have been implemented at the root cause by developing quality control system continuously under certification of quality system; ISO 9001, ISO 14001, OHSAS 18001, TIS 18001, ISO/TSI 16949, Q1 (Ford), GMP and HACCP. Furthermore, our overseas subsidiaries in USA and Australia have product liability insurance to provide coverage against any damaged products.

Risks from expiration of subsidiaries/affiliated companies' patents

Currently, the company's incomes derived from manufacturing and distribution of products with patents under its subsidiaries account for more than 20% of total income. Such products are protected by law to prohibit competitors from copying the production and competing with the company. However, if subsidiaries or affiliated companies' patents expire, the products made by

subsidiaries or affiliated companies would not be protected by law anymore. As a result, competitors can manufacture, compete, and materially affect the decline of the company's operating result or incur the stage of loss to the company. The Company is aware of such risks. Therefore, the corporate group have employed professional legal advisor who specializes in patent law to; take care of various patents in order to prevent aforementioned event, research the products with better features and performance, register additional patents and petty patents to extend the protection period of important patents that are about to expire for another 10-20 years, and maintain good relationship with customers while highlighting the premium quality of products to prevent competitors from competing with ease. Even though, the patents are already expired, competitors cannot easily make similar products to those of the company and subsidiaries since the products made by the company and subsidiaries require advanced production technology including the installation of world class modern high speed system of machines. As a result, it is difficult to have manufacturers with similar caliber in competition.

In addition, the corporate group continue to; create and develop new products in order to present to customers, register patent to protect and prohibit competition from competitors, and strengthen future sustainable the growth of corporate group's revenue and operating result with.

Risks from business operation related to thermal insulation

Risks from the use of competitive pricing strategy to compete by competitors

The Elastomeric Thermal Insulation industry where Aeroflex group of companies operate has few players. The world major manufacturers include Armacell (USA), K-Flex (Italy) and Aeroflex (Thailand). In the past, the level of competition was moderate and severe in some regions. In some case, competitors may reduce price of goods in order to gain more market shares. As a result, Aeroflex group of companies could not sell their goods at original specified

price and may have to reduce the price of goods in order to compete in some circumstance. If Aeroflex group of companies did not consider price reduction in order to compete, it could result in the decline of Aeroflex group of companies' operating result due to decrease in product sales, and a loss condition when the competitors considered implementation of competitive pricing policy for long continuous period.

However, Aeroflex group of companies' products have prominent properties when comparing to competitors such as thermal insulation factors, temperature resistant range, moisture permeability and flammability. With said prominent properties, Aeroflex group of companies' products are still in demand by particular group of customers who are not price sensitive despite the use of competitive pricing policy to compete by the competitors. This is because not only competitors' goods are made from other substance, but also Aeroflex brand in Thailand and across the world is defined goods with features that design engineers specify in the projects thereof. In addition, Aeroflex group of companies have introduced Celflex to be a secondary brand to compete with products from competitors, price-wise.

Special properties of EPDM which are specific proprietary technology of Aeroflex group of companies enables the production of pre-foam tubes and sheets or semi-finished products which help to reduce cost of production and transportation and result in variety of products' sizes available for sales in different countries. Said advantage is one of important factors that customers choose Aeroflex group of companies' products over competitors who in some case cannot deliver goods within period required by customers.

Risks from dependency on construction and real estate industry

Aeroflex group of companies' thermal insulation products are classified as a construction materials in which the consumption demand of said products and construction and real estate

industry have a direct variation. If the two industries decelerated and resulted in the decline in construction of buildings and offices as it had happened in 1997 - 1999, such event would materially affect the operation of Aeroflex group of companies. Despite the fact that the two industries have influence on the operation of Aeroflex group of companies, the effect is less in comparison to that of the two industries which have higher volatility., This is because Aeroflex group's products have been used in replacement market or in reparation of office buildings. During fiscal year ended between 2012 - 2015, Aeroflex group's sales to replacement market accounted for 20-30%. In addition, constant development and innovation by Aeroflex group make it possible to develop thermal insulation for roof and acoustic board of better quality than the products that are in common usage. As a result, Aeroflex group of companies have additional revenue from changing the use of products in use by consumers without the need to rely solely on construction and real estate industry.

Risks from expansion of investment and production capacity overseas

The cost of transporting products is considered an important operating expense since the size of Aeroflex's goods is large in comparison to its weight and requires large transportation space. For this reason, Aeroflex Company needs to set up production facilities in different parts of the world to increase efficiency in transportation in terms of related costs and time in transit. However, setting up production facilities in different parts of the world or in inexperienced locations may result in Aeroflex group of companies' losses in addition to production secret being exposed to the competitors rendering them to produce similar products and compete with Aeroflex group of companies.

However, Aeroflex group of companies are aware of risks from overseas investment. To be prudent, they have taken into account different types of investment such as joint ventures and licensing with trading partners. Doing so will lower the risks from investing solely by the company. Having good trading partners overseas can help to ensure quick

success of Aeroflex group's expansion of businesses. In addition, before each business engagement, the Company will carefully consider its business alliances, and invest with caution in small increments. Establishment of overseas production facilities by Aeroflex group will only be a noninclusive manufacturing base whereas semi-finished products from production facilities in Thailand such as Prefoam Tube and Sheet or compound are brought over to continue the production of finished products. Such method of production is a defense mechanism against Aeroflex group's production secret leaked to competitors or possible loss since mixing and production process of semi-finished products are classified as important secret of the group.

Moreover, Aeroflex considers investment in production bases via overseas subsidiaries where Aeroflex holds 100% of shares. Such production bases have comprehensive production process with low expenses in comparison to production facilities in Thailand and enable Aeroflex the ability to mitigate the risks from investment.

Risks related to business operation of Aeroklas group

Risks from termination of contract or not receiving new contract from major trading partners

Aeroklas engages in ODM production for world leading automotive companies such as Toyota, Ford, Isuzu, Nissan or Mitsubishi. Such business model requires Aeroklas to have manufacturing contracts with leading automotive companies, of which certain contracts are short term only 1 - 2 years and face risks from termination of contract upon expiration by customers including relocation of their production by leading automotive companies. As a result, contracts may be terminated during the term of contract with Aeroklas if Aeroklas considers not moving its production to nearby location. In addition to such cases, Contracts with Aeroklas may be terminated from other reasons and result in Aeroklas's turnover materially deteriorated and loss. Nevertheless, Aeroklas's customers who are world leading automotive companies normally do not consider changing equipments and auto parts

manufacturers until the particular model is out of production which is estimated to take 5-8 years. This is because searching for qualified auto parts manufacturers that meet requirements would need time period required for consideration and inspection of products' quality. As such, said operators face interruption to production. Mostly, screening and planning period takes 3 - 36 months. And for automotive companies to relocate their manufacturing base to other countries is considered highly unlikely. This is because Thailand has long experience in car manufacturing combining with continuation of developing workforce competency, and having research center as well as effective automotive test center. In combination with government's investment promotion policy. These ensure that automotive companies will not relocate manufacturing bases to another countries.

In addition, another important reason that it is highly unlikely for major automotive companies to terminate production contracts with Aeroklas in short notice is Aeroklas's products have registered patents and protected by law against any copying from competitors. This makes Aeroklas the sole manufacturer in the country that can produce such products. Nonetheless, the Company has care and service person for various automotive companies and customers on close relationship all the time.

Risks from dependency on automotive industry

Aeroklas group of companies operate their business by largely depended on automotive industry. In the future event, if automotive industry slows down or faces recession as a result of overall economic situation or any other factors as previously occurred during fiscal year ended 2012 - 2015, the Company's turnover may have negative effect and result in the decline of operating result and a stage of loss.

However, Vehicle is considered an important factor for people's life across the world. As a result, automotive industry has strong growth since 2009 with average growth

rate of 6.9% per year. In addition, the Company's turnover is largely depended on automotive industry within Thailand where it has been supported by the Thai government all along. Due to high competition in automotive industry, the world leading automotive companies increase releasing rate in pushing new models of vehicles or speed up the process of upgrading the vehicles. As a result, Aeroklas group of companies have opportunity to produce new products and continue to generate more income.

Besides, most of the products from Aeroklas group of companies are for pickup trucks or commercial cars - which most are used in business and there are constant demand for car using. For this reason, business performance of Aeroklas group of companies fluctuate less than that of companies with focus their business on personal cars. In addition, prior to change of car models, new products are always available for Aeroklas in co-development.

Risks related to business operation of Eastern Polypack

Risks from termination of contract or not receiving new contract from major trading partners

Eastern Polypack (EPP) engages in manufacturing of packaging goods. Such business model requires Eastern Polypack to have manufacturing contract with world leading food and beverage companies such as McDonald, CP All, and Yum Yum.. In some case, no term of contract or fix quantity of products is specified. As a result, Eastern Polypack faces the risk from termination of manufacturing contract upon expiration by customers and may result in decline of turnover and or a stage of loss.

Nevertheless, Eastern Polypack's customers who are world leading food and beverage companies normally do not consider changing packaging manufacturers unless there are other manufacturers who can meet the needs better in term of price and quality. In addition, To find qualified manufacturers that meet the specified requirements would

need a lengthy period required for consideration and inspection of products' quality.. As such, said operators face disruption to the business operation. Mostly, the period required for screening and planning take a long time since quality assurance must be certified at all time. Eastern Polypack has contract manufacturing with more than 30 industrial partners and more than 200 customers from both domestic and overseas. Therefore, the risk from termination of contract is mild with no effect on business performance and profit.

Risks from dependency on local consumption

Eastern Polypack Co., Ltd's major incomes are from sales of products to Thai customers. In the event of economic recession, natural disaster, outbreak, terrorism or political unrest that may have material adverse effect on Thai consumers' demand lead to continual decline in the Company's turnover. Particularly, if Eastern Polypack faces such event over a long period of time and may result in Eastern Polypack group's losses.

However, Eastern Polymer Group Public Co., Ltd is aware of such risk and anticipates that Eastern Polypack Company will not be affected to the same degree as that of other companies that solely depend on consumption in Thailand. This is because Aeroflex group, Aeroklas group and Eastern Polypack Company have distribution channels overseas. Between fiscal year ended 2012 - 2015, the corporate group's overseas revenues accounted for 40%. In addition, products made by subsidiaries or joint venture companies and corporate group are classified as important products for daily life. Hence, it is believed that the Company will not face any loss in profit during the retraction in consumption in Thailand.

Financial Risks

Risks from Currency Exchange Volatility

Subsidiaries and joint venture companies' important incomes and expenses are in foreign currencies such as revenues from sales of products to overseas customers,

cost of polymer raw materials, machines, staff compensation overseas, loans and money loan to subsidiaries overseas.

However, foreign currency exchange is depended on local economic condition and world economy which subsidiaries and joint venture companies cannot control or forecast precisely. If exchange rate changes unfavorably, it may result in decline of subsidiaries and joint venture companies' profit. However, the corporate group has key advantage that they can manage foreign currency in an overall view or natural hedging from trading among subsidiaries. As a result, the corporate group can mitigate risks from foreign currency exchange to certain degree. In addition, the company's risk prevention policy allows for purchasing of certain financial instruments such as Forward contract with financial institutions.

Risks from management

Risks from the company has major shareholders holding together 75% after shares distribution

The Company's major shareholders are Vitoorapakorn group which held altogether 100% of subscribed shares prior to the distribution of shares for capital increase. Subsequent to capital increase and share distribution to public of 25%, the sharing ratio of major shareholders dropped to 75% of total paid-up capital. Still, major shareholders can control almost all of the resolutions of shareholders' meeting including appointment of directors, or any other resolutions that require majority votes in the shareholders' meeting, or matter related to law or the company's articles of association that must receive $\frac{3}{4}$ of votes in the shareholders' meeting. Hence, other shareholders of the Company face risks from being unable to gather their votes for check and balance on proposed agendas from major shareholders to the shareholders' meeting for consideration.

Nonetheless, according to the corporate structure, the company has board of directors which consists of 9 directors, of which 4 are independent directors whose

duties are to audit, balance control of decision, and approve other matters prior to making proposal to the meeting of shareholders. Besides, in case of connected transactions with directors, major shareholders, controlling person, and related companies including person who might have conflict of interest, said person will not allow to vote in approval of such related transactions. Any approval of transactions must be in compliance with criteria set forth by the Stock Exchange Commission of Thailand and the Stock Exchange of Thailand.

To ensure transparent and effective management as well as to balance the power of major shareholders, the Company has appointed 4 sets of sub-committee which are (1) Executive Committee (2) Audit Committee (3) Risk Management Committee and (4) Nomination and Remuneration Committee. Each set of committee consists of independent director or external party who assists in various fields of managements to achieve better performance.

Risks from Dependency on Executives and personnel with professional expertise in specific field

The Company's business operation is depended on the ability and profession expertise of executives in setting organizational vision, and managing complexity of the business. Particularly, the group of executives and executives in subsidiaries from Vitoorapakorn family who have long experience in thermal insulation business, automotive parts, and packaging business. They are also well recognized in thermal insulation, automotive parts, packaging, plastic and polymer industries. If the company loses any of the executives cannot find replacement, it may materially affect the Company's operating result.

The Company also needs personnel with professional expertise in specific field such as engineers and other specialists. Losing significant numbers of such professional personnel may materially affect the company's business performance. Losing such personnel may result in the company's production formula leaked to the competitors.

Such event may have material adverse effect on the Company's profit.

The Company places importance on such risk. Therefore, it assigns that the company and subsidiaries must have sub-committee which consists of executives and working team to collaborate in setting business plan and operational strategy. In addition, the Company has training and development program to increase knowledge and skill among its employees on regular basis. The company believes with confidence that skilled and competent personnel with experiences can carry out the business passed on by top executives. In addition, the Company also provides payment in proportional to the amount of time worked with the company in order to keep personnel with specific expertise.

Risks from of the company's main business as holding company which the operating result is depended on performance of subsidiaries and joint venture companies

The Company engages in business as a holding company where incomes derive from holding shares in other companies while it does not operate any business on its own that creates revenues. Thus, the Company's turnover is depended on operating result and the ability to pay dividend of subsidiaries and joint venture companies. Possible risks come from business risks including the ability to pay dividend of the subsidiaries and joint venture companies.

At present, operating results of subsidiaries and joint venture companies account for 100% of the Company's operating result. Therefore, the operating result of subsidiaries and joint venture companies play very important role to consolidated gross profit. In the event that subsidiaries and joint venture companies encounter difficulties in business operation, it may have direct effect to the Company's overall operating result. In addition, the dividend payment of the company to its shareholders is based on net profit as shown in Separate Financial Statement of the Company which is depended on the

ability to pay dividend of subsidiaries and joint venture companies since such dividends are considered almost all of the revenues in separate financial statement of the company.

Therefore, if the subsidiaries and joint venture companies are unable to pay dividend to the Company due to unprofitable results or other business reasons such as reserve for business expansion or loan repayment, it will affect the ability to pay dividend of the Company accordingly.

To mitigate such risks, the Company has implemented policy and plan to invest, manage and control mechanism for subsidiaries and/or joint venture companies by appointing individual person to hold director or executive position in those companies, including setting scope of responsibilities and duties thereof to ensure the high efficiency in operation and achieve good business turnover.

Risks from price fluctuation of ordinary shares which may cause significant loss and materially affect investors

Price of ordinary shares of the Company may be fluctuated, depending on many factors beyond the control of the Company as followings:

- Attitude toward business opportunities and the operation of corporate group's business in thermal insulation, automotive and packaging industry.
- Different between financial result and actual operating result versus anticipated financial result and operating result by investors and analysts.
- Change of advice or attitude of analysts.
- Changes of terms and conditions which have an influence on thermal insulation, automotive and packaging industry, general economic situation, Stock market atmosphere, or other factors.
- Notifications from other companies in the same industry.
- Changes of market valuation and stock price of listed companies which engage in similar business to the Company's.
- Severe fluctuation of stock price in the stock exchange.



Structure of Shareholders and Management

Information of Shareholders

The Company's securities as of 16 June 2015 consists of 2,800 million baht paid-up capital, divided into 2,800 ordinary shares at the par value of 1 baht per share, all of which are ordinary shares listed in the Stock Exchange of Thailand.

Shareholders

List of shareholders and sharing portion of 10 major shareholders as of 16 June 2015 are as follow:

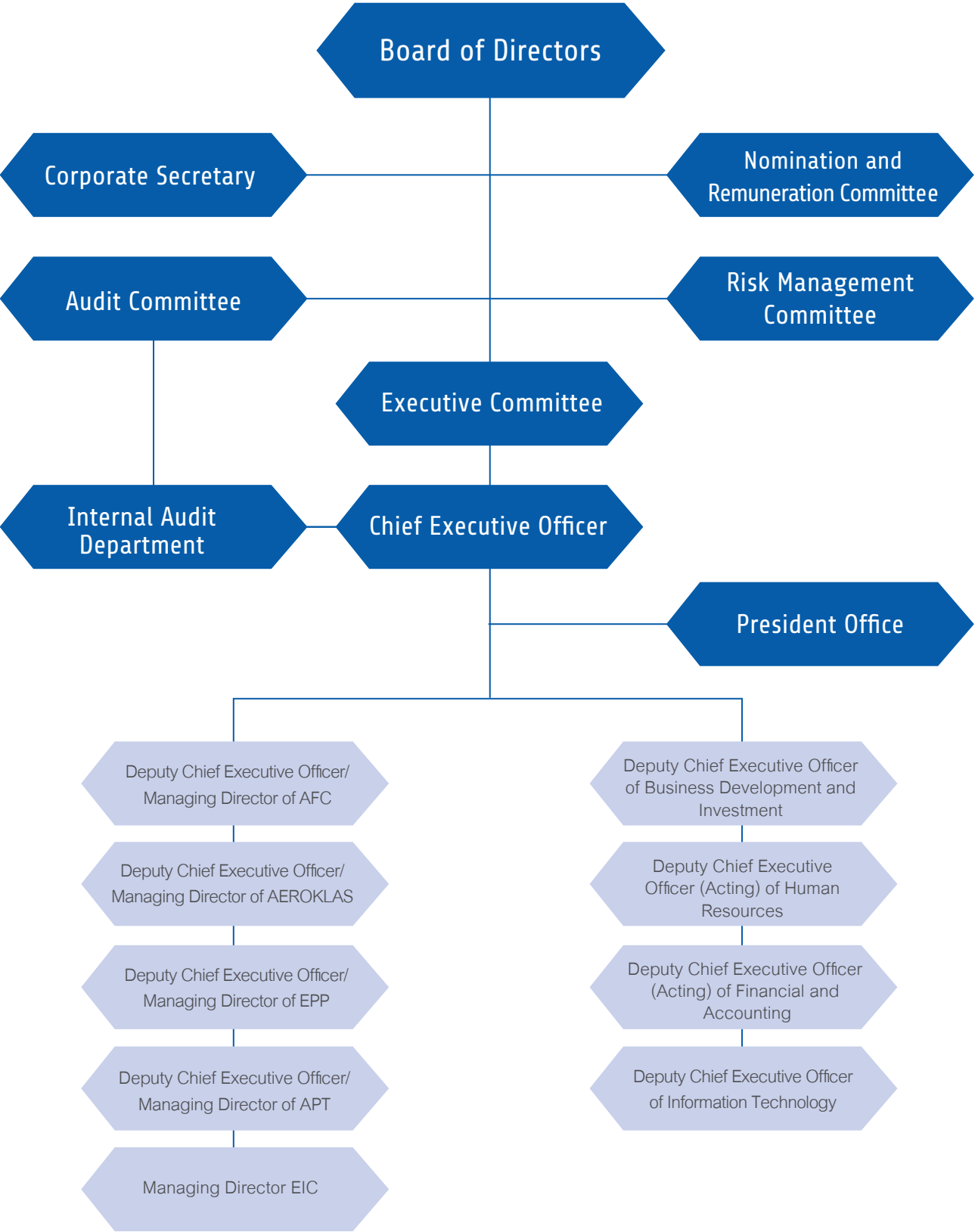
Name	Amount of shares	Percentage
1. Vitoorapakorn Holding Co., Ltd.	1,679,999,800.00	60.000%
2. Mr. Pawat Vitoorapakorn	92,400,100.00	3.300%
3. Mr. Teerawat Vitoorapakorn	63,000,100.00	2.250%
4. Mr. Chumnarn Vitoorapakorn	58,800,000.00	2.100%
5. Mr. Chalio Vitoorapakorn	54,600,000.00	1.950%
6. Mr. Ekawat Vitoorapakorn	50,400,000.00	1.800%
7. Bualuang Long-Term Equity Fund	36,668,300.00	1.310%
8. Mr. Tanawat Vitoorapakorn	29,400,000.00	1.050%
9. K Flexible Equity RMF (KFLRMF)	19,470,300.00	0.695%
10. MFC Hi-Dividend Fund	19,349,400.00	0.691%

List of shareholders of Vitoorapakorn Holding Co., Ltd.

As of 27 March 2015, Vitoorapakorn Holding Co., Ltd.'s registered and paid-up capital is equal to 100.00 million baht. Lists of shareholders as recorded in the shareholders' register book, can be summarized as follows:

Shareholders	Amount of shares	Percentage
1. Mr. Pawat Vitoorapakorn	220,000	22.0
2. Mr. Teerawat Vitoorapakorn	150,000	15.0
3. Mr. Chumnarn Vitoorapakorn	140,000	14.0
4. Mr. Chalio Vitoorapakorn	130,000	13.0
5. Mr. Ekawat Vitoorapakorn	120,000	12.0
6. Mr. Tanawat Vitoorapakorn	70,000	7.0
7. Miss Rungravee Vitoorapakorn	35,000	3.5
8. Miss Naowarat Vitoorapakorn	35,000	3.5
9. Miss Waraphin Vitoorapakorn	20,000	2.0
10. Miss Ratipin Vitoorapakorn	20,000	2.0
11. Mrs. Zhang Qiumei	20,000	2.0
12. Mrs. Ratiporn Chaiyangyuen	20,000	2.0
13. Miss Wariya Theerajaruwat	5,000	0.5
14. Miss Nisana Theerajaruwat	5,000	0.5
15. Mr. Pawit Theerajaruwat	5,000	0.5
16. Mr. Tawin Theerajaruwat	5,000	0.5
Total	1,000,000	100.0

Organizational Structure



Management Structure

The holding company management structure consists of Directors/Executives and 3 sets of committee which are Audit Committee / Risk Management Committee as well as Nomination and Remuneration Committee.

As for the management in subsidiaries, the Company assigns its representative to hold positions as directors and chief of the executive officers where the chief thereof is one of the executive officers of the Company. In this way, the Company will be able to manage its subsidiaries

thoroughly and effectively. For joint ventures, the Company assigns representatives to hold director positions with proportion to the amount of shares held by the Company, to ensure that the interest of the Company will be managed and controlled comprehensively.

Board of Directors

The Board of Directors consists of 9 Directors as follows:

Name		Position
1. Mr. Vachara	Tuntariyanond	Chairman of the Board / Independent Director
2. Mr. Pawat	Vitoorapakorn	Vice-Chairman of the Board / Director
3. Mr. Teerawat	Vitoorapakorn	Director
4. Mr. Chumnarn	Vitoorapakorn	Director
5. Mr. Chalio	Vitoorapakorn	Director
6. Mr. Ekawat	Vitoorapakorn	Director
7. Mr. Chaiwat	Atsawintarakun	Chairman of Audit Committee / Independent Director
8. Mr. Thanachai	Santichaikul	Audit Committee / Independent Director
9. Mr. Panchai	Wattanachai	Audit Committee / Independent Director

Remark: Mr. Jarintr Warintaraporn is the Company Secretary

Authorized Directors to sign on behalf of the Company as stated in the Company's certificate

Quantity of directors authorized to bind the Company are 2 out of 5 directors who co-sign their names together and affix the company's seal. List of authorized directors are as follow:

1. Mr. Pawat Vitoorapakorn
2. Mr. Teerawat Vitoorapakorn
3. Mr. Chumnarn Vitoorapakorn
4. Mr. Chalio Vitoorapakorn
5. Mr. Ekawat Vitoorapakorn

Scope of duties and responsibilities of the Board of Directors

1. To perform their duties and responsibilities pursuant to applicable laws, objectives, regulations, and resolutions

of shareholders' meetings with honesty and focus on the interest of the Company.

2. To hold meeting of the board of directors, at least once every three months.

3. To arrange balance sheets together with profit and loss statement on the date of accounting closure period - of which is duly certified by the auditor - to be proposed to the shareholders' meeting for approval.

4. To review and approve policies, directions, strategies, business operation plans proposed by the Management.

5. To consider and determine comprehensive Risk Management policy and to implement system and/or

procedures of risk management, including supporting strategy and control measures methods in order to reduce the impacts that may occur to the business operation of the Company.

6. To determine targets, directions, policies, business operation plans and budget including monitor and supervise administration of the Management to ensure their consistency to policies, plans and budget set forth effectively and efficiently.

7. To determine management structure, to appoint Executive Committee, Managing Directors and other committees as considered appropriate; to determine scope of duties of Executive Committee, Managing Director and other set of committees being appointed thereof.

8. However, the power assigned in accordance with the duties and responsibilities shall not be allowed in a manner that enables the Executive Committee, Managing Director and other sets of Committee to consider and approve any transactions that may have interest or conflict of interest with the Company or subsidiaries (if any) except the transaction that are in accordance with policy and criteria as previously considered and approved by the Board.

9. To arrange annual report of the Board and to take responsibility on compiling and disclosing of financial

statement in order to indicate the financial status and operations result of the previous year, as well as to propose to the shareholders' meeting for consideration and approval.

10. The Board may authorize one or more directors or other person to execute a particular task on behalf of the Board, under supervision of the Board, or appoint such person as proxy with the scope of power as considered appropriate by the Board within the proper time frame. The Board may terminate, revoke, amend or edit such assignment as considered necessary.

However, the power assigned shall not be in a manner that enables such persons to consider and approve any transactions that may have interest or conflict of interest with the Company or subsidiaries (if any) (as stated in the Notification of Capital Market Advisory Board and/or the Stock Exchange of Thailand and/or any other notification related) except the transaction that is in accordance with policy and criteria previously considered and approved by the Board.

However, any matters where a director or an authorized person that may have interest or conflict of interest with the Company or its subsidiaries, the said persons are not entitled to vote on such matters.

Executive Committee

The Executive Committee consists of 9 Directors as follows:

Name		Position
1. Mr. Pawat	Vitoorapakorn	Chief Executive Officers/ Managing Director of EIC
2. Mr. Teerawat	Vitoorapakorn	Deputy Chief of Executive Officer/ Managing Director of Eastern Polypack
3. Mr. Chumnarn	Vitoorapakorn	Deputy Chief Executive Officer/ Managing Director of Aeroflex
4. Mr. Chalio	Vitoorapakorn	Deputy Chief Executive Officer- Business Development and Investment
5. Mr. Ekawat	Vitoorapakorn	Deputy Chief Executive Officer/ Managing Director of Aeroklas
6. Mr. Tanawat	Vitoorapakorn	Deputy Chief Executive Officer/ Managing Director of APT
7. Miss Maliwan	Kittiwiriakarn	Deputy Chief Executive Officer- Information Technology
8. Miss Rungravee	Vitoorapakorn	Deputy Chief Executive Officer (Acting) - Accounting and Finance
9. Mr. Jarintr	Warintaraporn	Deputy Chief Executive Officer (Acting) - Human Resource and Administration

Scope of duties and responsibilities of the Executive Committee

1. Operate and manage the business operation to be in accordance with objectives, regulations, policies, disciplines, rules, provisions, orders and resolutions of the Board's meetings and/or the shareholders' meetings.
2. Filter and review proposal from the Management; propose policies, targets, strategies and business operations of the Company, investment plans, business expansion and budget to the Board's meeting for consideration and approval.
3. Review and approve normal transactions of the Company such as investment in securities or acquisition of assets to be in line with investment budget or the budget approved by the Board . The credit limit for each transaction are set in the approval schedule from the Board and shall not exceed the amount of annual budget which is approved by the Board; including contracts for the Company on the related matter thereof.
4. Monitor business operation of the Company to assure the compliance with the Board's policies and targets, and to ensure that business operation is conducted at its fullest effect and efficiency.
5. To approve on the expenses in occurred out of normal course of business operation to be consistent to the budget approved by the Board and to be in accordance with the Board's decision.
6. Determine organization structure, consider the adjustments of salary, bonuses for position of Chief of Executive Officer

and lower, and approve manpower which is not included in the annual budget.

7. Have a power to authorize one or more persons to implement a particular task which shall be under control of the Executive Committee; or to authorize such person to have a power - as considered appropriate by the Board - under the proper time. The Executive Committee may cancel, revoke, change or amend such authorization as considered appropriate.
8. Perform any other tasks as assigned by the Board from time to time.

However, the authorization of power, duties or responsibilities of the Board shall not be in a manner, that enables the authorized person to approve the transaction that he/she or any person that may have conflict (according to notification from the Capital Market Advisory Board and/or Stock Exchange of Thailand and/or relating authorities), interest or conflict of interest with the Company or subsidiaries and/or relating companies. In this case, the Executive Committee is not entitled to execute such matter. The matter shall be proposed to the Board's meeting and/or the shareholders' meeting (as the case may be) for approval. Except the approval for transaction categorized under normal conduct of business operation and normal trading terms as per notification from the Capital Market Advisory Board and/or Stock Exchange of Thailand and/or relating authorities.

In regard to scope of credit facility authorization the Board specifies that the Executive Committee can approve the financial credit for business operation to certain level in order to streamline business operations.

Audit Committee

The Audit Committee consists of 3 Directors as follows:

Name		Position in the Audit Committee
1. Mr. Chaiwat	Atsawintarangkun	Chairman
2. Mr. Thanachai	Santichaikul	Member
3. Mr. Panchai	Wattanachai	Member

Remarks : Ms. Yaowaporn Ranom is the Secretary of the Audit Committee

Mr. Chaiwat Atsawintarangkun and Mr. Tanachai Santichaikul are the person with knowledge and experience in relation to accounting and finance sufficient to perform the audit review of the integrity of the Company's financial statement.

Terms of office of the Audit Committee

Terms of office for the Chairman of the Audit Committee and the Audit Committee are 3 years. Upon term completion, the resigned person may be re-elected in the annual general meeting of the shareholders.

Scope of duties of the audit Committee

1. Review to ensure that the financial report of the Company is conducted accurately and sufficiently.
2. Arrange to have proper and effective internal control and internal audit within the Company; review the independence of the Internal Audit Department; give consent to the appointment, relocation, dismissal of the head of Internal Audit Department or any department in connection to the internal audit.
3. Review to ensure the company's compliance with the Securities and Stock Exchange law, regulations of the Stock Exchange, including applicable law related to business of the Company.
4. Consider, select and propose for the appointment of independent person as an auditor of the Company, including propose for remuneration of such auditor, attend the meeting with an auditor without attendance of the Management at least once a year.

5. Consider related transactions or the transactions that may have conflict of interest, to be in line with law and regulations of the Stock Exchange to ensure that such transaction is reasonable and will bring the best benefit to the Company.

6. Create report of the Audit Committee and disclose it in the annual report. The said report shall be signed by the Audit Committee and consists of at least, the following information:

- (a) Opinions on accuracy, completeness and reliability of the financial report of the Company.
- (b) Opinions on sufficiency of the internal control system.
- (c) Opinion on compliance to the Securities and Stock Exchange, regulations of the Stock Exchange or applicable law related to the business of the Company.
- (d) Opinions on the suitability of the auditor.
- (e) Opinion on the transaction that may have conflict of interest.
- (f) The number of the meeting of the Audit Committee and attendance of each person.
- (g) Opinion or observation received from performing their duties under the charter rules.
- (h) Any other matters (which is considered that shareholders and public investors should acknowledge) under the scope of duties and responsibilities assigned by the Board.

7. Execute any other tasks as assigned by the Board and approved by the Audit Committee.

Risk Management Committee

Risk Management Committee consists of 4 directors as follows:

Name		Position in the Risk Management Committee
1. Mr. Vachara	Tuntariyanond	Chairman
2. Mr. Chaiwat	Atsawintarangkun	Member
3. Mr. Chumnarn	Vitoorapakorn	Member
4. Mr. Ekawat	Vitoorapakorn	Member

Ms. Yaowaporn Ranom is the Secretary of the Risk Management Committee

Terms of office of the Risk Management Committee

Terms of office for the Chairman of the Risk Management and the Risk Management Committee are 3 years. Upon term completion, the resigned person may be re-elected in the annual general meeting of the shareholders.

Scope of duties and responsibilities of the Risk Management Committee

1. Assess the potential risks both external and internal, and their impact that may have to the organization.
2. Determine risk management policy and assign the Management to comply, and report the performance to the Risk Management Committee.

3. Develop and review risk management system to ensure the continual efficiency and effectiveness, arrange performance assessment and monitor the risk management system to ensure the consistency to the policies established on regular basis.

4. Report the risks and suggestions thereof to the Board.
5. Perform other tasks as may be assigned by the Board.

Nomination and Remuneration Committee

Nomination and Remuneration Committee consists of 5 directors as follows:

Name		Position in Nomination and Remuneration Committee
1. Mr. Chaiwat	Atsawintarakun	Chairman
2. Mr. Thanachai	Santichaikul	Member
3. Mr. Panchai	Wattanachai	Member
4. Mr. Teerawat	Vitoorapakorn	Member
5. Mr. Chalio	Vitoorapakorn	Member

Term of office of the Nomination and Remuneration Committee

Terms of office for the Chairman of the Nomination and Remuneration Committee and the Nomination and Remuneration Committee are 3 years. Upon term completion, the resigned person may be re-elected in the annual general meeting of the shareholders.

Scope of duties and responsibilities of the Nomination and Remuneration Committee

1. Suggest structure, details and composition of the Board and committee, including determination of qualification, procedures and criteria of nomination process to be in accordance with the structure size, and composition set forth by the Board.
2. Select and propose list of candidates to the meeting of shareholders in case of the position become vacant due to term completion. The board of directors shall consider the candidates in case the position becomes vacant due

to the reason other than term completion and in case of selection of Managing Director position.

3. Nominate candidates for sets of Sub-committee and the Chairman of the Executive Officers in order to propose to the meeting of the Board.
4. Suggest remuneration structure of the Board and sets of Sub-committees both in monetary form and other forms to be consistent to the operation result of the Company and to be comparable to other organizations in the same business category; propose such matter to the Board for consideration and then propose to the meeting of shareholders for approval.
5. Propose criteria of assessment to the Board to be implemented in the performance assessment for the Board as a whole.
6. Perform any other tasks as assigned by the Board from time to time.

The Executives

The Company's first four executives, as defined by the Capital Market Advisory Board, consists of 9 persons as follows:

Name		Position
1. Mr. Pawat	Vitoorapakorn	Chief Executive Officers/ Managing Director of EIC
2. Mr. Teerawat	Vitoorapakorn	Deputy Chief of Executive Officer/ Managing Director of Eastern Polypack
3. Mr. Chumnarn	Vitoorapakorn	Deputy Chief Executive Officer/ Managing Director of Aeroflex
4. Mr. Chalio	Vitoorapakorn	Deputy Chief Executive Officer- Business Development and Investment
5. Mr. Ekawat	Vitoorapakorn	Deputy Chief Executive Officer/ Managing Director of Aeroklas
6. Mr. Tanawat	Vitoorapakorn	Deputy Chief Executive Officer/ Managing Director of APT
7. Miss Maliwan	Kittiwiriyakarn	Deputy Chief Executive Officer- Information Technology
8. Miss Rungravee	Vitoorapakorn	Deputy Chief Executive Officer (Acting) - Accounting and Finance
9. Mr. Jarintr	Warintaraporn	Deputy Chief Executive Officer (Acting) - Human Resource and Administration

Scope of duties and responsibilities of the Chief Executive Officer

1. Supervise the business operations, management and/or normal conduct of business to ensure the highest interest of the Company, and to control consistency to objectives and regulations of the Company, including rules, policies, plans and budget set forth by the meeting of the Board and/or meeting of shareholders.

2. Conduct or manage business operation to be in accordance with policies, plans and budget approved by the Executive Committee and/or the Board.

3. Create and propose policies, business plans, business strategies, budget, investment, including managerial structure of the Company, in order to submit to the meeting of the Executive Committee.

4. Control and supervise work or performance of the Company to be in compliance with policies, plans and budget approved by the Board, including review and assess operation results of the Company to be in line with policies set forth; report operation and management result as well as work progress to the Executive Committee and/or the Board.

5. Has the power to approve normal transactions of the Company such as investment in securities or acquisition of assets to be in line with investment budget or the budget approved by the Board. The credit limit for each transaction are set in the approval schedule from the Board and shall

not exceed the amount of annual budget which is also approved by the Board; to execute the relevant contracts for the Company on the matter thereof.

6. Determine organization structure, appointments, employment, relocations, remunerations, salaries, bonuses and dismissal of employees from Deputy Chief of Executive Officer and lower.

7. Issue an order, rules, notifications and memorandum to enable the operation of the Company to be in line with policies for corporate benefit; ensure the compliance to the discipline within the organization.

8. Has the power to appoint team works for the good and transparent management ; has the power to authorize one or more persons to perform a particular task which shall be under control of the Executive Committee; or to authorize such person to have a power as considered appropriate by the Board under the proper time. The Executive Committee may cancel, revoke, change or amend the person to be authorized or such authorization as considered appropriate.

9. Perform other tasks as may be assigned by the Board.

However, the authorization of power, duties or responsibilities of the Chief Executive Officer shall not be in a manner that enables the authorized person to approve the transaction that he/she or any person that may have conflict (according to notification from the Capital Market

Advisory Board and/or Stock Exchange of Thailand and/or relating authorities), interest or conflict of interest with the Company or subsidiaries and/or relating companies. In this case, the Executive Committee is not entitled to execute such matter. The matter shall be proposed to the Board's meeting and/or the shareholders' meeting (as the case may be) for approval. Except the approval for transaction categorized under normal conduct of business operation and normal trading terms as per notification from the Capital Market Advisory Board and/or Stock Exchange of Thailand and/or relating authorities.

In regard to scope of authorization of financial credits, the Board specified that the Executive Committee can approve the financial credits for business operation to certain levels in order to streamline business operation.

Company Secretary

Scope of duties and responsibilities of the Company Secretary

1. Oversee and supervise directors and executives on the matters related to compliance with law, regulations, rules and company articles, including to monitor / ensure the continuous compliance.
2. Arrange the meeting of the board of directors and shareholders, coordinate and facilitate to ensure consistency to the resolution of the meeting.

3. Oversee the disclosure of the information and information technology report to be in accordance with related rules and regulations from the Stock Exchange of Thailand and The Securities and Exchange Commission as well as applicable laws.

4. Keep and maintain the documents as following:
 - (a) Directors' register
 - (b) Notice to the meeting of directors and minutes of the board of directors' meeting
 - (c) Invitation letter to the shareholders' meeting and minutes of the shareholders' meeting
 - (d) Annual Report
 - (e) Report of stakeholders

Managerial structure of subsidiaries that conduct main business

As for the management in subsidiaries, the Company assigns its representatives to hold positions of director and Chairman of the executive officers, in order to efficiently control the business operations. For executive position below Chief of Executive Officer, the chairman of executive committee thereof is entitled to appoint candidate for the said positions to streamline managing task.

To ensure that management in subsidiaries are effectively operated, the Company has established additional Company Articles which specified that directors and executives of the subsidiaries shall comply with, to assure the full compliance with the guidance from the Securities, Exchange Commission and the Stock Exchange of Thailand.

Meeting of the Board of Directors

Name		No. of attendance / No. of meeting	
		April 2013 – March 2014 (times)	April 2014 – March 2015 (times)
1. Mr. Vachara	Tuntariyanond	4/5	7/7
2. Mr. Pawat	Vitoorapakorn	10/10	7/7
3. Mr. Teerawat	Vitoorapakorn	9/10	7/7
4. Mr. Chumnarn	Vitoorapakorn	8/10	6/7
5. Mr. Chalio	Vitoorapakorn	10/10	7/7
6. Mr. Ekawat	Vitoorapakorn	10/10	7/7
7. Mr. Chaiwat	Atsawintarakun	5/5	7/7
8. Mr. Thanachai	Santichaikul	5/5	6/7
9. Mr. Panchai	Wattanachai	4/5	6/7

Remark: The board of directors held an internal meeting prior to appointment of independent directors in August 2013

Remuneration of Directors Sub-Committee

Details of remuneration of directors and sub-committee are as follows:

Unit : baht

Name		April 2014 – March 2015					Total
		Remuneration	Attendance fee			Nomination and Remuneration Committee	
		The Board of Directors	The Board of Directors	Audit Committee	Risk Management Committee		
1. Mr. Vachara	Tuntariyanond	360,000	175,000	-	45,000	-	580,000
2. Mr. Pawat	Vitoorapakorn	300,000	200,000	-	-	-	500,000
3. Mr. Teerawat	Vitoorapakorn	240,000	140,000	-	-	-	380,000
4. Mr. Chumnarn	Vitoorapakorn	240,000	120,000	-	20,000	-	380,000
5. Mr. Chalio	Vitoorapakorn	240,000	140,000	-	-	-	380,000
6. Mr. Ekawat	Vitoorapakorn	240,000	140,000	-	20,000	-	400,000
7. Mr. Chaiwat	Atsawintarangkun	300,000	140,000	75,000	30,000	-	545,000
8. Mr. Thanachai	Santichaikul	240,000	120,000	50,000	-	-	410,000
9. Mr. Panchai	Wattanachai	240,000	120,000	40,000	-	-	400,000

Remuneration of the Executives

Executives of the Company and subsidiaries are paid in form of monthly salary, bonus and other compensation such as social welfare, provident fund, position allowance, vehicle milage reimbursement etc. However, the bonus payment for executives is based on profit derived from operation result and performance of each person.

During April 2014 - March 2015 the Company and subsidiaries paid compensation to the executives at the amount of 91.41 million baht.

Provident fund

The Company establishes provident fund on 1 February 2004 with the Asset Management Provident Fund - Sinsathaporn, with objective to support long term saving among employees, stabilize the security to employees and their families in case of unemployment, retire or death. The provident fund is an incentive to keep employees for long term commitment to the Company, build good relationship between employer and employees, resulting in better work performance.

Remuneration of Directors, Sub-Committee and Executives

Remuneration of the Director

In accounting year 2015 (April 2014 - March 2015) the Company paid remuneration to 9 directors. The payment was made in form of fixed monthly wages, attendance fee, total amount was 3,975,000 THB, details are as following:

Remuneration of the directors

Position	Monthly remuneration (baht)	Attendance fee (baht/time)
1. Chairman of the Board of Directors	30,000	25,000
2. Directors and Chairman of Audit Committee	25,000	20,000
3. Director and Chairman of Executive Committee	25,000	25,000
4. Director	20,000	20,000

Remuneration of Sub-Committee

Remuneration of the Audit Committee

Position	Attendance fee of the Audit Committee (baht/time)
1. Chairman	15,000
2. Member	10,000

Remuneration of the Risk Management Committee

Position	Attendance fee of the Risk Management Committee (baht/time)
1. Chairman	15,000
2. Member	10,000

Remuneration of Nomination and Remuneration Committee

Position	Attendance fee of Nomination and Remuneration Committee (baht/time)
1. Chairman	15,000
2. Member	10,000

Corporate Governance

Corporate Governance Policy

The board of directors and executives see importance in good corporate governance and therefore have set forth management policy of investment in articles of association as practice guides for subsidiaries, affiliated companies. The board of directors is designated to supervise compliance thereof.

Sub-Committee

The board of directors consists of 9 directors where 1/3 is independent directors which is adequately balancing power as stated by the Securities and Exchange Commission (SEC). In addition, the Company assigns other committee such as audit committee, risk management committee and nomination and remuneration committee to assist with supervising policies of the Company as follows:

Audit Committee

Audit Committee's duties are to balance the power and audit work performance of the board of directors including other important matters as assigned by the board of directors to ensure the efficient management. The important matters assigned by the board of directors are (1) to audit financial statement of the Company (2) to audit internal control system (3) to audit the Company's compliance with Securities and Stock Exchange applicable laws (4) to consider, select and appoint an independent person as the Company's auditor including proposal of the compensation thereof (5) to consider related transaction which may contain conflict of interests, to ensure compliance with laws and regulations of the Stock Exchange of Thailand.

Risk Management Committee

Risk Management Committee's duties are to maintain and control Risk Assessment (for the Company and subsidiaries), to determine risk management policy, to develop and review such Risk Assessment of the company to ensure continual effectiveness and efficiency and to

report such result to the board of directors as a guideline for better performance of management system.

Nomination and Remuneration Committee

Nomination and Remuneration Committee's duties are to supervise structure, size and composition of the board of directors and sub-committee, to determine qualifications, procedures and criteria of nominating proposed candidates, to consider and propose list of candidates for the board of directors and committee, executives in order to subsequently present to the shareholders' meeting and the board of directors' meeting for approval, to consider and propose nomination rates including performance assessment of such position for sustainable development.

Nomination and appointment of directors, committee and chairman of the executive officers

The Company assigns Nomination and Remuneration Committee to nominate directors, committee and chairman of the executives officers based on qualifications, education, experience and skills that are appropriate to the vacant position. In nominating directors, the Nomination and Remuneration Committee determines that at least 1/3 of total directors should be an independent directors. Qualifications of the independent directors should be as follows:

1. holding shares not exceeding 1% of the total number of shares with voting rights of the company, its parent company, subsidiary company, affiliated company, major shareholder or controlling person, including shares held by related persons of such independent director;
2. neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the company, its parent company, subsidiary company, affiliated company, same-level subsidiary

company, major shareholder or controlling person, unless the foregoing status has ended not less than two years. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government authority which is a major shareholder or controlling person of the company;

3. not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, other director, executive, major shareholder, controlling person, or person to be nominated as director, executive or controlling person of the company or its subsidiary company;

4. neither having nor used to have a business relationship with the company, its parent company, subsidiary company, affiliated company, major shareholder or controlling person, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the company, its parent company, subsidiary company, affiliated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years.

The business relationships mentioned in the first paragraph include ordinary course of business transactions, leasing out or taking lease of immovable assets, transactions related to assets and services, providing or receiving of financial assistance including lending, borrowing, guarantees, or pledging assets to secure debts or any other similar action, which result in the company or contractual parties incur debt burden that must be repaid to other party with values from 3% of net tangible assets or Baht 20 million, whichever is lower. The debt burden calculation shall account for the debt burden took place during 1 year period prior to the date of starting business relationship with the same person and shall adhere to the Notification of the Capital Market Supervision Board under the Rules on Connected Transactions, mutatis mutandis.

5. neither being nor used to be an auditor of the company, its parent company, subsidiary company, affiliate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary company, affiliated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years;

6. neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the company, its parent company, subsidiary company, affiliated company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years;

7. not being a director appointed as representative of directors of the company, major shareholder or shareholder who is related to major shareholder;

8. not undertaking any business in the same nature and in significant competition to the business of the company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business in the same nature and in significant competition to the business of the company or its subsidiary company;

9. not having any other characteristics which cause the inability to express independent opinions with regard to the company's business operations.

10. Has never been assigned by the Board of Directors to make decision in business operation of the Company, parent company, subsidiaries, affiliated companies, subsidiaries in the same level, major shareholders or controlling person of the Company.

11. Not holding directorship in parent company, subsidiaries or listed subsidiaries in the same level.

The Independent Committee may be assigned by the board of directors in making collective decision on business operation of holding company, subsidiaries, affiliated companies, subsidiaries in the same level, major shareholder or controlling person.

In case the Independent Director is a person who has or used to have business relationship or provide profession service which exceed the value as stated in 4. or 6. ,the board of director may consider leniency if such appointment will not affect performance and independent opinions. The following information shall be disclosed in the schedule of the shareholders' meeting in agenda of appointment of independent directors

- (a) Type of business relationship or profession that disqualifies such person from specific criteria
- (b) Reason and necessity for such person to remain in an independent director position
- (c) Opinion of the board of directors in appointment such person as an independent director

The Nomination and Remuneration Committee would propose lists of selected candidates to the shareholders' meeting and the board of directors' meeting for consideration and approval. For director whose term is completed, the re-election shall receive more than half of directors' approval votes in the board's meeting.

The appointment of director, including independent director requires approval from the votes of the shareholders' meeting (individual vote). Each shareholder has voting right equal to the number of shares held where each shareholder may vote for one or more candidates. In the event of electing several directors, each shareholder must cast all the votes he or she has and those votes are not divisible. Candidates who receive the greatest number of votes for the vacant positions shall be elected to be

directors. In case of an equality of votes, the Chairman of the meeting shall exercise a casting vote.

In the event when the director position becomes vacant as a result of resignation other than term completion, the board of directors may appoint a qualified person who not possess prohibited characters as settled by law.

The Chief of the Executive Committee has the power to appoint a qualified person for executive officer in the position lower than Chief of the Executive Committee to be in line with the Company's management policy.

The Company is eligible to select and appoint its representative as director and executive in subsidiaries or affiliated companies according to the shareholding proportion unless there are limitations as stipulated by law or condition of joint investment with government sector or any other cause stipulated by the Securities and Stock Exchange Act, Notification of Capital Market Supervisory Board or regulations of the Stock Exchange of Thailand.

Corporate Governance of the subsidiaries and joint ventures

Incorporated as a holding company, the Company has determined investment management for subsidiaries, joint ventures in the additional Company Articles.

The purpose of mentioned Articles is to determine strategy and mechanism both in direct and/or indirect way, to enable the Company to control and manage business operation of subsidiaries and affiliated companies to ensure their full compliance with the Company's policy, public company law, civil and commercial code, securities law and any other applicable laws, including regulations and rules related to the Capital Market Advisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand in order to protect investment benefit of the Company in its subsidiaries and affiliated companies.

In case, where prescribed herein, of any transactions or procedures having material effect on financial status and business operation of subsidiaries and affiliated companies, such transactions must receive approval from the board of directors or shareholders' meeting (as the case may be). It is duty of the board of directors to hold the board's meeting and/or shareholders' meeting for consideration and approve on such transaction. Then the subsidiary and/or affiliated company would hold a board's meeting and/or shareholders' meeting to consider and approve prior to execute such transaction. In this regard, the Company may disclose the information and comply with criteria, conditions, procedures and method relevant thereof as stipulated in public company law, civil and commercial code, securities law and any applicable law, including regulations and rules related to the Capital Market Advisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand, *mutatis mutandis* (as far as no contravention) completely and accurately.

11.1 Corporate Governance of the subsidiaries on financial approval.

To control subsidiaries as well as to facilitate work performance, the Company has issued criteria on approval and running procedures which consists of approval criteria on investment, finance and significant expenses as approved by the board of directors.

Control of internal information

The board of directors realizes the necessity of good corporate governance. Thus, to ensure the transparency and to prevent leakage of internal information which has not been disclosed yet to the public, the Company has determined usage of internal information policy as follows:

1. To provide knowledge to directors and executives in regard to disclosure of securities under ownership of their own, spouse and minor child to the Securities and Exchange Commission pursuant to Section 59 and Penalty code as per Section 275 of the Securities and Stock

Exchange Act B.E. 2535 (including amendment thereafter), report of acquisition or disposal of their securities as well as of their spouse and minor child to Securities and Exchange Commission pursuant to Section 246 and Penalty code as per Section 298 of the Securities and Stock Exchange Act B.E. 2535 (including amendment thereafter).

2. Directors and executives including their spouse and minor child shall provide and disclose list of securities under their ownership and changes of the ownership thereof to the Securities and Exchange Commission pursuant to Section 59 and Penalty as per Section 275 of the Securities and Stock Exchange Act B.E. 2535 (including amendment thereafter), as well as to send this report to the Company in the same day as sending to the Securities and Exchange Commission and the Stock Exchange of Thailand.

In regard to directors and executives of the subsidiaries, despite of having no responsibility as stated in Section 59 and Penalty code as per Section 275 of the Securities and Stock Exchange Act B.E. 2535, it is determined by the Company that such persons have duty to report changes of Company's securities holding to the Audit Committee as if executed under obligation as stated in Section 59 and Penalty code as per Section 275 of the Securities and Stock Exchange Act B.E. 2535 which requires the persons to report to Securities and Exchange Commission and Stock Exchange of Thailand

3. Directors, executives, staff and employees of the Company and subsidiaries who acknowledge material internal information which has influence on volatility of the securities price should exercise caution when trading securities during the one month period prior to the financial statement or such internal information will be disclosed to the public, and 24 hours after such internal information has been disclosed to the public. Person in connection with internal information shall not disclose such information to any other persons until being noticed that such information is disclosed to the Stock Exchange. Violation

is deemed as disciplinary offense which is subjected to penalty such as warning in person, warning through written letter, probation or terminate the employment by dismissal, lay-off or ask to resign as the case may be.

4. Directors, executives, staff and employees are not allowed to use internal information which is acknowledged by their position or status that has or may have impact on volatility of the securities value of the Company of which has not yet been disclosed to the public, for buy or sell or offer for buy or sell; or invite other person to buy or sell or offer to buy or sell shares or other securities (if any) of the Company directly in a manner that could cause damage to the Company either directly or indirectly; or provide the internal information to other person whether they will receive benefit or not.

5. Directors, executives, staff, employees, previous directors, previous executive, previous staff and employees who resigned from the position are not allowed to disclose internal information or the Company's confidential information including secrets of the Company's trading partners of which they acknowledge from performing their duties, to external party (for a period of 1 year after resignation) regardless such disclosure does not damages to the Company and trading partners.

6. Directors, executives, staff, employees, previous directors, previous executive, previous staff and employees shall secure confidential and/or internal information of the Company and allow to use them for the benefit of business operation of the Company only. In addition, Directors, executives, staff, employees are not allowed to use internal information of the Company for benefit of other company where they are currently a shareholder, director, executive, staff or employee.

7. Directors, executives, staff, employees have duty to comply with guidelines of using internal information pursuant to Securities and Stock Exchange Act and Public Company Act as well as other applicable regulations.

Good Corporate Governance

The Company recognizes the importance of corporate governance that based on responsibility and morality and hence has put its emphasis on good corporate governance and management with aim to increase its competitiveness and better management efficiency, transparency , and sustainable growth, which will lead to increasing value of the Company in a long term, for listed company's benefit to shareholders, and all stakeholders. Company applies Good Corporate Governance of year 2006, as stipulated by the Stock Exchange, for to directors, executives and employees to uphold as working guidelines. Details are the following:

Section 1: Rights of shareholders

The Company places its importance on rights of shareholders, disclosure of sufficient, accurate, complete, punctual and equal information to all shareholders as reference for the their decision making. Following is the policies determined by the board of directors:

1.1) The Company sends invitation letter along with the meeting agenda within, objectives and reasons of the meeting, opinions of directors in all agenda in order to enable shareholders to thoroughly study the information at least 7 days prior to the meeting date. In case the shareholders cannot attend the meeting, the Company allows he/she to assign independent director or any person as proxy by using the proxy form which will be sent together with the invitation letter.

1.2) Facilitate shareholders equally during the meeting in terms of place and time.

1.3) During the meeting, the agenda will be voted in order without changing any significant information or adding agenda suddenly. All shareholders have equal right to review business operation of the Company, inquire and express opinions and suggestions. The meeting will be attended by directors and related executives to answer all question raised during the meeting.

1.4) The Company provides additional channel for disseminating news on its website. The invitation letter to the meeting is uploaded in advance to enable shareholders to download and acknowledge accurate and complete information of the meeting.

1.5) Directors shall attend the meeting to answer questions from shareholders

1.6) The minutes of the meeting are recorded verbatim. All questions and comments are recorded for review and reference purpose. Then the minutes of the meeting will be disclosed in the Company's website and sent to the Stock Exchange of Thailand within 14 days from the date of the meeting.

1.7) For convenience and to prevent errors or delays, the Company shall pay dividend by transferring it to shareholders' bank accounts (if such dividend is available).

Section 2: Equal treatment of shareholders

To ensure the fair treatment among all shareholders, the board of directors has determined policies as following:

2.1) To send invitation letter to the meeting which includes information of the meeting to shareholders at least 7 days prior to the date of meeting in order to enable shareholders to thoroughly look through the information.

2.2) To seek for the solution to enable minor shareholders to be able to propose list of directors or propose meeting agenda prior to the meeting of shareholders

2.3) For convenience of shareholders who cannot attend the meeting in person by allowing proxy holders or at least 1 independent director to attend the meeting and vote (as a proxy). Name of the independent directors who are available will be noticed in the invitation letter to the meeting.

2.4) To equally treat all shareholders regardless of minor or major, Thai or foreign shareholders

Section 3 : Connected transaction

The Company places importance on transparent with and benefit of the Company. Therefore, to prevent the related or connected transaction that may cause conflict of interest, the Company has set forth the main criteria for approval of the related transactions as follows:

3.1) Executives and staff shall comply with the Company ethics strictly to ensure and maintain trust and confidence against all stakeholders. The information and handbook will be provided to staff in all levels.

3.2) Directors and executives shall inform the Company of relationship or related transactions that may cause conflict of interest

3.3) To propose related transaction to the audit Committee for consideration prior to seeking for approval from the board of directors under good corporate governance, to ensure compliance with regulations as stipulated by the Stock Exchange of Thailand and the Securities and Exchange Commission.

Section 4 : Roles of stakeholders

The Company is aware and realizes the rights of all stakeholders both internal stakeholder which are shareholders, staff and external stakeholders which are customer, trading partners, debtors, competitors, government sector and other institution including related communities. Stakeholders have been supporters of the Company and helped in competing and creating profit which is considered as long term value. The Company sets policies as follows:

4.1) Policy and Treatment Guidelines to Employees

The Company takes into account that employees are invaluable and key success that lead to achievement.

Therefore, it is the Company's policy to provide fair treatment to its employees in terms of opportunity, compensation, appointment, relocation including skill development. To ensure such commitment is achieved, the Company has following practice guidelines:

- 1) To treat employees with politeness and pay personal respect for individuality.
- 2) Provide fair compensation, provident fund and social welfare.
- 3) Maintain safety in working condition to ensure health and assets safety.
- 4) Any appointments, relocations, awards and punishments are executed with honesty, based on knowledge, skill and qualification of each employee.
- 5) Places importance on knowledge and skill development of employee by providing equal opportunity, with aim to develop ability and lead to professional level
- 6) Listen to opinions and suggestions based on professional knowledge of the employee
- 7) Comply with laws and regulations related to employees strictly

4.2) Policy and Treatment to Shareholders

The Company knows that shareholders are the owner and it is the duty of the Company to create added value to shareholders in a long term. Hence, directors, executives and employees shall comply with the following guidelines:

- 1) Perform their duties with good intention, make any decision based on professional ethic and integrity and fair to both major and minor shareholders for the highest benefit of the shareholders.
- 2) Report status of the Company, operation result, financial statement, accounting and other reports on regular basis truly and accurately.
- 3) Refrain from seeking benefit for their own, do not allow other person to use any information of the Company which has not yet been disclosed to the public or execute any proceed in the manner that may cause conflict of interest to the Company.

4.3) Policy and Treatment Guidelines to Customers

With well awareness toward importance of customers, the Company therefore has implemented following policy on treatment to customers:

- 1) Provide service with politeness, enthusiasm, sincere, as if they are close relative, creating reliability and accountability image of the service.
- 2) Keep information of customers, do not use such information for the benefit of their own or for related person wrongfully.
- 3) Provide accurate, updated and sufficient information about services of the Company without exaggerated advertising content which may mislead customers in term of quality and services of the Company.
- 4) Provide advice on service channel of the Company efficiently and for the best benefit of the customers.

4.4) Policy and Treatment Guidelines to Trading Partners and/or Creditors

The Company's treatment to trading partners and/or creditors are with integrity and honesty, based on highest benefit of the Company and fair mutual benefit. Avoid any situation that may cause conflict of interest, discuss the problems adhered to business relations. Practice guidelines are the following:

- 1) Do not request or accept or pay for any benefit which contain illegal trading to trading partners and/or creditors.
- 2) In case of any request, acceptance or bribery on any benefit, such matter shall be disclosed to trading partner and/or creditors in order to seek for fair and quick solution.
- 3) Strictly comply with agreed conditions, inability to comply to such conditions shall be notified to creditors in advance, in order to mutually seek for solution.

4.5) Policy and Treatment Guidelines to Competitors

It is the Company's policy to treat its competitors without violating confidential information or trading secret as follows:

- 1) Operate business under the fair competitive environment and rules.
- 2) Refrain from seeking information, trading secret of competitors through dishonest or inappropriate method.
- 3) Refrain from damaging reputation of competitors by accusing in negative way.

4.6) Policy and Treatment Guidelines to society/Community

The Company has policy to conduct business which returns positive interest to economic, society and adhere to good citizen of the nation, comply with law and applicable regulations strictly, engage in parts that will support and improve quality of society and community

4.7) Environment Policy

The Company has policy to support different activities in connection with quality, hygiene and environment, including maintaining safe working condition to ensure health and assets safety of the employees.

Section 5 : Disclosure of information and transparency

The board of directors passes on policy to disclose information and other financial status related to business operation and result accurately, completely, sufficiently, regularly and punctually, reflect financial status and actual operation result of the Company as well as the future business direction

The board of directors determine to comply with laws, provision and regulations related to information disclosure with transparency strictly by disclosing information in the Company's website, disseminating publication from the Stock Exchange of Thailand to shareholders and other related parties throughly, adjust and update information to be in accordance with guidelines as stipulated by the Stock Exchange of Thailand and Securities and Exchange Commission.

The Company designate communication officer to contact and communicate with investors, shareholders, institutional investors and minor shareholders. The Company holds meeting to analyze operation result on regular basis, and disseminate information of the company includes financial and general data to shareholders, securities analysts, credit rating companies and related state authorities through different channels such as report to Stock Exchange of Thailand, Securities and Exchange Commission and the Company's website. Furthermore, the Company places its emphasis on regular disclosure of information to update shareholders of their latest news through the Company's website. Information shown on the website includes visions, missions, financial statements, press releases, annual reports, organization charts and management, structure of shareholders and major shareholders.

In addition, the Company places its emphasis on financial report to be the reflection of financial statement and operation result of the Company which must be based on accurate, complete and sufficient information in line with generally accepted accounting standards. Each director's details, including roles and duties of the board of directors and committee, will be disclosed in the annual report (form 56-2) and annual information (form 56-1) while compensation of directors and high ranking executives will be disclosed in annual report (form 56-2) and annual information (56-1).

Section 6 : Responsibilities of the Board

The board of directors has responsibilities to shareholders in respect of business operation, manage business to be in accordance with targeted plan and mission which will generate highest benefit to shareholders and stakeholders.

The board of directors has duty to comply with law, objectives, articles of association and resolution of the shareholders' meetings; perform their duties with honesty; maintain and safeguard benefit of shareholders

and stakeholders long term and short-term to ensure that business operation will benefit shareholders and stakeholders. The board of directors supervise on vision, mission, policy, direction of business operation, strategic plan, working plan and annual budget. In addition, the board of directors shall share their opinion and suggestions to enhance overall image of business before any approval, and follow up the procedures to ensure the target will be achieved. The board of director adheres strictly to the guidelines stipulated by the Stock Exchange of Thailand and Securities and Exchange Commission.

The Company divides duties and responsibilities between the board of directors and executives clearly. The board of directors' duties are to determine policy and supervise performance of executives, while the executives' duties (include executive committee) are to manage business operations of the Company to be in accordance with the imposed policies.

The Chairman of the board of directors is not the same person as the Chairman of Executive Officers. Their roles are specified clearly in order to balance the management power and to refrain one particular party from holding ultimate power. The Chairman of the board of directors has no relationship with the executives and the sole duty is to determine policy and give advice.

The Executive Committee has been appointed by the board of directors to assist in management of the Company. In addition, the board of directors also appoints Audit Committee to supervise the business operation. Audit Committee consists of 3 independent directors; their duties are to observe effectiveness of work performance, risk management, financial and internal accounting control, financial report including other duties as stipulated by the Stock Exchange of Thailand and Securities and Exchange Commission.

The board of directors also appoints Risk Management Committee and nomination and Remuneration Committee to manage and control risks, to nominate qualified person to the Company respectively.

Section 7 : Internal Control

The board of directors provides; comprehensive internal control system for both finance and operation to be in consistence with applicable law, regulations and provisions; audit mechanism and efficient power balance to safeguard assets of the Company; procedures of approval including responsibilities of executives and employees ; work regulations in written form; independent internal audit department; review of work performance for all department to be in line with imposed regulations; assessment of performance and sufficiency of internal control for different departments.

Internal Control and Risk Management

Opinion of the Board of Directors to the Internal System

In the meeting of Audit Committee No. 4/2014 on 8 September 2014 and the meeting of the Board of Directors No. 4/2014 on 8 September 2014, the Board and Audit Committee assessed internal control system of the Company by inquiring executives and internal auditors. The assessment form was passed for completion. The form consists of 5 principles which are internal control, risk assessment for work control, information technology/communication, and monitoring schedule. Audit Committee and the Board mutually agreed that Aeroflex, Aeroklas and Eastern Polypack have adequate and appropriate internal control system which is in line with related business operation. The companies comply with law, regulations and provisions of the related authorities, including internal control, transactions with major shareholders and/or executives or related persons adequately. The Board has provided support and encouragement to the management on regular basis to ensure the good corporate governance. Results of assessment of internal control are listed as follows:

1. Control Environment

The Company has optimized organizational structure and working environment that enables effective operation of internal control. The business target is clearly set with possibility to assess the outcome to use as a practice guidelines through the whole organization. Additionally, the staff levels and scope of work for each position are set fourth clearly.

2. Risk Assessment

The Company evaluates its business operation results on regular basis. If it is considered by the executives, that the risk may affect the Company, executives will bring the issue to the meeting in order to seek for strategy and solution to reduce and prevent such risks.

Moreover, the Company has appointed Risk Management Committee to perform risk assessment as well as define Risk Management Policy. The Company also stressed that, the Management shall comply to the Risk Management Policy, report work performance to the Risk Management Committee, and develop and review risk management policy to ensure of its effect and efficiency on continual basis.

3. Control Activities

The Company's control on work performance of the Management is adequate as well as power and approval procedures are set forth appropriately. In addition, to prevent conflict of interest which may occurs out of related transactions, the Company has passed policy where all related persons or person with conflict of interest are not permitted to approve or vote for approval on related transactions.

4. Information & Communication

The Company has deployed adequate and sufficient system for storage of data and information which is necessary to the business operation. Documents and paperwork are arranged in categories, especially accounting document which is important for creating financial statement. The Company has determined policy on data backup where company electronic data must be backed-up on daily basis, in the way that it can be stored in remote location to ensure that the information will remain safe for continual business operation in case of emergency.

The Company determines to have internal communication channel between executives and employees via e-mail, notice board, regular meetings. As for public communication, the Company discloses information to its stakeholders via Company's website and assigns Investor Relation Department to communicate with external stakeholders.

5. Monitoring Activities

The Company employs and assigns P&L Internal Audit Co., Ltd. (“P&L”) as an auditor for internal control system of the Company annually. Report of audit result is made directly to the Audit Committee to enable independent operation of internal auditor and allow for straight forward report. The Company assigns its internal auditor to follow up with resolution for any issues identified by P&L.

In the meeting of Audit Committee, the Company also invites its auditor to propose matters which are related to financial statement of the Company at least once a year.

Internal Auditor

To assure that the internal control is audited with transparency and in timely manner, the Company hires “P&L”, an external party to undertake audit of internal control. In the event of any defects or issues found, the Company's internal auditor will follow up and improve the system. The Board has selected P&L since the company is qualified and experienced in internal control. However, the nomination, approval, appointment, dismissal, relocation of head of internal audit of the Company requires approval (or consent) from the Audit Committee. Qualifications of the head of internal audit are as follows:

	Internal auditor (external person)	Internal auditor (internal person)
Internal Auditor	P&L Internal Audit Co., Ltd. Mr. Kittisak Chanokmat (Person in charge of internal audit)	Ms. Yaowapaporn Ranom (Person in charge of internal audit)
Education	Bachelor Degree: Commercial Accounting Major, Ramkhamhaeng University Master Degree: Science Major, Corporate Governance, Chulalongkorn University	Bachelor Degree: Accounting Major, Bangkok University
Experience of internal auditors	more than 15 years of experience work experience with the world leading firms such as Coopers & Lybrand Thailand (now is PricewaterhouseCoopers Thailand)	9 years work experience with Central Retail Corporation Co., Ltd. 4 years, has been working with the Company for 5 years
Opinions of the Audit Committee to experience of internal auditors	Mr. Kittisak Chanokmak is a person with right knowledge and experience that suit his position as internal auditor	Ms. Yaowapaporn Ranom is a person with right knowledge and experience that suit her position as internal auditor
Scope and Responsibilities	Review internal systems of the Company and subsidiaries as assigned by the Audit Committee or as considered appropriate, including propose internal audit plan to Audit Committee for consideration	Follow up the audit result from the internal auditor (P&L) , an external person, including to perform duties as assigned by the Audit Committee or as considered appropriate.

Dividend Payment Policy

The Company

The Company's policy on dividend payment to shareholders takes into consideration the ability to pay dividend from accumulated profit on separate financial statements of the Company as well as the amount of dividend payment from business result as shown on consolidated financial statement. The Company pays dividends not less than 30% of the Company's total net profits after the deduction of corporate income tax. However, the Company may consider the payment of dividends at a different rate from that specified in the policy, depending on the Company's results, financial position, liquidity, investment plans, business expansion and economic conditions. Dividend payments shall be no more than the accumulated profit reported in the separate financial statement of the Company and shall be in compliance with relevant laws.

Since the Company operates as a holding company with its investment in subsidiaries as core assets, the ability to pay dividends is subjected to the operating results and dividend payments of the subsidiaries.

Subsidiaries

The Company's subsidiaries, Aeroflex Co.,Ltd. Aeroklas Co.,Ltd. Eastern Polypack Co.,Ltd. EPG Innovation Center Co.,Ltd. and Aeroflex Polymer Technologies (Shanghai) Co.,Ltd. have a policy of paying dividends at a rate of not less than 50% of net profit after the deduction of corporate income tax and the allocation of reserve capital in compliance with the law. The subsidiaries will take into consideration a number of factors for the greatest benefit

of the shareholders such as operating results, financial position, liquidity, investment plans, business expansion and economic conditions. Dividend payments shall be no more than the accumulated profit reported in the separate financial statement of subsidiaries and shall be in compliance with relevant laws.

Associated Companies

Tokai Eastern Rubber (Thailand), Co.,Ltd. a joint venture company, has a policy of dividend payment according to operating results, with dividends paid to shareholders as considers appropriate. Tokai Eastern Rubber will allocate dividends to preferred shareholders at a dividends per share amount that is equal to 30 times of dividends per share paid to common shareholders. In the event of non-payment of dividends in any year, the dividends shall not be carried forward to the following year.

Zeon Advanced Polymix Co.,Ltd. another joint venture company, has a policy of paying a dividend of not less than 20% of the net profit after the deduction of corporate income tax and the allocation of reserve capital in accordance with the law. Zeon Advanced Polymix Co.,Ltd. will take into consideration a number of factors for the greatest benefit of the shareholders such as operating results, financial position, liquidity, investment plans, business expansion and economic conditions. Dividend payments shall be no more than the accumulated profit reported in the separate financial statement of the company and shall be in compliance with relevant laws.



Related transactions

1. Company and persons that may have conflict of interest with the Company and subsidiaries

The Company reports all related transactions occurred in quarterly meetings. After consideration, the Audit Committee releases suggests opinion about related transactions (between the Company or juristic person) that may cause conflict of interest during the quarters, and are executed under normal

course of business operation as well as general trading terms - likewise as human would convene with their contract parties under arm's length basis, without transfer of benefit between the Company and person/juristic person which may have conflict.

Company and persons that may have conflict of interest with the Company and subsidiaries

Person/ juristic person that may have conflict of interest	Nature of business	Relationship
Vitoorapakorn Group	-	<ul style="list-style-type: none"> Vitoorapakorn Group holding 75.0% of shares. Vitoorapakorn Group designates their representative to as directors of the Company which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnant Vitoorapakorn (4) Mr. Chalio Vitoorapakorn and (5) Mr. Ekawat Vitoorapakorn
Vitoorapakorn Holding Co., Ltd. ("Holding")	Holding conducts its business by investing in different companies	<ul style="list-style-type: none"> Vitoorapakorn Group holds all shares (100%) in Holding There are total 6 directors designated by Vitoorapakorn Group in Holding which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnant Vitoorapakorn (4) Mr. Chalio Vitoorapakorn (5) Mr. Ekawat Vitoorapakorn and (6) Mr. Tanawat Vitoorapakorn
Eastern Syntech Co., Ltd. ("Syntech")	Manufacturer and distributor of prefabricated rigid air duct and energy-saving lamps	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 100.0% of shares, directly and indirectly Vitoorapakorn Group has 5 nominated directors in Syntech which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnant Vitoorapakorn (4) Mr. Chalio Vitoorapakorn and (5) Mr. Ekawat Vitoorapakorn
I.P.P (Thailand) Co., Ltd. ("IPP")	Real estate business and industrial estate-sell, lease property, land, public utilities and services	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 100.0% of shares, directly and indirectly Vitoorapakorn Group has 5 nominated directors in IPP which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnant Vitoorapakorn (4) Mr. Chalio Vitoorapakorn and (5) Mr. Ekawat Vitoorapakorn
Hayakawa Eastern Rubber Co., Ltd. ("Hayakawa")	Manufacturer and Distributor of playground mat	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 35.0% of shares, directly and indirectly Vitoorapakorn Group has 1 nominated director in Hayakawa which is Mr. Chumnant Vitoorapakorn Mr. Jarintr Warintaraporn, executive of the Company also hold directorship in Hayakawa Eastern Rubber Co., Ltd. ("Hayakawa")

Person/ juristic person that may have conflict of interest	Nature of business	Relationship
Abric Eastern International Co., Ltd. ("Abric")	Abric is a manufacturer and distributor of plastic and metal safety seal, On 16 th December 2014, Vitoorapakorn group transferred all share hold by the group to Abric Worldwide Sda. Bhd., Pranakorn Holding Co., Ltd, and Sanyai Holding Co., Ltd.	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 25.0% of shares, directly and indirectly As of 31 March 2014, Vitoorapakorn Group has 5 nominated directors in Abric which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnant Vitoorapakorn (4) Mr. Chalio Vitoorapakorn and (5) Mr. Ekawat Vitoorapakorn
Dynamic Eastern Garment Co., Ltd. ("Dynamic")	Dynamic is a manufacturer of ready-made clothes, apparel and leather wear	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 74.0% of shares, directly and indirectly Vitoorapakorn Group has 3 nominated directors in Dynamic which are (1) Miss Ratipin Vitoorapakorn (2) Ratiporn Chaiyangyuen and (3) Mr. Chalio Vitoorapakorn
Patton Aero Co., Ltd. ("Patton")	Manufacturer and distributor of refrigeration machines	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 40.0% of shares, directly and indirectly Vitoorapakorn Group has 2 nominated directors in Patton which are (1) Mr. Pawat Vitoorapakorn and (2) Mr. Chalio Vitoorapakorn
Siam Inter Air Supply Co., Ltd. ("Siam Inter")	Siam Inter is a manufacturers and distributor of air-conditioners	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 97.5% of shares, directly and indirectly Vitoorapakorn Group has 1 nominated director in Siam Inter which is Miss Ratipin Vitoorapakorn
Four-S (2007) Co., Ltd. ("Four-S")	Four-S conducts lease of buildings and rooms	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 100.0% of shares, directly and indirectly Vitoorapakorn Group has 5 nominated directors in Four-S which are (1) Mr. Teerawat Vitoorapakorn (2) Mrs. Somruat Vitoorapakorn (3) Ms. Sasiluck Vitoorapakorn (4) Mr. Sasin Vitoorapakorn and (5) Mr. Sarit Vitoorapakorn
Best Architectural Lighting Co., Ltd. ("Best")	Wholesale, retail of lamps and equipments	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders of Best, holding 40.0% of shares, directly and indirectly 3 directors designated by Vitoorapakorn consists of (1) Mrs. Kanyarat Vitoorapakorn (2) Miss Naowarat Vitoorapakorn and (3) Miss Rungravee Vitoorapakorn
A Group of Persons B.N.C.-1 ("BNC.1")	BNC.1 provides lease of property, buildings and offices	<ul style="list-style-type: none"> BNC.1 is an ordinary partnership established by Vitoorapakorn Group
BNC Ordinary Partnership 4 ("BNC. 4")	BNC.4 provides lease of property, buildings and offices	<ul style="list-style-type: none"> BNC.4 is an ordinary partnership established by Vitoorapakorn Group
A Group of Persons T and C Land and House ("T&C") A Group of Persons P and C Land and House ("P&C") A Group of Persons P and T Land and House ("P&T") A Group of Persons PRV ("PRV")	provides lease of property, plant and equipment	<ul style="list-style-type: none"> T&C, P&C, P&T and PRV are established by a group of person and is a beneficiary. Vitoorapakorn Group is a major shareholder, holding 100.0% of shares.

Person/ juristic person that may have conflict of interest	Nature of business	Relationship
FARAERO OTO, SANTIC A.S. ("Faraero")	Manufacturer and Distributor of rubber mat for van cars in Turkey	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders of Faraero, holding 40.0% of shares, directly and indirectly Vitoorapakorn Group has 1 nominated director in Faraero which is Mr. Ekawat Vitoorapakorn
Siam B R Service Co., Ltd. ("Siam BR")	Siam BR is a distributor and provider of air-conditioner repair service	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders, holding 51% of shares, directly and indirectly Vitoorapakorn Group has 1 nominated director in Siam BR which is Miss Ratipin Vitoorapakorn
Eastern Polytech Co., Ltd. ("EPT")	After the flood in 2012, the company suspended its business operation (manufacture and distributes forming plastic and metal)	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders of EPT, holding 100.0% of shares, directly and indirectly There are total 6 directors designated by Vitoorapakorn Group which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnan Vitoorapakorn (4) Mr. Chaliew Vitoorapakorn (5) Mr. Ekawat Vitoorapakorn and (6) Mr. Tanawat Vitoorapakorn
All Out Co., Ltd. ("All Out")	All Out is a support center for training and physical and social development. The company distributes hair products and provides hair care service	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders of All Out, holding 88.25% of shares, directly and indirectly Vitoorapakorn Group has 1 nominated director in All Out which is Mrs. Supawadee Vitoorapakorn
Sanki Eastern (Thailand) Co., Ltd. ("Sanki")	Manufacturer and distributor of metal parts for camera and lamps	<ul style="list-style-type: none"> Vitoorapakorn Group is a major shareholders of Sanki, holding 30.0% of shares, directly and indirectly Vitoorapakorn Group has 2 nominated directors in Sanki which are (1) Mr. Pawat Vitoorapakorn and (2) Mr. Chumnan Vitoorapakorn
S. Ordinary Partnership S. Trading ("S. S. Trading")	invests in purchase, sale of office stationary /factory equipment, machinery parts and products/ services	<ul style="list-style-type: none"> S.S. Trading Ordinary Partnership is established by a group of person and is a beneficiary. Vitoorapakorn Group is a major shareholder, holding 100.0% of shares.

Details of related transactions during accounting year 2014 and 2015 (April 2014 – March 2015)

Unit : Million Baht

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13–Mar. 14)	Accounting year 2014 (Apr.13–Mar. 14)	
1. Income				
1.1 Income from service of information technology - The company provides service of internet and IT system	The Company/Syntech	0.654	0.723	Such transaction is reasonable because Syntech's office is located near the company and Syntech offers affordable price.
1.2 Income from consultant service - Aeroklas provide consultant service related to wind turbine operation	Aeroklas/Syntech	2.600	2.400	Aeroklas engaged in manufacturing of automotive parts and accessories and was in the process of the wind turbine development progress, but after group re-structuring, Aeroklas has changed its focus on automotive part manufacturing only, therefore, transferred its wind turbine to Syntech. The transfer of business was proceeded slowly since Aeroklas still have to maintain parts of their personnel that is necessary to automotive parts manufacturing. Currently, Aeroklas and Syntech are undergoing knowledge transfer procedures which is expected to be completed within 3 years. However, if Syntech can find alternative qualified person prior such expected period, Aeroklas may consider to suspend such service. As regard to service fee, it is considered as a reasonable, and higher than operation costs of the Company.
1.3 Income from utility charge - The company provides utility service to IPP by providing cleaning staff and maintenance staff for office buildings	The Company/IPP	0.200	0.180	IPP's office location is close to the company, therefore, the company consider to hire the contractor for the said service. The transaction is normal and the service rate is reasonable and higher than the Company's operation costs.

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
1.4 Income from service - Aeroflex provides transportation and service check	Aeroflex/AbriC	0.941	1.546	Such service provision does not affect the Company's operation, plus the service rate is reasonable and higher than Company's operation costs.
1.5 Income from service - Aeroflex imports and exports documents	Aeroflex/Patton Aeroflex/Syntech Aeroflex/Sanki	0.074 0.299 -	0.004 0.361 0.003	Such service provision does not affect the Company's operation, plus the service rate is reasonable and higher than Company's operation costs.
1.6 Income from service - Aeroflex provides transportation service	Aeroflex/Best	0.008	0.012	Such service provision does not affect the Company's operation, plus the service rate is reasonable and higher than Company's cost of operation costs.
1.7 Income from service - Aeroflex provides training service	Aeroflex/Hayakawa	-	0.011	Such service provision does not affect the Company's operation, plus the service rate is reasonable and higher than Company's cost of operation costs.
1.8 Income from service - EPG Innovation provides R&D service	EPG Innovation/ Hayakawa EPG Innovation/AbriC	- - -	0.025 - 0.003	Such service provision does not affect the Company's operation, plus the service rate is reasonable and higher than Company's operation costs.
Total income from service/consultant		4.776	5.268	
2. Income from lease of property, plant and equipment				
2.1 Income from rent of property - The Company provides office space for rent	The Company/AbriC	0.135	0.180	AbriC rents 20 sq.m. area from the Company as an office space. The rent rate is reasonable and not higher than the rental rates of the areas nearby.
2.2 Income from rent of property - Eastern Polypack provides meeting room for rent	Eastern Polypack/ Hayakawa	-	0.003	Eastern Polypack provides meeting room for rent with Hayakawa. The rate is considered as reasonable.
Total income from lease of property, plant and equipment		0.135	0.183	

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
3. Income from sale of ready-made products				
3.1 Income from sale of rubber insulation	Aeroflex/Syntech	9.611	13.989	Sale of ready-made products to the Company is classified as normal business operation. In addition, the selling price is reasonable and not lower than other competitors.
- Aeroflex sells ready-made products such as ready-made rubber insulation and other related products such as Aeroduct, Trading seal and other consumables	Aeroflex/IPP	1.300	1.000	
	Aeroflex/Hayakawa	0.060	0.050	
	Aeroflex/Patton	0.047	0.096	
	Aeroflex/Siam Inter	0.071	0.169	
	Aeroflex/Four-S	0.003	-	
	Aeroflex/EPT	-	0.003	
3.2 Income from sale of plastic packaging	Eastern Polyback/Syntech	2.274	1.688	Sale of ready-made products to the Company is classified as normal business operation. In addition, the selling price is reasonable and not lower than other competitors.
- Eastern Polyback sells plastic products and other related products such as plastic sheet	Eastern Polyback/IPP	0.001	0.001	
3.3 Income from sale of products	Aeroklas/Faraero	4.070	-	Sale of ready-made products to the Company is classified as normal business operation. In addition, the selling price is reasonable and not lower than other competitors.
- Aeroklas sells plastic sheets				
Total income from sale of ready-made products		17.437	16.996	
4. Income from sale of other products				
4.1 Income from sale of consumables	Aeroklas/Syntech	1.550	-	Such transaction is considered as normal transaction of business course and the price is reasonable, equal to the selling prices offered to other companies or persons.
- Aeroklas sells consumable products				

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
4.2 Income from sale of products - Aeroklas sells paper boxes (scrap) to Abric	Aeroklas/Abriç	0.239	0.239	Aeroklas sells paper boxes to Abriç with reasonable price, equal to the selling prices offered to other companies or persons.
4.3 Income from sale of assets - Aeroklas sells assets and machines to Faraero and office equipment to All Out	Aeroklas/Faraero Aeroklas/All Out Aeroklas/IPP	10.646 0.001 -	- - 0.005	The transaction based on joint venture agreement with Faraero and All Out that Aeroklas would transfer unnecessary office equipment. The price of transaction is reasonable, equal to the price offered to other companies or persons.
4.4 Income from sale of assets - APT, a subsidiary of the Company sells machines to Faraero	APT/Faraero	0.101	-	The transaction base on group re-structuring and APT did not use the machines. The price is reasonable, equal to the price offered to other companies or person.
4.5 Income from share disposal to Faraero - Aeroklas sells 40.0% of the shres hold in Faraero to EPT	Aeroklas/EPT	91.282	-	Since Aeroklas experienced cooperation issues in Faraero with its business alliances, therefore, it decided to sell the shares hold in Faraero to EPT at the book value to lower the conflict and impacts to the Company. After such transaction, the structure will not in conflict with interest due to the products from Aeroklas and Faraero are different types. However, the Company may buy the shares at any time at the book value.
4.6 Income from sale of boats - Aeroklas manufactures and sells plastic boats/other products	Aeroklas/IPP Aeroklas/Holding Aeroklas/Vitoorapakorn	0.040 2.804 -0.024	- 2.800 -	Sale of ready-made products to the Company is classified as normal business operation. In addition, the selling price is reasonable and not lower than other competitors or equal to the selling prices offered to other companies or persons.
Total income from sale of other		106.639	3.044	

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
5. Other incomes				
5.1 Income from administration - Aeroklas charge for service fee from personnel assistant in selling of property to IPP	Aeroklas/IPP	0.510	-	IPP is undergoing development of SME Park industrial estate. Since Aeroklas has qualified personnel, therefore provided service to IPP. The service rate is reasonable and higher than operation costs of the Company
5.2 Income from loan - The Company approves loan for Holding • Interest receive • Beginning loan • Ending loan	The Company/Holding	2.411 - -	- - -	Before re-structuring, the Company granted loan to Holding, hence, the Company has income from the interest received. After re-structuring, the Company has optimized its investment structure and currently, Holding has no outstanding loan with the Company.
Total other income		2.921	-	
Total income		131.908	25.491	
Expenses				
1. Rent of property, plant and equipment				
1.1 Expense on rent of property and plant - Aeroflex rents property to use as sale office	Aeroflex/Syntech	2.145	2.146	Aeroflex rents 192 sq.m. land from Syntech to use as sale office because the area has been used and is appropriate for Aeroflex's sale office. Additionally, the rent rate is reasonable.
1.2 Expense on rent of property and plant - Aeroklas rents property of IPP to use as storage space or temporary parking lot	Aeroklas/IPP	0.198	0.198	Aeroklas rents 1 rai, 2 ngam land from IPP to use as storage space or temporary parking lot- which is necessary for business operation. Additionally, the rent rate is reasonable.

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
1.3 Expense on rent of office space - BNC.1 provides rent of office space in Bang Na to Aeroklas	Aeroklas/BNC.1	1.800	1.800	Aeroklas rents 1,870 sq.m. office from BNC.1 to use for business operation. The rent is reasonable, not too higher than surrounding areas.
1.4 Expense on rent of office space - BNC.4 provides rent of office space in Bang Na to Eastern Polypack	Eastern Polypack/ BNC.4	1.440	1.440	Eastern Polypack rents 1,368 sq.m. office building with BNC.4 to use as office space. The rent rate is reasonable, and not exceed average rate in surrounding.
1.5 Expense on rent of office space - T&C, P&C, P&T and PRV provide office building for rent in Theparak area	The Company/T&C P&C, P&T, PRV	9.000	9.000	The Company rents 4,489 sq.m.-office building from these three groups of persons to use as an office. The rent is reasonable, not higher than surrounding areas
Total expense on rent of property and plant		14.583	14.584	
2. Expense on rent of vehicles				
2.1 Expense on rent of towing trucks - Aeroflex rents towinf trucks to transport its products	Aeroflex/Syntech	0.600	0.150	Aeroflex requires towing truck for its business operation, and pursuant to regulations of the Department of Land Transportation, Aeroflex cannot purchase more vehicles. Hence, it is necessary to rent from other person. Syntech offers the reasonable rental rate and lower than other service providers proposed.
2.2 Expense on rent of vehicles - The Company and subsidiaries which are Aeroklas, Aeroflex and Eastern Polypack rent motor vehicles from IPP for their business operation	The Company/IPP Aeroklas/IPP Aeroflex/IPP Eastern Polypack/IPP	3.267 5.621 7.536 2.083	1.409 0.870 1.593 0.657	Before re-structuring, the Company rented a car from central office under supervision of IPP. After re-structuring, Aeroflex and Eastern Polypack have purchased cars from the expired hire-purchase contract. As for the car which are remained in the contract, IPP provide for rent to Aeroflex, Aeroklas and Eastern Polypack until the hire-purchase contract will expire. Upon expiration of the contract, IPP may sell to the three companies at reasonable price and equal to the rent rate of other companies or persons.

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
Total expenses on rent of vehicles		19.107	4.679	
3. Expense on utilities and other expenses				
3.1 Utility expense	Aeroflex/IPP	0.556	0.557	Factory of Aeroklas and Aeroflex are located in IPP industrial estate, and it is necessary to use public utilities from IPP for business operation. Additionally, the utility charge rate is reasonable and not higher than other companies.
- Aeroklas and Aeroflex use utilities from IPP	Aeroklas/IPP	0.952	0.952	
3.2 Other expenses	Aeroflex/IPP	8.961	8.457	Factories of Aeroklas and Aeroflex are located in IPP industrial estate, and it is necessary to provide transport service for employees, cover their medical expenses as well as secure SubStation 115KV. Additionally, the utility charge rate is reasonable and not higher than other companies.
- Aeroklas, Aeroflex and Eastern Polypack employ or use service such as staff transportation, medical expense for staff and SubStation 115KV from IPP for their business operation including other expenses	Aeroklas/IPP	17.989	15.924	
	Eastern Polypack/IPP	0.835	0.420	
	EPG Innovation/IPP	-	0.004	
Total expense on utilities and other expenses		29.293	26.315	
4. Expense on raw materials and finished products				
4.1 Expense on finished products/materials	Aeroflex/Syntech	10.145	3.127	The purchase of finished products by Aeroflex from Syntech is classified as normal business course. Additionally, the selling price is reasonable and not higher than what Syntech charges with other trading partners.
- Aeroflex purchases finished products from Syntech to use in cooling system production				

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
4.2 Expense on finished products/materials - Aeroklas purchases finished products, materials, plastic hooks from Abric for their manufacturing process	Aeroklas/Abric	36.990	40.127	Purchase of plastic hooks from Abric is classified as normal business operation and the price is reasonable and lower than the cost what Company can find.
4.3 Expense on finished products/materials - Aeroflex purchases consumables product - Security seal and also uses other services from Abric	Aeroklas/Aeroflex/Abric	0.086	0.030	Purchase consumables -security seal from Abric is classified as normal business course. Additionally the price is reasonable, not higher than market price.
4.4 Expense on finished products/materials - Aeroklas purchases finished products from Dynamic for re-sale	Aeroklas/Dynamic	5.324	2.781	Dynamic is a manufacturing and sewing company for clothes and leather wear of which considered as normal business. The rate is appropriate and consistent with other rate offered by other companies or person.
4.5 Expense on finished products/materials - Aeroklas purchases equipment for manufacturing process	Aeroklas/EPT	1.230	-	Aeroklas purchases raw materials from EPT at reasonable price, comparing to purchasing price from other companies or persons
Total expense on raw materials and finished products		53.775	46.065	
5. Expense on purchase of property, plant and equipment				

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
5.1 Purchase of cars - Eastern Polypack and Aeroklas Aeroklas have purchased cars from IPP	Aeroflex/IPP Eastern Polypack/IPP Aeroklas/IPP The Company/IPP	15,866 13,478 - -	3,220 - 6,960 9,701	Before re-structuring, the Company rented a car from central office under supervision of IPP. After re-structuring, Aeroflex and Eastern Polypack have purchased cars from the expired hire-purchase contract at the similar price of market rate (second hand car). Hence, the transaction is reasonable price and equal to the purchase rate of other companies or persons.
5.2 Expense on repair/maintenance of the molds - Aeroklas repairs molds for Faraero	Aeroklas/Faraero	-	1,608	Aeroklas has repaired the molds which have been sold to Faraero to deploy the mold to manufacturing process
5.3 Purchase of equipment - Aeroflex and Eastern Polypack purchase air-conditioners from Siam Inter	Aeroflex/Siam Inter Eastern Polypack/ Siam Inter The Company/ Siam Inter Aeroklas/Siam Inter	0.243 0.452 - - -	1,008 0.421 0.860 0.219	Aeroflex and Eastern Polypack purchase air-conditioners from Siam Inter to use in their business operation at reasonable price which is similar to the rate what Siam Inter offers to other companies.
5.4 Purchase of assets - Aeroklas purchases machines and equipment for manufacturing process	Aeroklas/EPT Aeroflex/EPT	6,270 -	0.373 0.002	Aeroklas purchased assets from EPT for its manufacturing process at reasonable price which is equal to book value.
Total expenses on purchase of property, plant and equipment		36,309	24,372	
6. Other expenses				
6.1 Other expenses - Aeroklas, Aeroflex and Eastern Polypack have purchased assets, consumable goods (bulbs) or hired or used service from Syntech for their business operation which are construction control, repair for Aeroklas and other expenses.	Aeroklas, Aeroflex, Eastern Polypack/ Syntech	15,132	6,826	Acquiring service repair from Syntech is reasonable and the service rate is appropriate comparing to expenses to other companies or persons.

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
6.2 Uniform cost	The Company/Dynamic	0.020	-	Dynamic sells uniforms and fabric bags to Aeroklas, Aeroflex and Eastern Polypack at the reasonable rate, equal to the rates from other companies or persons.
- Dynamic sells uniforms to Aeroklas, Aeroflex and Eastern Polypack including promoting products (fabric bags) to the Company.	Aeroklas/Dynamic Aeroflex/Dynamic Eastern Polypack/ Dynamic	0.530 2.644 3.469	2.530 1.790 0.894	
6.3 Equipment repair cost	Aeroklas, Eastern Polypack/Siam Inter	0.074	0.089	Aeroflex hires Siam Inter to repair air-conditioners. The service fee rate is reasonable and not higher than Siam Inter charges other customers.
- Aeroklas and Eastern Polypack hire Siam Inter to repair air-conditioners				
6.4 Rent of accommodation	The Company/Four-S	0.008	-	The Company rents a room from Four-S in order to support guest which may have to work in the surrounding area. The rental rate is reasonable and not higher than what Four-S charges other customers.
- The Company, Eastern Polypack, Aeroklas rent a room for supporting guests	Eastern Polypack/ Four-S Aeroklas/Four-S	- - -	0.010 0.005	
6.5 Equipment maintenance cost	Aeroklas/Siam BR	0.043	0.068	Repair of air-conditioners is classified as normal business operation of Siam BR. The service charge rate is reasonable in comparison to rates from other companies and persons.
- Aeroklas and Eastern Polypack hires repair service from Siam BR	Eastern Polypack/Siam BR Aeroflex/Siam BR	- -	0.020 0.004	
6.6 Other expenses	Eastern Polypack/ Hayakawa	-	0.031	The sale of products is classified as normal business operation of Hayakawa and the price is reasonable comparing to purchase prices from other companies or persons
- Eastern Polypack, EPG Innovation, Aeroklas, Aeroflex purchase consumable products from Hayakawa	EPG Innovation/ Hayakawa Aeroklas/Hayakawa Aeroflex/Hayakawa	- - - -	0.002 0.023 0.016	

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and/or rationality of transaction
		Accounting year 2014 (Apr.13-Mar. 14)	Accounting year 2014 (Apr.13-Mar. 14)	
6.7 Other expenses - Eastern Polypack hires service from SS. Trading Ordinary Partnership	Eastern Polypack/SS Trading	-	0.231	Equipment repair is consisted in normal business operation of SS Trading Ordinary Partnership. The service charge rate is reasonable comparing to other companies or persons.
6.8 Loan interest - The Company receives loan from Holding with payable interest, beginning loan and ending load as following: • Interest paid • Beginning loan • Ending loan	The Company/Holding	0.234 - -	- - -	Before re-structuring, the Company received loan from Holding, hence, the Company has expense on payable interest. After re-structuring, the Company has optimized its investment structure and currently, has no outstanding loan with the Holding.
6.9 Loan interest - APT receives loan from SewSee Sae-Tang with payable interest, beginning loan, ending loan as follow: • Interest paid • Beginning loan • Ending loan	The Company/ Mr. Chen Xiu Shi	- 13.3 27.0	- 27.0 20.748	APT is established to conduct business in China which requires loan from Vitoorapakorn Group (Mr. Chen Xiu Shi) as such loan has been executed in the past for liquidity in business operation. China limits loan acquired from overseas, including domestic banks in some cases. APT needed the loan for liquidity of their business operation and since loan from Vitoorapakorn Group contain no interest which is consistent with purpose of APT to not have additional expense. The Audit Committee reviews that such transaction is appropriate.
Total other expenses		22.154	12.539	
total expenses		175.221	128.554	
7. Other transactions				
7.1 Guarantee - Vitoorapakorn has guaranteed loan for its subsidiaries such as Aeroflex, Aeroklas, Eastern Polymer.	The Company/ Vitoorapakorn Aeroflex/Vitoorapakorn Aeroklas/Vitoorapakorn The Company/ Vitoorapakorn			The said guarantee is in accordance with conditions of the commercial bank. When being listed in the stock exchange, the commercial bank will exempt guarantee condition. In addition, such guarantee has no cost, therefore, the Audit Committee reviews that such transaction is appropriate.

2. Strategy or procedures of approval on related transactions

The Company has determined policies and procedures of related transactions to ensure the transaction between person or juristic person is executed with transparency and to secure the benefit of the Company. The Company strictly complies to the Securities and Stock Exchange Law, regulations, notifications or rules stipulated by the Capital Market Advisory Board concerning related transaction. Executives or stakeholders cannot engage in approval of such transaction. In case where stipulated by law to seek for approval from the meeting of shareholders, the Company would assign audit Committee to attend in the meeting as to consider and express their opinion concerning necessity to execute transactions and reasonability. Furthermore, execution of transaction of trading agreement which contains general trading condition and the transaction of trading agreement without general trading condition are determined as follows:

Transaction of trading agreement which contains general trading condition

Transaction of trading agreement which contains general trading condition among the Company and subsidiaries, directors, executives or related person shall be approved under the criteria determined by the board of directors. The management may approve on such transaction if the transaction contains trading agreement in the same nature as an individual would perform with contract party, based on negotiation power without influence of their position as director, executive or related person.

The Company summarizes all transactions that exceed 15,000,000 baht and report in all quarterly meeting of Audit Committee and the board of directors.

Transaction of trading agreement without general trading condition

Transaction of trading agreement without general trading condition shall be considered and reviewed by the Audit

Committee prior to being proposed to the board and/or meeting of shareholders for approval. Such transaction must be executed in compliance with securities and stock exchange law, regulations, notifications, orders or rules of the Capital Market Advisory Board and Stock Exchange of Thailand including regulations concerning related transaction.

In case where the Audit Committee has no experience in consideration of the related transaction, the Company shall appoint independent expert or the Company's auditor to review opinion as supplementary factors for audit Committee and/or the board of director and/or shareholders as the case may be to ensure that such transaction is genuinely necessary and reasonable based on benefit of the Company. Details of related transactions are disclosed in annual report and note to financial statement reviewed by the Company's auditor.

3. Policy or trend of future related transactions

Toward the future, the Company enter into related transactions as considered appropriate, by follow the procedures of approval on related transactions.

4. Significant related transaction in the future

Due to lack of readiness to perform financial statement in compliance with regulations of Stock Exchange of Thailand and SEC, Aeroklas has conflict with one shareholder of Faraero on accounting and management system. Then Aeroklas decided to transfer shares at par investment to Eastern Polytech Co., Ltd. (EPT) - a company of Vitoonpakom Group where Witoonpakom Group hold 100.0% of shares. However, the case could be considered as containing conflict of interest. To ease the conflict, EPT promises to grant right to the Company to acquire shares in Faraero upon request, and EPT in the event that EPT would like to dispose the shares, EPT shall give priority to the Company as the first right of buy and refusal. However, the offering price shall not exceed the book value.



2015 Audit Committee Report

Audit Committee

The Audit Committee of Eastern Polymer Group Public Limited Company compose of 3 qualified independent directors as follows:

Name		Position in the Audit Committee
1. Mr. Chaiwat	Atsawintarangkun	Chairman
2. Mr. Thanachai	Santichaikul	Member
3. Mr. Panchai	Wattanachai	Member

Scope of Audit Committee duties

1. Review the accuracy and completeness of the Company's financial statement.
2. Ensure that the Company has appropriate and effective internal control and internal audit system, consider the independence of the internal audit unit and approve the appointment, transfer and dismissal of the head of the internal audit unit or any other unit that has responsibilities related to the internal audit.
3. Review the Company's compliance with the Securities and Exchange Act, Stock Exchange regulations and laws relating to the Company's business.
4. Consider, select and propose the appointment of independent person to act as Company auditor and appropriate remuneration, and to meet the auditor without the management at least once per year.
5. Consider connected transactions or transactions with possible conflicts of interest, ensuring compliance with the law and Stock Exchange regulations and confidence that such transactions are handled fairly and for the greatest benefit of the Company.
6. Prepare the Audit Committee report for publication in the Company's annual report, which is to be signed by the chairman of the Audit Committee and contains at least the following information:
 - (a) Comments on the accuracy, completeness and reliability of the Company's financial report.
 - (b) Comments on the adequacy of the Company's internal control system.
 - (c) Comments on legal compliance with the Securities and Exchange Act, Stock Exchange regulations or other laws relating to the Company's business.

- (d) Comments on the appropriateness of the auditor.
 - (e) Comments on matters with possible conflicts of interest.
 - (f) The number of Audit Committee meetings and attendance of each committee member.
 - (g) General comments or observations received by the Audit Committee while carrying out their duties in accordance with the charter.
 - (h) Other matters that should be reported to the shareholders or investors, within the scope of the duties and responsibilities as assigned by the Board of Directors.
7. Perform any other duties assigned by the Board of Directors and accepted by the Audit Committee.

Duties of the Audit Committee in the last year

In the Company's fiscal year ending 31 March 2015, the Audit Committee performed the following duties:

1. Reviewed and approved the Company's quarterly financial statements and the final accounts on 31 March 2015, including reporting to the Board of Directors.
2. Considered the appointment of the internal auditor and setting of appropriate remuneration, approved the group's internal audit plan, acknowledged the audit results of the Company's internal control system and followed up on measures taken for improvement.
3. Evaluated the adequacy of the Company's internal control system in accordance with the relevant regulations of the Securities and Exchange Commission.
4. Reviewed reports of possible conflict of interest and acted in compliance with Securities and Exchange Act, Stock Exchange regulations or other laws relating to the Company's business.

5. Offered advice on domestic and international investment by the subsidiaries.
6. Considered the selection of the auditors and the audit of the overseas joint ventures.

The views of the Audit Committee in these various matters can be summarized as follows:

1. Reviewing of the auditing of financial statement for the fiscal year ending on 31 March 2015 that has already been audited, the committee's unconditional opinion is that the report is accurate, complete, reliable and contained no material issues.
2. The Company has adequate internal control system that is appropriate for the condition and nature of the Company's business and in compliance with the laws and

regulations of the regulatory bodies. The internal control system for connected transactions is sufficient.

3. The Company is in compliance with the Securities and Exchange Act, Stock Exchange regulations and related laws.

4. The Company's internal auditor and internal audit department have carried out their duties appropriately, efficiently and independently.

5. The Company's auditor from Pricewaterhouse Coopers ABAS Co. Ltd., Mr. Sudwin Panyawongkhanti, Certified Public Accountant No. 3534, performed his duties appropriately.

and in Audit Committee meeting 3/2015 on 29 May 2015, the committee approved the appointment of the following as auditors of the Company:

Name		Auditor
1. Mr. Sudwin	Panyawongkhanti	Certified Public Accountant No. 3534 or
2. Mrs. Anuthai	Poomsurakul	Certified Public Accountant No. 3873 or
3. Mr. Wichian	Kingmontree	Certified Public Accountant No. 3977

of PricewaterhouseCoopers ABAS Co. Ltd. as auditors for the fiscal year to 31 March 2016. The appointment of the auditors and audit fee are subject to the approval of the shareholders at the annual general meeting to be held on 29 July 2015.

6. Transactions between the Company and its subsidiaries or individuals with possible conflicts of interest were reported fairly for the greatest benefit to the company in accordance with the Company's pricing policy and

announcements by the Stock Exchange of Thailand regarding connected transactions.

Number of Audit Committee meetings and attendance of each committee member.

In the Company's fiscal year ending on 31 March 2015, the Audit Committee met a total of 5 times. Attendance by the committee members is summarized below.

Name		Position in the Audit Committee	No. of Attendance/No. of Meetings
1. Mr. Chaiwat	Atsawintarangkun	Chairman	5/5
2. Mr. Thanachai	Santichaikul	Member	5/5
3. Mr. Panchai	Wattanachai	Member	4/5

Mr. Chaiwat Atsawintarangkun
Chairman of the Audit Committee



Management's Discussion and Analysis

Factors that have impacts on the business operations

Factors that have impacts on the operating result of the Company can be classified into 1) Success of overseas business operation 2) success in research and development, researches and release of new products 3) success of expansion of production capacity of the Company and subsidiaries, as well as success in development of distribution channels 4) fluctuation of raw materials price and 5) local economic situation and global economy

1) Success of overseas business operation

Most of the products manufactured and distributed by the Company are dedicated for Niche Market, hence, it is important to combine technology with innovations and develop into high quality and outstanding products under Differentiated Focus Strategy.

Differentiated Focus Strategy is suitable to the big market. For this reason, the Company has to expand its overseas operations, as production for domestic market only, will not enable the production to reach Economies of Scale and be competitive in global market.

2) Success in research and development, and release of new products

One of the key success factors of the Company is the ability to export innovative and quality products to the market. In previous years, the Company has achieved various goals in research, product development, and the release of products to the market. As a result, the Company could increase sales volume and maintain profitability continually.

Researches and development of new products contains the risks from rejection and varied market response. In addition, risk may arise from the fact that the Company has to invest in research and development in advance and hold on to the return on investment from the products.

3) Success of expansion of production capacity of the Company and subsidiaries as well as success in development of distribution channel.

The Company and subsidiaries expand its production capacity continuously in order to support the growth of all business segments along with success in development of distribution channels in the right market. For example, expansion of thermal insulation sales to Europe and USA. New products are released to expand product lines which are in high demand. For example, development and distribution of canopy and deck covers to the market in USA, Australia and European zone for automotive parts. For the development of PET plastic cups, the Company focuses on Asia market where the demand of high quality plastic cup is high, especially in Korea, Japan and Australia.

4) Fluctuation of raw material price

The Company manufactures and distributes Polymer and Plastic Converter for different industries where one of the main cost of sales is a raw material which accounted approximately for 50% of total cost of sales. As a downstream manufacturer, the Company may be affected by the price fluctuation. In addition, it takes approximately 3-6 months for the additional cost to pass through some part to some customer. Such factor may negatively affect the operating result of the Company.

5) Events and local economic situation and global economy

Main products of the Company are classified into 3 groups which are 1) thermal insulation 2) automotive parts and accessories 3) plastic packaging. These business groups related to automotive, construction, food and beverage packaging industry where the sale channels were both a domestic and overseas in many countries. Hence, both local and international economic situations such as slow-down or retraction of world economy may have negative impacts to the operating result of the Company.

Analysis of operating results

This analysis is conducted within information pertaining in consolidated financial statement which includes the whole

business segments from 1) Thermal insulation business by Aeroflex 2) Automotive parts and Accessories by Aeroklas and 3) Plastic Packaging by Eastern Polypack.

Revenue from Sales

Unit : Million Baht

	Accounting year 2013		Accounting year 2014		Accounting year 2015	
	Apr. 2012 - Mar. 2013		Apr.2013 - Mar. 2014		Apr. 2014 - Mar. 2015	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Manufacturing and Distributing of thermal insulation(Conduct by Aeroflex) ^{1/}	2,043.9	30.3	2,133.6	32.4	2,295.2	33.2
Manufacturing and Distributing of automotive parts and accessories (Conduct by Aeroklas) ^{2/}	2,590.2	38.4	2,281.5	34.6	2,404.8	34.8
Manufacturing and Distributing of plastic packaging (Conduct by Eastern Polypack)	2,116.1	31.3	2,176.7	33.0	2,212.7	32.0
Total Revenue from Sales	6,750.2	100.0	6,591.8	100.0	6,912.8	100.0

Remark: 1/total operation result of Aeroflex Co., Ltd., Aeroflex USA Co., Ltd., Aeroflex Polymer Technologies (Shanghai) Co., Ltd., and APS Co., Ltd.
2/total operation result of Aeroklas Co., Ltd., Aeroklas USA Co., Ltd., Aeroklas Australia Co., Ltd., Aeroklas Europe GmbH and TJM Products PTY. Ltd.,

In accounting year 2015 (April 2014 - March 2015), the Company's total revenue from sales was 6,912.8 million baht. Revenue from sales from each business segment was as follows; (1) thermal insulation business accounted for 33.2% of total revenue from sales (2)automotive parts and accessories accounted for 34.8% of total revenue from sales (3) plastic packaging business accounted for 32.0% of total revenue from sales .

The revenue from sales increased from accounting year 2014 (April 2013 - March 2014) where total revenue from sales was 6,591.8 or representing 4.9%. The main reasons were:

1) Revenue from sales from thermal insulation business increased by 7.6% from the previous year, especially increase in sale volume from oversea market such as USA, Japan and China which accounted for 71% of total oversea sale volume.

2) Revenue from sales from automotive parts and accessories increased by 5.4% due to growth of demand on automotive parts for commercial and passenger vehicles market and due to foreign policy and promotion campaign of the Company. The promotion and support were conducted in order to reduce dependency on sluggish domestic market due to slow-down of purchasing power. Additionally positive factor was from the realization of in come from TJM Products Pty. Ltd. was the latest company which Aeroklas Australia Co., Ltd. acquired in March 2015. As a result, Aeroklas has 56% of total oversea sales.

3) Revenue from sales from plastic packaging business increased by 1.7% due to growth of production of plastic cup and food packaging as a result of increasing domestic demand in early 2015. Such increase rate which exceeded reduction rate of plastic sheet sold to manufacturers of construction materials and automotive industries where such businesses were not recovered. The Company also

experienced reduction in plastic packaging such as paper cups, plastic utensils etc. where the main reason was aggressive competition including increasing number of competitors from China. As a result, EPP has 90% of market share in Thailand.

Cost of goods sold

In 2015 (April 2014 - March 2015) and 2014 (April 2013 - March 2014) cost of goods sold of the Company were 5,094.8 million baht and 4,870.2 million baht, an increase of 224.6 million baht or 4.6%. The increase in the proportion is slightly lower than the increase of sale volume due to reduction in material price by the end of year 2015, more utilization of production which subsequently increase 5.6% of the gross profit. The proportion of gross profit from thermal insulation business, automotive parts and accessories and plastic packaging were 47.4%, 28.5%, 24.2% respectively

Increase of gross profit was a result of income growth in thermal insulation business by 11.6% comparing to the previous year. In addition, the increase of gross profit is also a result of continuous development of production process and technology, improved production lines which enhanced production efficiency, less raw materials usage and reduction of related expenses. On the other hand, the gross profit of automotive parts and accessories and plastic packaging were similar to those of the previous year due to the fact that the price of raw material remained high, and the production quantity still did not reach Economies of Scale (as a result of recession in automotive industry and reduction of domestic consumption from retraction of economic condition)

Sale and administrative expenses

In 2015 (April 2014 - March 2015) and 2014 (April 2013 - March 2014) the Company's expense on selling and other administrative expenses were 1,174.9 million baht and 1,146.8 million baht respectively, an increase of 28.1 million baht or 2.5%. The increase was caused by the increase of sale volume and from increase of expenses on consultant/legal consultant/accountant and acquisition of

TJM Products Pty.Ltd. in Australia which was equal to 18 million baht approximately.

Earning before interest tax and depreciation (EBITDA)*

**Excluding other revenue / other expenses / gain(loss) from exchange*

In accounting year 2015 (April 2014 - March 2015) the Company's EBITDA was 1,144.7 million baht, increased by 12.6% from the previous year. The increase was a result of rising sale volume, in the mean while, the cost of sale and expense on sale and administration increased slightly. The depreciation cost and amortization increased from 440.6 million from the previous year to 494.0 million baht in 2015.

Profit (loss) from exchange rate

In 2015 (April 2014 - March 2015) the Company experienced loss from exchange rate at 41.9 million baht (after adjusted with profit/loss caused by the financial instrument of which the accounting standard required to record as interest expense.) However, the main reason of loss was the fact that Australian dollar and Euro currency were extremely volatile within a short period of time.

Share of profit from investments in joint ventures

In 2015 (April 2014 - March 2015) and 2014 (April 2013 - March 2014) the Company's share of profit from investments in joint ventures were 229.13 million baht, 305.65 million baht respectively, an increase by 76.52 million baht or 25.04%. The reason was due to recession in automotive industry and loss of thermal insulation in European market where the competition has become intense as a result of economic recession.

Financial cost

The financial cost reduced from 281.7 million baht in accounting year 2014 to 215.9 million baht (after adjusted with profit/loss caused by the financial instrument of which the accounting standard required to record as interest expense.) By increase of management efficiency, working capital was reduced in 2015. In addition, the Company had to repay the short-term and long-term loans by increasing the capital via the Stock Exchange

Tax expense

In 2015 (April 2014 - March 2015) and 2014 (April 2013 - March 2014) the Company's expense tax were 27.84 million baht and 54.22 million baht respectively, a decrease of 26.38 million baht.

Net profit

In 2015 (April 2014 - March 2015) the Company's net profit was 628.24 million baht, the rate was similar to the same period of previous year at 630.38 million baht.

Financial Analysis

Overview of financial status of the Company and subsidiaries as of 31 March 2015 in comparison to statement of financial position as of 31 March 2014 were 12,000.6 million baht and 10,898.9 million baht respectively, an increase of 1,101.7 million baht or 10.1%. The important information are the following:

Assets

As of 31 March 2015, the total asset value was equal to 12,000.6 million baht, an increase from 31 March 2014 at 1,101.7 million baht. The increase was mainly due to increase of new business segments in automotive plastic parts in Australia under management of TJM Products Pty. Ltd. (TJM)

- Cash and cash equivalents increased to 159.7 million baht, a result of the cash remained from listing in the Stock Exchange.
- Trade receivables increased 274.8 million baht, which mainly from TJM at 148.9 million baht and plastic packaging business 69.7 million baht (the sale volume was increased during 4th quarter). The debt collection period was similar to the previous year at 66 days.
- Inventory increased 232.2 million baht, as a result of TJM entity at 229.5 million baht .
- Property, plant and equipment (net), intangible asset (net) and goodwill increased 225.7 million baht as a result of TJM increased significantly at 256.3 million baht.

Liabilities

AS of 31 March 2015 the Company's total liabilities were 3,800.3 million baht and 7,116.5 million baht as of 31 March 2014, a decrease of 3,316.2 million baht. Main reasons were from reduction of bank overdraft and short-term loans from financial institution and long-term loan which were repaid by increasing fund from listing in the Stock Exchange.

Shareholders' equity

As of 31 December 2015 the Company's shareholder's equity was 8,200.4 million baht, an increase from 31 March 2014 at 3,782.5 million baht to 4,417.9 million baht, as a result of capital increased from listing in the Stock Exchange at 3,974.2 million baht and interim profit from operating result. As of 31 March, 2015 the fund structure of the Company and subsidiaries consisted of total liabilities 3,800.3 million baht and shareholders' equity 8,200.4 million baht, debt to equity ratio was 0.46 time

According to consolidated financial statement as of 31 March 2015 and 31 March 2014, the Company and subsidiaries' cash flow from operation were 803.1 million baht and 901.6 million baht respectively. Cash flow paid to investment activities were 1,006.9 million baht and 526.0 million baht respectively, as a result that Aeroklas Australia Co., Ltd., a subsidiary of Aeroklas Co., Ltd. acquired TJM Products Pty.,Ltd., a company in Australia at the amount of 544.3 million baht. Cash flow from funding activities was 291.7 million baht in accounting year 2015, and cash flow paid to funding activities at 360.3 million baht in accounting year 2014. The main cash flow was capital increased from listing in the Stock Exchange which was used to pay short-term and long-term loan at the amount of 3,606.32 million baht.

Auditors' fee

In 2015 (April 2014 - March 2015) The Company appointed PricewaterhouseCoopers ABAS Co., Ltd. as an auditor of the Company and subsidiaries in Thailand. The Company paid 3.8 million baht in audit fee and other service fee at 3.3 million baht (compensation for auditing of consolidated financial statements 3 years pro forma,) including registration fee for the Stock Exchange , traveling and accommodation expense.

To the Shareholders and Board of Directors of Eastern Polymer Group Public Company Limited

I have audited the accompanying consolidated and company financial statements of Eastern Polymer Group Public Company Limited and its subsidiaries and of Eastern Polymer Group Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 March 2015, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Eastern Polymer Group Public Company Limited and its subsidiaries and of Eastern Polymer Group Public Company Limited as at 31 March 2015, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Sudwin Panyawongkhanti
Certified Public Accountant (Thailand) No. 3534
PricewaterhouseCoopers ABAS Ltd.

Bangkok
29 May 2015

Eastern Polymer Group Public Company Limited

Statement of Financial Position

As at 31 March 2015

		Consolidated		Company	
		2015	2014	2015	2014
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	300,185,726	140,513,751	92,386,864	12,070,561
Temporary investments at financial institutions	8	25,226,086	-	8,000,183	-
Trade and other accounts receivable (net)	9	1,393,478,461	1,145,731,070	201,892,903	19,846,122
Short-term loans to related companies	41 c)	10,474,350	-	1,634,000,000	493,500,000
Current portion of long-term loans to related companies	41 d)	4,700,479	-	-	-
Inventories (net)	10	2,017,938,125	1,785,742,454	-	-
Value added tax	11	53,620,582	22,159,310	6,128,166	5,206,242
Current portion of land leasehold right (net)	22	228,830	227,539	-	-
Other current assets	12	4,004,933	-	-	-
Total current assets		3,809,857,572	3,094,374,124	1,942,408,116	530,622,925
Non-current assets					
Restricted deposits at financial institutions	13	473,830,653	464,486,227	44,000,000	91,350,446
Available-for-sale investments	14	-	21,931	-	21,931
Investments in associates	15	1,701,562,313	1,575,992,334	221,000,000	221,000,000
Investments in subsidiaries	16	-	-	3,764,229,749	2,864,229,749
Other long-term investments (net)	17	-	-	-	-
Long-term loans to related companies	41 d)	12,756,772	-	-	-
Investment properties (net)	18	-	-	312,845,884	336,108,921
Property, plant and equipment (net)	19	5,556,106,008	5,475,813,894	124,486,059	94,852,953
Intangible assets (net)	20	124,394,974	71,460,270	844,354	605,919
Goodwill	21	92,487,453	-	-	-
Land leasehold right (net)	22	7,646,731	7,831,142	-	-
Deferred income tax assets (net)	23	176,087,930	175,391,767	24,268,818	5,195,081
Other non-current assets	24	45,893,128	33,559,772	25,410,547	16,313,441
Total non-current assets		8,190,765,962	7,804,557,337	4,517,085,411	3,629,678,441
Total assets		12,000,623,534	10,898,931,461	6,459,493,527	4,160,301,366

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Eastern Polymer Group Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 March 2015

		Consolidated		Company	
		2015	2014	2015	2014
	Notes	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	25	1,415,086,121	4,425,296,293	1,540,667	1,683,174,002
Trade and other accounts payable	26	877,507,069	744,249,894	11,324,305	10,513,081
Short-term loans from related parties	41 e)	20,748,024	26,996,641	-	3,000,000
Current portion of					
- Long-term loans from financial institutions	27	329,005,442	431,300,281	-	24,000,000
- Finance lease liabilities (net)	28	4,869,822	4,163,678	337,904	-
Accrued income tax		12,769,647	22,254,223	-	-
Value added tax	11	6,377,611	1,962,550	-	-
Other current liabilities	29	11,208,705	9,138,982	519,960	574,309
Total current liabilities		2,677,572,441	5,665,362,542	13,722,836	1,721,261,392
Non-current liabilities					
Long-term loans from financial institutions	27	1,000,992,011	1,359,262,075	-	44,000,000
Finance lease liabilities (net)	28	2,594,464	4,593,703	506,823	-
Employee benefit obligations	30	119,115,061	87,262,838	13,085,940	14,227,794
Total non-current liabilities		1,122,701,536	1,451,118,616	13,592,763	58,227,794
Total liabilities		3,800,273,977	7,116,481,158	27,315,599	1,779,489,186

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Eastern Polymer Group Public Company Limited
Statement of Financial Position (Cont'd)

As at 31 March 2015

		Consolidated		Company	
		2015	2014	2015	2014
	Notes	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity (Cont'd)					
Shareholders' equity					
Share capital	31				
Authorised share capital					
2,800,000,000 ordinary shares of Baht 1 each		2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000
Issued and fully paid-up share capital					
2,100,000,000 ordinary shares of Baht 1 each		-	2,100,000,000	-	2,100,000,000
2,800,000,000 ordinary shares of Baht 1 each		2,800,000,000	-	2,800,000,000	-
Share premium on ordinary shares	31	3,274,182,000	-	3,274,182,000	-
Retained earnings					
Appropriated - legal reserve	32	58,712,726	50,000,000	58,712,726	50,000,000
Unappropriated		1,330,262,608	909,302,812	299,283,202	231,180,891
Surplus from business combination					
under common control		701,719,893	701,719,893	-	-
Other components of shareholders' equity		33,679,419	20,480,505	-	(368,711)
Equity attributable to owners					
of the parent		8,198,556,646	3,781,503,210	6,432,177,928	2,380,812,180
Non-controlling interests	34	1,792,911	947,093	-	-
Total shareholders' equity		8,200,349,557	3,782,450,303	6,432,177,928	2,380,812,180
Total liabilities and shareholders' equity					
		12,000,623,534	10,898,931,461	6,459,493,527	4,160,301,366

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Eastern Polymer Group Public Company Limited

Statement of Comprehensive Income

For the year ended 31 March 2015

	Notes	Consolidated		Company	
		2015	2014	2015	2014
		Baht	Baht	Baht	Baht
Revenues					
Revenue from sales of goods	43	6,912,794,670	6,591,792,454	-	-
Revenue from services	43	2,850,142	1,902,400	79,153,800	77,692,800
Cost of goods sold		(5,094,776,316)	(4,870,190,611)	-	-
Cost of services		(505,416)	(1,453,796)	(46,196,236)	(52,553,100)
Gross profit		1,820,363,080	1,722,050,447	32,957,564	25,139,700
Dividend income	41 b)	-	-	289,889,959	226,350,000
Other gains (losses) - net gain (loss) on foreign exchange rate		(41,779,650)	96,798,972	14,172	31,100,113
Other income	35	39,368,430	63,168,385	37,703,063	28,837,661
Profit before expense		1,817,951,860	1,882,017,804	360,564,758	311,427,474
Selling expenses		(586,799,530)	(552,745,182)	-	-
Administrative expenses		(580,585,084)	(592,798,695)	(64,779,092)	(59,995,970)
Other expenses	36	(7,535,973)	(1,278,631)	(446,999)	(129,215)
Finance costs	38	(216,082,614)	(356,241,165)	(38,172,789)	(70,427,952)
Share of profit from investments in associates	15	229,127,551	305,650,616	-	-
Profit before income tax		656,076,210	684,604,747	257,165,878	180,874,337
Income tax	39	(27,841,029)	(54,222,594)	19,149,159	(6,619,816)
Net profit for the year		628,235,181	630,382,153	276,315,037	174,254,521

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Eastern Polymer Group Public Company Limited
Statement of Comprehensive Income (Cont'd)

For the year ended 31 March 2015

	Notes	Consolidated		Company	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
Other comprehensive income (loss)					
Translation differences		19,319,775	26,621,426	-	-
Gain (loss) on measurement of available-for-sale investments - net of tax		368,711	(33,484)	368,711	(33,484)
Share of other comprehensive income (loss) of associates	15	(6,489,572)	877,347	-	-
Other comprehensive income (loss) for the year - net of tax		13,198,914	27,465,289	368,711	(33,484)
Total comprehensive income for the year		641,434,095	657,847,442	276,683,748	174,221,037
Profit attributable to:					
Equity holders of the parent		629,172,522	630,635,120	276,315,037	174,254,521
Non-controlling interests		(937,341)	(252,967)	-	-
		628,235,181	630,382,153	276,315,037	174,254,521
Comprehensive income attributable to:					
Equity holders of the parent		642,614,108	658,100,409	276,683,748	174,221,037
Non-controlling interests		(1,180,013)	(252,967)	-	-
		641,434,095	657,847,442	276,683,748	174,221,037
Earnings per share to the equity holders of the parent	40				
Basic earnings per share (Baht)		0.27	0.30	0.12	0.08

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Statement of Changes in Shareholders' Equity

For the year ended 31 March 2015

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The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Statement of Changes in Shareholders' Equity (Cont'd)

For the year ended 31 March 2015

Consolidated (Baht)														
	Notes	Attributable to owners of the parent												
		Retained earnings				Other components of shareholders' equity								
		Authorised, issued and fully paid-up share capital	Premium on share capital	Appropriated - legal reserve	Unappropriated	Surplus from business combination		Other comprehensive income (loss)		Share of other comprehensive income (loss) of associates	Total other components of shareholders' equity	Total owners of the parent	Non-controlling interests	Total
						under common control	Gain (loss) on measurement of available-for-sale investments	Translation differences						
Opening balance as at 1 April 2014														
		2,100,000,000		50,000,000	909,302,812	701,719,893	(368,711)	32,895,929	(12,046,713)	20,480,505	3,781,503,210	947,093	3,782,450,303	
Changes in shareholders' equity for the year														
Initial public offering	31	700,000,000	-	-	-	-	-	-	-	-	700,000,000	-	700,000,000	
Share premium on ordinary shares	31	-	3,274,182,000	-	-	-	-	-	-	-	3,274,182,000	-	3,274,182,000	
Legal reserve	32	-	-	8,712,726	(8,712,726)	-	-	-	-	-	-	-	-	
Dividend paid	33	-	-	-	(199,500,000)	-	-	-	-	-	(199,500,000)	-	(199,500,000)	
Investments in subsidiary of non-controlling interests		-	-	-	-	-	-	-	-	-	-	2,025,831	2,025,831	
Net profit for the year		-	-	-	629,172,522	-	-	-	-	-	629,172,522	(937,341)	628,235,181	
Total comprehensive income for the year		-	-	-	-	-	368,711	19,319,775	(6,489,572)	13,198,914	13,198,914	(242,672)	12,956,242	
Closing balance as at 31 March 2015														
		2,800,000,000	3,274,182,000	58,712,726	1,330,262,608	701,719,893	-	52,215,704	(18,536,285)	33,679,419	8,198,556,646	1,792,911	8,200,349,557	

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Statement of Changes in Shareholders' Equity (Cont'd)

For the year ended 31 March 2015

		Company (Baht)						
		Other components of shareholders' equity						
		Other						
		comprehensive income (loss)						
		Gain (loss) on measurement of available-for-sale investments						
		Total other components of shareholders' equity						
		Total						
Notes	Authorised, issued and fully paid-up share capital	Premium on share capital	Retained earnings	Unappropriated				
			Appropriated - legal reserve					
Opening balance as at 1 April 2014								
- As previously reported	2,100,000,000	-	50,000,000	51,744,707	(335,254)		2,201,409,453	
- Correction of error	-	-	-	5,181,663	27		5,181,690	
- As restated	2,100,000,000	-	50,000,000	56,926,370	(335,227)		2,206,591,143	
Changes in shareholders' equity for the year								
Total comprehensive income for the period - restated								
Closing balance as at 31 March 2014								
	2,100,000,000	-	50,000,000	231,180,891	(368,711)		2,380,812,180	
Opening balance as at 1 April 2014								
Changes in shareholders' equity for the year								
Initial public offering	700,000,000	-	-	-	-		700,000,000	
Share premium on ordinary shares	-	3,274,182,000	-	-	-		3,274,182,000	
Legal reserve	-	-	8,712,726	(8,712,726)	-		-	
Dividend paid	-	-	-	(199,500,000)	-		(199,500,000)	
Net profit for the year	-	-	-	276,315,037	-		276,315,037	
Total comprehensive income for the year	-	-	-	-	368,711		368,711	
Closing balance as at 31 March 2015								
	2,800,000,000	3,274,182,000	58,712,726	299,283,202	-		6,432,177,928	

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Eastern Polymer Group Public Company Limited

Statement of Cash Flows

For the year ended 31 March 2015

		Consolidated		Company	
		2015	2014	2015	2014
Notes		Baht	Baht	Baht	Baht
Cash flows from operating activities:					
Profit before income tax		656,076,210	684,604,747	257,165,878	180,874,337
Adjustments to reconcile ner profit to net cash provided by (paid for) operations					
(Reversal of) allowance for doubtful accounts	9	2,069,786	5,897,757	(462,827)	(702,005)
(Reversal of) allowance for obsolete and slow-moving inventories	10	(1,356,169)	19,406,489	-	-
(Reversal of) allowance for inventories cost in excess of net realisable value	10	(1,171,025)	6,733,874	-	-
Unrealised (gain) loss on exchange rates	38	(7,365,841)	29,450,145	-	-
Loss on impairment in value of other long-term investment	14	2,940	-	2,940	-
Loss on sale of available-for-sale investment		426,145	-	426,145	-
Net gain on sales of investments in associates	35	-	(26,781,632)	-	-
Share of profit from investments in associates	15 b)	(229,127,551)	(305,650,616)	-	-
Depreciation					
- Investment properties	18	-	-	9,425,699	10,471,671
- Property, plant and equipment	19	473,559,374	421,487,676	5,246,715	3,416,248
Amortisation	20, 22	20,474,685	19,118,515	28,965	34,055
Loss on write-off of property, plant and equipment and intangible assets	36	7,176,852	1,278,631	87,878	129,215
Net (gain) loss on disposals of property, plant and equipment and intangible assets		(1,449,241)	(7,936,281)	180,736	-
Gain on reversal of accounts payable	35	(2,694,883)	-	-	-
Employee benefit obligations	30	25,819,791	24,520,920	(1,141,854)	9,343,370
Dividend income	41 b)	-	-	(289,889,959)	(226,350,000)
Interest income	35	(12,043,753)	(11,070,193)	(37,538,670)	(26,368,197)
Finance costs	38	223,448,455	326,791,020	38,172,789	70,427,952
		1,153,845,775	1,187,851,052	(18,295,565)	21,276,646

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Eastern Polymer Group Public Company Limited

Statement of Cash Flows (Cont'd)

For the year ended 31 March 2015

		Consolidated		Company	
		2015	2014	2015	2014
Note		Baht	Baht	Baht	Baht
Changes in operating assets and liabilities					
(Increase) decrease in operating assets					
Trade and other accounts receivable		(134,727,889)	172,282,253	1,630,081	206,366,826
Inventories		13,859,798	(44,677,138)	-	-
Value added tax		(27,046,211)	117,162,846	(921,924)	1,063,098
Other current assets		(653,180)	3,883,805	-	160,542
Other non-current assets		353,555	(602,529)	17,400	(917,121)
Increase (decrease) in operating liabilities					
Trade and other accounts payable		57,668,522	(150,084,059)	1,238,955	(35,913,990)
Other current liabilities		2,069,723	(2,637,517)	(54,349)	(352,361)
Employee benefit obligations paid	30	(6,016,934)	(2,066,606)	-	(1,010,326)
Cash generated from (used in) operating activities					
Before interest income received, finance costs paid and income tax paid		1,059,353,159	1,281,112,107	(16,385,402)	190,673,314
Interest income received		11,895,051	11,643,448	33,244,594	27,069,891
Finance costs paid		(217,789,608)	(360,249,738)	(39,673,919)	(73,586,624)
Income tax paid		(50,346,273)	(30,877,233)	(9,114,506)	-
Net cash generated from (used in) operating activities		803,112,329	901,628,584	(31,929,233)	144,156,581

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Eastern Polymer Group Public Company Limited

Statement of Cash Flows (Cont'd)

For the year ended 31 March 2015

		Consolidated		Company	
		2015	2014	2015	2014
	Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities					
(Increase) decrease in restricted deposits					
at financial institutions	13	(76,908,515)	(19,702,918)	(1,500,000)	90,596,793
Cash received from sale of available-for-sale investment		36,979	-	36,979	-
Cash paid for acquisition of subsidiaries	16.3	(544,322,406)	-	-	-
Cash received from sale of investments in associates		-	-	-	76,297,897
Cash paid for purchase of investments in					
- associates	15	(12,822,000)	(35,466,600)	-	-
- subsidiaries	16	-	-	(900,000,000)	-
Cash paid for purchase of					
- property, plant and equipment	19	(486,291,256)	(722,167,301)	(33,358,695)	(31,551,094)
- intangible assets	20	(10,340,326)	(7,963,299)	(267,400)	(11,250)
Cash received from disposals of property, plant and equipment		24,922,551	39,136,901	13,990,357	198,590
Short-term loans to related companies					
- Proceeds	41 c)	(12,117,000)	(127,000,000)	(1,980,500,000)	(1,349,000,000)
- Repayments	41 c)	-	127,000,000	840,000,000	895,500,000
Repayments of long-term loans to related companies					
- Repayments	41 d)	-	-	-	329,904,783
Dividend received from investments in subsidiaries and associates		110,970,000	220,151,774	110,970,000	220,151,774
Net cash generated from (used in) investing activities		(1,006,871,973)	(526,011,443)	(1,950,628,759)	232,087,493

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

Eastern Polymer Group Public Company Limited

Statement of Cash Flows (Cont'd)

For the year ended 31 March 2015

		Consolidated		Company	
		2015	2014	2015	2014
	Notes	Baht	Baht	Baht	Baht
Cash flows from financing activities					
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	25	(1,581,210,172)	(393,077,161)	(252,633,335)	(342,390,498)
Short-term loans from related parties					
- Proceeds	41 e)	-	37,170,375	6,000,000	217,000,000
- Repayments	41 e)	(6,367,680)	(25,279,650)	(9,000,000)	(225,843,750)
Long-term loans from financial institutions					
- Proceeds	27	136,200,000	396,300,000	-	-
- Repayments	27	(2,025,111,133)	(372,232,019)	(1,497,000,000)	(21,500,000)
Repayment of finance lease liabilities		(5,494,482)	(4,336,391)	(24,633)	(76,565)
Proceeds from capital increase					
- ordinary shares	31	700,000,000	-	700,000,000	-
- share premium	31	3,360,000,000	-	3,360,000,000	-
Payment for initial public offering process	31	(85,818,000)	-	(85,818,000)	-
Dividends payment	33	(199,500,000)	-	(199,500,000)	-
Proceeds from investment in non-controlling interests		2,025,831	1,200,060	-	-
Net cash generated from (used in) financing activities		294,724,364	(360,254,786)	2,022,024,032	(372,810,813)
Translation adjustments		26,369,252	21,532,656	-	-
Net increase (decrease) in cash and cash equivalents		117,333,972	36,895,011	39,466,040	3,433,261
Increase from redemption of restricted deposits		42,338,003	-	40,850,263	-
Cash and cash equivalents atthe beginning of the year		140,513,751	103,618,739	12,070,561	8,637,300
Cash and cash equivalents at the end of the year	7	300,185,726	140,513,750	92,386,864	12,070,561
Non-cash transactions:					
Conversion of promissory notes to long-term loans	25	1,429,000,000	-	1,429,000,000	-
Outstanding payables as at 31 March arising from purchase of fixed assets					
- Fixed assets payable	26	38,494,618	46,335,192	1,299,027	-
- Purchase of vehicles under finance lease	28	3,743,507	8,374,874	844,727	200,995
Conversion of a subsidiary's accounts receivable to investment in subsidiaries		-	65,479,210	-	-
Conversion of a subsidiary's accounts receivable to loans to a related company	41	22,186,100	28,833,300	-	-

The accompanying notes on pages 15 to 93 are an integral part of these consolidated and company financial statements.

1 General information

Eastern Polymer Group Public Company Limited ("the Company") was incorporated as a limited company in Thailand on 7 March 1978 and subsequently registered to convert to a public company limited on 15 August 2013. As a result, the Company registered to change its name from "Eastern Polymer Industry Company Limited" to "Eastern Polymer Group Public Company Limited" with the Ministry of Commerce. The Company is listed on the Stock Exchange of Thailand on 24 December 2014. The address of its registered offices are as follows:

Head office : 770 Moo 6, Theparak Road, Theparak, Muang Samutprakarn, Samutprakarn
Factory 1 : 1721 - 1722 Moo 6, Theparak Road, Theparak, Muang Samutprakarn, Samutprakarn
Factory 2 : 111/7 Moo 2, Makhamkoo, Nikom Pattana, Rayong
Factory 3 : 48, Soi Bangna-Trad, Bangna, Bangna, Bangkok

For reporting purposes the Company and its subsidiaries are referred to as the Group. The Company's principal business operation is investing in other companies. The Company's subsidiaries' principal business operation is described in Note 16. Before the year 2013, the Company's principal business operations were the manufacture and distribution of rubber pipe, synthetic rubber, plastic sheet, aero duct, insulation tape, rubber seal and other rubber products.

These consolidated and company financial statements were authorised by the Board of Directors on 29 May 2015.

2 Accounting policies

The principal accounting policies adopted in the preparation of these consolidated and company financial statements are set out below:

2.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E.2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention except where otherwise disclosed in the accounting policies.

The preparation of the consolidated and company financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and company financial statements are disclosed in Note 4.

Comparative figures have been adjusted to conform with changes in presentation in the current period.

An English version of the consolidated and company financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards

Effective for the periods beginning on or after 1 January 2014:

TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of cash flows
TAS 12 (revised 2012)	Income taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee benefits
TAS 21 (revised 2012)	The effects of changes in foreign exchange rates
TAS 24 (revised 2012)	Related party disclosures
TAS 28 (revised 2012)	Investments in associates
TAS 31 (revised 2012)	Interest in joint ventures
TAS 34 (revised 2012)	Interim financial reporting
TAS 36 (revised 2012)	Impairment of assets
TAS 38 (revised 2012)	Intangible assets
TFRS 2 (revised 2012)	Share-based payment
TFRS 3 (revised 2012)	Business combinations
TFRS 5 (revised 2012)	Non-current assets held for sale and discontinued operations
TFRS 8 (revised 2012)	Operating segments
TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 10	Interim financial reporting and impairment
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease

Accounting standards and financial reporting standards and interpretations which are relevant to the Group are as follows:

TAS 1 (revised 2012) clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. This revised standard has no impact to the Group's financial statements.

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognized asset in the statement of financial position are eligible for classification as investing activities. This revised standard has no impact to the Group's financial statements.

TAS 12 (revised 2012) amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated in to TAS 12 (revised 2012). This revised standard has no impact to the Group's financial statements.

TAS 17 (revised 2012) deletes the guidance for a lease of land with an indefinite useful life to be classified as an operating lease. The standard has been amended to clarify that when a lease includes both land and buildings, classification as a finance or operating lease is performed separately in accordance with TAS 17's general principles. This revised standard has no impact to the Group's financial statements.

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

Effective for the periods beginning on or after 1 January 2014: (Cont'd)

TAS 18 (revised 2012) removes the appendix to TAS 18. This revised standard has no impact to the Group's financial statements.

TAS 19 (revised 2012) deletes the transition provisions of the current TAS 19. This revised standard has no impact to the Group's financial statements.

TAS 21 (revised 2012) clarifies the method of recording cumulative amount of the exchange difference relating to disposal or partial disposal of a foreign operation. This matter should be adjusted prospectively effective for the period begins on or after 1 January 2011. This revised standard has no impact to the Group's financial statements.

TAS 24 (revised 2012) removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of related parties. This revised standard has no impact to the Group's financial statements.

TAS 28 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses significant influence, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2011. This revised standard has no impact to the Group's financial statements.

TAS 31 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses joint control in its interest in joint control, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2011. This revised standard has no impact to the Group's financial statements.

TAS 34 (revised 2012) emphasises the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report. This revised standard has no impact to the Group's financial statements.

TAS 36 (revised 2012) clarifies that goodwill being allocated to cash-generating units shall not be larger than an operating segment before aggregation as defined under TFRS 8 - Operating Segments. This revised standard has no impact to the Group's financial statements.

TAS 38 (revised 2012) clarifies about intangible assets acquired in a business combination that is separable. Intangible assets should be recognised separately from goodwill. Complementary assets may only be recognised as a single asset if they have similar useful lives. This revised standard has no impact to the Group's financial statements.

TFRS 2 (revised 2012) expands the scope to cover classification and accounting of both cash-settled and equity-settled share-based payment transactions in group situation. This revised standard has no impact to the Group's financial statements.

TFRS 3 (revised 2012) amends the measurement required for non-controlling interests. The choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation. All other component of non-controlling interests is measured at fair value unless another measurement basis is required by TFRS. The application guidance in TFRS 3 (revised 2012) also applies to all share-based payment transactions that are part of a business combination. This revised standard has no impact to the Group's financial statements.

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

Effective for the periods beginning on or after 1 January 2014: (Cont'd)

TFRS 5 (revised 2012) specifies the disclosures required for assets held for sale and discontinued operations. Disclosures in other standards do not apply, unless those TFRS requires. This revised standard has no impact to the Group's financial statements.

TFRS 8 (revised 2012) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. This revised standard has no impact to the Group's financial statements.

TFRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that results from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate. This revised interpretation has no impact to the Group's financial statements.

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. The management is currently assessing the impact of TRIC 4. This revised interpretation has no impact to the Group's financial statements.

TFRIC 5 provide guidance on accounting in the financial statements of a contributor for interests arising from decommissioning funds that the assets are administered separately and a contributor's right to access the assets is restricted. This revised interpretation has no impact to the Group's financial statements.

TFRIC 7 provides guidance on how to apply the requirements of TAS 29, Financial Reporting in Hyperinflationary Economics, in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. TFRIC 7 is not relevant to the Company.

TFRIC 10 prohibits reversal of an impairment losses recognised in a previous interim period in respect of goodwill. This revised interpretation has no impact to the Group's financial statements.

TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. This interpretation has no impact to Company.

TFRIC17 provides guidance on accounting for the distributions of non-cash assets to owners acting in their capacity as owners. The interpretation addresses the issues on the dividend payable recognition and measurement and the accounting for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when an entity settles the dividend payable. This interpretation has no impact to Company.

TSIC 15 sets out the accounting for the recognition of incentive that a lessor provides to a lessee in an operating lease. This revised interpretation has no impact to the Group's financial statements.

TSIC 27 provides guidance on evaluating the substance of transactions in the legal form of a lease between the entity and the investor whether a series of transactions is linked and should be accounted for as one transaction and whether the arrangement meets the definition of a lease under TAS 17 "Leases". This guidance explains examples that individually demonstrate that an arrangement may not, in substance, involve a lease under TAS 17. The accounting shall reflect the substance of the arrangement. This revised interpretation has no impact to the Group's financial statements.

TSIC 32 provides guidance on the internal expenditure on the development and operation of the entity web site for internal or external access. The entity shall comply with the requirements described in TAS 38 "Intangible Assets". This interpretation has no impact to the Company.

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

Effective for the periods beginning on or after 1 January 2015

a) Financial reporting standards, which are expected to have a significant impact to the Group

TAS 1 (revised 2014)	Presentation of financial statements
TAS 16 (revised 2014)	Property, plant and equipment
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement
TFRIC 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 20	Stripping costs in the production phase of a surface mine

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 16 (revised 2014) indicates that spare part, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 27 (revised 2014) provide the requirements relating to separate financial statements. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 28 (revised 2014) provide the requirements for investment in associates and joint ventures accounted by equity method. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

Effective for the periods beginning on or after 1 January 2015 (Cont'd)

a) Financial reporting standards, which are expected to have a significant impact to the Group (Cont'd)

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TFRS 11 defined that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. The Group's management is assessing whether the revised standard would have an impact to the Group's financial statements.

TFRIC 14 (Revised 2014), this interpretation applies to all post-employment defined benefits and other long-term employee benefits. For the purpose of this interpretation, minimum funding requirements are any requirements to fund a post-employment or other long-term benefit plan. This interpretation explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. The Group's management assessed that the revised interpretation has no impact to the Group's financial statements.

TFRIC 20 (Revised 2014), this interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. The Group's management assessed that the interpretation is not relevant to the Group.

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

- b) Accounting standards and financial reporting standards and related interpretation with minor changes and do not have impact to the Group are as follows:

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Cash flow statements
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2014)	Events after the reporting period
TAS 11 (revised 2014)	Construction contract
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 20 (revised 2014)	Accounting for government grants & disclosure of government assistance
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures
TAS 26 (revised 2014)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2014)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment property
TFRS 2 (revised 2014)	Share-based payments
TFRS 3 (revised 2014)	Business combinations
TFRS 5 (revised 2014)	Non-current asset held for sale and discontinued operations
TFRS 6 (revised 2014)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2014)	Operating segments
TSIC 10 (revised 2014)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 25 (revised 2014)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2014)	Service concession arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2014)	Intangible assets - Web site costs
TFRIC 1 (revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2014)	Applying the restatement approach under IAS29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2014)	Interim financial reporting and impairment
TFRIC 12 (revised 2014)	Service concession arrangements
TFRIC 13 (revised 2014)	Customer loyalty programmes
TFRIC 15 (revised 2014)	Agreements for the construction of real estate
TFRIC 17 (revised 2014)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2014)	Transfers of assets from customers

- c) New financial reporting standard which is effective for the periods beginning on or after 1 January 2016 and is not relevant to the Group is:

TFRS 4 (revised 2014)	Insurance contracts
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TFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. TFRS 4 is not relevant to the Company's operations.

2 Accounting policies (Cont'd)

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the Group's functional and the group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

2.4 Cash and cash equivalents

In the consolidated and company statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with of cash flows, banks, other short-term highly liquid investments with maturities of three months or less from date of acquisition and are not used as collateral.

2.5 Trade accounts receivable

Trade accounts receivable are recognised initially at original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful accounts based on a review of all outstanding amounts at the year-end. The amount of the allowance is the differences between the carrying amount of receivable and the amount expected to be collected. Bad debts are recognised in the profit or loss within administrative expenses.

2.6 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost of raw material, work in process, finished goods, and supplies being determined on the first-in, first-out method. Cost of machine being determined on the specific identification method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. The amount of any write down of inventories to net realisable value is recognised as an expense in the period the write down occurs and presented as cost of goods sold.

2 Accounting policies (Cont'd)

2.7 Investments in subsidiaries and associates

a) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

In the Company's separate financial statements, investments in associates are accounted for using the cost method.

A list of the Group's principal associates is set out in Note 15.

b) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity including the potential voting rights from other companies. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the net value of the Group's share of the identifiable net assets and liabilities acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of the Group's principal subsidiaries is set out in Note 16.

2 Accounting policies (Cont'd)

2.7 Investments in subsidiaries and associates (Cont'd)

c) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

2.8 Other investments

Investments other than investments in subsidiaries and associates are classified into the following two categories: (1) available-for-sale investments; and (2) general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

a) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

b) Investments in non-marketable equity securities are classified as general investments.

Investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

The fair value of available-for-sale investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. The unrealised gains and losses of available-for-sale investments are recognised in equity.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is greater than its recoverable amount, impairment loss is charged to the statement of comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

In the event the Group reclassifies investments from one type to another, such investments will be re-valued 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 as gain or loss in the statement of income or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment that is reclassified.

2 Accounting policies (Cont'd)

2.9 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment properties are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspend if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Plant buildings and building improvement	10 to 30 Years
Facility systems	5 to 25 Years

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.10 Capitalisation of borrowing costs

Borrowing costs to finance the construction of property and equipment are capitalised during the period of time that is required to complete and prepare the property for its intended use as part of cost of the asset. The borrowing costs include interest on long-term borrowings.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is a weighted average interest rate applicable to the Group's outstanding borrowings during the year. Where funds are borrowed specifically for the acquisition, construction or production of property and equipment, the amount of borrowing costs eligible for capitalisation on that asset is determined at the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investments of those borrowings.

2.11 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and allowance for impairment of assets. Initial cost included other direct cost related to assets acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land has not been depreciated. Depreciation of other assets is calculated using the straight-line method to write off the cost of each asset to their residual value over the estimate useful lives as follows:

Land improvement	10 Years
Plant buildings, building improvement and utilities systems	5 to 50 Years
Machinery, molds and equipment	5 to 20 Years
Factory equipment and tools	10 Years
Office equipment and tools	3 to 15 Years
Motor vehicles	5 to 8 Years

2 Accounting policies (Cont'd)

2.11 Property, plant and equipment (Cont'd)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are calculated by comparing net proceeds from disposal of assets with assets' carrying amount and are taken into other income and other expenses, respectively, in the statement of comprehensive income.

2.12 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

2.13 Intangible assets

Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditure is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs that have been capitalised are amortised from the commencement of the commercial production of the product on a straight-line basis over the period of its expected benefit, not exceeding 5 and 10 years.

Patents

Acquired patents are shown at historical cost. Patents have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of patents over their estimated useful lives of 8 - 10 years.

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

2 Accounting policies (Cont'd)

2.13 Intangible assets (Cont'd)

Computer software (Cont'd)

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Computer software development costs recognised as intangible assets are amortised using the straight-line method over their estimated useful lives, which does not exceed 3 and 10 years.

Trademarks and licences

Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of 10 years.

2.14 Land leasehold right

Acquired land leasehold right is identifiable and is recorded at the acquisition cost and other cost paid for the land to be ready to use. The cost is amortised over the estimated useful life of 50 years.

2.15 Impairment of assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.16 Borrowings

Borrowings are recognised initially at the proceeds received (net of transaction costs incurred). In subsequent periods, borrowings are stated at amortised cost using the effective yield method. Any difference between proceeds (net transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2 Accounting policies (Cont'd)

2.17 Accounting for long-term leases

Finance leases - where a Group company is the lessee

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

Operating leases - where a Group company is the lessee

Leases where the lessor has substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Operating leases - where a Group company is the lessor

Assets leased out under operating leases are included in investment properties, and property, plant and equipment in the statement of financial position. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.18 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

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

2 Accounting policies (Cont'd)

2.19 Employee benefits

The Group recognises a liability and an expense for bonuses and expected benefit. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

The Group's employee benefits comprise of typically defined benefit plans. An amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period and adjusted with unrecognised past-service costs. The defined benefit obligation is calculated using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged to profit or loss.

Past-service costs are recognised immediately in profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

2.20 Provident fund

The Group established a contributory registered provident fund, in accordance with the Provident Fund Act B.E. 2530 by joining a registered - pooled fund which was approved by Ministry of Finance. The fund is held in a separate trustee - administered fund.

Under the provident fund plan. The employees who are member of the provident fund must contribute 3 - 5 percent of their basic salary and the Group also contributes 3 - 5 percent of the employees' basic salary. The fund appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Ministerial Regulations issued under the Provident Fund Act B.E. 2530.

The Group's contributions to the provident fund are charged to the statement of comprehensive income in the year to which they relate.

2.21 Provisions - general

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense (if any).

Provisions exclude the provisions for employee benefits. The accounting policy for employee benefit is mentioned in note 2.19 Employee benefits

2 Accounting policies (Cont'd)

2.22 Financial assets and financial liabilities

Financial assets carried on the statement of financial position include cash and cash equivalents, trade and other accounts receivable, loans to related companies, certain parts of other current assets, restricted deposits at financial institutions, available-for-sale investments and other non-current assets. Financial liabilities carried on the statement of financial position include bank overdrafts and short-term loans from financial institutions, trade and other accounts payable, loans from related parties, certain parts of other current liabilities, long-term loans from financial institutions and liability under finance lease agreements. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

2.23 Revenue recognition

Revenue comprises the fair value for consideration received or receivable for the sale of goods and service net of output tax, rebates and discounts. For consolidated financial statements, revenue is shown after eliminating sales within the Group. Revenue from sale of goods is recognised when significant risks and reward of ownership of goods are transferred to the buyer. Services income is recognised as revenue in the period in which they are rendered.

Other revenues are recognised on the following basis:

- Dividend income is recognised when the Group's right to receive dividend is established.
- Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.
- Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

2.24 Finance costs

Finance costs comprise interest expense from borrowings from financial institutions, borrowings from related parties, interest expense from finance lease liabilities, loans guarantee fees from borrowings and net gain (loss) on foreign currencies exchange rate from foreign currencies borrowings.

2.25 Dividends

Dividends and interim dividends are recorded in the consolidated and company's financial statements in the period in which they are approved by the shareholders and board of directors, respectively.

2.26 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

The Group's principle business operations are rubber insulation, automotive plastics, packaging plastics which operate in domestic and overseas. There has been presented segment information by those businesses.

The strategic steering committee assesses the performance of the operating segments based on revenues from segment. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the finance department under policies approved by the Board of Directors. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The finance department provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

3.1.1 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

As at 31 March 2015 and 2014, the Group has outstanding balances of financial assets and liabilities as follows:

Currency	Consolidated					
	2015			2014		
	Amount		Average exchange rate as at 31 March	Amount		Average exchange rate as at 31 March
	Financial assets	Financial liabilities		Financial assets	Financial liabilities	
US dollar	8,608,536	19,968,024	32.70	91,197,080	21,605,235	32.44
Euro	1,681,402	1,886,074	35.52	1,658,206	716,144	44.61
Singapore dollar	222,612	-	23.90	131,910	-	25.78
Australian dollar	9,099,611	4,724,739	25.22	1,402,298	142,675	30.00
Yen	165,146,170	-	27.35	137,395,325	4,000,000	0.32
Renminbi	20,020,082	27,446,281	5.31	19,247,014	25,656,621	5.22
Swiss franc	207,967	-	33.92	152,843	-	36.58
British pound	832,771	-	48.53	394,127	-	53.97
Taiwan dollar	2,070	-	1.04	2,070	-	1.06
Hong Kong dollar	650	-	4.23	650	-	4.18
New Zealand dollar	-	506	24.67	-	-	-
Won	37,000	-	0.03	-	-	-
Turkish lira	651	-	12.44	651	-	15.20
Ringgit	14	-	8.94	14	-	9.97
Durham	412	-	3.27	412	-	3.96

Currency	Company					
	2015			2014		
	Amount		Average exchange rate as at 31 March	Amount		Average exchange rate as at 31 March
	Financial assets	Financial liabilities		Financial assets	Financial liabilities	
Euro	-	-	-	3,967	-	44.61

3.1.2 Interest rate risk

The Group exposes to interest rate risk relates primarily to their cash at financial institutions, loan to subsidiaries, bank overdrafts, finance lease liabilities and borrowings bearing interest. However, since most of the financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the current market rate, the interest rate risk is expected to be minimal.

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Interest rate risk (Cont'd)

Outstanding balances of financial assets and financial liabilities and interest rate as at 31 March 2015 and 2014 as follows:

2015													
	Consolidated						Company						
	Fixed interest rate			Non-interest bearing rate Baht	Floating interest rate Baht	Interest (%)	Fixed interest rate			Floating interest rate Baht	Non-interest bearing rate Baht		
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht				Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht				
Financial assets													
Cash and cash equivalents	-	-	-	300,185,726	138,911,244	0.04 - 2.25	-	-	-	90,212,802	2,174,062	92,386,864	0.25 - 0.50
Trade receivables at financial institutions	25,226,086	-	-	25,226,086	-	1.30 - 2.40	-	-	-	-	-	8,000,183	1.30 - 2.40
Trade and other accounts receivable (net)	-	-	-	1,393,478,461	1,393,478,461	-	-	-	-	-	201,892,903	201,892,903	-
Short-term loans to related companies	10,474,350	-	-	10,474,350	-	4.00 - 6.00	-	-	-	-	-	1,634,000,000	4.00 - 6.00
Restricted deposits at financial institutions	473,830,653	-	-	-	-	1.00 - 6.30	-	-	-	44,000,000	-	44,000,000	1.05 - 2.00
Current portion of - long-term loans to related companies	4,700,479	-	-	4,700,479	-	4.50	-	-	-	-	-	-	-
Long-term loans to related companies	-	12,756,772	-	12,756,772	-	4.50	-	-	-	-	-	-	-
	514,231,568	12,756,772	-	2,220,652,527	1,532,389,705		1,686,000,183	-	-	90,212,802	204,066,985	1,980,279,950	
Financial liabilities													
Bank overdrafts and short-term loans from financial institutions	1,261,214,520	-	-	1,415,086,121	-	2.10 - 7.90	-	-	-	1,540,667	-	1,540,667	7.40 - 7.90
Trade and other accounts payable	-	-	-	877,507,069	877,507,069	-	-	-	-	-	11,324,305	11,324,305	-
Short-term loans from related parties	-	-	-	20,748,024	20,748,024	-	-	-	-	-	-	-	-
Current portion of - long-term loans from financial institutions	-	-	-	329,005,442	-	4.48 - 6.00	-	-	-	-	-	-	-
- finance lease liabilities (net)	4,869,822	-	-	4,869,822	-	2.45 - 6.60	-	-	-	-	-	337,904	2.45
Long-term loans from financial institutions	-	-	-	1,000,992,011	-	4.48 - 6.00	-	-	-	-	-	-	-
Finance lease liabilities (net)	-	2,594,464	-	2,594,464	-	2.45 - 6.60	-	-	-	506,823	-	506,823	2.45
	1,266,084,342	2,594,464	-	3,650,802,953	898,255,093		337,904	506,823	-	1,540,667	11,324,305	13,709,699	

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Interest rate risk (Cont'd)

Outstanding balances of financial assets and financial liabilities and interest rate as at 31 March 2015 and 2014 as follows: (Cont'd)

	2014									
	Consolidated					Company				
	Fixed interest rate	Floating interest rate	Non-interest bearing rate	Interest (%)	Total Baht	Fixed interest rate	Floating interest rate	Non-interest bearing rate	Interest (%)	Total Baht
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht			Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht		
Financial assets										
Cash and cash equivalents	5,341,710	-	-	0.13 - 2.40	140,513,751	-	-	-	-	12,070,561
Trade and other receivables	-	-	-	-	1,145,731,070	-	-	-	-	19,846,122
Short-term loans to related companies	-	-	-	-	-	493,500,000	-	-	-	493,500,000
Restricted deposits at financial institutions	464,486,227	-	-	1.10 - 3.00	464,486,227	91,350,446	-	-	-	91,350,446
Available-for-sale investments	-	-	-	-	21,931	-	-	-	-	21,931
	469,827,937	-	-	-	1,750,752,979	584,850,446	-	-	-	616,789,060
Financial liabilities										
Bank overdrafts and short-term loans	2,932,412,445	-	-	2.23 - 8.52	4,425,296,293	1,629,000,000	-	-	-	1,683,174,002
Trade and other payables	-	-	-	-	744,249,894	-	-	-	-	10,513,081
Short-term loans from related parties	26,996,641	-	-	6.00	26,996,641	3,000,000	-	-	-	3,000,000
Current portion of long-term loans from financial institutions	-	-	-	4.63 - 6.06	431,300,281	-	-	-	-	24,000,000
Finance lease liabilities (net)	4,163,678	-	-	5.12 - 6.60	4,163,678	-	-	-	-	-
Long-term loans from financial institutions	-	-	-	4.63 - 6.06	1,359,262,075	-	-	-	-	44,000,000
Finance lease liabilities (net)	-	4,593,703	-	5.12 - 6.60	4,593,703	-	-	-	-	-
	2,963,572,764	4,593,703	-	-	6,956,882,565	1,632,000,000	-	-	-	1,764,887,083

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.3 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

3.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Fair value estimation

The fair values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair value. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

Information on the fair values of borrowings is included in Note 27.

4 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Employee benefit obligations

The present value of employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit liability.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 30.

Allowance for doubtful accounts

The Group maintains an allowance for doubtful accounts to reflect impairment of trade receivables relating to estimated losses resulting from the default or inability of customers to make required payments. The allowance is based on consideration of historical collection experience, known and identified instances of default of each customer.

4 Critical accounting estimates, assumptions and judgements (Cont'd)

Allowance for impairment of investment

In determining an allowance for impairment of investment, the managements need to make judgements and estimates the impairment loss when the indications of impairment arise.

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the plant and equipment and to review estimate useful lives and salvage 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 loss in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenue and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Accrued bonus

In determining accrued bonus, the management needs to make judgement and estimates based upon, among other things, past payment history, individual staff performance and the prevailing economic condition.

Provisions

The Group has liabilities that may arise from being sued for damages. The management uses judgment to assess the outcome of the case in which the Group has been charged. If the management considers that there may be damage occurred, the Group recorded a provision for losses that might arise in such circumstances. If management determines and believes that the group will not be damaged, the Group does not record contingent liabilities as at the end of the accounting period.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, and issue new shares or sell assets to reduce debt.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

6 Segment information

Categories and products which generate income are as follows :

	Certain part of the consolidated statements of comprehensive income for the year ended 31 March 2015 (Baht)					Total
	Rubber insulation	Automotive plastics	Packaging plastics	Others	Domestic	
Sale of goods and services						
Domestic	1,456,891,256	1,266,137,134	1,617,718,399	945,551,063	5,286,297,852	-
Overseas	920,503,346	919,999,745	208,094,698	163,070,168	-	2,211,667,957
Total Sale of goods and services	2,377,394,602	2,186,136,879	1,825,813,097	1,108,621,231		7,497,965,809
Intra-group income						(582,320,997)
Total income						6,915,644,812
Segment income	791,050,639	472,765,239	386,091,192	170,456,010		1,820,363,080
Other gains (losses) - net gain (loss) on foreign exchange rate					(43,275,798)	1,496,148
Other income					36,186,285	3,182,145
Selling and administrative expenses					(863,786,206)	(303,598,408)
Other expenses					(895,245)	(6,640,728)
Share of profit from investment in associates					229,127,551	-
Finance costs					(211,338,877)	(4,743,737)
Income tax					(16,684,527)	(11,156,502)
Net profit for the year						628,235,181
Certain part of the consolidated statements of financial position as at 31 March 2015 (Baht)						
	Rubber insulation	Automotive plastics	Packaging plastics	Others		Total
Segment assets						5,495,906,460
Unallocated assets	1,196,903,384	1,859,837,161	1,980,991,549	458,174,366		6,504,717,074
Consolidated total assets						12,000,623,534
Segment liabilities						2,745,083,574
Unallocated liabilities	965,355,218	820,674,063	956,424,623	2,629,670		1,055,190,403
Consolidated total liabilities						3,800,273,977

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

6 Segment information (Cont'd)

Categories and products which generate income are as follows : (Cont'd)

	Certain part of the consolidated statements of comprehensive income for the year ended 31 March 2014 (Baht)				
	Rubber insulation	Automotive plastics	Packaging plastics	Others	Domestic Overseas Total
Sale of goods and services					
Domestic	1,303,759,188	1,380,938,046	1,483,590,945	936,588,136	5,104,876,315
Overseas	820,872,330	754,672,695	174,964,348	180,307,828	1,930,817,201
Total Sale of goods and services	2,124,631,518	2,135,610,741	1,658,555,293	1,116,895,964	7,035,693,516
Intra-group income					(441,998,662)
Total income					6,593,694,854
Segment income	673,368,444	469,095,123	381,893,846	197,693,034	1,722,050,447
Other gains (losses) - net gain (loss) on foreign exchange rate					
Other income					94,176,912
Selling and administrative expenses					2,876,728
Other expenses					(879,517,083)
Share of profit from investment in associates					(1,206,619)
Finance costs					305,650,616
Income tax					(37,325,942)
Net profit for the year					(19,188,706)
					630,382,153
Certain part of the consolidated statements of financial position as at 31 March 2014 (Baht)					
	Rubber insulation	Automotive plastics	Packaging plastics	Others	Total
Segment assets					5,424,108,252
Unallocated assets					5,478,726,238
Consolidated total assets	1,186,907,573	1,827,974,034	1,957,454,495	451,772,150	10,902,834,490
Segment liabilities					6,215,858,649
Unallocated liabilities					900,622,509
Consolidated total liabilities	1,295,192,160	1,585,437,072	1,584,055,415	1,751,174,002	7,116,481,158

As at 31 March 2015, the total of non-current assets other than deferred tax assets located in the USA and China are Baht 251.9 million and Baht 317.1 million respectively (2014 : Baht 263.9 million and Baht 318.6 million).

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

7 Cash and cash equivalents

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Cash on hand	2,066,517	2,409,156	30,000	30,000
Cheque on hand	-	1,840,953	-	-
Cash at banks - savings accounts	121,804,137	5,341,710	90,212,802	-
- current accounts	176,315,072	130,921,932	2,144,062	12,040,561
	<u>300,185,726</u>	<u>140,513,751</u>	<u>92,386,864</u>	<u>12,070,561</u>

As at 31 March 2015, cash at banks - savings accounts carry interest at the rates of 0.04% to 2.25% per annum (2014 : at the rates of 0.13% to 2.75% per annum).

8 Temporary investments at financial institutions

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Cash at banks				
- 6 months fixed deposit account	1,215,720	-	-	-
- 12 months fixed deposit account	24,010,366	-	8,000,183	-
	<u>25,226,086</u>	<u>-</u>	<u>8,000,183</u>	<u>-</u>

As at 31 March 2015, the Group and the Company have fixed deposits with bank bear interest rate at the rate of 1.30% to 2.40% per annum and redeemable in 6 and 12 months.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

9 Trade and other accounts receivable (net)

	Notes	Consolidated		Company	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
Trade accounts receivable					
- other companies		1,236,031,322	947,974,611	6,591,255	7,054,082
- related companies	41 a)	32,273,508	64,629,032	1,677,434	2,565,810
		1,268,304,830	1,012,603,643	8,268,689	9,619,892
<u>Less</u> Allowance for doubtful accounts		(48,200,724)	(26,517,112)	(6,591,255)	(7,054,082)
		1,220,104,106	986,086,531	1,677,434	2,565,810
Trade notes receivable					
- other companies		100,849,988	94,322,868	-	329,440
Total trade accounts receivable and notes receivable (net)		1,320,954,094	1,080,409,399	1,677,434	2,895,250
Dividend receivable					
- associates	41 a)	9,900,000	11,070,000	9,990,000	11,070,000
- subsidiaries	41 a)	-	-	179,999,959	-
Other accounts receivable					
- other companies		10,390,581	11,769,518	-	-
- subsidiaries	41 a)	-	-	-	1,309,003
Interest receivable					
- financial institutions		2,026,114	2,119,833	319,387	509,831
- subsidiaries	41 a)	-	-	7,048,986	2,564,466
- related companies	41 a)	242,421	-	-	-
Advance payment					
- others companies		5,018,491	2,498,135	5,633	-
- related parties	41 a)	-	5,000	-	5,000
Prepaid expenses		18,924,890	17,472,586	2,639,304	1,298,234
Prepaid insurance		22,902,747	14,792,648	212,200	194,338
Accrued income from tax refund		3,029,123	5,512,951	-	-
Deposits receivable		-	81,000	-	-
		1,393,478,461	1,145,731,070	201,892,903	19,846,122

Outstanding balance of trade accounts receivable and notes receivable classified by aging are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Not overdue	879,673,654	661,862,487	-	-
Overdue				
1 - 90 days	398,162,824	355,288,559	1,677,434	2,895,250
91 - 180 days	31,487,417	56,975,825	-	-
181 - 360 days	15,596,703	9,401,532	-	-
Over 360 days	44,234,220	23,398,108	6,591,255	7,054,082
	1,369,154,818	1,106,926,511	8,268,689	9,949,332
<u>Less</u> Allowance for doubtful accounts	(48,200,724)	(26,517,112)	(6,591,255)	(7,054,082)
	1,320,954,094	1,080,409,399	1,677,434	2,895,250

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

10 Inventories (net)

	Consolidated		Company	
	2015 Baht	2014 Baht	2014 Baht	2013 Baht
Raw materials	707,995,111	644,165,070	-	-
Work in process	280,305,936	306,150,855	-	-
Work in process - machinery	764,413	4,316,396	-	-
Finished goods	968,309,057	726,516,322	-	-
Factory supplies	46,611,081	64,701,006	-	-
Packaging materials	16,171,401	15,791,559	-	-
Spare parts	7,405,137	7,409,907	-	-
	2,027,562,136	1,769,051,115	-	-
<u>Less</u> Allowance for obsolete and slow-moving inventories	(103,018,172)	(35,369,913)	-	-
Allowance for inventory cost in excess of net realisable value	(5,562,849)	(6,733,874)	-	-
	1,918,981,115	1,726,947,328	-	-
Goods in transit	96,849,200	55,140,132	-	-
Advance payment for goods	2,107,810	3,654,994	-	-
	<u>2,017,938,125</u>	<u>1,785,742,454</u>	<u>-</u>	<u>-</u>

Allowance for inventories cost in excess of net realisable value and allowance for obsolete and slow-moving inventories as at 31 March 2015 and 2014 comprises the following;

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Allowance for obsolete and slow-moving inventories			-	-
- raw materials	9,273,223	9,037,849	-	-
- work in process	1,883,751	1,387,134	-	-
- finished goods	91,861,198	24,944,930	-	-
	103,018,172	35,369,913	-	-
Allowance for inventories cost in excess of net realisable value - finished goods	5,562,849	6,733,874	-	-
Total	<u>108,581,021</u>	<u>42,103,787</u>	<u>-</u>	<u>-</u>

As at 31 March 2015, finished goods with a value of Baht 36,168,207 (31 March 2014 : Baht 37,787,482) are carried at net realisable value, this being lower than cost. During the year ended 31 March 2015, the Group recognised allowance for obsolete and slow-moving inventories and allowance for inventories cost in excess of net realisable value as a part of cost of goods sold in the statement of comprehensive income in the amount of Baht 66,477,234 (2014 : in the amount of Baht 26,140,363).

Inventories with a value of Baht 2,813,436,632 are recognised as an expense in this fiscal year (2014 : Baht 3,129,259,446).

During the year ended 31 March 2015, the Group had written-off inventories of Baht 1.7 million in the income statement since a result of stock count.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

11 Value added tax

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
<u>Current assets</u>				
Value added tax refundable	42,137,772	3,475,423	-	-
Value added tax	4,510,541	7,228,269	5,954,062	(53,006)
Undue input tax	6,972,269	11,455,618	174,104	5,259,248
	<u>53,620,582</u>	<u>22,159,310</u>	<u>6,128,166</u>	<u>5,206,242</u>
<u>Current liabilities</u>				
Value added tax	<u>(6,377,611)</u>	<u>(1,962,550)</u>	<u>-</u>	<u>-</u>

12 Other current assets

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Prepaid corporate income tax	595,571	-	-	-
Tax coupon	3,409,362	-	-	-
	<u>4,004,933</u>	<u>-</u>	<u>-</u>	<u>-</u>

13 Restricted deposits at financial institutions

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Cash at banks				
- savings	50,000	54,824	-	-
- fixed deposits (3 months)	165,456,090	213,407,999	27,000,000	67,602,709
- fixed deposits (6 months)	197,000,000	114,966,274	1,500,000	-
- fixed deposits (12 months)	111,324,563	136,057,130	15,500,000	23,747,737
	<u>473,830,653</u>	<u>464,486,227</u>	<u>44,000,000</u>	<u>91,350,446</u>
	Consolidated		Company	
	Interest rate (% per annum)		Interest rate (% per annum)	
	2015	2014	2015	2014
Cash at banks				
- savings	1.00	1.00	-	-
- fixed deposits (3 months)	1.05 - 3.00	1.10 - 2.75	1.05 - 1.10	1.60 - 1.85
- fixed deposits (6 months)	1.25 - 2.50	1.35 - 2.90	1.95	-
- fixed deposits (12 months)	1.50 - 6.30	1.70 - 2.95	1.75 - 2.00	1.85 - 2.75

As at 31 March 2015 and 2014, fixed deposits were used as collateral against bank overdrafts, short-term loans and long-term loans from financial institutions and letters of guarantee issued by banks (Note 25 and 27 and 42.3).

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

14 Available-for sale investments

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Ordinary shares (at cost)				
- EMC Public Company Limited	-	396,100	-	396,100
- Picnic Corporation Public Company Limited	-	2,940	-	2,940
	-	399,040	-	399,040
<u>Less</u> Gain(loss) from change in fair value of investments		(377,109)	-	(377,109)
	-	21,931	-	21,931

The movement of available-for-sale investments for the year ended 31 March 2015 and 2014 comprises the following:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Opening net book value of the year	21,931	63,785	21,931	63,785
Disposal of investments	(396,100)	-	(396,100)	-
Transfer to other long-term investments (Note 17)	(2,940)	-	(2,940)	-
Change in fair value of available-for-sale investments	377,109	(41,854)	377,109	(41,854)
Ending net book value of the year	-	21,931	-	21,931

As at 31 March 2015, the Company transferred available-for-sale investments of Picnic Corporation Public Company Limited to other long-term investments (Note 17).

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

15 Investments in associates

a) As at 31 March 2015 and 2014, investments in associates comprise of the following:

Company name	Incorporated in	Nature of business	Currency	Paid-up share capital (Amount)		Percentage of shareholding		Consolidated Equity method		Company Cost method		Share of Profit (loss)	
				2015	2014	2015	2014	2015 Baht	2014 Baht	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Tokai Eastern Rubber (Thailand) Co., Ltd.	Thailand	Automotive antivibration manufacturing	Baht	152,500,000	152,500,000	20	20	1,294,140,787	1,228,729,223	45,000,000	45,000,000	168,585,466	230,911,471
Zeon Advance Polymix Co., Ltd.	Thailand	Rubber compounding service	Baht	100,000,000	100,000,000	27	27	238,680,929	198,462,374	176,000,000	176,000,000	50,208,556	60,173,059
Aerocel Construction Materials(Jiangsu) Co., Ltd.	Republic of China	Rubber insulation manufacturing	Renminbi	35,000,000	35,000,000	40	40	139,803,482	117,579,866	-	-	22,865,302	34,763,088
Aeroflex Europe GmbH	Germany	Rubber insulation manufacturing	Euro	2,500,000	1,750,000	40	40	-	-	-	-	(12,822,000)	(21,901,895)
ALP Aeroflex India Private Ltd.	India	Rubber insulation manufacturing	Indian Rupee	170,000,000	170,000,000	40	40	28,937,115	31,220,871	-	-	290,227	1,704,893
								1,701,562,313	1,575,992,334	221,000,000	221,000,000	229,127,551	305,650,616

Aeroflex Europe GmbH

At the Board of Directors meeting no. 5/2557, held on 10 February 2014, Board of Directors anonymously approved to Aeroflex Co., Ltd. a subsidiary, the payment for an increase in share capital of Aeroflex GmbH, an associate of Aeroflex Co., Ltd., in the amount of Euro 300,000. The associate increased its share capital by Euro 750,000 from the existing registered and called-up share capital of Euro 1,750,000 to be Euro 2,500,000 registered share capital successfully completed on 18 August 2014. Aeroflex Co., Ltd. has 40% shareholding in the associate in which the shareholding percentage remains unchanged after the increase in share capital.

During 2014, Aeroflex Europe GmbH increased in their registered share capital from amount of Euro 1,000,000 to Euro 1,750,000 by increasing 300,000 shares of common stock. This resulted in no change in shareholding percentage.

As at 31 March 2015, the management of the Group have reviewed allowance for impairment of investment in an associate - Aeroflex Europe GmbH amounting to Baht 22.92 million.

APL Aeroflex India Private Ltd.

As of 31 March 2015 and 2014, APL Aeroflex India Private Ltd. had registered share capital amounted to Indian rupee 170,000,000, 17,000,000 common stocks with par value Indian rupee 10 per each.

During 2014, APL Aeroflex India Private Ltd. increased in their registered share capital from amount of Indian rupee 65,000,000 to Indian rupee 170,000,000 by increasing 10,500,000 shares of common stock with par value Indian rupee 10 per each. The Company invested more 4,200,000 shares. This resulted in no change in shareholding percentage.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

15 Investments in associates (Cont'd)

- b) Summarised share of income from associates which are not listed in the Stock Exchange of Thailand and share of assets and liabilities are as follows:

Company name	Total assets		Total liabilities		Comprehensive income (loss)	
	2015	2014	2015	2014	2015	2014
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Tokai Eastern Rubber (Thailand) Co., Ltd.	1,503.71	1,384.75	197.77	197.83	179.38	230.14
Zeon Advance Polymix Co., Ltd.	376.78	353.54	138.10	155.08	50.21	60.17
Aerocel Construction Materials(Jiangsu) Co., Ltd.	232.22	173.41	92.07	55.83	22.81	35.10
Aeroflex Europe GmbH	73.09	99.77	118.86	109.79	(39.79)	(18.93)
ALP Aeroflex India Private Ltd.	56.30	57.78	25.25	25.47	0.79	1.91

Share of profit (loss) from investment in Aeroflex Europe GmbH and ALP Aeroflex India Private Ltd. for the year ending 31 March 2015 is calculated based on financial statements which were prepared by management of those associates and had not been audited or reviewed by auditors. However, the Group's management believes that the value of these investments would not significant difference if the financial statements had been audited or reviewed by auditors.

In the year 2015, the Group has not recognised share of loss in Aeroflex GmbH amounting to Baht 26,888,653. The Group has not recognised accumulated loss amount to Baht 29,847,395 (2014 : Baht 2,958,742) since the Group had already recognised share of loss equal in the value of the investment.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

15 Investments in associates (Cont'd)

- b) Summariesd share of income from associates which are not listed on the Stock Exchange of Thailand, and share of assets and liabilities are as follows: (Cont'd)

The movements in book value of investment in associates for the year ended 31 March 2015 and 2014 comprise the following:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Opening net book value of the year	1,575,992,334	1,460,347,771	221,000,000	221,000,000
Share of profit - post-tax results	229,127,551	305,650,616	-	-
Additional investment	12,822,000	35,466,600	-	-
Dividend income	(109,890,000)	(226,350,000)	-	-
Exchange differences	(6,489,572)	877,347	-	-
Closing net book value of the year	<u>1,701,562,313</u>	<u>1,575,992,334</u>	<u>221,000,000</u>	<u>221,000,000</u>

During the year ended 31 March 2015, the Company received dividend income from Tokai Eastern Rubber (Thailand) Co., Ltd. and Zeon Advance Polymix Co., Ltd. in the amount of Baht 99.90 million and Baht 9.99 million respectively, totalling Baht 109.89 million (2014 : Baht 211.50 million and Baht 14.85 million respectively, totalling Baht 226.35 million).

16 Investments in subsidiaries and basis of consolidated preparation**16.1 Consolidation preparation**

- 1) Subsidiaries are fully consolidated as from the date of acquisition, (being the date on which the Group obtains control), and continue to be consolidated until the date when such control ceases.
- 2) The subsidiaries have the same accounting period end 2014 as that of the Company, for which the accounting period used in consolidation preparation was from 1 April 2014 to 31 March 2015.
- 3) Non-controlling interests represent the portion of net income or loss and net assets of the subsidiaries that are not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

16 Investments in subsidiaries and basis of consolidated preparation (Cont'd)

16.2 As at 31 March 2015 and 2014, investments in subsidiaries comprise the following:

Direct Subsidiaries	Incorporated in	Nature of business	Paid-up share capital (Amount)		Percentage of shareholding		Company Cost method (Baht)		Dividend income (Baht)	
			2015	2014	2015	2014	2015	2014	2015	2014
Aeroklas Co., Ltd.	Thailand	Bedliners and covers of pickup trucks and automotive accessories manufacturing	1,800,000,000 Baht	1,200,000,000 Baht	100	100	1,799,999,980	1,199,999,980	-	-
Eastern Polypack Co., Ltd.	Thailand	Plastic packaging manufacturing	700,000,000 Baht	700,000,000 Baht	100	100	999,999,980	699,999,980	59,999,999	-
Aeroflex Co., Ltd.	Thailand	Rubber insulation manufacturing	600,000,000 Baht	600,000,000 Baht	100	100	599,999,800	599,999,800	119,999,960	-
EPG Innovation Center Co., Ltd.	Thailand	Research and development and calibration services	50,000,000 Baht	50,000,000 Baht	100	100	50,312,480	50,312,480	-	-
Aeroflex Polymer Technologies (Shanghai) Co., Ltd.	Republic of China	Rubber insulation manufacturing, import and export of machinery and chemical	8,100,000 US Dollar	8,100,000 US Dollar	100	100	313,917,509	313,917,509	-	-
							3,764,229,749	2,864,229,749	179,999,959	-

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

16 Investments in subsidiaries and basis of consolidated preparation (Cont'd)

16.2 As at 31 March 2015 and 2014, investments in subsidiaries comprise the following: (Cont'd)

Indirect Subsidiaries	Incorporated in	Nature of business	Paid-up share capital (Amount)		Percentage of shareholding		Cost method (Baht)		Dividend income (Baht)	
			2015	2014	2015	2014	2015	2014	2015	2014
APS Co., Ltd. (owned by Aeroflex Co., Ltd.)	Thailand	Manufacturing rubber for car, machinery, building and others	3,000,000 Baht	3,000,000 Baht	60	60	1,799,940	1,799,940	-	-
Aeroflex USA Inc. (owned by Aeroflex Co., Ltd.)	USA	Rubber insulation manufacturing	12,092,500 US Dollar	12,092,500 US Dollar	100	100	372,262,775	372,262,775	-	-
Aeroklas USA Inc. (owned by Aeroklas Co., Ltd.)	USA	Molded plastic parts assembling and distributing	1,000,000 US Dollar	1,000,000 US Dollar	100	100	31,924,573	31,924,573	-	-
Aeroklas Australia Pty Ltd. (owned by Aeroklas Co., Ltd.)	Australia	Molded plastic parts assembling and distributing	20,000,000 Australian Dollar	600,000 Australian Dollar	100	100	514,748,427	18,156,027	-	-
Aeroklas (Shanghai) Co., Ltd. (owned by Aeroklas Co., Ltd.)	Republic of China	Plastic parts injecting and moulding	4,000,000 US Dollar	4,000,000 US Dollar	100	100	124,308,336	124,308,336	-	-
Aeroklas Europe GmbH (owned by Aeroklas Co., Ltd.)	Germany	Molded plastic parts assembling and distributing	149,800 Euro	-	74.90	-	6,129,816	-	-	-
<u>Subsidiaries of Aeroklas Australia Pty Ltd. from acquisition of subsidiary</u>										
TJM Products Pty. Ltd. (owned by Aeroklas Australia Pty. Ltd.)	Australia	Design and trading accessories for 4HD, light commercial and heavy transportation vehicle	445,320 Australian Dollar	-	100	-	560,374,620	-	-	-
TJM Off-Road Products Inc. (owned by TJM Products Pty. Ltd.)	USA	Manufacturing accessories for 4HD, light commercial and heavy transportation vehicle	100,000 US Dollar	-	100	-	-	-	-	-
TJM Shenzhen Ltd. (owned by TJM Products Pty. Ltd.)	Republic of China	Trading accessories for 4HD, light commercial and heavy transportation vehicle	1,865,000 US Dollar	-	100	-	-	-	-	-
							1,611,548,487	548,451,651		

16 Investments in subsidiaries and basis of consolidated preparation (Cont'd)**16.2** As at 31 March 2015 and 2014, investments in subsidiaries comprise the following: (Cont'd)

The net movements of investments in subsidiaries for the year ended 31 March 2015 and 2014 comprises the following:

	For the year ended 31 March	
	Company	
	2015 Baht	2014 Baht
Opening net book value of the year	2,864,229,749	2,864,229,749
Increase in investment in subsidiaries		
- Aeroklas Co., Ltd.	600,000,000	-
- Eastern Polypack Co., Ltd.	300,000,000	-
Closing net book value of the year	3,764,229,749	2,864,229,749

16.3 Significant events**a) Investment in subsidiaries**Call for an increase of paid-up ordinary share of a subsidiary - Eastern Polypack Co., Ltd.

At the Board of Directors' meeting of Eastern Polypack Co., Ltd. (Subsidiary), on 23 December 2014 the Board of Directors passed a resolution to call for an increase of 50% in paid-up ordinary shares with respect to 60,000,000 shares, represent of Baht 5 per share. Total paid-up shares are Baht 300 million. The paid-up shares capital increased from Baht 700 million to Baht 1,000 million. The Company totally paid the paid-up shares within 26 December 2014 and the Subsidiary registered with the Ministry of Commerce on 26 December 2014. The Company has 100% shareholding in the Subsidiary in which the shareholding percentage remains unchanged after the increase in paid-up shares capital.

Increase in share capital of a subsidiary - Aeroklas Co., Ltd.

At the Annual Shareholders' Meeting no. 1/2558 of Aeroklas Co., Ltd. on 16 February 2015, it passed a resolution approving an increase in authorized share capital of the subsidiary from 120,000,000 ordinary shares with a par value of Baht 10 per share to 180,000,000 ordinary shares with a par value of Baht 10 per share. Total paid-up shares are Baht 600 million. The paid-up share capital increased from Baht 1,200 million to Baht 1,800 million. The subsidiary received all of the payment on 16 February 2015, and registered the increase in share capital with the Ministry of Commerce on 18 February 2015.

Increase in investment of indirect subsidiaries of a subsidiary - Aeroklas Co., Ltd.

Aeroklas Co., Ltd. made an investment in Aeroklas Europe GmbH, with total registered shares of Euro 500,000. Aeroklas Co., Ltd. has 74.90% shareholding in the subsidiary. The Company subsequently paid-up 40% of the subscription of Euro 149,800 or equivalents to Baht 6,129,816 on 11 November 2014.

Increase in share capital of indirect subsidiaries of a subsidiary - Aeroklas Co., Ltd.

Aeroklas Co., Ltd. made additional investment in Aeroklas USA Inc. of US dollars 500,000 on 27 August 2013 and of US dollars 200,000 on 20 March 2014. As at 31 March 2014, the subsidiary has an investment in Aeroklas USA Inc. in the total amount of US dollars 1,000,000 comprising 1,000 ordinary shares of par US dollars 1,000 each.

16 Investments in subsidiaries and basis of consolidated preparation (Cont'd)

16.3 Significant events (Cont'd)

a) Investment in subsidiaries (Cont'd)

Aeroklas Australia Pty Ltd.

The Company made an additional investment in Aeroklas Australia Pty. Ltd. on 1 October 2013 in the amount of Australian dollars 400,000 comprising 800,000 ordinary shares of par Australian dollars 1 each, which is called for payment only 0.5 each. Total ordinary shares increase by 400,000 shares from 200,000 shares to 600,000 shares. Total investments are Baht 11,712,000. As at 31 March 2014, the Company has an investment in Aeroklas Australia Pty. Ltd. of 600,000 ordinary shares with total investments of Baht 18,156,027.

On 10 April 2014, the Company paid up the remaining paid up 0.5 each in the amount of Australian dollars 400,000, comprising of Australian dollars 800,000 ordinary shares of par Australian dollars 1 each, totalling amounting to Baht 12,092,400. The investment in Aeroklas Australia Pty. Ltd. is then of 1,000,000 ordinary shares with a par Australian dollars 1 each, amounting to Baht 30,248,427.

The Company made an additional investment in Aeroklas Australia Pty. Ltd. on 9 March 2015 in the amount of Australian dollars 19,000,000 comprising 19,000,000 ordinary shares of par Australian dollars 1 each. The Company fully paid up the subscription of Australian dollars 19,000,000 or equivalents to Baht 484,500,000 for the purpose of investment in share capital of TJM Products Pty. LTD. As at 31 March 2015, the Company has an investment in Aeroklas Australia Pty. Ltd. of 20,000,000 ordinary shares with a par Australian dollars 1 each. Total investments are Australian dollars 20,000,000 or equivalents to Baht 514,748,427.

Increase in share capital of an indirect subsidiary of a subsidiary - Aeroflex Co., Ltd.

On 26 April 2013, Aeroflex Co., Ltd. invested in 99,997 common shares with par value of Baht 100 per share and paid-up of Baht 30 per share in APS Co., Ltd. which is 100% shareholding. On 28 May 2013, Aeroflex Co., Ltd. made an additional investment in APS Co., Ltd. of 1 ordinary share with paid-up of Baht 30 per share and disposed its investment of 40,000 shares at book value of Baht 1,200,000 to ALP Overseas Private Limited, incorporated in India. On 3 January 2014, Aeroflex Co., Ltd. received US dollars 39,980, equivalents to Baht 1,319,597, from the sale of the investment. This resulted in a change in shareholding percentage in the indirect subsidiary from 100% to 60%.

Dividend payment of a subsidiary - Eastern Polypack Co., Ltd.

At the Board of Directors' Meeting of the Company held on 23 February 2015, the meeting has approved the payment of interim dividend from net profit after tax for nine-month period ended 31 December 2014 for 100,000,000 shares at Baht 0.60 per share, totaling of Baht 60,000,000 and approved an appropriation of legal reserve totaling Baht 4,573,812. As at 31 March 2015, there is outstanding dividend payable in amounting to Baht 60,000,000.

Dividend payment of a subsidiary - Aeroflex Co., Ltd.

At the Board of Directors' Meeting of the Company held on 23 February 2015, the meeting has approved the payment of interim dividend from net profit after tax for nine-month period ended 31 December 2014 for 6,000,000 shares at Baht 20.00 per share, totaling of Baht 120,000,000 and approved an appropriation of legal reserve totaling Baht 10,765,743. As at 31 March 2015, there is outstanding dividend payable in amounting to Baht 120,000,000.

16 Investments in subsidiaries and basis of consolidated preparation (Cont'd)**16.3 Significant events (Cont'd)****b) Business acquisition**The purpose of business acquisition

At the Board of Directors' Meeting of Aeroklas Australia Pty Ltd. no. 3 held on 16 February 2015, the meeting has approved Aeroklas Australia Pty Ltd. - a 100% owned subsidiary to entered into the Share Sale Agreement with TJM Products Pty. Ltd. which is located in Australia to buy, 445,320 ordinary shares of par Australian dollars 1 each totalling of Australian dollars 445,320. On 1 March 2015, Aeroklas Australia Pty Ltd. has acquired 100% shares of TJM Products Pty Ltd. and its and indirect subsidiaries TJM Off-Road Products Inc. (100% owned by TJM Products Pty Ltd. 100%) TJM Shenzhen Ltd. (100% owned by TJM Products Pty Ltd.)

As a result of the acquisition, the Group has the following synergy.

- 1) Distribution of "Aeroklas" product can expanded rapidly through TJM sales channels, which has 58 branded distributors under the „TJM" brand, and 27 licensed stores throughout Australia, with a total of 85 stores.
- 2) By utilising the above-mentioned advantages, Aeroklas can later apply this business model throughout the global network for Aeroklas products.
- 3) TJM will benefit from an expanded product range with access to the extensive variety of highly global standardized parts and accessories manufactured by Aeroklas in Thailand. This will increase the competitive advantages of both TJM and Aeroklas, as trade between Thailand and Australia is covered by an FTA (Free Trade Agreement), which means no import duty is paid on trade between the two countries.

The following table summarises total consideration to be paid for TJM Products Pty Ltd, and the amount of the assets acquired and liabilities assumed recognised at the acquisition date.

	Australian dollar	Baht
Cash	22,200,000	560,374,620
Total consideration	22,200,000	560,374,620
Acquisition-related costs (included in administrative expenses in the profit or loss for the year ended 31 March 2015)	606,365	17,225,204

The Group has measured fair value of assets and liabilities including intangible assets which was performed by independent and expertised valuers. The Group has recorded the net assets acquired at their fair value at the acquisition date. The excess of the purchase price over the fair value of the net assets acquired has been recorded as goodwill. However, the Group is awaiting a third party appraisal as to purchase price allocation within 2015.

Controlling over TJM Products Australia Pty Ltd.

On 2 March 2015, the Group acquired 100% shares of TJM Products Australia Pty Ltd. which is incorporated in Australia, for the amount of Australian dollar 22,200,000 (equivalent to Baht 560,374,620) and the director of the Group was assigned to be the director of TJM Products Australia Pty Ltd. The Group considered that it had taken control over TJM Products Australia Pty Ltd. since 2 March 2015.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

16 Investments in subsidiaries and basis of consolidated preparation (Cont'd)**16.3 Significant events (Cont'd)****b) Business acquisition (Cont'd)**

Details of the fair values of net assets of TJM Products Pty. Ltd. and its subsidiaries on 2 March 2015 are as follows:

	Australian dollar	Equivalent to Baht
Cash and cash equivalents	635,930	16,052,214
Trade and other receivables	6,220,809	157,202,924
<u>Less</u> Allowance for doubtful accounts	(770,030)	(19,613,826)
Inventories	12,514,191	315,884,456
<u>Less</u> Provision for obsolete and slow-moving inventories	(2,733,704)	(69,004,428)
Building and equipment - cost	8,421,607	212,579,033
Building and equipment - accumulate depreciation	(4,180,461)	(105,523,606)
Building and equipment - impairment	(205,456)	(5,186,142)
Intangible assets (net)	2,564,344	64,729,422
Trade and other payables	(3,497,688)	(88,288,982)
Employee benefit obligations	(475,815)	(12,010,564)
Total identifiable net assets	18,493,727	466,820,501
Goodwill (Note 21)	3,706,273	92,487,453
Exchange differences	-	1,066,666
Total consideration	22,200,000	560,374,620
Cash proceeds from investment in a subsidiary	635,930	16,052,214
<u>Less</u> Cash payment for investment in a subsidiary	(22,200,000)	(560,374,620)
Net cash payment from investment in a subsidiary (presented in statement of cash flows)	<u>(21,564,070)</u>	<u>(544,322,406)</u>

Revenues and profit

The revenue included in the consolidated income statement from 2 March 2015 to 31 March 2015 contributed by TJM Products Pty. Ltd. was Australian dollar 2,799,682 (equivalent to Baht 70,614,419). TJM Products Pty. Ltd. also contributed loss of Australian dollar 379,478 (equivalent to Baht 9,571,308) over the same period which included in the Consolidated Financial Statements for the year ended 31 March 2015.

Had TJM Products Pty. Ltd. been consolidated from 1 April 2014, the consolidated income statement for the year ended 31 March 2015 would show revenue of Australian dollar 24,609,877 (equivalent to Baht 699,100,158) and profit of Australian dollar 17,249,349 (equivalent to Baht 490,010,003) respectively.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

17 Other long-term investments (net)

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
General investments in common share				
General investment - the Company				
- GEC Engineering Company Limited	3,293,200	3,293,200	3,293,200	3,293,200
- EPI Japan Ltd.	529,223	529,223	529,223	529,223
- Chonnithi Company Limited	494,000	494,000	494,000	494,000
- Picnic Corporation Public Company Limited	2,940	-	2,940	-
General investment - a subsidiary				
Aeroklas Co., Ltd.				
- Aeroklas B.V. Netherland	-	973,400	-	-
- Aero Accessories, Inc.	-	686,475	-	-
	4,319,363	5,976,298	4,319,363	4,316,423
<u>Less</u> Allowance for impairment	(4,319,363)	(5,976,298)	(4,319,363)	(4,316,423)
	-	-	-	-

As at 31 March 2015 the Group's managements have reviewed about allowance for impairment of these long-term investments, and agreed to remain the allowance for impairment of investments remained at Baht 4.32 million and Baht 4.32 million for the consolidated and company financial statements respectively.

During the year ended 31 March 2015, the Group has written off other long-term investments of a subsidiary - Aeroklas Co., Ltd. amounting to Baht 1,659,875 because those companies were dissolved.

As at 31 March 2015, the Company transferred available-for-sale investments of Picnic Corporation Public Company Limited to other long-term investments because those shares has no any trading in Stock Exchange of Thailand.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

18 Investment properties (net)

	Company					
Notes	Land and Land improvement	Plant buildings and building	Facility	Assets under	Total Baht	
	Baht	improvement Baht	systems Baht	construction and installation Baht		
For the year ended 31 March 2014						
Opening net book amount	74,889,500	227,830,765	31,393,182	4,444,321	338,557,768	
Transfer in (out)	-	4,444,321	-	(4,444,321)	-	
Reclassification - cost	-	13,339,663	-	-	13,339,663	
- accumulated depreciation	-	(5,316,839)	-	-	(5,316,839)	
Depreciation charge	-	(9,250,793)	(1,220,878)	-	(10,471,671)	
Closing net book amount	74,889,500	231,047,117	30,172,304	-	336,108,921	
As at 31 March 2014						
Cost	74,889,500	339,467,063	43,117,955	-	457,474,518	
Less Accumulated depreciation	-	(108,419,946)	(12,945,651)	-	(121,365,597)	
Net book amount	74,889,500	231,047,117	30,172,304	-	336,108,921	
For the year ended 31 March 2015						
Opening net book amount	74,889,500	231,047,117	30,172,304	-	336,108,921	
Disposals - cost	-	(825,701)	(19,263,335)	-	(20,089,036)	
- accumulated depreciation	-	642,799	5,692,750	-	6,335,549	
Written-off - cost	-	(8,000)	(104,840)	-	(112,840)	
- accumulated depreciation	-	6,653	22,336	-	28,989	
Depreciation charge	-	(8,576,243)	(849,456)	-	(9,425,699)	
Closing net book amount	74,889,500	222,286,625	15,669,759	-	312,845,884	
As at 31 March 2015						
Cost	74,889,500	338,633,362	23,749,780	-	437,272,642	
Less Accumulated depreciation	-	(116,346,737)	(8,080,021)	-	(124,426,758)	
Net book amount	74,889,500	222,286,625	15,669,759	-	312,845,884	

18 Investment properties (net) (Cont'd)

The Company mortgaged investment properties as securities for facilities of bank overdrafts and a long-term borrowings (Note 25 and 27).

Fair values of the investment properties as at 31 March 2015 were assessed by independent professionally qualified valuer, Bangkok Property Appraisal Co., Ltd. who hold a recognised relevant professional qualification and have experience in the locations and type of the investment properties assessed (2014 : were assessed by Bangkok Property Appraisal Co., Ltd.) using depreciated replacement cost approach.

As at 31 March 2015, fair values of investment properties in the company financial statements assessed is Baht 465.66 million (with net book value of Baht 297.17 million) (2014 : Baht 462.99 million with net book value of Baht 306.6 million). The assets that were not assessed comprised of building improvement and facility systems in the company financial statements amounting to Baht 16.58 million (2014 : Baht 42.65 million).

Amounts recognised in profit and loss in the company financial statements that are related to investment properties for the year ended 31 March 2015 and 2014 are as follows:

	Company	
	2015 Baht	2014 Baht
Revenue		
Rental income	22,266,000	21,746,000
Service income	56,887,800	13,976,800
	<u>79,153,800</u>	<u>35,722,800</u>
Direct operating expense arise from investment properties that generated rental income for the year	47,606,658	21,150,170
Direct operating expense arise from investment properties that did not generate rental income for the year	-	-

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

19 Property, plant and equipment (net)

	Note	Consolidated							Total Baht
		Land Baht	Land improvement Baht	Plant buildings, building improvement and utilities systems Baht	Machinery, molds and equipment Baht	Factory equipment and tools Baht	Office equipment and tools Baht	Motor vehicles Baht	Assets under installation and construction in progress Baht
For the year ended 31 March 2014									
Opening net book amount		272,976,586	25,704,066	1,189,930,535	2,539,149,631	304,091,649	51,674,630	11,788,831	737,623,159
Additions		8,900,000	687,292	6,959,018	29,083,349	33,786,221	16,476,673	40,456,044	614,316,297
Transfer in (out)		5,248,524	2,040,731	253,829,281	474,148,723	14,721,865	1,556,013	2,811,702	(754,356,839)
Disposals - cost		-	-	-	(10,427,548)	(6,872,738)	(2,240,728)	(2,808,139)	(18,100,000)
- accumulated depreciation		-	-	-	1,414,822	3,837,511	1,914,096	2,082,104	-
Written-off - cost		-	-	-	(453,003)	(2,762,703)	(3,054,639)	-	-
- accumulated depreciation		-	-	-	138,983	2,018,195	2,971,224	-	-
Depreciation charge	37	-	(2,176,407)	(64,057,465)	(260,507,192)	(69,725,031)	(18,493,243)	(6,528,338)	-
Exchange differences		648,896	(29,580)	24,312,952	16,997,400	1,071,622	901,616	167,274	1,969,972
Closing net book amount		287,774,006	26,226,102	1,410,974,321	2,789,545,165	280,166,591	51,705,642	47,969,478	581,452,589
As at 31 March 2014									
Cost		287,774,006	46,593,888	1,954,510,696	4,006,238,906	557,379,572	245,397,912	63,382,804	581,452,589
Less Accumulated depreciation		-	(20,367,786)	(543,536,375)	(1,216,693,741)	(277,212,981)	(193,692,270)	(15,413,326)	-
Net book amount		287,774,006	26,226,102	1,410,974,321	2,789,545,165	280,166,591	51,705,642	47,969,478	581,452,589
For the year ended 31 March 2015									
Opening net book amount		287,774,006	26,226,102	1,410,974,321	2,789,545,165	280,166,591	51,705,642	47,969,478	581,452,589
Acquisition of subsidiary		-	-	-	-	-	-	-	-
- cost		-	-	34,919,781	119,391,807	-	45,599,347	9,382,107	3,285,991
- Accumulated depreciation		-	-	(15,676,255)	(52,227,082)	-	(32,979,530)	(4,640,739)	-
- Impairment		-	-	-	(5,186,142)	-	-	-	-
Additions		-	-	17,966,736	23,415,937	34,173,531	10,534,575	33,647,421	362,455,989
Transfer in (out)		-	14,025,944	293,848,910	402,861,627	55,368,754	7,125,823	974,381	(774,205,439)
Reclassification - cost		-	(2,532,511)	(107,379)	298,578	2,341,312	-	-	-
- accumulated depreciation		-	1,028,998	(205,030)	-	(823,968)	-	-	-
Disposals - cost		-	-	(23,252,426)	(18,610,821)	(12,433,707)	(5,678,820)	(2,737,588)	-
- accumulated depreciation		-	-	9,182,600	12,652,083	10,980,327	5,147,318	1,277,724	-
Written-off - cost		-	(2,496,438)	(7,332,004)	(22,896,903)	(18,888,289)	(46,073,246)	(266,357)	-
- accumulated depreciation		-	2,496,432	7,248,144	22,880,150	18,270,294	46,000,838	266,353	(6,385,826)
Depreciation charge	37	-	(2,453,423)	(77,256,819)	(287,344,109)	(71,829,498)	(20,702,519)	(13,973,006)	-
Exchange differences		35,628	(69,488)	1,001,757	597,316	(310,070)	(479,875)	(429,485)	92,373
Closing net book amount		287,809,634	36,225,616	1,651,312,336	2,985,377,606	297,015,277	60,199,553	71,470,309	166,695,677
As at 31 March 2015									
Cost		287,809,634	55,473,838	2,271,267,152	4,510,742,871	617,473,666	255,259,237	103,754,345	166,695,677
Less Accumulated depreciation		-	(19,248,222)	(619,954,816)	(1,520,319,081)	(320,458,389)	(195,059,684)	(32,284,036)	-
Less Impairment		-	-	-	(5,046,184)	-	-	-	-
Net book amount		287,809,634	36,225,616	1,651,312,336	2,985,377,606	297,015,277	60,199,553	71,470,309	166,695,677
									5,556,106,008
									8,268,476,420
									(2,707,324,228)
									(5,046,184)
									5,556,106,008

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

19 Property, plant and equipment (net) (Cont'd)

	Company							Total Baht	
	Notes	Land Baht	Land improvement Baht	Plant buildings, building improvement utilities systems Baht	Machinery, molds and equipment Baht	Office equipment and tools Baht	Motor vehicles Baht		Assets under installation and construction in progress Baht
For the year ended 31 March 2014									
Opening net book amount		24,406,500	9,754,008	32,354,200	4,049,868	3,999,231	1,739	228,205	74,793,751
Additions		11,800,000	-	-	880,000	1,264,420	-	17,807,669	31,752,089
Transfer in (out)		-	-	-	-	228,205	-	(228,205)	-
Reclassification									
- cost	18	-	-	(13,339,663)	-	-	-	-	(13,339,663)
- accumulated depreciation	18	-	-	5,316,839	-	-	-	-	5,316,839
Disposals - cost		-	-	-	(492,261)	(896,703)	(478,892)	-	(1,867,856)
- accumulated depreciation		-	-	-	331,123	805,600	478,891	-	1,615,614
Written-off - cost		-	-	-	-	(15,734)	-	-	(15,734)
- accumulated depreciation		-	-	-	-	14,161	-	-	14,161
Depreciation charge	37	-	-	(1,113,264)	(973,458)	(1,329,190)	(336)	-	(3,416,248)
Closing net book amount		36,206,500	9,754,008	23,218,112	3,795,272	4,069,990	1,402	17,807,669	94,852,953
As at 31 March 2014									
Cost		36,206,500	9,754,008	27,237,638	9,076,681	18,863,022	7,715	17,807,669	118,953,233
Less: Accumulated depreciation		-	-	(4,019,526)	(5,281,409)	(14,793,032)	(6,313)	-	(24,100,280)
Net book amount		36,206,500	9,754,008	23,218,112	3,795,272	4,069,990	1,402	17,807,669	94,852,953

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

19 Property, plant and equipment (net) (Cont'd)

	Company							
Note	Land Baht	Land improvement Baht	Plant buildings, building improvement and utilities systems Baht	Machinery, molds and equipment Baht	Office equipment and tools Baht	Motor vehicles Baht	Assets under installation and construction in progress Baht	Total Baht
For the year ended 31 March 2015								
Opening net book amount	36,206,500	9,754,008	23,218,112	3,795,272	4,069,990	1,402	17,807,669	94,852,953
Additions	-	-	121,206	-	564,187	17,358,000	17,258,061	35,301,454
Transfer in (out)	-	-	31,027,260	-	3,072,744	-	(34,100,004)	-
Disposals - cost	-	-	-	(322,522)	(3,200,928)	(2,764)	-	(3,526,214)
- accumulated depreciation	-	-	-	264,507	2,841,339	2,762	-	3,108,608
Written-off - cost	-	-	-	(9,038)	(26,279)	-	-	(35,317)
- accumulated depreciation	-	-	-	6,701	24,589	-	-	31,290
Depreciation charge	-	-	(1,387,594)	(953,172)	(1,412,899)	(1,493,050)	-	(5,246,715)
37								
Closing net book amount	36,206,500	9,754,008	52,978,984	2,781,748	5,932,743	15,866,350	965,726	124,486,059
As at 31 March 2015								
Cost	36,206,500	9,754,008	58,386,104	8,745,121	19,272,746	17,362,951	965,726	150,693,156
Less: Accumulated depreciation	-	-	(5,407,120)	(5,963,373)	(13,340,003)	(1,496,601)	-	(26,207,097)
Net book amount	36,206,500	9,754,008	52,978,984	2,781,748	5,932,743	15,866,350	965,726	124,486,059

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

19 Property, plant and equipment (net) (Cont'd)

Included in property, plant, and equipment are leased assets, where the Group is a lessee under a finance lease which comprise motor vehicle as follows:

	Consolidated	
	2015 Baht	2014 Baht
Cost	20,140,898	17,251,028
<u>Less</u> Accumulated depreciation	(6,101,481)	(2,790,694)
Net book amount	14,039,417	14,460,334

As at 31 March 2015, the Group and the Company have pledged property, plant and equipment at the cost of Baht 2,552 million (2014 : Baht 2,204 million) as collateral against credit facilities, overdrafts and borrowings from financial institutions (Notes 25 and 27).

20 Intangible assets (net)

		Consolidated				
	Note	Research and development Baht	License Baht	Trademark Baht	Computer software Baht	Total Baht
For the year ended 31 March 2014						
Opening net book amount		70,012,400	2,625,783	-	9,700,803	82,338,986
Additions		-	6,784,349	-	1,178,950	7,963,299
Written-off - cost		(62,698)	-	-	(3,323,054)	(3,385,752)
- accumulated amortisation		-	-	-	3,249,064	3,249,064
Amortisation charge	37	(16,497,192)	(594,933)	-	(1,799,658)	(18,891,783)
Exchange differences		-	186,456	-	-	186,456
Closing net book amount		53,452,510	9,001,655	-	9,006,105	71,460,270
As at 31 March 2014						
Cost		158,976,466	13,109,999	-	31,032,845	203,119,310
<u>Less</u> Accumulated amortisation		(105,523,956)	(4,108,344)	-	(22,026,740)	(131,659,040)
Net book amount		53,452,510	9,001,655	-	9,006,105	71,460,270
For the year ended 31 March 2015						
Opening net book amount		53,452,510	9,001,655	-	9,006,105	71,460,270
Acquisition of subsidiary						
- cost		314,919,821	14,434,822	4,057,296	22,361,283	355,773,222
- accumulated amortisation		(265,695,576)	(9,741,448)	(2,277,791)	(13,328,985)	(291,043,800)
Additions		3,070,048	1,507,586	332,015	5,430,677	10,340,326
Written-off - cost		-	-	-	-	-
- accumulated amortisation		-	-	-	-	-
Amortisation charge	37	(17,334,722)	(738,624)	(43,019)	(2,127,200)	(20,243,565)
Exchange differences		(1,516,985)	(81,069)	(86,320)	(207,105)	(1,891,479)
Closing net book amount		86,895,096	14,382,922	1,982,181	21,134,775	124,394,974
As at 31 March 2015						
Cost		468,076,866	28,692,204	4,237,195	58,260,164	559,266,429
<u>Less</u> Accumulated amortisation		(381,181,770)	(14,309,282)	(2,255,014)	(37,125,389)	(434,871,455)
Net book amount		86,895,096	14,382,922	1,982,181	21,134,775	124,394,974

Research and development of a subsidiary - Aeroklas Co., Ltd.

Research and development is expense for developing plastic sheet for truck back cover and canopy which could generate economic benefits in the future to the subsidiary.

Research and development, license and trademark of indirect subsidiary – TJM Products Australia Pty Ltd.

Intangible assets of the indirect subsidiaries from the acquisition of subsidiary are research and development, license and trademark which are for truck bull bars, nudge bars, tow bars, suspension, leaf springs, pro-lockers and snorkels.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

20 Intangible assets (net) (Cont'd)

	Note	Company Computer software Baht
For the year ended 31 March 2014		
Opening net book amount		702,714
Additions		11,250
Written-off - cost		(3,323,054)
- accumulated amortisation		3,249,064
Amortisation charge	37	(34,055)
Closing net book value		<u>605,919</u>
As at 31 March 2014		
Cost		12,733,361
<u>Less</u> Accumulated amortisation		(12,127,442)
Net book value		<u>605,919</u>
For the period ended 31 March 2015		
Opening net book amount		605,919
Additions		267,400
Written-off - cost		-
- accumulated amortisation		-
Amortisation charge	37	(28,965)
Closing net book value		<u>844,354</u>
As at 31 March 2015		
Cost		13,000,761
<u>Less</u> Accumulated amortisation		(12,156,407)
Net book value		<u>844,354</u>

21 Goodwill

The movement of goodwills for the year ended 31 March 2015 and 2014 are as follow:

	Consolidated			
	2015	2015	2014	2014
	Australian	Baht	Australian	Baht
	Dollar		Dollar	
Beginning balance	-	-	-	-
Acquisition of subsidiary (Note 16.3)	3,706,273	92,487,453	-	-
Ending balance	<u>3,706,273</u>	<u>92,487,453</u>	<u>-</u>	<u>-</u>

Goodwills incurred from business acquisition of Australian Dollars 3,706,273 (equivalent to Baht 92,487,453) (Note 16.3 b)).

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

22 Land leasehold right (net)

Land leasehold right as at 31 March 2015 and 2014 were presented as the following:

	Consolidated	
	2015 Baht	2014 Baht
Current portion	228,830	227,539
Non-current portion	7,646,731	7,831,142
Total land leasehold right (net)	<u>7,875,561</u>	<u>8,058,681</u>

Land leasehold right of an overseas subsidiary – Aeroflex Polymer Technologies (Shanghai) Co., Ltd.

The land leasehold right is for the period of 50 years commencing from 10 May 1999. The payments for the official registration fee for the long-term lease in 1999 amounting to Renmibi 2,202,362 have been recorded as land leasehold rights and the subsidiary has to pay land rental annually. The rental rate is Renminbi 44,047 per annum. The subsidiary must comply with other conditions and restrictions in respect of the land leasehold right provided for in the agreement.

23 Deferred income tax assets (net)

Deferred income taxes assets as at 31 March 2015 and 2014 comprise the following:

	Consolidated		Company	
	2015 Baht	Restated 2014 Baht	2015 Baht	Restated 2014 Baht
Deferred income tax assets:				
Deferred income tax assets to be recovered within 12 months	84,184,802	52,852,602	5,840,000	-
Deferred income tax assets to be recovered after more than 12 months	<u>112,808,330</u>	<u>142,866,706</u>	<u>18,428,818</u>	<u>5,195,081</u>
	<u>196,993,132</u>	<u>195,719,308</u>	<u>24,268,818</u>	<u>5,195,081</u>
Deferred income tax liabilities:				
Deferred income tax liabilities to be settled within 12 months	(213,208)	(640,036)	-	-
Deferred income tax liabilities to be settled after more than 12 months	<u>(20,691,994)</u>	<u>(19,687,505)</u>	<u>-</u>	<u>-</u>
	<u>(20,905,202)</u>	<u>(20,327,541)</u>	<u>-</u>	<u>-</u>
Deferred income tax assets (net)	<u>176,087,930</u>	<u>175,391,767</u>	<u>24,268,818</u>	<u>5,195,081</u>

The movements of deferred income taxes for the year ended 31 March 2015 and 2014 comprise the following:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Opening balance of the year	175,391,767	177,271,142	5,195,081	8,842,193
Increase(decrease) to profit or loss	333,757	(12,232,490)	19,149,159	(3,655,483)
Increase(decrease) to other comprehensive income	(75,422)	8,371	(75,422)	8,371
Exchange differences	<u>437,828</u>	<u>10,344,744</u>	<u>-</u>	<u>-</u>
Closing balance of the year	<u>176,087,930</u>	<u>175,391,767</u>	<u>24,268,818</u>	<u>5,195,081</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

23 Deferred income tax assets (net) (Cont'd)

The movements of deferred income taxes for the year ended 31 March 2015 and 2014 comprise the following:
(Cont'd)

			Consolidated		
			Increase (Decrease) to the statement of other comprehensive income	Exchange differences	31 March
	1 April 2014 Baht	Increase (Decrease) to the statement of income Baht	income Baht	Baht	2015 Baht
Deferred income tax assets					
Allowance for doubtful accounts	4,075,081	1,279,751	-	2,007	5,356,839
Allowance for obsolete and slow-moving inventories	16,451,762	4,123,704	-	25,003	20,600,469
Allowance for inventories cost in excess of net realisable value	1,076,929	(223,203)	-	-	853,726
Unrealised gain from intercompany sales of inventories and fixed assets	23,314,914	6,921,604	-	-	30,236,518
Allowance for impairment of investments	863,285	587	-	-	863,872
Accrued staff bonus	2,052,624	324,191	-	1,530	2,378,345
Accrued rebates	181,541	(2,366)	-	-	179,175
Employee benefit obligations	10,718,713	3,688,824	-	8,469	14,416,006
(Gain) loss on measurement of available-for-sale investments	75,422	-	(75,422)	-	-
Tax deductible donation of an overseas subsidiary	370,700	(192,393)	-	1,581	179,888
Difference realisable charge and depreciation of assets between tax and accounting	-	931,632	-	-	931,632
Tax loss carried forward	136,538,337	(16,004,260)	-	462,585	120,996,662
	195,719,308	848,071	(75,422)	501,175	196,993,132
Deferred income tax liabilities					
Difference amortisation charge and depreciation of assets between tax and accounting	(19,687,505)	(944,078)	-	(60,411)	(20,691,994)
Prepayment	(640,036)	429,764	-	(2,936)	(213,208)
	(20,327,541)	(514,314)	-	(63,347)	(20,905,202)
Deferred income tax assets (net)	175,391,767	333,757	(75,422)	437,828	176,087,930

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

23 Deferred income tax (net) (Cont'd)

The movements of deferred income taxes for the year ended 31 March 2015 and 2014 comprise the following:
(Cont'd)

	Consolidated				31 March 2014 Baht
	1 April 2013 Baht	Increase (Decrease) to the statement of income Baht	Increase (Decrease) to the statement of other comprehensive income Baht	Exchange differences Baht	
Deferred income tax assets					
Allowance for doubtful accounts	2,866,752	1,152,281	-	56,048	4,075,081
Allowance for obsolete and slow-moving inventories	12,239,380	3,299,530	-	912,852	16,451,762
Allowance for inventories cost in excess of net realisable value	-	1,076,929	-	-	1,076,929
Unrealised gain from intercompany sales of inventories and fixed assets	21,256,221	2,058,693	-	-	23,314,914
Allowance for impairment of investments	863,285	-	-	-	863,285
Accrued staff bonus	1,200,000	850,520	-	2,104	2,052,624
Accrued rebates	186,294	(4,753)	-	-	181,541
Employee benefit obligations	13,268,771	(2,661,369)	-	111,311	10,718,713
(Gain) loss on measurement of available-for-sale investments	67,051	-	8,371	-	75,422
Tax deductible donation of an overseas subsidiary	226,808	119,192	-	24,700	370,700
Tax loss carried forward	155,288,878	(30,500,019)	-	11,749,478	136,538,337
	<u>207,463,440</u>	<u>(24,608,996)</u>	<u>8,371</u>	<u>12,856,493</u>	<u>195,719,308</u>
Deferred income tax liabilities					
Difference amortisation charge and depreciation of assets between tax and accounting	(29,048,250)	11,780,802	-	(2,420,057)	(19,687,505)
Prepayment	(1,144,048)	595,704	-	(91,692)	(640,036)
	<u>(30,192,298)</u>	<u>12,376,506</u>	<u>-</u>	<u>(2,511,749)</u>	<u>(20,327,541)</u>
Deferred income tax assets (net)	<u>177,271,142</u>	<u>(12,232,490)</u>	<u>8,371</u>	<u>10,344,744</u>	<u>175,391,767</u>
Company					
	1 April 2014 Baht	Increase (Decrease) to the statement of income Baht	Increase (Decrease) to the statement of other comprehensive income Baht		31 March 2015 Baht
Deferred income tax assets					
Allowance for doubtful accounts	1,410,816	(92,565)	-		1,318,251
Allowance for impairment on investments	863,285	587	-		863,872
Employee benefit obligations	2,845,558	(228,371)	-		2,617,187
(Gain) loss on measurement of available-for-sale investments	75,422	-	(75,422)		-
Tax loss carried forward	-	19,469,508	-		19,469,508
	<u>5,195,081</u>	<u>19,149,159</u>	<u>(75,422)</u>		<u>24,268,818</u>

23 Deferred income tax (net) (Cont'd)

The movements of deferred income taxes for the year ended 31 March 2015 and 2014 comprise the following: (Cont'd)

	Company			
	1 April 2013 Baht	Increase (Decrease) to the statement of income Baht	Increase (Decrease) to the statement of other comprehensive income Baht	31 March 2014 Baht
Deferred income tax assets				
Allowance for doubtful accounts	1,551,217	(140,401)	-	1,410,816
Allowance for impairment on investments	863,285	-	-	863,285
Employee benefit obligations	1,178,950	1,666,608	-	2,845,558
Payable for employee benefits transferred from a subsidiary	5,181,690	(5,181,690)	-	-
(Gain) loss on measurement of available-for-sale investments	67,051	-	8,371	75,422
	<u>8,842,193</u>	<u>(3,655,483)</u>	<u>8,371</u>	<u>5,195,081</u>

Deferred income tax assets for the loss and carry forwards are recognised only to the extent that recognised of the related tax benefit through the future taxable profits is probable.

The Royal Decrees issued on 21 December 2011, announces that a Company uses corporate income tax rate of 20% for two accounting periods beginning on or after 1 January 2013. Subsequently, a Royal Decrees was issued on 1 November 2014, to continue to use the corporate income tax rate of 20% for the accounting period beginning between 1 January 2015 and 31 December 2015. Then, deferred tax expected to be recovered more than 12 months after the fiscal year ended 31 December 2014 have been measured using a tax rate of 20%.

24 Other non-current assets

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Prepaid corporate income tax	33,337,971	19,201,159	25,359,047	16,244,541
Tax coupon of overseas subsidiaries	6,632,952	8,012,932	-	-
Deposits	5,898,002	6,165,516	51,500	68,900
Others	24,203	180,165	-	-
	<u>45,893,128</u>	<u>33,559,772</u>	<u>25,410,547</u>	<u>16,313,441</u>

25 Bank overdrafts and short-term loans from financial institutions

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Bank overdrafts	24,749,462	82,832,020	1,540,667	14,174,002
Bank promissory notes	367,584,089	3,409,051,829	-	1,669,000,000
Trust receipts	779,690,570	709,113,444	-	-
Packing credit	243,062,000	224,299,000	-	-
	<u>1,415,086,121</u>	<u>4,425,296,293</u>	<u>1,540,667</u>	<u>1,683,174,002</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

25 Bank overdrafts and short-term loans from financial institutions (Cont'd)

	Consolidated		Company	
	Interest rate from bank (% per annum)		Interest rate from bank (% per annum)	
	2015	2014	2015	2014
Bank overdrafts	7.38 - 7.90	7.38 - 7.78	7.40 - 7.90	7.38 - 7.78
Bank promissory notes	3.50 - 4.00	3.18 - 8.52	-	3.35 - 4.60
Trust receipts	2.10 - 4.62	2.23 - 4.75	-	-
Packing credit	3.00 - 3.80	3.25 - 4.50	-	-

Certain part of bank overdrafts and short-term loans from financial institutions are secured by the mortgage of the Group's and the Company's land and buildings and machinery, and guaranteed by related parties and directors (Note 27).

During the period 2015, the Company converted a promissory note valued at Baht 1,429 million from Siam Commercial Bank Public Company Limited to a long-term loan (Note 27).

As at 31 March 2015, bank promissory notes are aged between 3 to 9 months and will be mature in 2015 (2014 : 3 to 9 months and mature in 2014).

26 Trade and other accounts payable

	Notes	Consolidated		Company	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
Trade accounts payable					
- other companies		462,101,764	393,260,642	-	35,707
- related companies	41 (a)	33,705,440	37,978,773	-	366,987
Other accounts payable					
- other companies		90,385,635	97,303,129	1,593,461	1,246,995
- related companies	41 (a)	6,402,304	8,902,389	255,000	8,667
Fixed assets payable					
- other companies		27,421,664	18,466,857	443,509	200,995
- related companies	41 (a)	1,087,545	14,127,865	65,270	-
Interest payable					
- other companies		3,708,642	5,873,516	-	1,510,831
- related parties	41 (a)	-	-	-	14,932
Accrued staff salary, wages and bonus		79,078,628	57,767,546	3,392,774	3,335,922
Accrued expenses		82,052,749	55,201,866	4,765,351	3,505,424
Advance received for goods		41,610,466	15,270,636	18,692	74,079
Retention payable		9,985,409	13,740,470	790,248	-
Accrued sales promotion and rebates		38,203,303	18,954,339	-	-
Others		1,763,520	7,401,866	-	212,542
		<u>877,507,069</u>	<u>744,249,894</u>	<u>11,324,305</u>	<u>10,513,081</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

27 Long-term loans from financial institutions

The movements of long-term loans from financial institutions for the year ended 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Opening balance of the year	1,790,562,356	1,761,673,389	68,000,000	89,500,000
Addition during the year	136,200,000	396,300,000	-	-
Conversion of promissory note to long-term loan (Note 25)	1,429,000,000	-	1,429,000,000	-
Repayment during the year	(2,025,111,133)	(372,232,019)	(1,497,000,000)	(21,500,000)
Unrealised (gain) loss on exchange rate	(653,770)	4,820,986	-	-
Closing balance of the year	<u>1,329,997,453</u>	<u>1,790,562,356</u>	<u>-</u>	<u>68,000,000</u>

Outstanding balances of long-term loans from financial institutions as at 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Due within 1 year	329,005,442	431,300,281	-	24,000,000
Due within 2 to 5 years	965,992,011	1,302,262,075	-	44,000,000
Due after 5 years	35,000,000	57,000,000	-	-
	<u>1,000,992,011</u>	<u>1,359,262,075</u>	<u>-</u>	<u>44,000,000</u>
Total long-term loans	<u>1,329,997,453</u>	<u>1,790,562,356</u>	<u>-</u>	<u>68,000,000</u>

On 25 September 2014, the Company entered into a new loan contract with bank by converting a promissory note to a long-term loan. Therefore, the Company has classified the promissory note (Note 25) as a long-term loan. The Company has fully paid on 26 December 2014.

On 5 January 2015, the Subsidiary and the company have issued a notification letter to financial institutions to notify the early repayment of long-term borrowings amounting to Baht 53.8 million and Baht 50 Million, respectively, and the Subsidiary and the Company have fully repaid such amounts on 9 January 2015.

27 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2015 and 2014 are as follows: (Cont'd)

Parent company - Eastern Polymer Group Public Company Limited

Contract No.	Outstanding borrowings		Bank	Loan purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Mortgaged assets
	2015 (Million Baht)	2014 (Million Baht)						
1	-	68.0	Thailand	Refinancing loans and promissory notes	130	4.75% per annum to MLR less 1.25% per annum	Agreement dated 6 November 2009, repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since December 2009 and November 2009 respectively. The company have repaid whole loan on 9 January 2015.	a) Secured by mortgage land and buildings of the Company's directors. On 6 May 2015, the Company already released the collateral pledged with financial institution. b) Secured by Aeroklas Co., Ltd. and the Company's directors
2	-	-	Thailand	Converting the working capital	1,429	3% per annum	Agreement dated 25 September 2014, the interest repayment is due on the 26 th of every month, and the principle must be repaid within one year and six months from the date of loan. Unless the Company can sell its shares to third parties on the Stock Exchange, it must pay the entire loan to the bank. The long-term loan in amounting of Baht 1,429 million was settled in full on 26 December 2014 by cash receipt from selling shares as condition mentioned above.	a) Secured by deposits of Vitoorapakorn Holdings Company Limited and deposits of the Company directors, secured by the director. However, the Company redeem the mentioned mortgaged assets after repayment of long-term loans. On 23 January 2015, the Company already released the collateral pledged with financial institution.
Total	-	68.0						

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

27 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2015 and 2014 are as follows: (Cont'd)

Subsidiary - Aeroflex Co., Ltd.

Contract No.	Outstanding borrowings		Bank	Loan purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Mortgaged assets
	2015 (Million Baht)	2014 (Million Baht)						
1	253.5	360.3	Thailand	Purchase of fixed assets	480.0	FDR plus 1.25% per annum to MLR less 1.25% per annum	Agreement dated 24 December 2012, repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since June 2013 and January 2013 respectively.	a) Secured by mortgaged land and buildings of parent company. b) Secured by mortgaged machinery of Aeroflex Co., Ltd. c) Secured by mortgaged fixed deposits of Aeroflex Co., Ltd. d) Secured by mortgaged directors of Aeroflex Co., Ltd.'s land and buildings e) Secured by parent company and directors of Aeroflex Co., Ltd.
2	172.0	122.0	Thailand	Payment for construction and machinery	180.0	MLR less 2.00% per annum to MLR less 1.25% per annum	Agreement dated 27 November 2013, repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since August 2014 and February 2014 respectively.	a) Secured by mortgaged land and buildings of Aeroflex Co., Ltd. b) Secured by mortgaged machinery of Aeroflex Co., Ltd. c) Secured by parent company and directors of Aeroflex Co., Ltd.
Total	425.5	482.3						

27 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2015 and 2014 are as follows: (Cont'd)

Subsidiary - Aeroklas Co., Ltd.

Contract No.	Outstanding borrowings		Bank	Loan purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Mortgaged assets
	2015 (Million Baht)	2014 (Million Baht)						
1	79.5	121.5	Thailand	Refinancing loans to reduce finance costs	200.0	FDR plus 1.75% per annum to MLR less 1.00% per annum	Agreement dated 29 January 2010, repayments for principal and interest are based on a monthly basis. The repayments of principal and interest were since the first drawn-down date.	a) Secured by mortgaged land and buildings of Aeroklas Co., Ltd. b) Secured by mortgaged machinery of Aeroklas Co., Ltd. c) Secured by mortgaged land and buildings of directors of parent company and Aeroklas Co., Ltd. d) Secured by directors of parent company and Aeroklas Co., Ltd. e) Secured by mortgaged fixed deposits of Aeroklas Co., Ltd.
2	-	105.5	Thailand	Refinancing loans to reduce finance costs	200.0	MLR less 1.25% per annum to 4.75% per annum	Agreement dated 12 November 2009, repayments for principal and interest are based on a monthly basis. The repayments of principal and interest were since the first drawn-down date.	a) Secured by mortgaged land and buildings of Aeroklas Co., Ltd. b) Secured by mortgaged machinery of Aeroklas Co., Ltd. c) Secured by directors of parent company and Aeroklas Co., Ltd. d) Secured by parent company.
3	52.8	71.1	Thailand	Payment for machinery	100.0	MLR less 1.25% per annum to MLR less 1.50% per annum	Agreement dated 21 April 2012, repayments for principal and interest are based on a monthly basis. The repayments of principal and interest were on the last working day of the fourth month since the first drawn-down date.	a) Secured by mortgaged land and buildings of Aeroklas Co., Ltd. b) Secured by directors of parent company and Aeroklas Co., Ltd. On 5 March 2015, the Company already released the collateral pledged with financial institution. c) Secured by the parent company.
4	34.0 (US dollar 1.04 million)	46.0 (US dollar 1.4 million)	Thailand	Payment for machinery	60.0 (US dollar 2.0 million)	LIBOR plus 3.50% per annum	Agreement dated 21 April 2011, repayments for principal and interest are based on a monthly basis. The repayments of principal and interest were on the last working day of the fourth month since the first drawn-down date.	a) Secured by directors of parent company and directors of Aeroklas Co., Ltd. On 5 March 2015, the Company already released the collateral pledged with financial institution. b) Secured by parent company.

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

27 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2015 and 2014 are as follows: (Cont'd)

Subsidiary - Aeroklas Co., Ltd. (Cont'd)

Contract No.	Outstanding borrowings		Bank	Loan purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Mortgaged assets
	2015 (Million Baht)	2014 (Million Baht)						
5	135.3	147.3	Thailand	Purchase of land, machinery, and payment for other expenses	190.0	MLR less 1.75% per annum	Agreement dated 22 August 2012, repayments for principal and interest are based on monthly basis. The repayments of principal and interest were since the thirteenth month after the first drawn-down date and the first drawn-down date respectively.	Mortgaged assets of items 5 and 6 are as follows: a) Secured by mortgaged land and buildings of Aeroklas Co., Ltd. b) Secured by the parent company.
6	106.8	146.7	Thailand	Refinancing loans to reduce finance costs	200.0	MLR less 1.75% per annum to MLR less 2.00% per annum	Agreement dated 22 August 2012, repayments for principal and interest are based on monthly basis. The repayments of principal and interest were since the following month after the first drawn-down date	
Total	408.4	638.1						

27 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2015 and 2014 are as follows: (Cont'd)

Subsidiary - Eastern Polypack Co., Ltd.

Contract No.	Outstanding borrowings		Bank	Loan purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Mortgaged assets
	2015 (Million Baht)	2014 (Million Baht)						
1	-	32.1	Thailand	Purchase of machinery	46.5	MLR less 1.25% per annum to MLR less 1.50% per annum	Agreement dated 14 October 2011, repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since the seventh and the first month after the first drawn-down date respectively.	Mortgaged assets of items 1 to 4 are as follows: a) Secured by mortgaged land and buildings of Eastern Polypack Co., Ltd. b) Secured by mortgaged machinery and equipment of Eastern Polypack Co., Ltd. c) Secured by the directors of Eastern Polypack Co., Ltd. and the Company. On 22 April 2015, the Company already released the collateral pledged with financial institution.
2	51.4	47.2	Thailand	Purchase of machinery, installation and building improvement	57.0	MLR less 1.75% per annum to MLR less 2.00% per annum	Agreement dated 21 December 2012, repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since the seventh and the first month after the first drawn-down date respectively.	
3	-	30.6	Thailand	Purchase of machinery	45.0	MLR less 1.25% per annum to MLR less 1.50% per annum	Agreement dated 29 December 2010, repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since the seventh and first month since the first drawn-down date respectively.	
4	-	26.0	Thailand	Purchase of machinery	90.0	MLR less 1.00% per annum to MLR less 1.50% per annum	Agreement dated 1 April 2010, repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since the seventh and the first month after the first drawn-down date respectively.	

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

27 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2015 and 2014 are as follows: (Cont'd)

Subsidiary - Eastern Polypack Co., Ltd. (Cont'd)

Contract No.	Outstanding borrowings		Bank	Loan purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Mortgaged assets
	2015 (Million Baht)	2014 (Million Baht)						
5	234.0	253.0	Thailand	Payment for machinery and equipment to expand production capacity project	256.0	MLR less 1.50% per annum to MLR less 2.00% per annum	Agreement dated 21 September 2012; repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since the thirteenth and the first month after the first drawn-down date respectively.	Mortgaged assets are as follows: a) Secured by mortgaged land and buildings of Eastern Polypack Co., Ltd. b) Secured by mortgaged machinery of Eastern Polypack Co., Ltd. c) Secured by fixed deposits of Eastern Polypack Co., Ltd. d) Secured by mortgaged directors of the parent company and directors of Eastern Polypack Co., Ltd.'s land and buildings
6	74.0	94.5	Thailand	Payment for warehouse construction and machinery	120.0	MLR to MLR less 0.75% per annum	Agreement dated 24 November 2008; repayments for principal and interest are based on monthly basis. The repayment of principal and interest were since the thirteenth month and first month after the first drawn-down date respectively.	Mortgaged assets are as follows: a) Secured by mortgaged machinery of Eastern Polypack Co., Ltd. b) Secured by the directors of Eastern Polypack Co., Ltd. c) Secured by fixed deposits of Eastern Polypack Co., Ltd. d) Nominated the lender as the beneficiary of Eastern Polypack Co., Ltd.'s fire insurance

27 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2015 and 2014 are as follows: (Cont'd)

Subsidiary – Eastern Polypack Co., Ltd. (Cont'd)

Contract No.	Outstanding borrowings		Bank	Loan purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Mortgaged assets
	2015 (Million Baht)	2014 (Million Baht)						
7	-	42.0	Thailand	Payment for land, machinery, equipment and installation	120.0	MLR less 1.50% per annum to MLR less 2.00% per annum	Agreement dated 4 April 2012, repayments for principal and interest are based on monthly basis. The repayments of principal and interest were since the seventh month and first month after the first drawn-down date respectively.	Mortgaged assets of items 7 to 9 are as follows: a) Secured by mortgaged land and buildings and machinery of Eastern Polypack Co., Ltd. b) Secured by mortgaged machinery of Eastern Polypack Co., Ltd. c) Secured by mortgaged land and buildings of Eastern Polypack Co., Ltd.'s directors. d) Secured by fixed deposits of Eastern Polypack Co., Ltd.
8	26.2	30.2	Thailand	Payment for machinery, equipment and substation construction	32.0	MLR less 1.50% per annum to MLR less 2.00% per annum	Agreement dated 21 September 2012, repayments for principal and interest are based on monthly basis. The repayments of principal and interest were since the thirteenth month and first month after the first drawn-down date respectively.	
9	110.5	46.6	Thailand	Payment for warehouse construction and machinery	115.0	MLR less 1.25% per annum to MLR less 2.00% per annum	Agreement dated 24 April 2013, repayments for principal and interest are based on monthly basis. The repayments of principal and interest were since the thirteenth month and first month after the first drawn-down date respectively.	

Total 496.1 602.2

The debt covenant criteria under the loan agreements require the Group to maintain the financial ratio, proportion of management shareholders and other requirements in accordance with each loan agreement.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

27 Long-term loans from financial institutions (Cont'd)

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated			
	2015		2014	
	Carrying amounts Baht	Fair values Baht	Carrying amounts Baht	Fair values Baht
Borrowings from financial institutions	1,329,997,453	1,389,673,025	1,790,562,356	1,790,600,823

	Company			
	2015		2014	
	Carrying amounts Baht	Fair values Baht	Carrying amounts Baht	Fair values Baht
Borrowings from financial institutions	-	-	68,000,000	68,640,770

The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate which the management expects would be available to the Group and the Company at the statement of financial position date.

As a result of borrowing at floating interest rates and mainly in Thai currency the carrying amounts of borrowings approximate their fair values.

The Group's interest rate risks from borrowings are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Borrowings at floating rates	1,329,997,453	1,790,562,356	-	68,000,000

The effective interest rates as at 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015 % per annum	2014 % per annum	2015 % per annum	2014 % per annum
Borrowings from financial institutions	4.33 – 5.63	4.63 – 6.05	-	5.55

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

27 Long-term loans from financial institutions (Cont'd)**Unused credit facilities**

Unused credit facilities as at 31 March 2015 and 2014 are as follows:

	Consolidated					
	31 March 2015			31 March 2014		
	Overdrafts	Long-term loans	Working capital	Overdrafts	Long-term loans	Working capital
Floating interest rate						
- Unlimited period (Baht)	448,250,357	-	5,741,778,085	370,167,979	136,200,000	4,028,768,369
- Unlimited period (US Dollar)	-	-	43,200,000	-	-	13,100,000
Fixed interest rate/fee						
- Unlimited period (Baht)	-	-	72,876,369	-	-	49,499,209
	Company					
	31 March 2015			31 March 2014		
	Overdrafts	Long-term loans	Working capital	Overdrafts	Long-term loans	Working capital
Floating interest rate						
- Unlimited period (Baht)	68,459,333	-	518,400,000	75,825,998	-	388,400,000
- Unlimited period (US Dollar)	-	-	-	-	-	-
Fixed interest rate/fee						
- Unlimited period (Baht)	-	-	9,652,000	-	-	5,652,000

28 Finance lease liabilities (net)

The Group has entered into the finance lease agreements for motor vehicles for using in its operations, whereby it is committed to pay rental fee on a monthly basis.

As at 31 March 2015 and 2014, finance lease liabilities are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Finance lease liabilities	7,708,441	9,390,404	894,360	-
<u>Less</u> Deferred interest expenses	(244,155)	(633,023)	(49,633)	-
Present value of finance lease liabilities	7,464,286	8,757,381	844,727	-
<u>Less</u> Current portion	(4,869,822)	(4,163,678)	(337,904)	-
	<u>2,594,464</u>	<u>4,593,703</u>	<u>506,823</u>	<u>-</u>

As at 31 March 2015 and 2014, minimum finance lease liabilities payments are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Due of finance lease liabilities payment				
- Not later than 1 year	5,106,870	4,641,342	370,080	-
- Later than 1 year but not later than 5 years	2,601,571	4,749,062	524,280	-
	<u>7,708,441</u>	<u>9,390,404</u>	<u>894,360</u>	<u>-</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

29 Other current liabilities

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Withholding tax payable	5,907,053	4,817,459	432,804	482,957
Accrued social security fund	3,488,141	3,417,277	87,156	91,352
Others	1,813,511	904,246	-	-
	11,208,705	9,138,982	519,960	574,309

30 Employee benefit obligations

The amounts recognised in the statements of financial position are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Present value of unfunded obligations	119,115,061	87,262,838	13,085,940	14,227,794

The movements of employee benefit obligations for the year ended 31 March 2015 and 2014 comprise the following:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Beginning balance of the year	87,262,838	64,237,094	14,227,794	5,894,750
Acquisition of subsidiary	12,010,564	-	-	-
Current service cost	16,036,003	8,319,817	1,347,529	1,563,861
Interest cost	2,807,629	6,515,539	576,752	305,546
Actuarial (gains) losses	6,976,159	9,685,564	(3,066,135)	7,473,963
Employee benefit paid	(6,016,934)	(2,066,606)	-	(1,010,326)
Exchange differences	38,802	571,430	-	-
Ending balance of the year	119,115,061	87,262,838	13,085,940	14,227,794

Employee benefit obligations recognised in the statement of comprehensive income are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Current service cost	16,036,003	8,319,817	1,347,529	1,563,861
Interest cost	2,807,629	6,515,539	576,752	305,546
Actuarial losses	6,976,159	9,685,564	(3,066,135)	7,473,963
Total	25,819,791	24,520,920	(1,141,854)	9,343,370

The amount recognised in cost of sales, selling expenses and administrative expenses are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Cost of sales	10,918,986	11,229,475	(531,713)	3,922,595
Selling expenses	3,551,103	2,235,103	-	-
Administrative expenses	11,349,702	11,056,342	(610,141)	5,420,775
Total	25,819,791	24,520,920	(1,141,854)	9,343,370

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

30 Employee benefit obligations (Cont'd)

The principal actuarial assumptions are as follows:

	Consolidated		Company	
	2015 %	2014 %	2015 %	2014 %
Discount rate	2.44 to 3.67	3.43 to 4.05	2.44	4.05
Expected future salary increase	3.75 to 5.13	1.50 to 10.00	3.92	3.50 to 10.00
Staff turnover rate	0.00 to 66.00	0.00 to 60.00	0.00 to 13.00	0.00 to 7.00
Resignation age	55 years	55 years	55 years	55 years

31 Share capital

	Consolidated/Company				Share premium on ordinary share Baht
	Registered shares	Issued and paid-up shares	Registered capital Baht	Issued and paid-up Baht	
As at 31 March 2013	21,000,000	21,000,000	2,100,000,000	2,100,000,000	-
Change of par value from Baht 100 to Baht 1	2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000	-
Issue of shares	700,000,000	-	700,000,000	-	-
As at 31 March 2014	2,800,000,000	2,100,000,000	2,800,000,000	2,100,000,000	-
Initial public offering	-	700,000,000	-	700,000,000	-
Share premium	-	-	-	-	3,274,182,000
As at 31 March 2015	2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000	3,274,182,000

At the Extraordinary Shareholders' Meeting No. 1/2013 held on 28 August 2013, the shareholders unanimously approved.

- The change of par value of ordinary share from Baht 100 each to Baht 1 each by splitting the existing 21,000,000 ordinary shares into 2,100,000,000 ordinary shares.
- Increase in share capital of Baht 700,000,000 from Baht 2,100,000,000 to Baht 2,800,000,000 by the issuance of new 700,000,000 ordinary shares with a par value of Baht 1 each.

The Company subsequently registered change of a par value and capital increase with the Ministry of Commerce on 17 October 2013.

According to letter from the Stock Exchange of Thailand (SET) at Bor.Jor. 106/2557 dated 23 December 2015, the SET's Board of Governors approved Eastern Polymer Group Public Company Limited for first trading of 2,800,000,000 ordinary shares at par value of Baht 1 per share in the Stock Exchange of Thailand (SET) from 24 December 2014 onwards and classified in Property & Construction industry under sector Construction Materials under named "EPG". The 2,800,000,000 ordinary shares comprises:

- Original 2,100,000,000 ordinary shares prior to IPO, at par value of Baht 1 per share.
- Additional 700,000,000 ordinary shares for IPO, at par value of Baht 1 per share. These shares selling to the public at Baht 5.80 per share and are traded in the Stock Exchange of Thailand with totally trading volume amounting to Baht 4,060 million

In addition, expenses incurred from IPO of Baht 85.82 million is recognised net in share premium.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

32 Legal reserve

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Opening balance of the year	50,000,000	50,000,000	50,000,000	50,000,000
Appropriation during the year	8,712,726	-	8,712,726	-
Closing balance of the year	<u>58,712,726</u>	<u>50,000,000</u>	<u>58,712,726</u>	<u>50,000,000</u>

Under the Public Limited Companies Act, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is not distributable as a dividend. The legal reserve has to be approved from annual general shareholders' meeting.

As at 31 March 2015 and 2014, retained earnings-unappropriated in the consolidated financial statements included legal reserves of 3 subsidiaries in the amount of Baht 93.23 million and Baht 93.23 million, respectively.

33 Dividend paymentParent company – Eastern Polymer Group Public Company Limited

The Annual General Shareholders' Meeting No. 2/2014 held on 1 September 2014, the shareholders approved the dividend payment for the year ended 31 March 2014 at Baht 0.095 per share, totalling Baht 199.5 million and an appropriation of its net income to legal reserve amounting to Baht 8.7 million.

34 Non-controlling interest

	Consolidated	
	2015 Baht	2014 Baht
Opening balance of the year	947,093	-
Share of net profit of subsidiaries	(937,341)	(252,967)
Increase (decrease) in non-controlling interest during the year	<u>1,783,159</u>	<u>1,200,060</u>
Closing balance of the year	<u>1,792,911</u>	<u>947,093</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

35 Other income

	Note	Consolidated		Company	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
Interest income					
- other companies		11,105,647	8,659,343	3,576,204	2,797,878
- related companies	40 b)	938,106	2,410,850	33,962,466	23,570,319
Rental income					
- other companies		-	336,386	-	-
- related companies	40 b)	-	2,310,000	-	-
Gain on sales of investment in an associate	40 b)	-	26,781,632	-	-
Net gain on disposals of property, plant and equipment		1,449,241	7,936,281	-	-
Income from scrap sale		2,765,730	2,760,292	-	-
Revenue from written off long-outstanding account payable		2,694,883	-	-	-
Service income					
- other companies		8,516,034	-	-	-
- related companies	40 b)	1,922,829	-	-	-
Consulting service income					
- other companies		-	1,047,801	-	-
- related companies	40 b)	2,400,000	2,600,000	-	-
Others		7,575,960	8,325,800	164,393	2,469,464
		<u>39,368,430</u>	<u>63,168,385</u>	<u>37,703,063</u>	<u>28,837,661</u>

36 Other expenses

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Loss on written-off of property, plant and equipment and intangible assets	7,176,852	1,278,631	87,878	129,215
Loss on sale of available-for-sale investment	359,121	-	359,121	-
	<u>7,535,973</u>	<u>1,278,631</u>	<u>446,999</u>	<u>129,215</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

37 Expense by nature

The expenditure items for the year ended 31 March 2015 and 2014 are classified by nature as follows:

	Notes	Consolidated		Company	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
Change in work in process and finished goods		168,445,991	(16,322,137)	-	-
Purchase of goods		385,224,597	412,832,023	-	-
Raw materials and consumables used		2,259,766,044	2,732,749,560	-	-
Staff costs and other benefits		1,107,919,466	1,201,623,073	51,332,147	53,311,285
Employee benefit obligations	30	25,819,791	24,520,920	(1,141,854)	9,343,370
Depreciation charges	18, 19	473,559,374	421,487,676	14,672,414	13,887,919
Amortisation charges	20	20,243,565	19,118,516	28,965	34,055
Repair and maintenance expenses		126,122,800	135,698,778	2,428,666	3,616,840
Electricity and energy expenses		368,194,775	355,670,480	3,009,931	2,661,953
Transportation expenses		281,268,738	229,741,664	-	-
Sales promotion and commission expenses		108,518,340	97,922,141	-	6,169,658
Research and development expenses		12,649,308	6,564,339	-	-

38 Finance costs

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Interest expense from borrowings from				
- financial institutions	215,324,951	280,703,880	38,110,841	68,326,901
- related parties (Note 41 b))	-	234,329	37,315	2,096,645
Interest expense from financial lease liabilities	457,880	563,409	24,633	3,299
Bank charge	150,854	145,840	-	1,107
(Gain) loss on exchange rate from				
- Realised	7,514,770	45,143,562	-	-
- Unrealised	(7,365,841)	29,450,145	-	-
	<u>216,082,614</u>	<u>356,241,165</u>	<u>38,172,789</u>	<u>70,427,952</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

39 Income tax

Reconciliations of income tax for the year ended 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Current income tax on taxable profit for the year	28,174,786	41,990,104	-	2,964,333
Origination and reversal of temporary differences (Note 23)	(333,757)	12,232,490	(19,149,159)	3,655,483
Income tax	<u>27,841,029</u>	<u>54,222,594</u>	<u>(19,149,159)</u>	<u>6,619,816</u>
	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Profit before tax accounting base	656,076,210	684,604,747	257,165,878	180,874,337
Share of profit from associates in equity method	(229,127,551)	(305,650,616)	-	-
Gain on sales of investment in an associate (Note 35)	-	(26,781,632)	-	-
	<u>426,948,659</u>	<u>352,172,499</u>	<u>257,165,878</u>	<u>180,874,337</u>
Tax calculated at a tax rate of 20% to 36.55% (2014 : 20% to 36.55%)	85,389,732	70,485,093	51,433,176	36,174,867
Tax effect of:				
Income not subject to tax	(47,504,672)	(38,072,165)	(54,681,292)	(30,528,450)
Expenses not deductible for tax purpose	6,171,565	4,296,818	1,455,479	1,074,786
Expenses additional deductible for tax purpose	(41,408,937)	(8,250,141)	(17,356,522)	(101,387)
Taxable dividend income from an associate	16,483,500	14,741,550	-	-
Tax losses for which no deferred income tax asset was recognised	14,659,453	1,505,864	-	-
Re-measurement of deferred tax - change in proportion of sales under BOI promoted activities	(4,294,365)	1,758,022	-	-
Effect of different tax rates in countries in which group operates	(1,655,247)	7,757,553	-	-
Income tax	<u>27,841,029</u>	<u>54,222,594</u>	<u>(19,149,159)</u>	<u>6,619,816</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

40 Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to common stock shareholders by the weighted average number of ordinary shares held during the year.

	Consolidated		Company	
	2015	2014	2015	2014
Profit attributable to shareholders of the parent for the year (Baht)	629,172,522	630,635,120	276,315,037	174,254,521
Weighted average number of ordinary shares (Shares)	2,287,945,205	2,100,000,000	2,287,945,205	2,100,000,000
Basic earnings per share (Baht per share)	0.27	0.30	0.12	0.08

There are no potential dilutive ordinary shares in issue during the report date. The dilutive earning per share figure is not presented.

41 Related-party transactions

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

As at 31 March 2015, Vitoorapakorn Holding Co., Ltd. Vitoorapakorn family and Teeracharuwat family together held 75% of shares of the Company. The remaining 25% of the shares are widely held.

As at 31 March 2014, the Company is controlled by Vitoorapakorn Holding Co., Ltd. who has 80% of shareholding percentage. The remaining shares are held by Vitoorapakorn family and Teeracharuwat family.

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

The significant investments in subsidiaries and associates are disclosed in Notes 15 and 16.

41 Related-party transactions (Cont'd)

Relationships between the Company and related parties are as follows:

<u>List of related parties</u>	<u>Country/Nationality</u>	<u>Relationship</u>
Vitoorapakorn Holding Co., Ltd. (formerly named "EPG Holdings Co., Ltd.")	Thailand	Shareholder
Aeroklas Co., Ltd.	Thailand	Subsidiary
Eastern Polypack Co., Ltd.	Thailand	Subsidiary
Aeroflex Co., Ltd.	Thailand	Subsidiary
EPG Innovation Center Co., Ltd.	Thailand	Subsidiary
Aeroflex Polymer Technologies (Shanghai) Co., Ltd.	China	Subsidiary
Aeroklas USA Inc.	USA	Subsidiary of Aeroklas Co., Ltd.
Aeroklas Australia Pty Ltd.	Australia	Subsidiary of Aeroklas Co., Ltd.
Aeroklas (Shanghai) Co., Ltd.	China	Subsidiary of Aeroklas Co., Ltd.
Aeroklas Europe GmbH	Germany	Subsidiary of Aeroklas Co., Ltd.
APS Co., Ltd	Thailand	Subsidiary of Aeroflex Co., Ltd.
Aeroflex USA Inc.	USA	Subsidiary of Aeroflex Co., Ltd.
TJM Products Pty Ltd.	Australia	Subsidiary of Aeroklas Australia Pty Ltd. (Starting from 2 March 2015)
TJM Off-Road Products Inc.	USA	Subsidiary of TJM Products Pty Ltd. (Starting from 2 March 2015)
TJM Shenzhen Ltd.	China	Subsidiary of TJM Products Pty Ltd. (Starting from 2 March 2015)
Tokai Eastern Rubber (Thailand) Ltd.	Thailand	Associate
Zeon Advance Polymix Co., Ltd.	Thailand	Associate
Faraero Co., Ltd.	Turkey	Associate of Aeroklas Co., Ltd. (Until 26 July 2013)
Aerocel Construction Materials(Jiangsu) Co., Ltd.	China	Associate of Aeroflex Co., Ltd.
Aeroflex Europe GmbH	Germany	Associate of Aeroflex Co., Ltd.
ALP Aeroflex India Private Ltd.	India	Associate of Aeroflex Co., Ltd.
Eastern Syntech Co., Ltd.	Thailand	Common shareholders and directors
Eastern Polytech Co., Ltd.	Thailand	Common shareholders and directors
Abric Eastern International Limited	Thailand	Common shareholders and directors
I.P.P. (Thailand) Co., Ltd.	Thailand	Common shareholders and directors
Four-S (2007) Co., Ltd.	Thailand	Common shareholders and directors
Siam Inter Air Supply Co., Ltd.	Thailand	Common shareholders and directors
Siam BR Service Co., Ltd.	Thailand	Common shareholders and directors
Dynamic Eastern Garment Co., Ltd.	Thailand	Common shareholders and directors
Patton Aero Co., Ltd.	Thailand	Common shareholders and directors
Sanki Eastern (Thailand) Co., Ltd.	Thailand	Common shareholders and directors
Talomsin Plastics Co., Ltd.	Thailand	Shareholders are members of directors' family
Hayakawa Eastern Rubber Co., Ltd.	Thailand	Common shareholders and directors
Best Architectural Lighting Co., Ltd.	Thailand	Common shareholders and directors
Esco Service Co., Ltd.	Thailand	Common shareholders and directors
All Out Co., Ltd.	Thailand	Common shareholders and directors
B.N.C.4 Ordinary Partnership	Thailand	Partners are the Company's directors and shareholders
S.S. Trading Ordinary Partnership	Thailand	Partners are the Company's directors and shareholders

Related body of person

T and C Land and House Body of Person
P and C Land and House Body of Person
P and T Land and House Body of Person
PRV Body of Person
B.N.C.1 Body of Person

Thailand
Thailand
Thailand
Thailand
Thailand

{ Body of Person whose member is director
or shareholder or close member of the
shareholder's family

Directors and shareholders

Individual who is a director or shareholder of
the Company or subsidiaries

Shareholders and close members of the family

Shareholders and close members of the
shareholders' family who is not be a director
of the Company or subsidiaries.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

41 Related-party transactions (Cont'd)

Related-party transactions are as follows:

- a) Outstanding balances as at 31 March 2015 and 2014 arising from purchase/sales of goods and services and others are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Trade accounts receivable				
<u>Subsidiaries</u>				
Aeroklas Co., Ltd.	-	-	668,750	1,545,030
Eastern Polypack Co., Ltd.	-	-	924,154	893,450
APS Co., Ltd.	-	-	-	48,150
<u>Associates</u>				
Aeroflex Europe GmbH	16,783,030	36,665,788	-	-
ALP Aeroflex India Private Ltd.	8,820,754	8,169,851	-	-
Zeon Advance Polymix Co., Ltd.	-	916,776	-	-
Tokai Eastern Rubber (Thailand) Co., Ltd.	-	9,202	-	-
<u>Related companies</u>				
Faraero Co., Ltd.	-	15,606,678	-	-
Eastern Syntech Co., Ltd.	6,341,097	2,467,231	68,480	63,130
I.P.P. (Thailand) Co., Ltd.	685	545,700	-	-
Abric Eastern International Limited	262,107	198,208	16,050	16,050
Siam Inter Air Supply Co., Ltd.	13,814	31,349	-	-
Hayakawa Eastern Rubber Co., Ltd.	16,319	16,067	-	-
Patton Aero Co., Ltd.	33,630	2,182	-	-
Sanki Eastern (Thailand) Co., Ltd.	2,072	-	-	-
	<u>32,273,508</u>	<u>64,629,032</u>	<u>1,677,434</u>	<u>2,565,810</u>
Dividend receivable				
<u>Subsidiaries</u>				
Aeroflex Co., Ltd.	-	-	119,999,960	-
Eastern Polypack Co., Ltd.	-	-	59,999,999	-
<u>Associate</u>				
Zeon Advance Polymix Co., Ltd.	9,990,000	11,070,000	9,990,000	11,070,000
	<u>9,990,000</u>	<u>11,070,000</u>	<u>189,989,959</u>	<u>11,070,000</u>
Interest receivable				
<u>Subsidiaries</u>				
Aeroflex Co., Ltd.	-	-	1,609,753	1,595,425
Eastern Polypack Co., Ltd.	-	-	3,098,192	969,041
Aeroklas Co., Ltd.	-	-	2,341,041	-
<u>Associate</u>				
Aeroflex Europe GmbH	242,421	-	-	-
	<u>242,421</u>	<u>-</u>	<u>7,048,986</u>	<u>2,564,466</u>

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

41 Related-party transactions (Cont'd)

- a) Outstanding balances as at 31 March 2015 and 2014 arising from purchase/sales of goods and services and others are as follows: (Cont'd)

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Other accounts receivable				
<u>Subsidiary</u>				
Aeroflex Co., Ltd.	-	-	-	1,309,003
Advanced payment				
Related person	-	5,000	-	5,000
Trade accounts payable				
<u>Associates</u>				
Aerocel Construction Materials (Jiangsu) Co., Ltd.	5,488,478	4,480,839	-	-
Zeon Advance Polymix Co., Ltd.	-	62,017	-	50,000
<u>Related companies</u>				
Talomsin Plastics Co., Ltd.	11,833,665	21,288,073	-	-
Abrc Eastern International Limited	14,576,973	8,742,004	-	-
I.P.P. (Thailand) Co., Ltd.	-	2,023,003	-	295,320
Dynamic Eastern				
Garment Co., Ltd.	1,806,324	1,276,714	-	21,667
Eastern Syntech Co., Ltd.	-	106,123	-	-
	33,705,440	37,978,773	-	366,987
Other accounts payable				
<u>Associate</u>				
Aeroflex Europe GmbH	-	17,965	-	-
<u>Related companies</u>				
Eastern Syntech Co., Ltd.	1,972,801	5,823,551	-	-
Dynamic Eastern				
Garment Co., Ltd.	1,034,669	2,029,646	-	-
I.P.P. (Thailand) Co., Ltd.	2,848,226	892,020	-	-
Siam Inter Air Supply Co., Ltd.	211,539	123,050	-	-
Four-S (2007) Co., Ltd.	-	8,667	-	8,667
Abrc Eastern International Limited	7,490	7,490	-	-
Hayakawa Eastern				
Rubber Co., Ltd.	26,579	-	-	-
Eastern Syntech Co., Ltd.	-	-	-	-
S.S. Trading Ordinary Partnership	46,000	-	-	-
<u>Board of director</u>				
Accrued meeting allowance	255,000	-	255,000	-
	6,402,304	8,902,389	255,000	8,667
Fixed assets payable				
<u>Related companies</u>				
I.P.P. (Thailand) Co., Ltd.	-	10,282,307	-	-
Eastern Syntech Co., Ltd.	1,022,275	3,845,558	-	-
Siam Inter Air Supply Co., Ltd.	65,270	-	65,270	-
	1,087,545	14,127,865	65,270	-
Interest payable				
<u>Subsidiaries</u>				
EPG Innovation Center Co., Ltd.	-	-	-	12,959
Aeroklas Co., Ltd.	-	-	-	1,973
	-	-	-	14,932

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

41 Related-party transactions (Cont'd)

b) Significant revenue and expense transactions with related parties for the year ended 31 March 2015 and 2014 are as follows:

	For the year ended 31 March 2015							
	Consolidated				Company			
	Subsidiaries Baht	Associates Baht	Related parties Baht	Total Baht	Subsidiaries Baht	Associates Baht	Related parties Baht	Total Baht
Revenue from sales/services	-	91,221,017	19,994,470	111,215,487	-	-	-	-
- inventories	-	-	360,000	360,000	13,816,800	-	360,000	14,176,800
- utilities	-	-	-	-	21,906,000	-	-	21,906,000
- rental	-	-	-	-	19,788,000	-	723,000	20,511,000
- information system service	-	-	723,000	723,000	22,560,000	-	-	22,560,000
- consulting	-	-	2,400,000	2,400,000	4,673	-	-	13,869,963
- machinery and equipment	-	-	4,673	4,673	1,922,829	-	-	-
- managing	-	-	1,922,829	1,922,829	118,491	-	-	-
Other income	-	31,871	86,620	-	179,999,959	109,890,000	-	289,889,959
Dividend income	-	-	-	-	33,962,466	-	-	33,962,466
Interest income	-	938,106	-	938,106	-	-	-	-
Gain on sales of investment in an associate	-	-	-	-	-	-	-	-
Purchase of inventories	-	44,031,070	107,919,808	151,950,878	-	-	-	-
Purchase of property, plant and equipment	-	-	28,065,706	28,065,706	-	-	10,820,867	10,820,867
Purchase of other finished goods	-	-	-	-	-	-	-	-
Expenses - utility	-	-	16,568,800	16,568,800	-	-	-	-
- staff transportation	-	-	9,315,433	9,315,433	-	-	-	-
- staff uniform	-	-	5,214,185	5,214,185	-	-	-	-
- medical	-	-	1,680,000	1,680,000	-	-	-	-
- insurance premium	-	-	133,033	133,033	-	-	97,090	97,090
- others	-	805,961	2,811,963	3,617,924	-	6,260	-	6,260
- motor vehicle rental	-	-	4,313,160	4,313,160	-	-	1,312,000	1,312,000
- land and building rental	-	-	12,783,600	12,783,600	-	-	9,000,000	9,000,000
- interest expense	-	-	-	-	37,315	-	-	37,315
- consulting	-	811,718	-	811,718	-	-	-	-

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

41 Related-party transactions (Cont'd)

b) Significant revenue and expense transactions with related parties for the year ended 31 March 2015 and 2014 are as follows: (Cont'd)

	For the year ended 31 March 2014							
	Consolidated				Company			
	Subsidiaries Baht	Associates Baht	Related parties Baht	Total Baht	Subsidiaries Baht	Associates Baht	Related parties Baht	Total Baht
Revenue from sales/services	-	94,744,196	22,167,019	116,911,215	-	-	-	-
- inventories	-	14,148	1,660,619	1,674,767	13,596,800	-	380,000	13,976,800
- utilities	-	-	2,310,000	2,310,000	21,746,000	-	-	21,746,000
- rental	-	-	654,000	654,000	19,926,000	-	654,000	20,580,000
- information system service	-	-	2,600,000	2,600,000	21,390,000	-	-	21,390,000
- consulting	-	-	10,646,818	10,646,818	14,600	-	-	14,600
- machinery and equipment	-	-	-	-	-	226,350,000	-	226,350,000
Dividend income	-	-	2,410,850	2,410,850	21,159,470	-	2,410,849	23,570,319
Interest income	-	-	26,781,632	26,781,632	-	-	-	-
Gain on sales of investment in an associate	-	-	227,248,279	255,317,150	-	-	-	-
Purchase of inventories	-	28,068,871	47,086,827	47,086,827	24,000,000	-	-	24,000,000
Purchase of property, plant and equipment	-	-	674,683	674,683	-	-	20,250	20,250
Purchase of other finished goods	-	-	17,214,478	17,214,478	-	-	-	-
Expenses - utility	-	-	10,681,330	10,681,330	-	-	-	-
- staff transportation	-	-	6,114,712	6,114,712	-	-	-	-
- staff uniform	-	-	1,680,000	1,680,000	-	-	-	-
- medical	-	-	320,452	320,452	-	-	-	-
- insurance premium	-	-	2,083,208	2,356,707	-	-	-	-
- others	-	273,499	19,107,220	19,107,220	-	273,499	8,100	281,599
- motor vehicle rental	-	-	12,783,600	12,783,600	-	-	3,266,600	3,266,600
- land and building rental	-	-	234,329	234,329	-	-	9,000,000	9,000,000
- interest expense	-	-	-	-	1,862,316	-	234,329	2,096,645

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

41 Related-party transactions (Cont'd)

- b) Significant revenue and expense transactions with related parties for the year ended 31 March 2015 and 2014 are as follows: (Cont'd)

Managements and directors' remuneration

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Managements' and directors' remuneration				
- Short-term	89,128,330	77,382,229	13,732,739	12,314,924
- Post employment benefit	2,284,756	11,507,985	66,864	2,738,501
	91,413,086	88,890,214	13,799,603	15,053,425

- c) Short-term loans to related companies

The movements of short-term loans to related companies for the year ended 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
<u>Short-term loans to</u>				
Beginning balance of the year	-	-	493,500,000	40,000,000
Additional during the year	12,117,000	127,000,000	1,980,500,000	1,349,000,000
Repayment during the year	-	(127,000,000)	(840,000,000)	(895,500,000)
Unrealised gain (loss) on exchange rate	(1,642,650)	-	-	-
Ending balance of the year	10,474,350	-	1,634,000,000	493,500,000

Outstanding balances of short-term loans to related companies as at 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
<u>Short-term loans to</u>				
<u>Subsidiaries</u>				
Aeroflex Co., Ltd.	-	-	472,000,000	310,500,000
Eastern Polypack Co., Ltd.	-	-	475,000,000	183,000,000
Aeroklas Co., Ltd.	-	-	687,000,000	-
<u>Associate</u>				
Aeroflex Europe GmbH	10,474,350	-	-	-
Total short-term loans to	10,474,350	-	1,634,000,000	493,500,000

As at 31 March 2015 and 2014, the Company's short-term loans to subsidiaries are unsecured loan and bear interest at the rate of 4.00% - 6.00% per annum (2014 : 6.00% per annum). The loans are due for repayment at call.

As at 31 March 2015, the subsidiary has a short-term loans to an associate, Aeroflex Europe GmbH in the amount of Euro 300,000 equivalent to Baht 10.47 million. The loan is unsecured, bears interest at the rate of 4% per annum and due for repayment as determined in the agreement within 1 year.

41 Related-party transactions (Cont'd)**d) Long-term loans to related companies**

The movements of long-term loans to related companies for the year ended 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2014 Baht	2014 Baht
<u>Long-term loans to</u>				
Beginning balance of the year	-	-	-	329,904,783
Addition during the year	22,186,100	-	-	-
Repayment during the year	-	-	-	(35,018,056)
Transferred long-term loan to a subsidiary - Aeroflex Co., Ltd.	-	-	-	(317,675,093)
Realised gain (loss) on exchange rate	-	-	-	22,788,366
Unrealised gain (loss) on exchange rate	(4,728,849)	-	-	-
Ending balance of the year	17,457,251	-	-	-

Long-term loan to related companies are due for repayments as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Current portion of long-term loan	4,700,479	-	-	-
Long-term loan due later than 1 year and not later than 3 years	12,756,772	-	-	-
Total long-term loans	17,457,251	-	-	-

As at 31 March 2015, the Subsidiary has a long-term loan to an associate, Aeroflex Europe GmbH, in the amount of Euro 500,000 or equivalent to Baht 17.46 million. The loan is unsecured, bears interest at the rate of 4.50% per annum and due for repayment as determined in the agreement within 3 years.

At the Board of Directors meeting no. 5/2014, held on 10 February 2014, Board of Directors anonymously approved an associate of a subsidiary, Aeroflex Co., Ltd. to the following

Convert of trade account receivable from Aeroflex Europe GmbH to long-term loan

To convert of a trade account receivable from Aeroflex Europe GmbH, an associate of Aeroflex Co., Ltd., incorporated in Germany, in the amount of Euro 500,000 to a loan with repayment within 3 years. The loan bears interest at the rate of 4.50% per annum. The subsidiary mentioned above converted the trade account receivable from Aeroflex Europe GmbH into a long-term loan. The payment for the shares in Aeroflex Europe GmbH was completed in April 2014.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

41 Related-party transactions (Cont'd)

e) Short-term loans from related parties

The movements of short-term loans from related parties for the year ended 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Short-term loans from				
Beginning balance of the year	26,996,641	13,321,280	3,000,000	11,843,750
Additional during the year	-	37,170,375	6,000,000	217,000,000
Repayment during the year	(6,367,680)	(25,279,650)	(9,000,000)	(225,843,750)
Translation adjustment	119,063	1,784,636	-	-
Ending balance of the year	20,748,024	26,996,641	-	3,000,000

Outstanding balances of short-term loans from related companies as at 31 March 2015 and 2014 are as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Short-term loans from				
Subsidiary				
EPG Innovation Center Co., Ltd.	-	-	-	3,000,000
Related person				
	20,748,024	26,996,641	-	-
	20,748,024	26,996,641	-	3,000,000

As at 31 March 2015 and 2014, short-term loans from related parties is an interest free note payable denominated in Renminbi. The loan is unsecured and due for repayment at call.

42 Commitments

42.1 Operating lease commitments

The Group and the Company have entered into non-cancellable lease agreements in respect of the lease of land and buildings, and transportation vehicles with related parties and others.

As at 31 March 2015 and 2014, the Group and the Company had future lease and service payments required under these contracts as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Due payment				
Within 1 year	72,209,983	40,908,185	9,000,000	12,312,000
Later than 1 year but not later than 5 years	118,950,962	35,888,616	-	-
Later 5 years	-	16,879,787	-	-
	191,160,945	93,676,588	9,000,000	12,312,000

42.2 Capital commitments

As at 31 March 2015 and 2014, the Group and the Company had capital commitments, relating to the construction of factory buildings and acquisition of equipment as follows:

	Consolidated		Company	
	2015 Million Baht	2014 Million Baht	2015 Million Baht	2014 Million Baht
Buildings	0.99	20.82	-	4.65
Machinery and equipment	75.76	29.51	-	-
Furniture and fixtures	2.44	-	-	-
Total	79.19	50.33	-	4.65

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

42 Commitments (Cont'd)

42.3 Bank guarantees

As at 31 March 2015, the Group had outstanding bank guarantees for the normal course of business, issued by banks as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Guarantee for value added tax refunded from Revenue Department - Aerolkas Co., Ltd.	50,434,931	50,434,931	-	-
Guarantee for an indirect subsidiary's loans - Aeroflex USA Inc.	49,054,200	48,872,100	-	-
Guarantee for an indirect associates' loans - Aeroflex Europe GmbH	34,064,735	43,071,567	17,760,550	43,071,567
Guarantee for electricity	42,098,200	35,941,000	348,000	348,000
Guarantee for sale and purchase transactions	2,590,500	6,707,860	-	-
Guarantee for industrial waste transportation	100,000	100,000	-	-
	<u>178,342,566</u>	<u>185,127,458</u>	<u>18,108,550</u>	<u>43,419,567</u>

During the year ended 31 March 2015, a subsidiary already received a value added tax refundable in the amount of Baht 50.43 million. The subsidiary is in the process of withdrawing the guarantee from Revenue Department.

42.4 Other commitments

As at 31 March 2015 and 2014, the Company had commitments but didn't recognise in the financial statement as follows:

	Consolidated			
	2015		2014	
	Currency	Equivalents to Baht	Currency	Equivalents to Baht
Letter of credit for goods commitments				
- US dollar	3,673,953	119,672,950	1,819,621	59,034,311
- Euro	-	-	155,400	6,932,005
- Baht	-	2,228,275	-	-

42.5 Forward contracts

As at 31 March 2015, the Group has an outstanding balance of foreign currency forward contracts with having the settlement dates on open forward contracts are not later than 6 months. The amounts to be received under contractual exchange rates of the outstanding contracts were:

	Consolidated	
	2015 Baht	2014 Baht
The amounts to be received		
US dollar 3 million at the exchange rate of Baht 25.40 per AUD	<u>76,200,000</u>	<u>-</u>

The net fair values of the financial instruments as at 31 March 2015 and 2014 were as follow;

	Consolidated	
	2015 Baht	2014 Baht
Favourable forward foreign exchange	<u>1,670,286</u>	<u>-</u>

The fair values of forward foreign exchange contracts have been calculated using rates quoted by the Company's banker to terminate the contracts at the statement of financial position date.

Notes to the Consolidated and Company Financial Statements (Cont'd)

For the year ended 31 March 2015

42 Commitments (Cont'd)

42.6 Guarantees of related companies

As at 31 March 2015 and 2014, the Group had guarantees as follows:

Guarantee	Guarantee on behalf of	List of guarantee	Currency	2015	Currency	2014
				Amount (Million)		Amount (Million)
The Company	Subsidiaries	Loans and bank credit facilities	Baht	5,997.93	Baht	6,792.05
The Company	Subsidiaries	Loans and bank credit facilities	US dollar	10.25	US dollar	21.90
The Company	Subsidiaries	Loans and bank credit facilities	Renminbi	-	Renminbi	6.80
Subsidiaries	The Company	Loans and bank credit facilities	Baht	626.40	Baht	1,540.40
Subsidiaries	The Company	Loans and bank credit facilities	US dollar	-	US dollar	8.40
Subsidiaries	The Company	Loans and bank credit facilities	Euro	0.50	Euro	0.96
Subsidiaries	Subsidiaries	Loans and bank credit facilities	Baht	470.00	Baht	420.00
Subsidiaries	Subsidiaries	Loans and bank credit facilities	US dollar	3.00	US dollar	8.50
Subsidiaries	Subsidiaries	Loans and bank credit facilities	Renminbi	-	Renminbi	6.80

43 Promotional privileges

The Group received the following promotional privileges from the Board of Investment as table below:

Subsidiary - Aeroklas Co., Ltd.

BOI Certificate No.	Date of Approval	Products	Income first derived date	Privilege expired date	Significant privilege									
					1	2.1	2.2	3	4	5	6	7.1	7.2	8
1389/2542	21 July 1999	Plastic and plastic coating products	12 January 2001	11 January 2014	✓	-	-	✓	✓	✓	✓	✓	-	✓
2083(2)/2548	28 September 2005	Plastic and plastic coating products	7 January 2010	6 January 2023	✓	-	✓	-	✓	✓	✓	✓	-	✓
1786(2)/2549	13 September 2005	Moulds and die, jig and moulds repairing	No income derived yet	-	✓	-	✓	-	-	-	-	-	-	✓
1014(2)/2554	2 December 2010	Plastic and plastic coating products	1 April 2014	31 March 2022	✓	-	✓	-	✓	✓	✓	✓	-	✓
1902(2)/2556	22 January 2013	Plastic and plastic coating for automotive products	No income derived yet	-	✓	-	✓	-	✓	✓	✓	✓	-	✓

Subsidiary - Aeroflex Co., Ltd.

BOI Certificate No.	Date of Approval	Products	Income first derived date	Privilege expired date	Significant privilege									
					1	2.1	2.2	3	4	5	6	7.1	7.2	8
1233/e./2556	19 February 2013	Resin and plastic or plastic coating products	19 January 2004	18 January 2012	✓	-	-	-	✓	-	✓	✓	-	✓
1232(2)	19 February 2013	Resin and plastic or plastic coating products	9 June 2014	8 June 2027	✓	-	✓	-	✓	✓	✓	✓	✓	✓

Subsidiary - Eastern Polypack Co., Ltd.

BOI Certificate No.	Date of Approval	Products	Income first derived date	Privilege expired date	Significant privilege									
					1	2.1	2.2	3	4	5	6	7.1	7.2	8
1588/2544	11 October 2000	Plastic sheet, PVC sheet and Plastic foam PVC sheet	20 September 2003	19 September 2011	✓	-	-	✓	✓	✓	✓	✓	-	✓
1139(2)/2552	13 October 2008	Environment-friendly plastic or plastic sheet products	26 October 2011	25 October 2019	✓	-	-	✓	✓	✓	✓	-	✓	✓
1652(2)/2554	5 April 2011	Plastic or plastic coating products	8 April 2014	7 April 2017	✓	✓	-	-	-	-	-	-	✓	✓
1626(2)/2556	22 January 2013	The manufacturing of plastic package Type 6.12 the manufacture of plastic coating	-	-	✓	-	✓	-	✓	✓	✓	✓	-	✓

43 Promotional privileges (Cont'd)

The Group received the following promotional privileges from the Board of Investment as table below: (Cont'd)

Subsidiary - EPG Innovation Center Co., Ltd.

BOI Certificate No.	Date of Approval	Products	Income first derived date	Privilege expired date	Significant privilege *									
					1	2.1	2.2	3	4	5	6	7.1	7.2	8
2023(4)/2549	25 May 2005	Research and development, scientific testing and calibration service	17 September 2010	16 September 2018	-	-	-	✓	-	-	-	-	-	✓

* Significant privileges consist of:

- 1) Exemption from import duty on approved machinery.
- 2) Exemption from payment of corporate income tax not in excess of 100% of the investment amount excluding cost of land and working capital. This privileges is due for expiration.
 - 2.1) Within a period of three years from the date income is first derived.
 - 2.2) Within a period of eight years from the date income is first derived.
- 3) Exemption from corporate income tax for the promoted activities for a period of eight years from the date income is first derived.
- 4) 50% reduction of corporate income tax for five years after the termination of normal income tax holiday.
- 5) Allowance to double the actual cost of transportation, electricity and water supply for a period of ten years from the date income is first derived.
- 6) Allowance to deduct from the taxable corporate income up to 25% of the capital investment in the costs of installing infrastructural facilities apart from normal depreciation.
- 7) Exemption from payment of import duty on imported raw material and supplies to be used in the manufacturing of goods for export sales.
 - 7.1) For a period of five years from the first import date
 - 7.2) For a period of one year from the first import date.
- 8) Exemption to include dividend derived from a promoted entity to taxable income computation during the exemption period.

In February 2013, Aeroflex Co., Ltd. received a transferred of Promotion Certificate No. 1232(2)/B./2556 and 1233/B./2556 from Eastern Polymer Group Public Company Limited on the condition that the subsidiary receives remaining rights and privileges provided in the existing Promotion Certificate No. 1568(2)/2554 dated 18 May 2011 and 1319/2543 dated 23 June 2000.

As a promoted entity, the Group must comply with certain conditions and restrictions provided for in the promotional certificates.

The operating results for the year ended 31 March 2015 and 2014 classified as sales under BOI and non-BOI promoted activities are as follows:

	Consolidated		Company	
	31 March 2015 Baht	31 March 2014 Baht	31 March 2015 Baht	31 March 2014 Baht
Revenue from activities				
BOI Promoted				
- Sales of goods	2,814,349,212	2,244,039,055	-	-
- Sales of service	1,455,530	-	-	-
Total	2,815,804,742	2,244,039,055	-	-
Non-BOI promoted				
- Sales of goods	4,098,445,458	4,347,753,399	-	-
- Sales of service	1,394,612	1,902,400	79,153,800	77,692,800
Total	4,099,840,070	4,349,655,799	79,153,800	77,692,800
	6,915,644,812	6,593,694,854	79,153,800	77,692,800

44 Post statement of financial position event

At the Board of Directors' meeting on 29 May 2015, the board of directors approved

- The dividend payment from the period 1 April 2014 to 31 March 2015 for 2,800,000,000 shares at Baht 0.08 per share, totalling Baht 224 million.
- The subsidiary, Aeroklas Co., Ltd., to invest in Aeroklas Malaysia Sdn. Bhd., which has registered capital of MR Ringgit 3,000,000 (equivalent to Baht 30 million). Aeroklas Co., Ltd. will hold 70% interest in that company.
- The restructuring of subsidiaries in Australia. Aeroklas Australia Pty. Ltd. will transform to be a holding company and establish a new company which Aeroklas Australia Pty. Ltd. has shareholding percentage of 100%. The purpose of the new company is to distribute its products to its customer in Australia. The new company will have registered share capital of Australian dollar 100,000 (equivalent to Baht 2,600,000).

INTERNATIONAL NETWORK



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