



Creative
Innovation
Organization

AEROFLEX
CLOSED CELL EPDM INSULATION FOR HVAC & R

APT



AEROKLAS



EPG Innovation Center

Annual Report

31 March 2019



EPG Sustainable Growth strategy

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. The Company has implemented business expansion strategy on the world stage (EPG Global Strategy Execution) which can be summarized as follows:

1. Exporting

Global exporter covering more than 100 countries across the globe

2. Licensing

Distribute license to Sales Agents world-wide 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 budget.

4. Strategic Alliance

Collaborate with Business Alliance to generate competitive advantages worldwide

5. Joint Venture

Becoming Joint Partners with some world leading companies with the aim to strengthen technologies and cash flow of the company group

6. Wholly Owned Subsidiary

Investment 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. M&A

Acquire other business entities and make improvements using technologies and innovation of the Company to add value to products, enabling the company to reach target companies faster





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 product that benefit society for better livelihood.



Mission

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



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Message from the Honorary President

Dear Shareholders,

In 2018, Eastern Polymer Group Public Company Limited has been operated for four decades with the dedication of both physical and mental strength of all executives and employees who want to create the products with good quality and high standard in order to deliver to consumers. When I met employees during the company seminar activities or the company visit at EPG group, I asked them a simple question “The products of Aeroflex are very good, except one thing. Do you know what is it?” In case their answer is correct, I gave them a small reward as encouragement. The employees almost have the same answer that “The products of Aeroflex are very good, except the only one thing that is they can be used for decades.” From this answer, I realize that our employees understand that EPG committed to produce the good quality products. All EPG products: Aeroflex, Aeroklas and EPP, must be in good quality and pass the standard criteria. We do not sell the bad quality products. Our customers who use the products feel that they are worth the money they pay. This is the result from our continual development of innovative products from the working of Research and Development Department in each company. Moreover, the EPG Innovation Center has conducted the research and development in order to support our main business very well. Therefore, EPG has received trust from both domestic and international customers, suppliers and partners throughout 40 years.

I always cultivate all executives and employees that we must operate business honestly; we must not be greedy or selfish, but we should learn to be a giver. I do believe that the important thing to grow the business sustainably is to take care of all stakeholders group to grow together with EPG.

As the founder of Eastern Polymer Group Public Company Limited, I would like to thank all of you for always trusting us and being the co-owners of the Company. I am confident that our executives and employees are committed to creating the organization with virtue and to managing it with quality for the sustainable business growth. 

陳修試

Mr. Chen Xiu Shi
Honorary President

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I do believe that the important thing to grow the business sustainably is to take care of all stakeholders group to grow together with EPG.

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Message from the Company's Board

Dear Shareholders,

In the fiscal year 2018/2019 (1st April 2018 – 31st March 2019), the global economy has been fluctuated. The growth of many regions was unsynchronized, which is the result of trade war between the United States and China, Brexit and the increase of US Federal Reserve interest rate. All of these had an effect on the expansion of global economy. Regarding domestic economy, Thailand GDP grew by 4.1% last year. Although the macro economy has recovered well due to the expansion from consumption, the investment from private sector in the country and the government spending, there were the negative effect from the slowdown in exports and the increase of interest rate. EPG has operated business in many countries around the world; therefore, we were affected both positively and negatively.

As the Board of Directors, we believe that the operation under the strategies focusing on developing the innovative products and production process, the effective cost management and the appropriate price setting, including both domestic and international marketing help the Company handle the fluctuation of economy appropriately. Consequently, the turnover of the fiscal year 2018/2019, the total revenue from sales was 10,579.2 million baht, increased by 10.1, and the total net profit was 903.2 million baht, decreased by 9.1, compared to the previous year. The revenue from sales of our 3 main businesses, especially the revenue of automotive parts and accessories business increased from the new products and the business expansion in Australia. Regarding the plastic packaging business, its revenue has increased since the third quarter of the fiscal year 2018/2019



The Company's success is to be a leader in innovation, and to be a world-class manufacturer and distributor for **sustainable growth.**



from marketing activities in food packaging and industrial product. EPG aim to increase efficiency in the operating cost, while this year, the company has booked the increase in provision in employee obligation due to New Labor Protection Act in Cost of goods sold while the rest is booked in sales and administrative expenses.

Regarding the increase in sales and administrative expenses, the relatively higher value in the expense were due to the investment in Corporate Branch, the cost in international marketing activities of the manufacturing and distribution of automotive parts and accessories in order to support the future growth, including the expense from provisioning for employee benefit obligations.

In this regard, the Board of Directors has resolved to pay an interim dividend for the first six-month period of 2018/2019 at the rate of 0.08baht per share, totaling 224 million baht. The dividend was paid to shareholders on 7th December 2018, and the resolution was passed at the Annual General Meeting of Shareholders for the year 2018/2019 to approve the annual dividend payment of 0.14 baht per share, totaling 392 million baht, total dividend for the whole year is equal to 616 million baht or 68.75% of the net profit (payout ratio).

The Company's success is to be a leader in innovation, and to be a world-class manufacturer and distributor for sustainable growth.

Creative Innovation Organization

The Company is well aware that the innovation is an important key to maintain the sustainable growth and to adapt to all changes. In addition to in-house research and development, last year, Aeroklas organized the



“Idea can do” contest encourage employees to send the innovative ideas which could be further develop into product to satisfy the consumers, where 32 teams of employees participated in this contest. This project is a part of EPG innovative employee creation.

In addition, EPG is aware growing concern of plastic waste management, thus Eastern Polypack has been contributing in plastic waste reduction by designing the products to suit with the usage, and preparing production technology to support the bio-plastics material which can be used in producing the product without the investment in new machine.

Doing business in the Global market

During the previous year, EPG invested in expanding our various groups of business in foreign countries to support future growth. For example, Aeroflex USA Inc. in USA invested in expanding the production line with the high-speed automation to support long term growth in US market. Moreover, establish joint venture Aeroklas Duys (Pty)

Ltd., South Africa, to operate the business of manufacture and distribution of auto parts and accessories for OEM and retail customers in South Africa. The reasons are that the market of auto parts and accessories in South Africa has a promising growth from the support of government; and South Africa is also the exporting base to Europe.

Creating Sustainable Growth

The growth of Eastern Polymer Group Public Company Limited (EPG) relies on the Company’s vision to grow with creative innovation in developing the product quality for the benefit of society and better living.

On behalf of the Board of Directors, we would like to thank all of our employees, business partners, customers, shareholders and supporters in all areas for their support and trust in the Company. Please be confident that the Company will operate the business to grow and prosper based on the corporate governance and sustainable growth, and taking account into the interests of all stakeholders. 🏠

Mr. Vachara Tuntariyanond
Chairman of the Board

Mr. Pawat Vitoorapakorn
Vice Chairman of the Board and
Chief Executive Officer



Board of Directors



Mr. Vachara Tuntariyanond

Chairman of the Board
and Independent Director



Mr. Pawat Vitoorapakorn

Vice Chairman of the Board



Mr. Chaiwat Atsawintarakun

Chairman of the Audit Committee
and Independent Director



Mr. Thanachai Santichaikul

Audit Committee
and Independent Director



Mr. Panchai Wattanachai

Audit Committee
and Independent Director



Mr. Teerawat Vitoorapakorn

Director



Mr. Chumnant Vitoorapakorn

Director



Mr. Chalio Vitoorapakorn

Director



Mr. Ekawat Vitoorapakorn

Director

Executive Committee

**Mr. Pawat Vitoorapakorn**

Chief Executive Officer / Deputy
Chief Executive Officer of Research
and Development Business

**Mr. Teerawat Vitoorapakorn**

Deputy Chief Executive Officer of
Plastic and Packaging Business

**Mr. Chumnant Vitoorapakorn**

Deputy Chief Executive Officer of
Insulation Business

**Mr. Chalio Vitoorapakorn**

Deputy Chief Executive Officer of
Business Development and Investment

**Mr. Ekawat Vitoorapakorn**

Deputy Chief Executive Officer of
Automotive Parts and Accessories
Business

**Mr. Tanawat Vitoorapakorn**

Deputy Chief Executive Officer of
Other Supporting Business

**Ms. Rungravee Vitoorapakorn**

Deputy Chief Executive Officer of
Financial and Accounting (Acting)

**Ms. Maliwan Kittiwiriyakarn**

Deputy Chief Executive Officer of
information Technology

**Mr. Jarintr Warintaraporn**

Deputy Chief Executive Officer of
Human Resources (Acting)



Financial Highlight

Consolidated Financial Highlight (As of 31st March)

Statements of Comprehensive Income (Unit: Million Baht)	2018/19	2017/18	2016/17
Revenue from sales of goods	10,579.2	9,607.1	9,279.8
Cost of goods sold	7,687.8	6,892.5	6,307.9
Gross Profit from sale	2,891.5	2,714.6	2,971.9
SG&A	2,104.9	1,876.7	1,736.8
Finance Cost	40.0	(12.0)	55.2
Share of profit from investments in associates	174.8	245.1	246.3
Income Tax	51.6	70.3	61.3
Net Profit	903.2	993.2	1,382.7

Statement of Financial Position (Unit: Million Baht)

Total Asset	13,393.2	13,148.3	12,785.3
Total Liabilities	3,077.9	3,025.7	2,861.0
Paid Up Capital	2,800.0	2,800.0	2,800.0
Total Equity	10,315.3	10,122.6	9,924.3

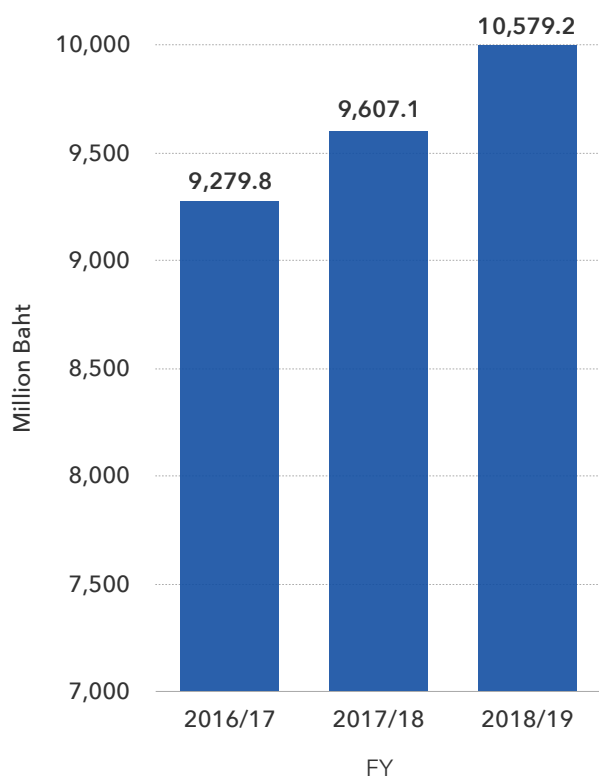
Ratios

Net Profit Margin (%)	8.5%	10.3%	14.9%
ROE (%)	8.8%	9.9%	14.5%
ROA (%)	7.5%	8.1%	11.8%
D/E (time)	0.30	0.30	0.29

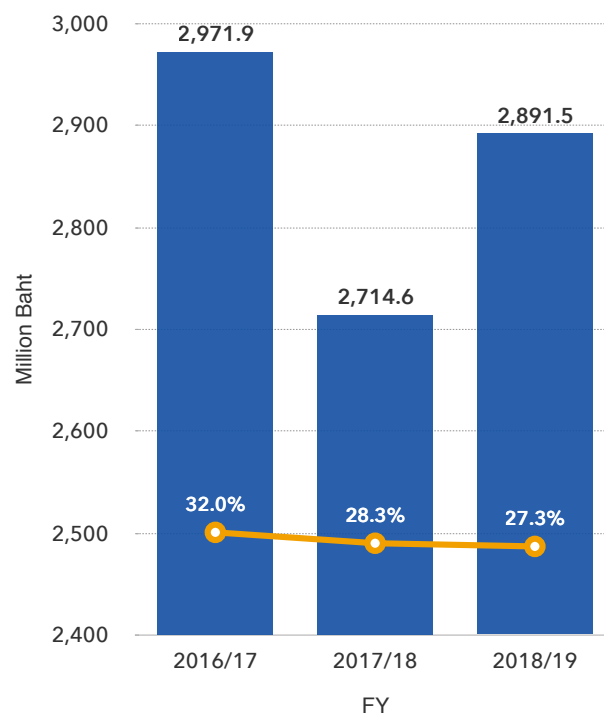
Stock Data

Number of share (Million)	2,800.0	2,800.0	2,800.0
Par value (Baht)	1.0	1.0	1.0
Book value per share (Baht)	3.68	3.61	3.54
Earnings per share (Baht)	0.32	0.35	0.49

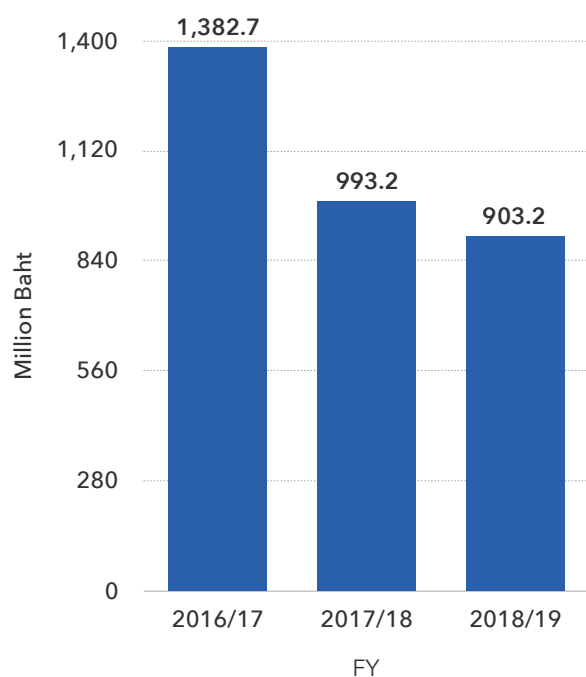
Revenue from sale



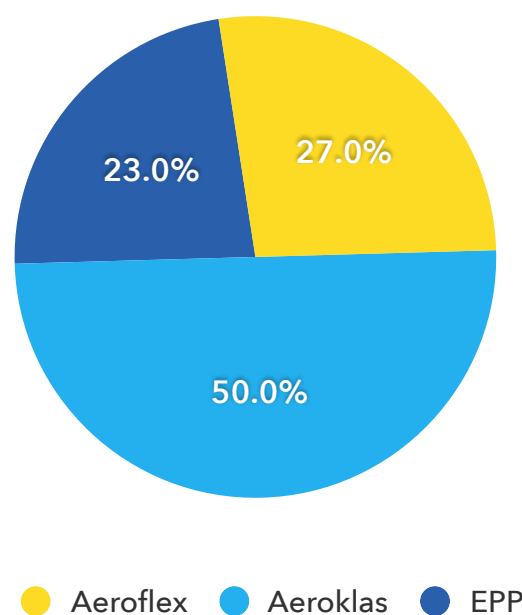
Gross Profit and Gross Profit Margin



Net Profit



Revenue portion for the year 2018/19





History of EPG



In 1978, the Vitoorapakorn Family founded Eastern Polymer Industry Co., Ltd. with a registered capital of 1 million baht in order to operate the business of the thermal insulation by applying the formula and manufacturing technology which is created and retained by the Vitoorapakorn Family. Then the business was expanded to the joint venture, manufacture and distribution of auto parts and accessories, plastic packaging business and research and development business. In 2012, the Company group was restructured to be listed on the Stock Exchange of Thailand, by renaming and transforming into a public. The name was changed from Eastern Polymer Industry Co., Ltd. to Eastern Polymer Group Public Company Limited (EPG), as the holding company. In addition, the Company increased the registered capital from 2,100 million baht to 2,800 million baht with a par value of 1 baht per share; and offered 700 million ordinary shares for the first time on 24th December 2014.

1978



AEROFLEX®
CLOSED CELL EPDM INSULATION FOR HVAC & R

1995



SRK-ER **ZAP**

1996



AEROKLAS

2001



EPG

Significant changes and revolutions in these past three fiscal years

(April 2016 – March 2019)



The year 2016/2017

(April 2016 – March 2017)

On November 2016, the Board of Directors passed a resolution to approve Aeroklas Company Limited, as a subsidiary of the Company, to enter into a joint venture with Alver Pty Ltd, an Australian company by establishing a new company in Thailand in order to manufacture and distribute the products for Aeroklas Company Limited and other automotive companies.

The year 2017/2018

(April 2017 – March 2018)

On December 2017, Aeroklas Australia Pty. Ltd., as a subsidiary of Aeroklas Company Limited signed a share purchase agreement of Flexiglass Challenge Pty. Ltd. (Flexiglass), in the proportion of 100 percent. Flexiglass has operated the shops selling decoration product of two-wheel-drive and four-wheel-drive pick-up car in Australia, with more than 100 distributors and dealers, and its own 5 branches

The year 2018/2019

(April 2018 – March 2019)

On November 2018, Aeroklas Company Limited, as a subsidiary of the Company, signed a joint venture agreement with Duys Engineering Group (Pty) Ltd. (“DEG”) in South Africa, and Mr. Brian William Rogers, the executive of the subsidiary of the company, to jointly establish a new company named “Aeroklas Duys (Pty). Ltd.” in South Africa.

2006



EPG INNOVATION
CENTER (EIC)

2014



1ST TRADING DAY

2015



2018





Awards The fiscal year 2018/2019



Aeroflex

Aeroflex Company Limited received the awards as follows:

1. 'Best Exporter Award' from Prime Minister's Export Award 2018 hosted by the Ministry of Commerce

2. Certificate of appreciation in issuing the greenhouse gas emissions of the product of the year 2019 from Greenhouse Gas Management Organization (Public Organization) in order to demonstrate the greenhouse gas emission for insulation products of Aeroflex. This is to inform consumers about the quantity of greenhouse gas emission of products and services as the information to be used for making decision to buy our products and increasing the alternatives for consumers to participate in greenhouse gas management.



3. Certificate of appreciation in issuing the corporate greenhouse gas emissions of the year 2018 from Greenhouse Gas Management Organization (Public Organization) in order to demonstrate the information of quantity of greenhouse gas emission from the Company's operation leading to the effective management guidelines for reducing greenhouse gas emissions.



4. Trophy certificate of Eco Factory from The Federation of Thai Industries showing that our factory has a good and safe management system. We use the resources and energies efficiently, and create the least waste. In addition, we support the surrounding society and the stakeholders.



EPP

Eastern Polypack Company Limited received Trophy of CSR-DIW Award 2018 from Ministry of Industry, showing that the company prioritizes the corporate social responsibility.



Aeroklas

Aeroklas Company Limited received the Auto Alliance Thailand Top Supplier Award 2018 from Auto Alliance (Thailand) Co., Ltd.; as the manufacturer with high potential in the aspect of cost management, supplying and service providing.



EPG Business Structure and Overview



EASTERN POLYMER GROUP PUBLIC COMPANY LIMITED



EPG Business Overview

The Eastern Polymer Group Plc (EPG) is a holding company that invests in its affiliates. EPG emphasize on the investment in world class innovative polymer and plastic product manufacturer business which are

1. Thermal Insulation Business
2. Automotive and Accessories Business
3. Plastic and Packaging Business
4. Other supporting Business
5. Research and Development Business
6. Joint Venture

Remark:

EPG holds common shares of Sumiriko Eastern Rubber (Thailand) Company Limited (SRK-ER) 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 SRK-ER, by which the company has veto right against important agenda of SRK-ER as stipulated under SRK-ER's articles which require every important agenda receive approval votes from shareholder's meeting at least 81.0%



AEROFLEX[®]

CLOSED CELL EPDM INSULATION FOR HVAC & R

Insulation Redefined

**World's
Number
1**
manufacturer
in EPDM
insulation





Manufacture and distribution of thermal insulation By Aeroflex Co., Ltd., Subsidiaries and Joint ventures

Business Overview

Aeroflex Co., Ltd. is the world major manufacturer of thermal insulation using Ethylene Propylene Diene Monomer (EPDM) which the company invents and continually conducts research and development; this invention is guaranteed with many patents, and expanded its sales to more than 100 countries across the world.

Aeroflex's thermal insulation outclasses its competitors with capability to operate in wider range of temperature between -200°C to 125°C. It is resistant to weather with high humidity and is also friendly with environment. Aeroflex's products are broadly used in order to save energy by maintaining temperature constant in air conditioning system as insulation in the air ducting system and indoor chilled water / hot water piping, and piping insulation to prevent condensation.

With qualification and good quality, Aeroflex's insulation has been certified by the international standard, such as ASTM / JIS / CE / UL / FM / BS / GB / Lloyd's Register and RoHS. Therefore, many important places around the world consider using Aeroflex's insulation, for example, AEC Market / IconSiam/ Suvarnabhumi Airport/ OceanPark Vietnam / Google Office Philippines/ Swiss International Airport / Fukushima Nuclear Power Plant (Japan) / Disneyland Shanghai / Dubai International Airport /PfizerPharmaceutical Puerto Rico/ Toyosu Fish Market (Japan) / Unilever (USA) / Walmart (USA) / AtlantisPalmJumeirah(UAE) /BurjKhalifa (UAE) / Marina Bay Sands Resort (Singapore) / Guangzhou International Exhibition Center (China) / Intel Coporation Hillsboro Oregon (USA) / Ferrari Dubai World(UAE) / National Nuclear Securitie Agency Kansas City(USA) / MM Mars Topeka Kansas (USA)/ Pfizer Pharmaceutical Guayama (Puerto Rico)/ Royal City Hanoi (Vietnam)/ Watch Tower USA and World Financial Center New York(USA)

Aeroflex's insulations are distributed worldwide under 3 brand names (Trademarks): "AEROFLEX" "AEROCCEL" and "CELFLX"

AEROFLEX® **AEROCCEL®** **Celflex®**



Products

Thermal insulation for chilled water piping

Aeroflex's insulation can be used to maintain constant temperature, to prevent the external heat and the high temperature beneath the insulation, for example, using the insulation to sheathe the chilled water piping in order to keep the internal temperature stable. Without this insulation, cold water or air releasing from pipe edge may cause coolness loss, which leads to energy loss and condensation, and may damage other surrounding equipment

General usability in building



Chilled water piping

Air-condition equipment



Air-condition



Duct outside the building

Thermal insulation for hot water piping

Aeroflex's insulation can be used to maintain temperature constancy in order to prevent the external coolness and to keep the internal temperature not to be decreased, for example, using the insulation to sheathe the hot water piping and oil pipeline for maintaining the heat of water or oil in the pipe, not to transform to be solid.

General usability in building



Hot water piping inside the building



Insulation for solar hot water piping

Thermal insulation for roof (AERO-ROOF)

AERO-ROOF is an additional product from AEROFLEX that is manufactured base on closed cell EPDM insulation. The product is designed to use as roof insulation that effectively reflect heat from the building. AERO-ROOF is light / reinforced with aluminum foil and easy to install. In addition to that, the product is manufactured base on thermosetting material prevent the insulation from melting and catching fire when heated or exposed to flames. Also AERO-ROOF is odorless, high endurance and will not harm the health of the residences in relative to other products.



In addition to the EPDM insulation, for the reason to increase the competitiveness and choice for consumers in some highly competitive market, Aeroflex has co-invented with Aerocel Construction Material (Jiangsu) Co., Ltd. (Jiangsu, China), and ALP Aeroflex India Pvt. Ltd. (India) to manufacture the thermal insulation by using Nitrile Butadiene Rubber (NBR) which is the basic material in the insulation manufacture used by



worldwide manufacturers for distributing to general market or to the consumer who is highly concerned about price. In order to satisfy the need of one-stop service of insulation installation, Aeroflex has distributed other types of products, such as tape, rubber compression molding, rigid foam, flexible duct, insulating paints, and rubber glue.

Industry Trend and Competition

Nowadays, in the industry of Elastomeric Thermal Insulation, there are three important entrepreneurs: 1) Armacell, 2) K-Flex, and 3) Aeroflex. Aeroflex is the sole major manufacturer of EPDM, who is able to manufacture and distribute these products with the capability to compete in the world market. However, the market share of Aeroflex is relatively small at 11.0% in comparison to major competitors that mainly produce NBR such as Armacell and K-Flex as they are previously wellknown and pervasive throughout Europe and America. Furthermore, the expansion of the light wieghted insulation product often incur high logistic cost, hence, the expansion of manufacturing base is necessary for market expansion. Aeroflex introduced the prefoam tube and sheet technology to help mitigate such obstacle, still the market expansion require intensive marketing and expanding production base to enhance the market share. Thus Aeroflex is determined to invest in Reasearch and Development on both Product and Process in order to achieve its target.



Sale Channels

Aeroflex's domestic sale channels are through refrigeration machines dealers, large construction contractors or system installation contractors. With regard to international market, Aeroflex has designated sale agents or local retailers whereas in some particular countries such as Russia, sale agents are required to purchase license from Aeroflex.

Manufacturing Base

At present, Aeroflex's total manufacturing capacity of EPDM insulation is 24,000 tons/year and NBR insulation is 20,000 tons/per year from 5 manufacturing bases, locating in different countries across the globe which are Thailand, USA, India and China (2 bases). Additionally, Aeroflex conducts license business in 1 manufacturing base in Russia. Accordingly, Aeroflex is assured of its performance to meet wide scope of requirements to ensure customers satisfaction.


Procurement of Products and Services

The manufacturing process of our rubber insulation consists of various chemicals; the main substance is EPDM artificial rubber or Ethylene Propylene Diene Monomer. Aeroflex's products are processed from a mixture of artificial rubber, additives, and flame retardants including other chemical supplies. Aeroflex orders these components from different suppliers. In regards to procurement of other products which are used for insulation installation, Aeroflex orders the purchase from reputable manufacturers to ensure the good quality of all products for customers.

Impacts on Environment

Aeroflex places great consideration to impact on environment and health of local community and its personnel at all levels. Therefore, Aeroflex undertakes analysis on all chemical substances involved to prove that the chemicals used in the manufacturing process must be safe to human as well as surrounding ecosystem. Moreover, Aeroflex's main manufacturing bases are established and managed in accordance with international standard: ISO 9001, ISO 14001, ISO 50001, OHSAS 18001, and TIS 18001.

Aeroflex's rubber insulation is extensively used in conditioning systems engineering to reduce the coolness loss, to prevent condensation, and to effectively save energy, for reasons that K-Value (Thermal Conductivity) is low and stable for all usage life, the material of Aeroflex's products is also proved to be non-toxic. Moreover, in case of fire, Aeroflex's Insulation generates low smoke density and does not catch on fire.

In addition, Aeroflex's products are in high quality, compared to other competitors in the market. Aeroflex's insulation has been certified by leading standard from all over the world, such as ASTM / JIS / CE / UL / FM / BS / GB / Lloyd's Register and RoHS .

**Remark: Two production bases in china are consisting 1) Aeroflex Polymer Technologies (Shanghai) Co., Ltd. (APT) which is the subsidiaries of EPG and 2) Aerocel Construction Material (Jiangsu) Co., Ltd. (ACM) which is the joint venture of Aeroflex.*



AEROKLAS

Automeric Innovation

**We are
Aeroklas Canopy**

The 1st brand in the world who
reinforces with ABS double
shells for double strength

1





Manufacture and distribution of automotive parts and accessories by Aeroklas Co., Ltd. Subsidiaries and Joint Ventures

Business Overview

Aeroklas Co., Ltd. is the world leading manufacturer of automotive parts and accessories with product designs and development under Aeroklas' patents. Aeroklas's automotive parts and accessories are used for decoration and supplement to enhance efficient use of pick-up trucks. Aeroklas distribute

the product both domestically and internationally under the Brand "Aeroklas" "TJM" "Flexiglass" and "Bocar"

AEROKLAS

TJM

FLEXIGLASS

BOCAR

Aeroklas' main products are:



Bed Liner

Bed liner is installed on the trunk for increasing durability and loading performance. Aeroklas is the sole and first manufacturer in the world who develops technology and owns patent of installation system with no drilling required but using plate instead. Aeroklas' bed liner is made of HDPE (High Density Polyethylene).



Side Step

Aeroklas' side step is designed for SUV car and off-road pickup truck. The side step is used for providing easy step when accessing the car. The product is made of Polymer Alloy which has light weight and is environmentally friendly.



Canopy

Canopy is installed on the trunk for enlarging passenger space as well as increasing safety to the carried loading. Aeroklas is the first manufacturer who manufactures and distributes special ABS Alloy canopy under Aeroklas' specific formula. Comparing to other brands, Aeroklas' canopy 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. In addition, the ABS Alloy canopy also enhances safety in case of accident, as ABS Alloy does not crumble or breaks into sharp pieces upon impact and the product is also recyclable.



Deck Cover

Deck cover is a part installed at the back of the trunk with no drilling required while being lockable. Deck cover is designated to protect storage of materials in the trunk, protect against dust and rain as well as to upgrade the look of pickup truck. Aeroklas' deck cover is made of Polycarbonate ABS (PC-ABS); the material is hard, resilient while the weight is much lighter compared to other competitive products.

Other Products

Aeroklas has wide ranges of parts and accessories for pickup truck and passenger car including automotive parts for agricultural vehicle and multipurpose plastic sheets used in agricultural business.





Products under TJM Brand

TJM products Pty Ltd started its operation in Australia in 1973. The Company has established a long history of being a distributor of TJM brand in Australia. TJM has established and expanded more than 63 TJM shops as its product distribution channel, and also 30 other automotive shops around Australia. The company is ranked in the top 2 based on sale revenue from 4WD and SUV automotive parts market in Australia.

TJM is both expert and pioneer of the 4WD car accessories. The products by TJM are well trusted in regarding of design innovation and quality control of manufacture. The example of TJM product include: front and rear bumper, chokap back, winch, and other outdoor accessories

Industry Trend and Competition

Automotive industry is one of the world major industries. Nowadays, the value of automotive industry is approximately 2.75 trillion USD, which is 3-4% of the world GDP, based on the fact that cars are the most popular vehicle used for transportation. In addition, there are both directly and indirectly relevant industries in the chain of the automotive industry, such as parts and accessories business, and car dealer.



Products under Flexiglass Brand

Flexiglass Pty. Ltd. commences its operation in 1949. The company operates the distribution of the automotive and accessories product for both 2 wheel drive and 4 wheel drive pick up truck in Australia. The notable products are the Canopy and Trays. Flexiglass currently have more than 100 distributors and dealers in their network. The company also own 5 owned branches.

In 2018, the company has collected the number of Vehicle sale in the important market as per detail below

- Thailand, The total vehicle sold in Thailand increase 19.2% and the number of commercial vehicle increase 22.2% in comparison to the previous year (Source: The Federation of Thai Industries)
- Eurozone Area, The sale of passenger vehicle in Eurozone Area increase 0.1% while the number of commercial vehicle increase 3.2% in comparison to the previous year (Source: European Automobile Manufacturer Association)
- Australia, The total vehicle sold in Australia fall 3.0% despite the increase in SUV at 6.4% and commercial vehicle at 0.6% in comparison to the previous year (Source: Federal Chamber of Automotive Industries (FCAI)) From the number mentioned above, the growth in vehicle sale in the categories of SUV and Commercial vehicle is still healthy in the past year.

Plastic in Automotive industry

Nowadays, the demand of plastic in automotive industry is continually increasing as a result of ideas and a change of consumer's trends, which comprises of 4 important factors: (1) focusing on energy saving, (2) focusing on environment, (3) focusing on automotive safety standards, and (4) plastic parts can be produced fast with high standard.



Sale Channels

Aeroklas is one of the few Thai automotive parts manufacturing companies that are not categorized as an Original Equipment Manufacturer (OEM) only. Aeroklas' main income comes from manufacturing products and parts for various brands which the company has collaborated with customers for Original Design Manufacturer (ODM) and Replacement Equipment Manufacturers (REM). Aeroklas' sale channels are through the following:

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 companies 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 because most products are codesigned by Aeroklas under the patent of Aeroklas. At the same time, Aeroklas also

manufactures such products to other automotive companies.

OEM (Original Equipment Manufacturer)

Aeroklas operates business in the form of OEM for various automotive companies by producing automotive parts under the circumstance that the profit derived from such contract is within expected range

REM (Replacement Equipment Manufacturer)

products in REM channel to dealers and automotive sale centers under "Aeroklas" brand. At present, Aeroklas' products are distributed to more than 400 showrooms and automotive accessories shops, which are located in Thailand and other 100 countries worldwide.

2) Oversea Customers

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

Manufacturing Base

Aeroklas has 3 manufacturing bases located in Thailand China and Malaysia. However, the main manufacturing base remains in Thailand at IPP Industrial Estate, NikomPattana district, Rayong, and the manufacturing base in China is established in Shanghai, while the oversea subsidiaries in USA and

Australia are delegated as distribution centers for its own territory and neighboring countries.

Currently, Aeroklas has a total manufacturing capacity of bed liner at 800,000 pieces/ year; canopy at 34,000 pieces/ year; deck cover at 24,000 pieces/ year; and side step at 400,000 pairs/ year.




Procurement of Products and Services

Plastic beads are the main raw material in Aeroklas' manufacturing processes, which are HDPE ABS PC/ABS and DCPD. Aeroklas orders plastic beads from both domestic and oversea manufacturers by considering from the quality, price, and delivery conditions. Nevertheless, the plastic beads are a product of oil refining process which the cost of manufacture depends on the price of crude oil in the world market. Thus, the volatility of the crude oil price has an impact on Aeroklas's cost of production. Furthermore, Aeroklas purchases other parts and components, such as hook, polymer alloy, mirror, choke and other fitting set as accessories or components for Aeroklas' products.

Impacts on Environment

Aeroklas has created various innovations for consumers by taking into consideration the importance of environment, under the idea of

"Technology & Environment in Harmony". Accordingly, Aeroklas continually develops manufacturing process and technology with aim to reduce on-process impacts on the environment, while excessive amount of plastic from manufacturing process is reused in the process at the designated proportion, which will not cause an impact on product quality. According to such effort, Aeroklas has been certified by ISO 9001, ISO 14001, ISO/TS 16949, OHSAS 18001, TIS 18001, and Q-1 Quality from Ford. Such criteria is the major regulations adhered by world leading automotive manufacturers nowadays.

Aeroklas' products: bed liner, canopy, deck cover, and side step are made of light plastic with the particular manufacturing methods; this enhances the special durability, thus it can be completely used instead of metal. The total weight of pickup trucks will be much less, which also help saving energy, subsequently reducing emission of Carbon Dioxide (CO₂) into the air. In addition, automotive entrepreneurs in some European countries can use this advantage for tax break by deducting carbon credit with their government authorities. 



Containers made perfect

Asian number

Thermoforming
plastic & packaging
manufacturers

1



Business overview

Eastern Polypack's main business is manufacture and distribution of disposable plastic packaging for food and beverage, for example, drinking cups, food containers, plates, and bowls. All products are manufactured under the trademark of "EPP". EPP brand is well recognized as premium products among food and beverage industries at every level. Last year, the Company launched new trademark, which is "eici", in order to expand the business to the non-premium product market.

Products

EPP products are categorized into 2 main types:

1. Plastic Packaging

The products manufactured and distributed by EPP are:

- Beverage packaging, for example, cold cup, hot cup, lid, and straw, are manufactured from many types of

sheet to be their product, such as automotive parts, bottle and can pads, billboards, and various forms of roofing. Plastic sheets are made of various types of plastic, which are Polypropylene (PP), Polyethylene Terephthalate (PET), Polystyrene (PS), Polycarbonate (PC), and Acrylonitrile Butadiene Styrene (ABS).

Industry Trend and Competition

Nowadays, the demand of various types of plastic packaging is increasing along with growth rate and economic development of the country. Due to the changes in population structure, income, lifestyle, and consuming behavior, plastic packaging can satisfy people with rush daily routine. Eastern Polypack has sufficient capacity to accommodate the growth of consumers who likely have the demand in good quality product due to the reason that it owns large and high quality manufacturing process with the advanced technology and machinery.



plastic, such as (1) Polypropylene (PP), (2) Polystyrene (PS) - General Purpose Polystyrene (GPPS), High Impact Polystyrene (HIPS), K-Resin, and (3) Polyethylene Terephthalate (PET).

- Food packaging, for example, frozen food box which is high heat-resistant in microwave level, bakery box, fruit box, egg tray, and sauce cup, are made of the same plastic types for beverage packaging, depending on its qualification.

2. Plastic sheet

Eastern Polypack Co., Ltd. manufactures and distributes plastic sheet to customers in many industries who will transform plastic

Distribution Channels

Eastern Polypack's distribution channel can be classified into 3 groups:

1) Domestic wholesale business

- For the wholesaler, Eastern Polypack distributes products to the wholesale stores which have defined their distribution areas not to overlap with other customers of Eastern Polypack; these wholesale stores will sell EPP products to small coffee shops, bakeries, restaurants and other stores.
- For retailer, Eastern Polypack distributes products of EPP and eici to Modern Trade.

2) Domestic food and beverage industry

Eastern Polypack distributes packaging products to food and beverage entrepreneurs, and plastic sheet to manufacturers of construction industry, automotive parts manufacturers.

3) International export business

Eastern Polypack distributes products to other countries via the distributor agents and direct contact with industrial customer, depending on the appropriateness of marketing in that country.

Manufacturing Base

Eastern Polypack has 2 manufacturing bases in Thailand; the first one is situated in Pluak Daeng district, Rayong province, while the second one is located in IPP Industrial Park, Nikhom Phatthana district, Rayong province, with total manufacturing capacity of 32,000 tons/year.

Procurement of Products and Services

Eastern Polypack uses various plastic beads for manufacturing different products, both plastic packaging and plastic sheet. The procurement is based on price, quality, and suitability of each type of plastic beads of manufacturers in Thailand and overseas. In the fiscal year of 2015/2016 and 2016/2017, Eastern Polypack has purchased plastic beads mainly from domestic suppliers. In each order, the Company considers the amount of plastic beads of customer orders and estimates the number of products to be sold in the future for the reason of bargaining power.

Impacts on Environment

Eastern Polypack's packaging products are friendly with environment by concerning the principle of 3R;

- 1. Reduce:** To reduce the usage of plastic per production unit / to reduce plastic-decomposing time of some types of plastic packaging products and to reduce the energy consumption during the manufacturing process.
- 2. Reuse:** Eastern Polypack's products should not be re-used because they are disposable; however, they are available for other uses, such as storing office utensils and seeding the new plants.
- 3. Recycle:** Products that are broken or do not meet quality standards can be mashed and used for re-manufacturing, thus there will be no loss in manufacturing process. In addition, Eastern Polypack's products can be brought into transformation process to manufacture other types of products. Moreover, the unused plastic packaging products can be brought into de-polymerization process



to become crude oil or fuel for generating energy in cement industry.

Eastern Polypack pays attention and complies to the international standards, and receives many rewards, for example, quality management system ISO 9001 / GMP (Good Manufacturing Practice) / British Retail Consortium (BRC)/ HACCP (Hazard Analysis And Critical Control Point) / Environment: ISO 14001 / Green Industry Level 4: Green Culture / Carbon Footprint of Products (CFP) from Thailand Greenhouse Gas Management Organization (Public Organization): TGO / Health care, safety, and environment in workplace (OHSAS 18001, TIS 18001) / Corporate Social Responsibility (CSR) and Thai Labor-Standard (TLS 8001).

Eastern Polypack is in the process of studying the potentiality of using new technology together with biological substance from plants in manufacturing plastic packaging products in order to reduce plastic-decomposing time in the proper atmosphere for reducing the impact on world environment, which is in compliance with National Strategic Plan for Environmentally Sustainable Growth Strategy. 





**Aeroflex Polymer Technology (Shanghai)
Company limited (China)**

Business Overview

Eastern Polymer Group Public Company Limited incorporated Aeroflex Polymer Technologies (Shanghai) Limited (APT) in order to support production and distribution of 3 businesses aforementioned 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.
- In addition APT also acts as international trading to help sourcing for Machinery / chemical use in production for the subsidiaries of Eastern Polymer Group. 
- APT also support Aeroflex Company Limited (AFC) in producing importing and distribution of EPDM insulation and Support TJM in product sourcing / storing and distributing.





EPG INNOVATION
CENTER (EIC)

EPG Innovation Center Company Limited

Researching for the Future

The total
number of
**R&D and
laboratories** **8**



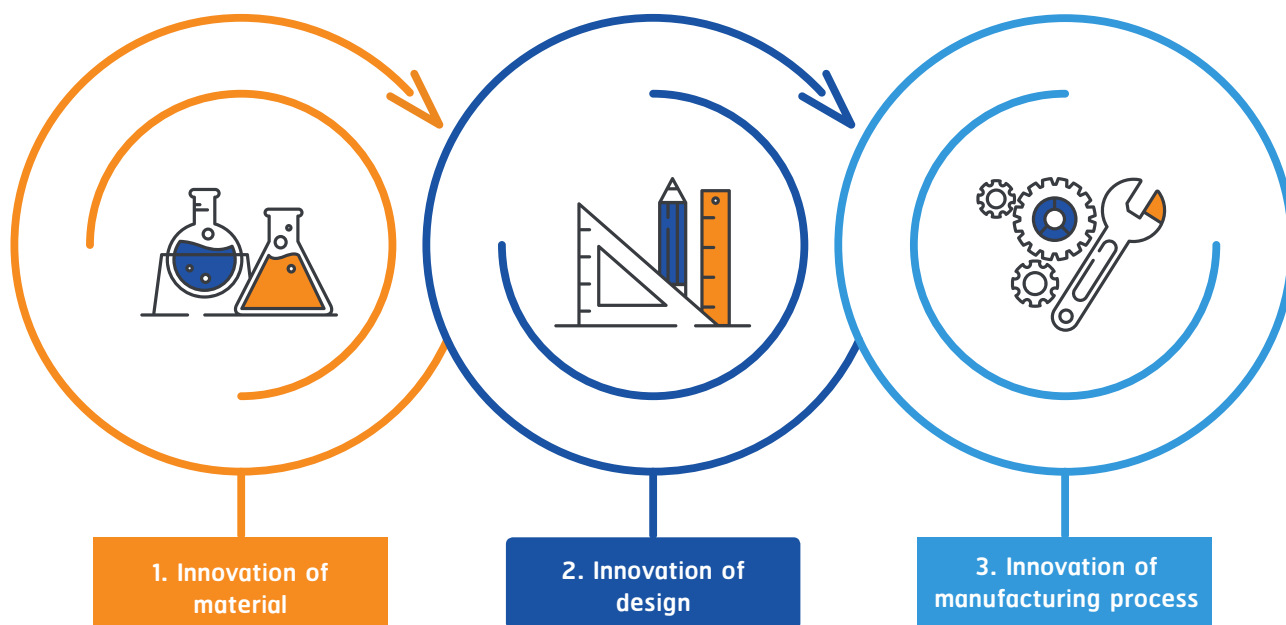


Creative innovation Organizaiton

The success of Eastern Polymer Group Public Company Limited (EPG) is the result of outstanding innovation which is continually developed; it is the combination of many fields: science, engineering, marketing, and finance. This leads to the successful components of the organization, which are high-quality innovative product, strong and acceptable brand, and differentiation for being the market leader.



The stable and sustainable success of the Company comes from these 3 outstanding innovations;



In addition, the Company and its subsidiaries have registered various patents both in Thailand and many countries across the world in order to prevent copying and to sustained high level of profit.




Business overview

EPG Innovation Center Co., Ltd. (EIC) conducts the research and development and testing for the materials and products, including calibration. EIC is an important organization supporting the research and development of EPG. In addition, EIC is one of the modern private polymer research lab centers in Thailand. With technology performance, testing tools and equipments, operation method, and experience of testing, EIC can provide services of product analysis and testing according to the test standards in the acceptable international level about rubber, plastic, metal, packaging, and automotive parts; moreover, dimensional and temperature calibration services can also be provided. Currently, testing services are also offered to other external companies.

EPG Innovation Center Co., Ltd. (EIC) received standard certification of ISO 9001:2015 / ISO/IEC 17025:2005 / private analytical laboratory Registration number W-230. In January 2017, EIC received 'Ford Laboratory Accreditation' which is the certified 54 listed of testing on colored products, and soft trim materials from Ford Motor Research and Engineering (Nanjing) Co.,Ltd. This enables EIC to be able to support the test in the Ford's standards, and provide test to Ford's customer. This is a significant advance accepted and recognized by many world-class companies.



The outstanding technology is as follow:

- **Vibration resistance test;** the test aim to assess Product quality under the condition of different type of vibration such as frequency / duration and length of time. The Test can be conduct either in horizontal or vertical in three different directions while control for the humidity and temperature in the chamber Testing room at the same time. The customer from automotive industries and Electronics products that rely on logistic transportation via Trucks / Train / Airplane and Ship are some of the major customer that interest in this test.
- **Fire Testing** is used for testing the ignition and flammability of materials; the testing tools are up to many important standards of the world, for example, Cone Calorimeter, UL, and LOI, which are used to test the insulation and all types of plastic according to the standards of UL, EN, FM, DIN, GB/T, BS, ASTM, and ISO.
- **Walk-in Chamber** is the technology used to simulate conditions to check for real product changes under temperature and relative humidity; by that it can handle temperatures between -40 and 100°C and humidity of 15 to 95% RH. This technology is mostly used in testing the automotive parts and construction materials according to the standards of each automotive company (Customer Method).
- **Salt Spray Test** is metal corrosion monitoring technology under various atmospheres according to the standards of ASTM, JIS and ISO.O 



Sumiriko Eastern Rubber
(Thailand) Company Limited



Zeon Advanced Polymix
Company Limited

Embracing Tomorrow's
Technologies



Joint Venture

Eastern Polymer Group invest in Joint Venture with Sumiriko Eastern Rubber and Zeon Advanced Polymix Company Limited




The company has changed the name of Tokai Eastern rubber (Thailand) Co., Ltd. to Sumiriko Eastern Rubber (Thailand) Co., Ltd or SRK-ER on 1st of June 2018. The Company holds 30% of ordinary shares (not included preferred shares) in Sumiriko Eastern Rubber but is entitled to receive dividend and has voting rights at 20% in Sumiriko Eastern Rubber (Thailand) Co., Ltd. The reason is based on the fact that Sumitomo Riiko Co., Ltd. holds 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.

Business Overview

Investment in Sumiriko Eastern Rubber (Thailand) Co., Ltd. for manufacturing of shock absorbing rubber and fuel hoses for motorcycles.

The Company has associated with Japanese firm, Sumitomo Riiko 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 products of Sumiriko Eastern Rubber are mainly distributed to domestic automotive manufacturers and assemblers. The remaining products are sold to companies under Sumitomo Riiko Company Group as well as other automotive firms worldwide.

Production Capacity and Factories: Sumiriko 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. 

Business Overview

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 overseas 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. 



Corporate Social Responsibility for sustainable development

Policy and overall

Eastern Polymer Group PLC and its subsidiaries have operated business by creating the innovation and having the strong intention to create the sustainable development to the Company along with the happiness of society and community based on good governance and CSR policy.

CSR Policy

1) To operate business with honesty, transparency, integrity and verifiability by focusing on the growth of the Company together with life quality development of personnel, community, society, and environment; including sustaining the interest of stakeholders based on Company's vision and mission.

2) To place importance on corporate governance under moral and ethical management, with transparency and verifiability, especially focus on the process involving or containing exposure to the risk of internal direct and indirect corruption.

3) To operate business with respect to human rights; abstention from taking advantages of trading partners, personnel, customers, and society; and stakeholders with equality

and fairness.

4) To assign personnel of the Company and subsidiaries to perform their duties in line with CSR policy. In addition, to provide training and personnel development programs by fairly support employees to progress in their line of work.

5) To place importance on product quality by continually offering products that is beneficial for health and safe for consumers, society and environment with reasonable prices, for the good life quality of all consumers and society.

6) To effectively support the development activities in saving natural resources and conserving water, energy, plastic and paper.

7) To place importance on community development. Therefore,

to engage in and be responsible to the communities is an important factor that needs to be conducted in parallel with the sustainable Company's business operation. The Company and its subsidiaries support various activities and projects concerning communities and educational program for rural schools, and also help the victims of natural and public disasters.

8) To place importance on innovation related to sustainable social and environmental development; including policies on marketing, investment, products and services with social responsibility as well as appropriately providing special services required by customers.

Direction of creating sustainable growth

The sustainable and stable growth for over 37 years of the Company is the result of the success of family management which has a leader as a good role model, by prioritizing the cultivation of family culture, and transmitting moral and ethical concept. The life philosophy of the Company's Board is concerned with harmony and unity among each member in the family. The good role model of family leader helps to transmit the concept and ideal of harmoniousness, diligence, patience, and gratitude which focus on paying to the benefactors and land, based on the life philosophy that "Don't forget the well digger when you get water to drink from the well". The family management is consisted of these 7 factors:

1. To cultivate the concept of family love; to create understanding, harmony, readiness, and unity.

2. To teach about family regulation; to have the strong and explicit internal family management that prioritizes seniority.

3. To provide the educational support so that all family members can have the highest education; and be always eager to study for increasing knowledge and for knowing the reality.

4. To have the exemplary leadership; to be the family leader must continually behave well in order to create credibility and faith from family member.

5. To treat each family member with fairness; the success that occurred belongs every member; the benefit and income are systematically and fairly allocated, therefore, each family member can live together peacefully without any conflict.

6. To rely on humility and not luxury; to treat yourself and others with appropriate demeanor and to know the value of money.

7. To hold on honesty and transparency; every member has honesty and trust. The accountancy should be transparent without any avarice or corruption.

These directions cause an effect on business management to place importance on creating organizational culture which contains the morality in management. In addition, the growth throughout the past has come from the business model which integrates business operation philosophy together with modern management, which is consisted of 7 factors;

1. Niche marketing; the Company manufactures products for niche market and Blue Ocean market, but does not participate in the highly competitive market (Red Ocean).

2. Innovation; it is an important factor of production in niche market, the outstanding point of the Company is know - how and skills, which result in various number of Patents held by EPG and Subsidiaries

3. Network; the Company focuses on expanding network around the world, for example, human network, financial network, customer network, supplier network, along with good online logistics system.

4. Mass marketing; the Company creates network from Niche Marketing of every city in every country all over the world. This network can become mass market which will lead to mass production.

5. Organization management; the Company sets the universal organization structure, and the centralized management. The executive of each subsidiary is professional, focuses on supporting good and skillful personnel, treats all personnel equally, and behaves with the principles of managing human resources, brain, and skills in order to create the advance of the organization.

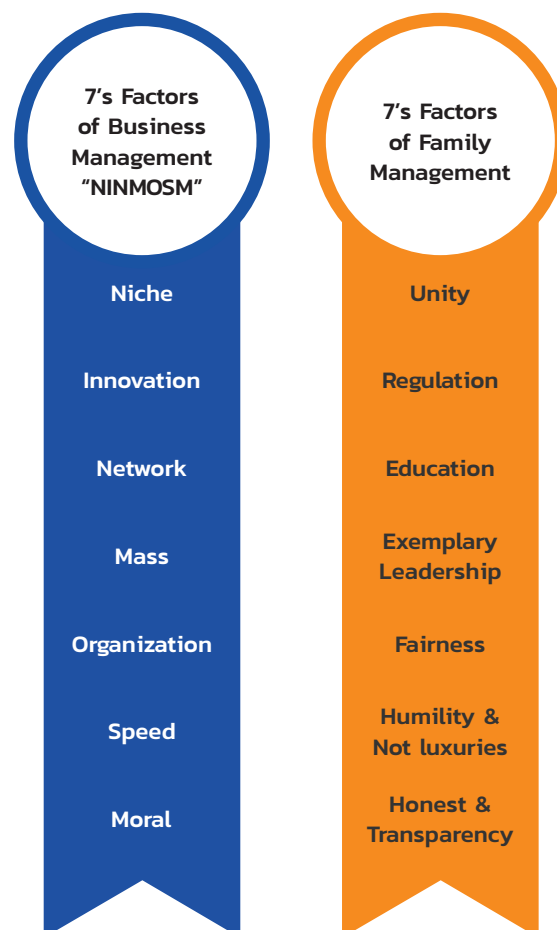
6. Speed of business; the Company applies modern technology in the production, and can create higher advantage to become cost leadership and to increase the competitiveness with know - how plus with speed and technology

7. Moral business operation; the Company applies life philosophy in operating business, which is honesty, sufficiency, and treats all stakeholders well, and also relies on manufacturing high-quality products which is beneficial for environment. This can create happiness to personnel, others, and society, which becomes the cycle of happiness.

According to 7's Factors of Family Management and 7's Factors of Business Management, they are applied to create the EPG success model and this academic article is published in European Journal of Scientific Research.



EPG Success Model



When applying this model in the research process, the results show that the business management of EPG with the NINMOSM model has the relationship with the success of the Company, by that the components which has the highest relationship with success is innovation, organization management, and company image which creates impression, confidence, and faith to personnel, customers, suppliers, communities, societies, and environments. The Company also relies on applying morality in operating business based on the principle "To Create Organization with Morality, To Manage with Quality." Therefore, the Company has readiness and strong intention to create continual growth with stability and sustainability.

Direction of the social responsibility for sustainable development

With the Company's vision that is to become "Creative Innovation Organization", EPG is the real creative innovation organization; it is the organization of thinker, researcher, and innovator who has courage to invest in research and development to create the best product for human, society, and environment. Eastern Polymer Group PLC and its subsidiaries have operated business along with the social responsibility for sustainable development, covering the responsibility of corporate governance, society, and environment.

Process and report

In order to establish the policy of corporate governance and corporate social responsibility (CSR) in the company, the company, thus, appoints the CSR department which is responsible to organize CSR activities, to present CSR plan in the meeting of the Company's Board every year, and to make report to conclude the results of CSR activities operation in the last year and publicizes to the Company's Board of each subsidiary.

In-Process CSR

EPG has the continual intention to invent new innovation for developing product quality, creating good life quality for consumers, and being environmentally friendly. The Company determines the policy for sustainable business operation by not only focusing on the profit or financial advantage for the reason that the sustainable growth must be together with good society and environment. Therefore, EPG invents the products that develop life quality, production process, and management process that are concerned about the impact on society and environment with these principles; The operation of In-process CSR of the Group helps reduce manufacturing costs, to increase work safety, and to reduce energy consumption, which leads to the sustainability in the manufacturing process.



Business operations that affect the social responsibility of Aeroflex Company Limited

Products that are concerned about safety of consumer, community, and environment.

Aeroflex places importance on the impact on environment, health of community and personnel in every level by analyzing that every type of chemicals must be safe for human and ecosystem in surrounding area. The main manufacturing base of Aeroflex is guaranteed by the international standard, for example, ISO 9001 / ISO14001 / ISO50001 / OHSAS 18001/ and TIS 18001. Thermal insulation of Aeroflex is guaranteed in the international standard, such as ASTM/ JIS/ EC/ EMPA/ BS/ GB/ Lloyd's Register and RoHS.

Product qualifications

The thermal insulation of Aeroflex is used in the airconditioning industry for maintaining coolness and preventing condensation, and especially efficiently saving electric energy because insulation product contains low and stable k-value. The material of Aeroflex's insulation is non-toxicity, for example, non-CFC which causes damage on ozone layer which leads to greenhouse effect.

In case of Aeroflex's insulation is on fire, there will be less smoke, the fire will not be spread, and Hydrogen Cyanide (HCN) is not released. These are the important qualifications that encourage many important projects and places select Aeroflex's insulation. Nowadays, Aeroflex products are famous in more than 100 countries

The principle of 3R includes:

Reduce: Aeroflex's products take part in reducing energy consumption and Carbon Dioxide emission by reducing the cold loss, preventing the condensation, and economizing the electricity effectively because the thermal conductivity (K-Value) was constant and low throughout the lifetime.

Reuse: Aeroflex has reused the packaging used to deliver the rubber insulation products in the next shipment.

Recycle: Excess production occurred during the production process is recycled into the new production process in proportion that does not affect the quality of product. Moreover, the surplus from production will be recycled to produce new products.

Resources management

Energy management in the factory

Aeroflex Company Limited has appointed the Energy Management Working Group for controlling and governing the energy consumption in the organization level. In each month, the Working Group receives the energy management report in order to assess the trend of energy consumption and varify errors in order to find immediate solution.

In 2018, the energy management project in the factory of Aeroflex Company Limited helped economize the energy at 704,187 kWh/year, which was 2,4866,365 baht/year. Considering the energy consumption per production capacity (kWh./Ton) which is the energy performance indicator (EnPI), in 2018, it reduced from the year 2017 at 0.86% while the production capacity is still increased.

The examples of energy conservation project are as follows:

- **Project to reduce heat loss in the production process of insulation rubber.**

In order to reduce energy loss, Aeroflex has improved its production process; thereby it could economize the electricity at 193,965 kWh/year, which was 674,999 baht/year from the electricity figure before the improvement.

- **Training project and activities to support the energy conservation**

In order to support employees to have knowledge and understanding in energy conservation, Aeroflex Company Limited encouraged employees to participate in the energy conservation activities. The details are as follows:

1. 514 employees participated in Energy Talk Project.
2. 54 employees participated in Project to encourage employees to learn the energy value of each type of machine by themselves.
3. 376 employees participated in Training to create motivation and awareness of energy saving in the organization.

- **Project to improve insulation rubber production machine**

In order to increase the production efficiency and reduce the energy consumption in the production process, Aeroflex has improved the machine to be able double the production output using the same amount of energy. This helped economize the electricity at 491,914 kWh/year, which was 1,736,868 baht/year.

4. 236 employees participated in Energy Management System ISO50001: 2011 Training Course.

5. 170 employees participated in Internal Audit for Energy Management System ISO50001: 2011 Training Course.

6. 197 employees participated in Energy Management System ISO50001: 2011 Review Course.

7. 14 employees participated in ASEAN Sustainable Energy Week.

8. 3 employees participated in Key Change of Transition ISO 50001: 2018 Training Course.

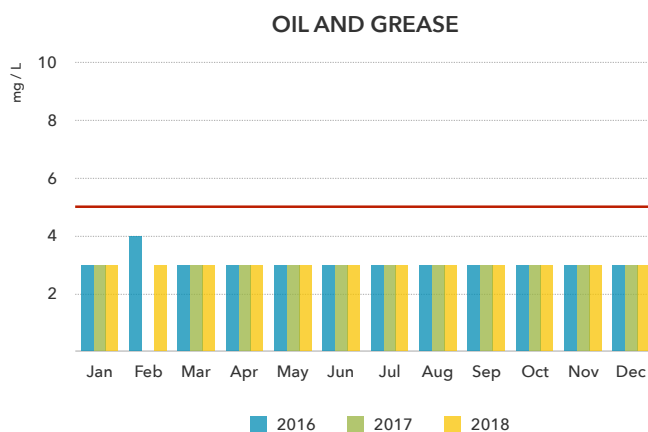
9. 6 employees participated in Energy Management Auditors within the Organization Training Course.

Environment management

Aeroflex Company Limited has followed the International Environmental Standards ISO14001: 2015 by focusing on pollution prevention, conducting the environmental management in accordance with the global environmental situation, and taking into account the needs of stakeholders in all sectors. The details are as follows:

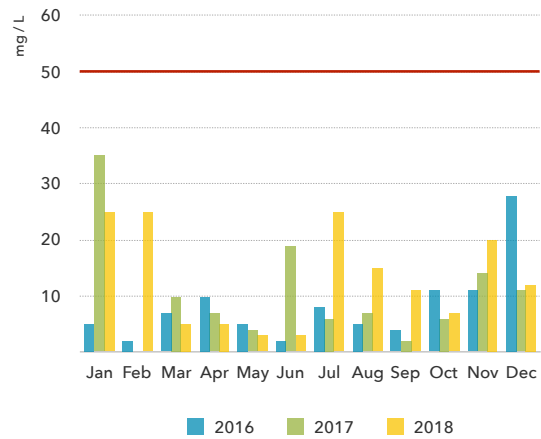
Graph showing results of wastewater quality inspection before being released into public water sources in accordance with legal requirements

The red line demonstrates the standard values as required by law. The results of Aeroflex's wastewater quality inspection were in the criteria that were better than the standards required by law.



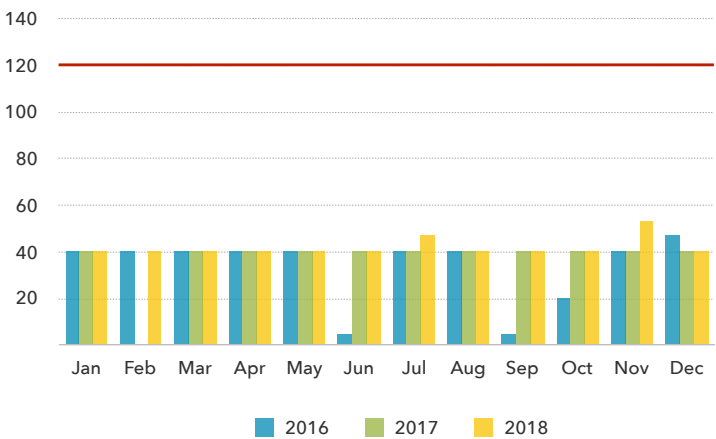
Remark: There is no water quality check during February 2017 due to upgrade and maintenance

SOLID



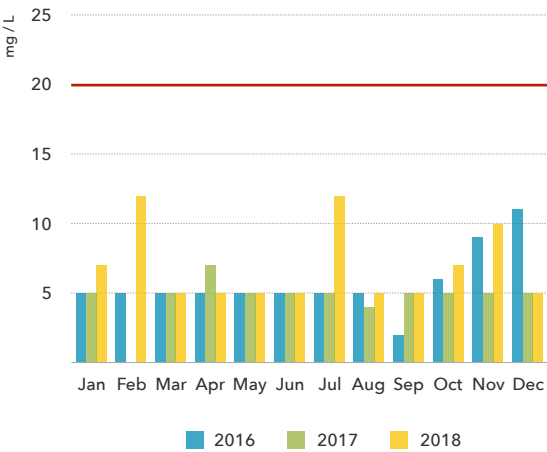
Remark: There is no water quality check during February 2017 due to upgrade and maintenance

CHEMICAL OXYGEN DEMAND



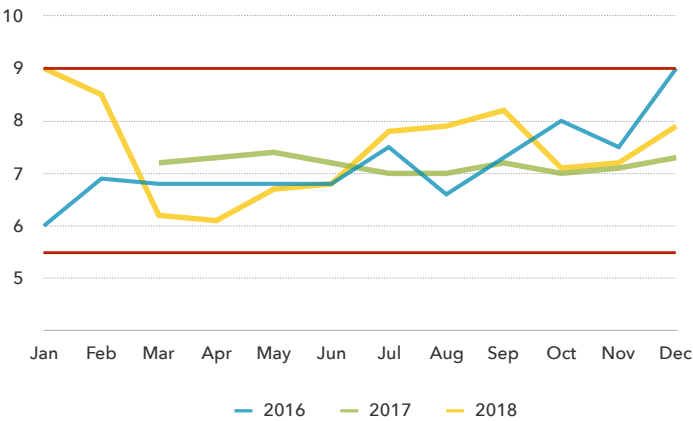
Remark: There is no water quality check during February 2017 due to upgrade and maintenance

BIOLOGICAL OXYGEN DEMAND



Remark: There is no water quality check during February 2017 due to upgrade and maintenance

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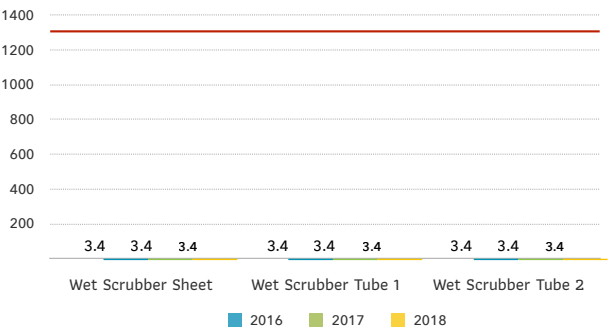


Remark: There is no water quality check during February 2017 due to upgrade and maintenance

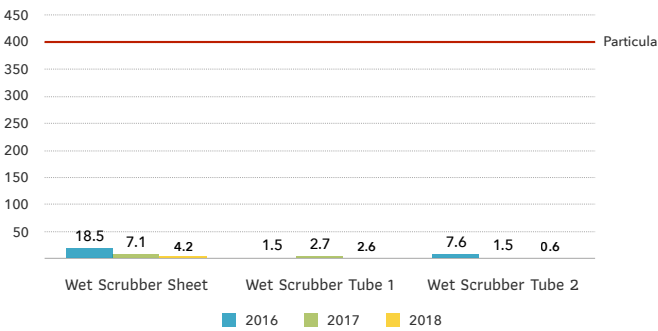
Graph showing results of air quality measurements from the vent chimney in accordance with legal requirements

The red line demonstrates the standard values as required by law. The results of Aeroflex’s air quality measurements from the vent chimney were in the criteria that were better than the standards required by law.

SO2



PARTICULATE



Carbon footprint management

Carbon Footprint for Organization: CFO

For the second year that Aeroflex Company Limited continually received the certificate of appreciation in the corporate greenhouse gas emissions of the year 2018 from Ministry of Natural Resources and Environment. Carbon Footprint for Organization (CFO) is a method to demonstrate the information of emission and absorption of greenhouse gases arising from the activities, both production and service of the organization. CFO can also distinguish the cause of significant emission of greenhouse gasses; this leads to define the management guidelines to reduce emissions effectively. In addition, CFO can be used as a tool to measure emissions and to help promote the performance of Thai entrepreneur and business to have competitive capability in the world platform which include as preparation the public sector has to conduct the greenhouse gas reporting to be used as the guidelines of greenhouse gas emissions in Thailand.

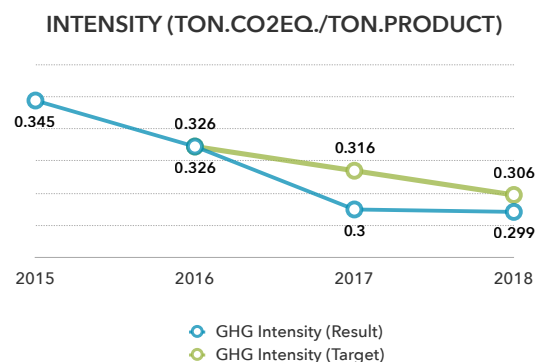
Carbon Footprint for Product (CFP)

In January 2019, Aeroflex Company Limited received the certificate of appreciation of the Carbon Footprint for Product (CFP): thermal / cold insulation products of Aeroflex, both sheet and pipe type, from Greenhouse Gas Management Organization (Public Organization).



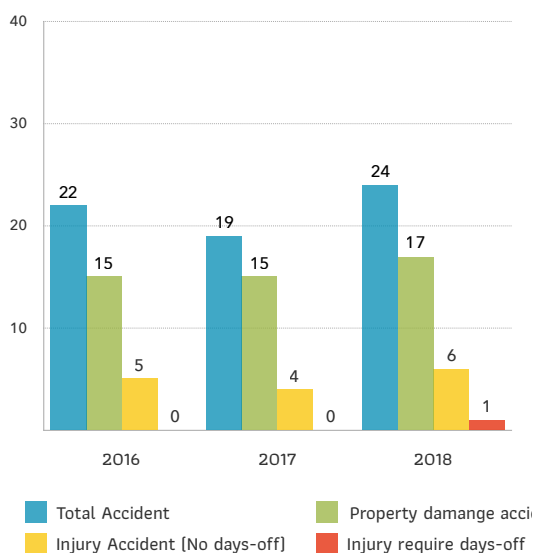
Graph showing the goal and amount of carbon footprint emission of the organization

The amount of carbon footprint emission of the organization of the year 2018 reduced from the year 2017 at 0.33%, which met the goal.



Statistics of accident at work

The statistics of accident at work will be analyzed to find the cause of that accident in order to find the method to improve and prevent the risky factors of accident to prevent recurrence.



Project of safety management in the factory area Aeroflex Company Limited organized the activities about safety and occupational health in order to create the acknowledgement and awareness of operational discipline for employees. The objectives are to develop the culture of work safety and safety in daily life. The examples of activities are as follows:

Campaign to wear personal protective equipment (PPE): this activity aims at encouraging all employees to realize the importance of wearing each type of PPE equipment while working.

Public relations and safety media activity: cultivating safety consciousness is something that must be operated continuously through public relations by using various printing media, such as brochures and journals.

Campaign to reduce accidents from work within the factory: this aims at creating the awareness in work safety towards oneself and colleagues.

Near Miss Report: it aims that employees can participate in pointing at the unsafe point and the solution, and that they are aware of danger that might happen to themselves in the unsafe work conditions and actions.

Businesses operation affecting the social responsibility of Aeroklas Co., Ltd.

Products that are concerned about worthiness to customer, consumer, society, and environment

Aeroklas has continually developed production process and technology in order to reduce the effect on environment during production. The company is guaranteed in the international standard; ISO9001/ ISO 14001/ ISO/ TS 16949/ OHSAS 18001/ Green label and Q1 from Ford. The automotive and accessories product of Aeroklas is designed under the concept of 3R to be environmental friendly as follow

Reduce: Aeroklas product such as Bed Liner / Canopy / Deck Cover and Sidesteps are made of light plastic with the specific production process, which is specially strengthen and can be used completely instead of metal material. Thus the pickup trucks are lighter. This

also helps saving energy and reducing Carbon dioxide (CO₂) emission. In addition, the automotive entrepreneur in some European countries can use this advantage for tax break by deducting carbon credit.

Reuse: The reuse of excess plastics during the production process will be applied into the new production process in proportion that does not affect the quality of the product. This is the useful recycle; and the packaging used in transporting the Company's products can be reused.

Recycle: Aeroklas' products are recyclable according to the requirements of the world's leading automobile companies and the packaging used in

transporting the Company's products can be reused.

Aeroklas' products are certified by the world's leading manufacturers of automotive. Aeroklas has the concept to help the world save energy and to enhance the environment. Every Aeroklas' products are produced from light weight plastic with unique production methods that make it extremely durable and can be used as a substitute for metal materials. This makes pickups lightweight, reduces energy consumption, and carbon dioxide (CO₂) emissions. In addition, in some European countries, automotive operators can take advantage of this to reduce their tax by deducting carbon credits.

Products' qualifications

- Bed liner is made of HDPE plastic, installing on the pickup trucks for increasing endurance and capacity in cargo.
- Deck cover and Canopy are made of ABS Alloy which is lighter than other type of canopy. This helps saving energy and maintaining the internal temperature. In case of accident, ABS Alloy will not break into nib, and also can be recycling.
- Side step is used and the footrest stair to get in a car, which is the cooperative design with the world's leading automotive company. The side step is made of Polymer

Alloy to use instead of metal, for that the pickup truck is lighter and can save energy.

Design and production of geo membrane. Geo membrane, 7 meters wide, is used for flooring the pond for keeping water, and flooring the landfill for preventing the chemicals or poison to soak into soil and groundwater. This can reduce soil and water pollution

Resources management

Energy management in the factory

Aeroklas Company Limited has appointed the working group and those responsible for energy to manage the energy consumption within the organization to reach the highest efficiency. In 2018, the projects about energy management of Aeroklas Company Limited helped economize the energy at 355,585 kWh/year, which was 1,212,546 baht. Considering the energy consumption per production capacity (kWh./Ton), it reduced from the year 2017 at 1.22%.

The examples of energy conservation project are as follows:



• Project to change the chiller system to cooling tower system

In order to reduce the energy consumption in the cooling system, Aeroklas changed the system from 4 chillers to 1 cooling tower. In 2018, 3 months into the project, the total energy saving is at 291,769 baht.



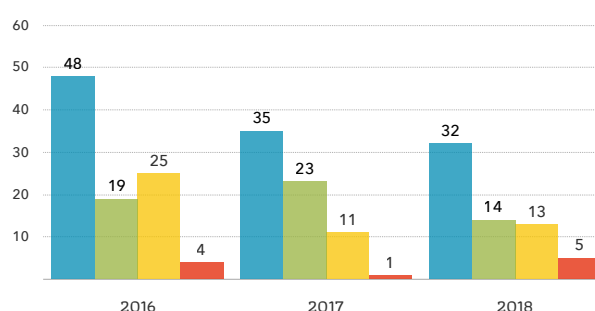
• Project to reduce wind leakage in the production line

Aeroklas fixed the air leakage in the machine to reduce the use of electricity in the air compressor. In 2018, 6 months into the project, the total energy saving is at 41,421 baht.

Statistics of accident at work

The statistics of accident at work will be analyzed to find the cause of that accident in order to find the method to improve and prevent the risky factors of accident to prevent recurrence.

■ Total Accident
■ Injury Accident (No days-off)
■ Property damage accident
■ Injury require days-off



Business operations that affect the social responsibility of Eastern Polypack Company Limited

Eastern Polypack's packaging products is environmentally friendly by concerning the 3R principle;

1. Reduce:

- To reduce time for decomposing plastic; the ingredients in some types of plastic packaging products and to reduce the energy use during the production process

- To reduce the use of energy consumption during the manufacturing process such as High-performance air compressor replacement project and Project of training and activities for promotion of energy conservation which overall reduce the total consumption of energy of EPP and also help reduce the amount of carbondioxide release to the environment

- EPP phase II also equipped with high speed automation technology that mitigate the labor intensive process and increase the production capacities while reduce the use of energy by half.

2. Reuse:

- PP product should not be re-using as a food packaging; however other use such as storing office utensils and seeding the new plants is appropriated.

3. Recycle:

- The under-standard products can be mashed and used in reproduction, thus there will not be the loss in production. In Addition, Eastern Polypack's products can be reentered in transformation process by using in manufacturing other types of products. In addition, the unused plastic packaging product can be reentered in De-polymerization process to become crude oil or fuel for producing energy. Thus, the resources are used worthily and environmentally friendly.

Eastern Polypack is concerned about the environment quality inside the plant and surrounding area, thus determines the environment control with the world standard production

process guaranteed in the international standard from GMP/HACCP/ ISO9001/ ISO14001/ ISO 50001 and TIS/OHSAS 18001, including many awards from public organizations, such as Green Industry Award in the forth level, Green Culture from the Ministry of Industry, Carbon Footprint in the organization level from Thailand Greenhouse Gas Management Organization (Public Organization) and National Science and Technology Development Agency (NSTDA).

Eastern Polypack is studying the potential to use new technology in manufacturing plastic packaging products from plants material for replacing plastic packaging products from petroleum products. Even though this technology has limit in the aspect of less various application, its advantage is about decomposition which does not cause pollution to environment, and it increases value-added of agriculture product.

Products' qualifications

Eastern Polypack's plastic packaging products are environmentally friendly, by that the decomposition of some types of packaging products will not cause the emission of the substance that effects the environment. The usability of Eastern Polypack's plastic packaging products focuses on the highest benefit of consumer with Food Grade standard; the consumer can trust that the packaging products are safe for packing up food. Some packaging products are used for frozen food, which can conserve food in -40 – 120 °c without any damage or transform when heated. In addition, the plastic cup is durable, not easily broken, effectively stored, and saved

Resources management

Energy management in the factory

In 2018, the projects about energy management of Eastern Polypack Company Limited could economize the energy at 966,541 kWh/year, which was 3,034,938 baht/year.

The examples of energy conservation project are as follows:

- **Project to install the Solar Rooftop 994 KW**

In order to reduce the energy consumption and the Carbon Dioxide emission, Eastern Polypack uses the solar energy by installing the solar rooftop with a capacity of 994 kw; this helps economize energy.

- **Training project and activities of energy conservation**

This project aims at supporting knowledge and understanding in being part of social responsibility and cultivating the energy conservation awareness and the understanding in energy management. This project received the participation from 800 employees and contractors involved in the production process. The details of activities are as follows:

Internal training

- Training to create awareness and consciousness in energy conservation: employees in all divisions of production department/ new employee orientation
- Training to create awareness and energy management: contractors



- Training about energy conservation in workplace: operational employees in the office
- Revision of requirements of ISO 50001 system and relevant laws/ revision of internal audit of ISO 50001 system: Energy Management Committee, Internal Audit Committee, supervisor and staff at operational level



External training

• Eastern Polypack sent representatives to attend the training and seminars with the Department of Alternative Energy Development and Efficiency, in the topic as follows:

- Detection in solar power system
- Solar energy (Control factory / control building)
- Auditors of the energy management within the organization
- Assessment of energy conservation potential (practical)

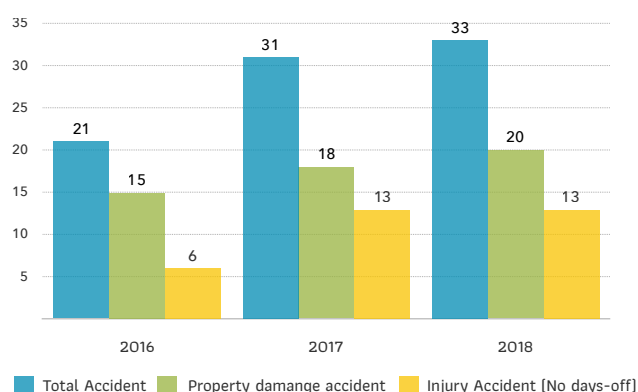
• Eastern Polypack sent 7 representative of the Energy Management Committee to study visit the Sunny Bangchak.

Energy conservation promotion activities

- Energy conservation slogan contest
- Contest to reduce the wind leakage in the machine
- Activities to submit suggestions and opinions on energy conservation
- Energy Conservation Day

Statistics of accident at work

The statistics of accident at work of Eastern Polypack increased. However, Eastern Polypack Company Limited has supported employees to have knowledge and understanding about work safety and has created the awareness about safety measure. Eastern Polypack also collected the data for analysis and long-term planning in order to continually reduce the accident at work.



Business operations that affect the social responsibility of Eastern Polymer Group Public Company Limited

Support the potential growth of the organization and the image of the organization in the long term

The Company continually prioritizes the potential development of human resources working for our affiliates: Aeroflex Company Limited, Aeroklas Company Limited, Eastern Polypack Company Limited and EPG Innovation Center Company Limited. EPG has supported the research conduct in the topic of ‘HUMAN CAPITAL DEVELOPMENT TOWARDS INNOVATIVE ORGANIZATION OF EASTERN POLYMER GROUP PUBLIC COMPANY LIMITED’ in order to study the relationship of human resources development towards the innovation organization. The research findings show the factors influencing innovative human resources development were personal mastery, team learning, and individualized consideration. EPG has applied the research results in developing the human resources in the organization.

EPG has developed the innovative human resources with “imagination, vision and flexibility” in creating innovation to the organization in various aspects.



CREATIVE

Imagination: being creative
Vision: developing the vision to see solution without bias
Flexibility: based on flexibility

INNOVATION



• Annual academic seminar

Eastern Polymer Group Public Company Limited (EPG) organizes 2 annual academic seminars in order that employees in management level realize the goal and working plan of the Company, including creating good relationship among them through recreational activities.

Activities for social and environmental benefits (After-process CSR)

Activities for social and environmental benefits of Aeroflex Company Limited



• Awards for employees who work consistently and continually

This project aims at encouraging employees to work, and building a good relationship between the organization and employees as the Company's stakeholders.



• Scholarship project for students in Nikom Community School of the year 2018

In the fiscal year 2018/2019, Aeroflex provided the scholarship in order to increase the educational support and opportunity to students in 11 Nikom Community Schools situated in the community nearby the Aeroflex's factory. The project has been continually organized for more than 10 years.

• Project of healthy life without excess belly for the 2nd consecutive year

In order to support the Company's employees to recognize the importance of their health, Aeroflex organized the activity "Healthy life without excess belly", which was participated by a large amount of employees.

• Project for children in distant area for the 7th consecutive year

This is a voluntary project of employees of Aeroflex to help children in distant area, by giving the scholarship and studying equipment. This project has been continually organized for 7 years. In the fiscal year 2018/2019, this project targeted at Border Patrol Police School in Na-Yong district, Udonthani province.





• Smart by Aeroflex Activities with Stakeholders

This activity aimed at supporting the knowledge and understanding in selecting Aeroflex rubber insulation, and creating good relationship among Aeroflex's stakeholders: dealer, designer, supervisor, contractor, architect and consultant. In the fiscal year 2018/2019, there were Aeroflex rubber insulation education activity, company visit and voluntary activity to give the scholarship, computer, muscle and balance training equipment, and other necessary things to Special Education Center in Rayong province in order to promote the development and learning of youth.



• Project to conserve and restore the community forest, Khao Jom Hae, Makham Khoo sub district ,Rayong province for the 9th consecutive year

The area of Khao Jom Hae is located in the administrative district of Makham Khoo Municipality, covering the space of about 4,600 rai. The area is plentiful with forest, and limestone mountain. In the past, it was a fertile and important area of ecology and environment of Rayong province. At present, the expansion of Rayong's community and industry has led to forest encroachment along the foothills.

In 2010, Aeroflex has initially supported the project to conserve and restore the community forest at Khao Jom Hae, such as planting and caring for the trees and overflow dam project and forest fire volunteer training project. This project is collaboration between the government and the community. Nowadays, there are 170 rai of forest which receives constant care.

Activities for social and environmental benefits of Aeroklas Company Limited



• Project of Aeroklas Soccer 2018

In order to support employees' good health and create unity among them, Aeroklas organized the soccer match of the year 2018 in which more than 200 employees participated.



• Project of Happy Family unior 2018

This activity was organized for children of Aeroklas' employees every year on Children's Day in order to support and cultivate unity and harmony in family.



• **Project of roaming learning source for the 2nd consecutive year** In order to support the knowledge for the youth in the communities around the Aeroklas' factory, Aeroklas organized project of roaming learning source for the 2nd consecutive year for 50 students in Mattayom 2 and 4 teachers of Nikom Community School 4 and Nikom Community School 7 in Rayong province. They went to Mini Siam at Pattaya and Ripley World of Entertainment Pattaya, including cleaning the Pattaya beach, Chonburi province.



• **Charity project of walking, running and biking** In order to support the public health work and provide assistance to bedridden patients in the Rayong province area, Aeroklas, cooperated with Pananikhom Subdistrict Administrative Organization, organized the charity project of walking, running and biking by giving the financial support and allowing the employees to participate in this project.

Activities for social and environmental benefits of Eastern Polypack Company Limited



• **Project of hydroponics vegetable planting course at Center for Occupational Rehabilitation Region 2**

In order to support the rehabilitated people about their occupation after the recovery, and to cultivate the public mind to employees to be part of social assistance and sharing, Eastern Polypack organized this project for the rehabilitated people at Center for Occupational Rehabilitation Region 2, Rayong province.



• **Project of scholarship for students in vocational college in the east of Thailand**

In order to promote and increase educational opportunity to students in vocational college, Eastern Polypack realized that the future of students is an important power of industrial sector; therefore the Company gave 30 scholarships to students from 6 institutions: Bankhai Technical College, Rayong Technical College, Maptaphut Technical College, Rayong Polytechnic College, Thai-Austrian Technical College at Sattahip district, and Trat Technical College. This project has been organized since 2013.



• **Project of Eco Brick production from used plastic bag**

In order to create the awareness of plastic waste management, Eastern Polypack donated 220 kg of used plastic bags from the project to exchange plastic bags containing EPP drinking water for recycling to the Stock Exchange of Thailand in order to be packed in plastic bottles, so that it becomes "ECO Brick". Then these ECO Bricks were sent to Bamboo School at Bong Ti Lang community, Kanchanaburi province to be used to construct the wall of library and classroom.



• Project of waste separation activities in “Thailand Coffee Fest 2019”

In order to inform and cultivate participants of “Thailand Coffee Fest 2019” about the appropriate waste separation leading to recycle process, Eastern Polypack has exhibited various types of plastic packaging for food and beverage, also the method to reuse the plastic bottle to be the planting pot for decorating the exhibition booth. Eastern Polypack also donated 70 boxes of plastic straw to the voluntary group ‘I See You’ to produce the straw pillow under the project ‘Straw pillow for patient’.

Activities for social benefits of Eastern Polymer Group Public Company Limited



• Scholarship for employees’ children

EPG provides scholarship for employees’ children in order to encourage employees and to lighten the cost in family because employees are the Company’s stakeholders; this also promoted organization’s image. In 2018, the Company provided 1,308 scholarships, which were approximately 5 million baht.

In addition to the scholarship mentioned above, EPG also gave 22 scholarships (unconditional scholarships) and the training opportunity to employees’ children with good grades, who studied in higher educational level in the branches of science, engineering, and education (in field of mathematics and science). The Company has also recognized the importance of creating personnel to support the country’s growth.



• Dharma activities in the Company

EPG would like employees to work with happiness and good mental health. In order to cultivate morality and ethics to employees, Dharma activities and meditation course were organized in the Company for more than 10 years. The activities in 2018 were as follows:

1. The activity of giving alms to a Buddhist monk and to listen to sermons every month.
2. The activity of attending the outing meditation project for 3-5 days (6 times) for employees, their family and other people.



• **Reforestation project on the occasion of Her Majesty the Queen Sirikit's 86th birthday, on 12th August, 2018**

On the occasion of 86th birthday of Her Majesty the Queen Sirikit of King Rama IX, the Company, cooperated with Office of Natural Resources and Environment in Rayong province, organized the reforestation project for planting 2,000 sprouts in the area of 10 rai in order to conserve and restore the forest together with nearby communities at Khao Jom Hae, Rayong province.



• **The collaboration with Ramkhamhaeng University to give a lecture about the concept of innovation for the field of innovation management, Master degree, Ramkhamhaeng University**

The Company's Executive recognized the importance in publicizing the concept of innovation to students who will become the entrepreneur and enter the working system in the future.

Dr. Pawat Vitoorapakorn, Chief Executive Officer, has continually transmitted knowledge of innovation for more than 10 years, as the special lecturer of Ramkhamhaeng University. This project is still continuing in 2018/2019.



• **Project of training about professional management**

The Company's Executive was aware of an importance of sharing experience in working, conducting research, and managing professionally to both public and private organizations by dividing training topics into 4 categories:

1. The Contemporary Leadership
2. Dimension of Change Management
3. Experience and point of view of professional executive: experience in establishing family business
4. Talent Development

Assoc.Prof. Dr. Chalio Vitoorapakorn, Deputy Chief Executive Officer, has continually transmitted knowledge and experience for more than 14 years. In the fiscal year 2018/2019, Assoc.Prof. Dr. Chalio Vitoorapakorn has lectured for 3 organizations: Doctor of Philosophy Program, Business Administration Program, at Kasetsart University; "Advanced Police Management Course", at Police College; and "Development of employees at the level of 5, major professional groups, supportive professional groups of the fiscal year 2019" at Kasetsart University.

Prevention of Corruption Involvement

EPG is committed to adhere to ethics and good governance, including responsibility to society and stakeholders. EPG also prioritizes anti-bribery and anti-corruption in all types, by raising awareness and consciousness to personnel at all levels, and indicating the direction in compliance with Anti-bribery and Anti-corruption Policies and business ethics.

The participation in Collective Action Coalition of the Private Sector against Corruption (CAC) is to demonstrate the explicit commitment towards

anti-bribery and anti-corruption. The Eastern Polypack Co., Ltd., EPG's subsidiary, is the first company of EPG to be certified as a member of the Private Sector against Corruption on 22nd July 2016. Aeroflex Co., Ltd. and Aeroklas Co., Ltd., EPG's subsidiaries, are also now certified as a member of the Private Sector against Corruption on the 10th November 2018 and 12th February 2018 respectively.

The company and subsidiaries provide the knowledge of policy and guidance of the Collective Action Coalition of the Private Sector against

Corruption through various sources such as Company-wide Seminar / New Employee Orientation / Morning Talk / Knowledge sharing with the public sector / intra-Company communication / Desktop Screen saver / Company's intranet and website and brochures.

Company-wide seminar to provide the knowledge of policy and guidance of the Collective Action Coalition of the Private Sector against Corruption



Annual employees training

Company	Seminar Frequency
EPG*	Annual seminar on June 2018 and during monthly new employee orientation
Aeroflex	Annual seminar on May- June 2018 and during monthly new employee orientation
Aeroklas	Monthly during new employee orientation

* Employees of EPG participate in Company-wide seminar at the same time with Employees of Aeroflex





Anti-corruption Policy

Eastern Polymer Group PLC and its subsidiaries have ideal and intention to be the organization of morality, and hold on the responsibility to society, stakeholders according to the good governance, including placing importance on anti-corruption, and support to all personnel in every level to have conscious mind of anti-corruption. In the last year, the Company's Board set the Anti-Corruption Policy and Anti-Corruption Guidance to be compatible to Private Sector Collective Action Coalition against Corruption, in order that personnel in every level hold as norm for behaving approved from the Company's Board meeting.

The Company supports attending "Private Sector Collective Action Coalition against Corruption", by appointing subsidiary: Eastern Polypack Co., Ltd. as the representative to attend this pilot project. Eastern Polypack Co., Ltd. declared the intention against corruption on 16th October 2015; nowadays is during the consideration of the committee of Private Sector

Anti - Corruption Policy

1) Directors, executive and employees are prohibited to operate or accept or support all types of corruption both directly and indirectly; covering all subsidiaries, sub-contractors, and other relevant people. The Company determines to always operate the review of behaving in line with anti-corruption policy, including reviewing guidelines to be in compliance to the policy, regulations, requirements, rules, announcement, law, and business change.

2) Anti-corruption measure is a part of business operation and the responsibility of Board of Directors, executive, employee in every level, and sub-contractor to take part in

sharing opinion to drive on the operation of anti-corruption to achieve its appointed policy.

3) The Company will not operate or support all types 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.

4) The Company will set the appropriate and regular internal control in order to prevent personnel to behave inappropriately, especially sales, marketing, and procurement department.

5) The Company will provide knowledge on anti-corruption to the Board of Directors, executive, and employees in order to cultivate honesty and responsibility to their duty for demonstrating the determination of company.

6) The Company will set the mechanism that reports the financial status which is transparent and correct.

7) The Company will promote various channels of communication in order that personnel and relevant people can be whistle-blower who will be protected not to be unfairly punished and transferred; including appointing personnel to monitor and follow-up all matters being reported.



Process of assessing risk from corruption

Subsidiaries of Eastern Polymer Group, Eastern Polypack Co., Ltd sets internal control system for preventing and suppress corruption by assessing the risk level by indicating the incident which risk to be corrupted, which may cause an impact on business. Then, the Company will determine appropriate anti-corruption measure, follow-up process, and report to the Risk Management Committee.

Anti-corruption guidance

1) The Company's Board, executive, and personnel must comply with anti-corruption policy by refraining from corruption both directly and indirectly.

2) Personnel should 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 process.

3) The Company will provide appropriate protection and fairness to personnel who inform corruption matter, including who refuse the corruption.

4) The Company will 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 subjected to the legal penalty if such action is considered as a legal offense.

6) The Company's Board, executive, and personnel must undertake following actions with caution;

6.1) Gifts, banquets, expenses, giving or accepting of gifts should be in accordance with regulation of the Company.

6.2) The donated money for charities or supporting fund for donation or support must be proceeded with transparency and in compliance with law.

Follow-up direction of anti-corruption operation

The Company and its subsidiaries defines the follow-up direction of anti-corruption operation by appointing the

internal audit department whose duty is to examine the internal control system, risk management, and corporate governance, including giving appropriate suggestion. The internal audit department's investigation will be compatible to annual investigation plan approved by the investigation committee; then report the important and significant results with suggestion to the investigation committee.

Whistle-Blowing or Corruption Complaints Channel

The Board of directors assigned audit committee to review whistle-blowing notice, and complaints for potential actions that may be corruption in the Company whether directly or indirectly, via official channel set forth in this policy. The complainant shall specify details of the whistle-blowing or complaining matter including name, address, and telephone number to call back, and submit to following channels:

1) Via by Mailing to Chairman of Audit Committee / Audit Committee

Eastern Polymer Group Public Company Limited.

770 Moo 6 Theparak Sub-District, Muang District, Samutprakarn 10270 or

2) Via by E-Mail to Chairman of Audit Committee : Chaiwat@prospectconsult.co.th or

3) Via whistle-blowing box installed by human resource department.

In case that the whistle-blowing or complaint against the directors or chief executive officer, the whistle blower or complainant can directly submit your notice to internal audit committee. The eligible person, who can be whistle blower or complainant, is every group of corporate stakeholders including shareholders, customers, competitors, creditor, government agencies, communities, executives, and corporate personnel. The Company shall keep your secret by any means necessary.

Further detail regarding and other details will be prescribed in "Anti Corruption Policy", published on the company's website www.epg.co.th , www.aeroflex.co.th, www.aeroklas.com and www.eppcup.com 

Report of Risk Management Committee 2019

Risk Management Committee has operated its duty as assigned by the Board of Directors of the Company. In 2019 (April 2018 – March 2019), Risk Management Committee has scheduled 12 meetings by inviting the involved department from subsidiaries of Eastern Polymer Group PLC with can important detail as follow.

1. To acknowledge the risk management of EPG Group as follows:-
 - 1.1 To acknowledge operating risk information from each company that has been assessed for potential internal and external risk, as well as possible effect to the company's operation and the preventive measures for risk management
 - 1.2 To acknowledge financial information and financial risk management of the company and subsidiaries to prevent potential future liquidity risk and to manage the foreign exchange fluctuation risk.
2. To consider risks associated with overseas investment of subsidiaries

3. To consider improvement in charter of the risk management committee
4. To recommend; risk assessment covering every facet; the improvement of risk management in the company and its subsidiaries in line with business environment, current state of economy and present-day local and international situation because they have potential effects on business operation of the company and its subsidiaries and overseas investment of subsidiaries; to follow up and report the operating result to the committee for acknowledgment in the risk committee meeting

Risk Management Committee realizes an importance of risk management, and has a great intention to develop and review the risk management system of the Company to have more efficiency and effectiveness continually in order that the Company can sustainably operate its business. The meeting will be scheduled for assessing and following-up the risk management results closely. Last year, there was no significant risk affecting the Company's performance



(Mr. Vachara Tuntariyanond)

Chairman of the Risk Management Committee

Risk Factors

Risk factors mentioned in this document are based on information in the current situation and future prediction as possibly identified. These risk factors have certain implication which may adversely affect the company and its stock value. Besides the risk factors mentioned in this document, there may be other risks unknown to the company, and considered by the company immaterial at present, that may have an impact to the future business operation of the company. In addition, forward looking statements as appeared in this document such as “believe that”, “anticipate that”, “expect that”, “plan to”, “intend to” or “estimate that” 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 anticipation or prediction. The information that referred to or related to the government or the economy of a country is obtained from public domain or other reliable sources.

• Risks related to business operation

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 components of cost of sales of the company is raw material. As a downstream manufacturer, the corporate group may be affected if it cannot obtain sufficient supply of polymer for production which may cause the company to stop its business operation.

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 depend on world economy and political factors. Prices of plastic beads which the company uses in main business such as PP, PET, PS and HDPE are fluctuated in the same direction as the prices of crude oil. The company cannot accurately forecast or control the price factors of plastic beads. Therefore, 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 is aware of the importance of procurement and cost management of polymer. In term of quantitative aspect of polymer, the corporate group (only subsidiaries) has purchasing guidelines by maintaining good relationship with all suppliers. At present, Eastern Polymer Group purchase raw materials of plastic and polymer from both domestic and abroad (Global Sourcing). Such policy helps managing risk to certain degree. In purchasing of raw material, the corporate group would inquire about selling price and trading terms with every trading partner in each class to ensure the corporate group would receive the highest benefit and the best trading term. In addition, in order to assure that the corporate group can manage raw material cost effectively for each purchasing order, the corporate group will compile on the demand for polymer to increase purchasing volume, which can help increase the bargaining power of the corporate group.

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 aforementioned risk are not available in Thailand. Therefore, the corporate group still confronts with 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 by increasing price of the products manufactured under their own brands, including substitution of certain materials to lower the cost of production at the time or selling products made from alternative materials in place of original materials.

Risks from changing of technologies

Since the corporate group manufactures and distributes plastic and polymer products, all incomes are derived from plastic and polymer Manufacturer, which the corporate group implements a variety of technologies, for example, Mixing and compounding, Extrusion, Injection, Thermoforming, Blow Molding, and Reaction Injection Molding. If competitors of the corporate group can invent better and more advance technology which can lower the cost of production, this 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, the unique features of plastic materials rendering products made by the corporate group to outperform their competitors become the main factors the 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 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 have 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

The main business of the subsidiaries is manufacturing products for distribution which is depended on 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. Retaining said customers after damaged

factories or machines are fixed can 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 risk 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 disasters directly impact the company.

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

Thailand and 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 a 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 to prevent the problems from the root causes by developing quality control system continuously under certification of quality system; ISO9001, ISO14001, OHSAS18001/TIS18001, ISO/TS16949, Q1, GMP and HACCP. EPP has been awarded with BRC (The British Retail Consortium) standard recently, In addition, the subsidiaries also insured by the coverage from Product liability insurance as well.

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 accounted for about 20% of total incomes. 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 company's operating result or incur a loss to the company.

The company is aware of such risks. Therefore, the corporate group has employed professional legal advisor who is specialized in patent law to take care of various patents in order to prevent aforementioned events; the corporate group also conducts a research on the products for 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 imitate the products of the company and its subsidiaries since the products made by the company and its subsidiaries require advanced production technology including the installation of 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 continues to create and develop new products in order to present to customers, register patent to protect and prohibit competitors from competition, and strengthen future sustainable growth of corporate group's revenue and operating result.

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

The use of price competition of competitors in the past was at the moderate level, and it might be aggressive for some kinds of product and some regions. Sometimes, some competitors of EPG might reduce their price of product to increase their market

share. This action causes the Company to be unable to sell the product at the same price. Consequently, the Company might have to reduce the product price to increase the competitive advantage in some cases; if not, the turnover of the Company might decrease from the less sale volume, which might leads the Company to experience the loss if the competitors consider using price competition policies for a long period of time.

However, due to the Company's expertise and long experience in the production of plastic and polymer products, with a full range of services, from design to production process, including our own research and development testing unit, we have invented and developed to have a variety of products that have good features that are suitable for usage according to the needs of customers in each group and each price, for example,

The rubber insulation of Aeroflex, comparing to its competitors, has the outstanding feature, such as heat resistance, operating temperature range, infiltration of moisture and ignited condition. With these outstanding features, Aeroflex group's products are especially preferred by some customers, which are not sensitive, even if the competitors use pricing policies to compete. It is also because the product of competitors was produced of other substance. Moreover, Aeroflex group has launched the product under the brand "Celflex" as a secondary brand to compete with products of competitors in terms of price.

Plastic packaging products of Eastern Polypack Company Limited are various in terms of size, appearance and usage, for example, glass, plate, bowl, food box in various sizes, under the brand "EPP". Additionally, Eastern Polypack also launched the products under the brand "eici" as a secondary brand to compete with products of competitors in terms of price.

Risk from expansion of investment and production capacity in foreign countries

In order to satisfy the customers effectively and quickly and to expand the customer base, it is necessary that EPG expands the production base to many countries around the world, such as China, USA, India and South Africa. The establishment of production base in foreign countries or at the area where we do not have expertise, may result in the group having a loss. In addition, the investment in foreign countries may cause the disclosure of secret about production. The competitors might know it and produce similar products to compete with the Company.

However, the Company is aware of the risk of investment in foreign countries and the confidentiality; we consider various kinds of investment, such as associate company and licensing with business partner of the Company. This helps reduce risk of investment by the company itself. Having good business partners in foreign countries helps accelerate the success of business expansion in that country. In addition, before each joint venture, the Company will consider well the business partner, including investing carefully by gradually proceeding it steps by steps. In case of certain types of products that have secrets in production, the production base in foreign countries might be incomplete, such as the establishment of production base of Aeroflex Group in foreign countries.

Furthermore, the Company also considers investing the construction of production base in form of overseas subsidiaries, holding 100.0% of shares. That kind of production base will have incomplete production process; or it will produce certain kinds of products. The investment expense is lower than the production base in Thailand; thereby, this helps reduce the risk from investment.

Risk from termination of contracts or from not receiving new contracts from major partners

Regarding the group of Aeroklas Company Limited and Eastern Polypack Company Limited, their business operations are in the form of ODM / OEM products for manufacturers in the automotive and food industries, which are large customers, including producing and distributing products for general customers in the country and in foreign countries. In doing so, the Company needs to enter into a production contract with the customers, causing the Company to face the risk of when the contract expires, the customers may consider not renewing the production contract. In addition to this case, the Company might be terminated for other reasons, which will result in a significant decline in the subsidiary's operating results or may result in loss.

However, the large customers of the group of Aeroklas Company Limited and Eastern Polypack Company Limited usually do not change the producer immediately until there are other producers that can meet all requirements, especially in the aspect of standard and quality of product that must be in accordance with the requirements strictly. This includes the aspect of price and production volume that must promptly

respond to customers. It takes time to find the producer whose quality meets the requirements, to consider and inspect the product quality. This might cause that entrepreneur encounters the risk in production disruption.

Moreover, another important reason is that certain products of the Company are patented, most of which can protect the production or the copying from competitors and make it difficult for the large customers to cancel production contracts with the Company in the short term. At the same time, the Company always develops our new products and finds new customers.

Risks from dependence on industry doing business

The main revenue of EPG comes from the business of rubber thermal/cold insulation, plastic packaging and auto parts and accessories. The turnover of each business depends on the industrial condition. The slowdown or recession of that industry due to the overall economic condition or other factors may affect the turnover of the Company. However, the Company has the risk management policies by always developing our products, continually researching and inventing new products, and find new market and customers, for example,

Aeroflex Group has developed Aero-roof and acoustic board in order to increase the product variety to respond to the customer needs. Besides, our products are sold in the replacement market or used for maintenance of various office buildings. This causes the Company to have additional income from changing the old products used by consumers without having to rely solely on the main industrial conditions.

Regarding the business of auto parts and accessories, car is a necessary factor for living. This industry always receives the support from Thai government. Moreover, the auto business has high competition; thereby, the world's leading car company increases the frequency to launch new car or to refurbish the car faster. From these reasons, Aeroklas has more occasions to produce new products and earn more revenue continually. In addition, most products of Aeroklas Group are made for pick-up truck or commercial car whose most consumers use in their business; therefore, there is always a need to use this kind of car. Consequently, the turnover of Aeroklas Group has less fluctuation than the company that focuses only on the private

car. Before there is a change of car model, the car company will always appoint Aeroklas to develop new products.

Moreover, all 3 business groups of the Company have expanded the customer bases in foreign countries in order to reduce the concentration and the dependence on the consumption of domestic customers.

• Financial Risks

Risks from Currency Exchange Volatility

The important incomes and expenses of subsidiaries and joint venture companies are in foreign currencies such as revenues from sales of products to customers overseas, cost of polymer raw materials, machines, overseas staff compensation, loans and money loan to subsidiaries overseas.

However, foreign currency exchange is based 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, key advantage of collective group of organization is the overall ability to manage foreign currencies via natural hedge to mitigate the effect from currency fluctuation in accordance with the company's risk prevention policy that enables the use of certain financial instrument with finance institution such as Forward.

• Risks from management

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

The company's business operation mainly depends on the ability and professional expertise of executives in setting organizational vision, and managing complexity of the business. Particularly, the group of executives and executives in subsidiaries are from Vitoorapakorn family who has long experience in thermal insulation business, automotive parts, and packaging business. They are also well recognized in thermal insulation, automotive parts, and packaging, plastic and polymer industries. If the company loses any of the executives and

cannot find appropriate persons to replace them, it may significantly affect the company operation.

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 significantly 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 is confident that skilled and competent personnel with experiences can carry out the business passed on by top executives. In addition, the company also implements appropriate policy related to human resource in order to keep personnel with specific expertise.

Structure of Shareholders and Management

Information of Shareholders

1. Issued and fully paid-up share capital

The Company's Securities as of 12 June 2019 consists of 2,800 million baht paid-up capital, divided into 2,800 million ordinary

shares at the par value of 1 baht pershare, all of which are ordinary shares listed in the Stock Exchange of Thailand.

2. Shareholders

Major shareholders

Shareholders List of shareholders and sharing portion of 10 major shareholders as of 12 June 2019 are as follow:

No.	Name	Amount of Share	%
1	Vitoorapakorn Holding Co., Ltd.	1,679,999,800	60.00
2	Mr. Pawat Vitoorapakorn	70,400,100	2.51
3	Thai NVDR Co., Ltd.	62,075,370	2.22
4	Mr. Chumnarn Vitoorapakorn	48,800,000	1.74
5	Mr. Chalio Vitoorapakorn	44,213,600	1.58
6	Mr. Ekawat Vitoorapakorn	40,400,000	1.44
7	Mr. Teerawat Vitoorapakorn	40,000,100	1.43
8	Mr. Tanawat Vitoorapakorn	29,400,000	1.05
9	Mrs. Somrual Vitoorapakorn	20,000,000	0.71
10	Ms. Rungravee Vitoorapakorn	14,700,000	0.52

List of shareholders of Vitoorapakorn Holding Co., Ltd.

As of 31 March 2019, 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:

No.	Name	Amount of Share	%
1	Mr. Patwat Vitoorapakorn	190,000	19.00
2	Mr. Teerawat Vitoorapakorn	114,000	11.40
3	Mr. Chumnarn Vitoorapakorn	128,000	12.80
4	Mr. Chalio Vitoorapakorn	110,000	11.00
5	Mr. Ekawat Vitoorapakorn	104,000	10.40
6	Mr. Tanawat Vitoorapakorn	60,000	6.00
7	Ms. Naowarat Vitoorapakorn	39,000	3.90
8	Ms. Rungravee Vitoorapakorn	39,000	3.90
9	Ms. Waraphin Vitoorapakorn	20,000	2.00
10	Ms. Wariya Theerajaruwat	6,000	0.60
11	Ms. Nisana Theerajaruwat	6,000	0.60
12	Mr. Pawit Theerajaruwat	6,000	0.60
13	Mr. Tawin Theerajaruwat	6,000	0.60
14	Ms. Ratipin Vitoorapakorn	12,000	1.20

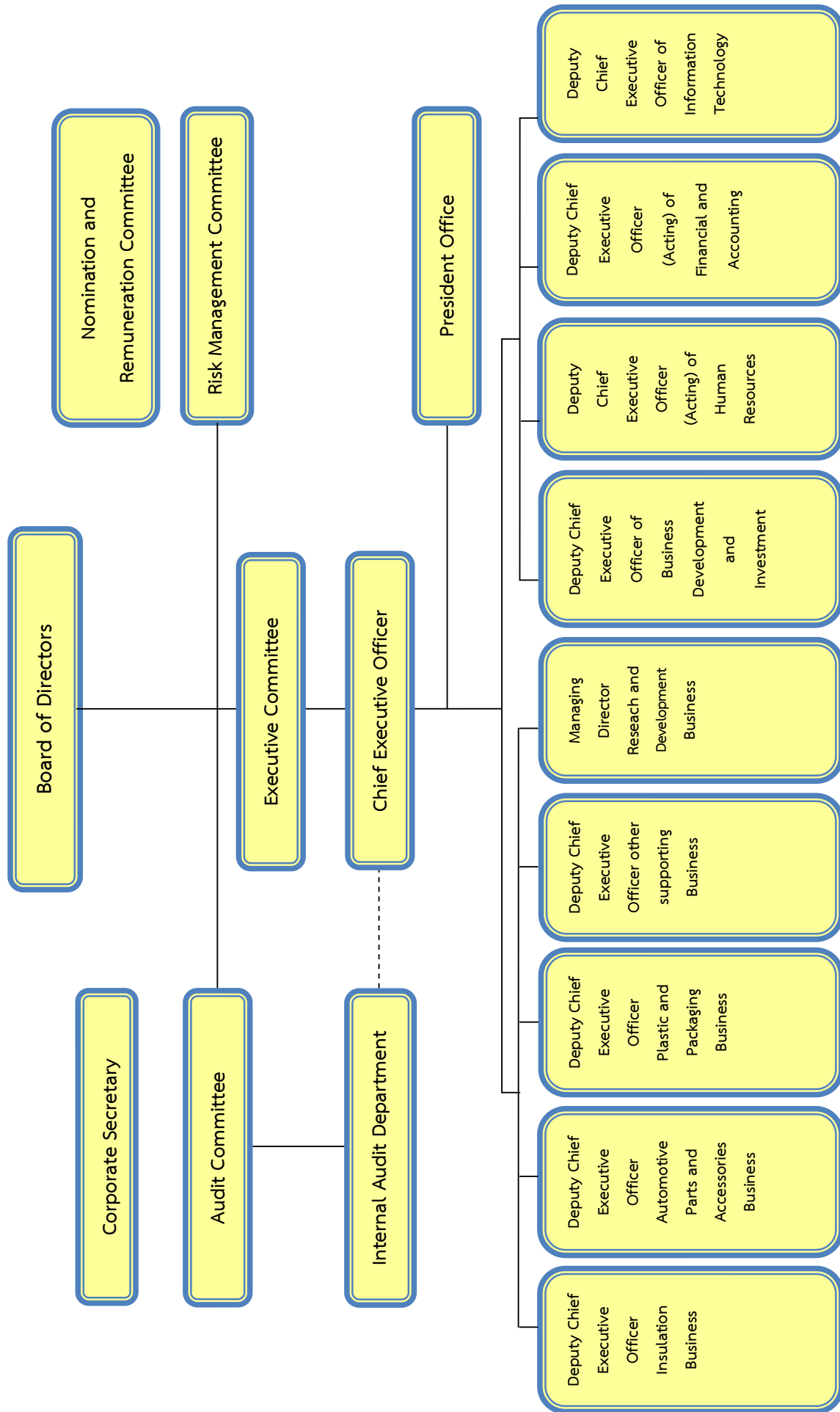
No.	Name	Amount of Share	%
15	Mrs. Ratiporn Chaiyangyuen	12,000	1.20
16	Ms. Ravina Vitoorapakorn	15,000	1.50
17	Ms. Piyawadee Vitoorapakorn	15,000	1.50
18	Ms. Sasiluck Vitoorapakorn	12,000	1.20
19	Mr. Sasin Vitoorapakorn	12,000	1.20
20	Mr. Sarit Vitoorapakorn	12,000	1.20
21	Mr. Punawat Vitoorapakorn	6,000	0.60
22	Ms. Poonyapa Vitoorapakorn	6,000	0.60
23	Mr. Peeraphat Vitoorapakorn	10,000	1.00
24	Ms. Samatcha Vitoorapakorn	10,000	1.00
25	Mr. Supawat Vitoorapakorn	8,000	0.80
26	Mr. Kunawat Vitoorapakorn	8,000	0.80
27	Mr. Natawin Vitoorapakorn	5,000	0.50
28	Mr. Chawanat Vitoorapakorn	5,000	0.50
29	Mr. Phisanu Wongkijrungruang	4,000	0.40
30	Ms. Matthanee Wongkijrungruang	4,000	0.40
31	Mr. Parinya Wongkijrungruang	4,000	0.40
32	Miss kanokkarn Chaiyangyuen	4,000	0.40
33	Mr. Tawat Chaiyangyuen	4,000	0.40
34	Miss Chettikarn Chaiyangyuen	4,000	0.40
Total		1,000,000	100.00

Shareholding of the Board of Directors and Management*

Name			Holding shares in the company as of 31 March 2018	Increase / Decrease during financial years		Holding shares in the company as of 31 March 2019	Nature of Interest
				Increase	Decrease		
Mr.Vachara	Tuntariyanond	Chairman of the Board	500,000	-	-	500,000	Direct
Mr.Pawat	Vitoorapakorn	Vice Chairman, Management	70,400,100	-	-	70,400,100	Direct
			10,000,000	-	-	10,000,000	Indirect (Spouse)
Mr.Chaiwat	Atsawintarakun	Chairman of the Audit Committee	-	-	-	-	-
Mr.Tanachai	Santichaikul	Directors	-	-	-	-	-
Mr.Panchai	Wattanachai	Directors	160,000	-	-	160,000	Indirect (Spouse)
Mr.Teerawat	Vitoorapakorn	Directors, Management	40,000,100	-	-	40,000,100	Direct
			20,000,000	-	-	20,000,000	Indirect (Spouse)
Mr.Chumnan	Vitoorapakorn	Directors, Management	48,800,000	-	-	48,800,000	Direct
			10,000,000	-	-	10,000,000	Indirect (Spouse)
Mr.Chalieo	Vitoorapakorn	Directors, Management	42,600,000	-	-	42,600,000	Direct
			10,000,000	-	-	10,000,000	Indirect (Spouse)
Mr.Ekawat	Vitoorapakorn	Directors, Management	40,400,000	-	-	40,400,000	Direct
			4,000,000	-	-	4,000,000	Indirect (Spouse)
Mr.Tawawat	Vitoorapakorn	Management	29,400,000	-	-	29,400,000	Direct
			-	1,630,000	-	1,630,000	Indirect (Spouse)
Ms.Rungravee	Vitoorapakorn	Management	14,700,000	-	-	14,700,000	Direct
Ms.Maliwan	Kittiwiriyakarn	Management	-	-	-	-	-
Mr.Jarintr	Warintarapon	Management	-	-	-	-	-

*Management, as defined by The Securities and Exchange Commission, Thailand

Organizational Structure



Management Structure

The management structure of the Company consists of Board of Directors 4 subcommittees including Audit Committee, Executive Committee, Risk Management Committee and 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 throughly 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 who are professionals from various industries including business, accounting and finance; all are involved in supporting the Company's business. The directors have 3 years term in the office, and separated into 5 administrative directors and 4 non-administrative (independent) directors which are in line with the rules of the Securities and Exchange Commission that specify listed company must have number of independent directors more than or equal to one-third of the total number of all directors in order to ensure proper balance of management structure.

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 / Chief Executive Officer
3. Mr. Teerawat	Vitoorapakorn	Director
4. Mr. Chumnann	Vitoorapakorn	Director
5. Mr. Chalio	Vitoorapakorn	Director
6. Mr. Ekawat	Vitoorapakorn	Director
7. Mr. Chaiwat	Atsawintarakun	Chairman of Audit Committee/ Independent Director
8. Mr. Tanachai	Santichaikul	Audit Committee / Independent Director
9. Mr. Panchai	Wattanachai	Audit Committee / Independent Director

Remark : Ms. Prapawadee Na Ranong is the Corporate Secretary

Authorized Directors to sign on behalf of the Company a 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 | 3. Mr. Chumnann | Vitoorapakorn | 5. Mr. Ekawat | Vitoorapakorn |
| 2. Mr. Teerawat | Vitoorapakorn | 4. Mr. Chalio | Vitoorapakorn | | |

Meeting of the Board of Directors

Regarding the setting up the Board of Directors meeting, The company secretary will provide all Committee members with pre-specified date and time in order to reserve the time slot for the meeting since the beginning of the year. In addition, the secretary shall provide Board members with Agendas of

meeting 7 days in advance to provide adequate information for the board (urgent agendas will be less than 7days). For the fiscal year 2018/19, the company held 5 Board of director meeting with the following details

Name		No. of attendance / No. of meeting	
		Apr.2017 – Mar.2018	Apr.2018 – Mar.2019
1. Mr. Vachara	Tuntariyanond	6/6	5/5
2. Mr. Pawat	Vitoorapakorn	6/6	5/5
3. Mr. Teerawat	Vitoorapakorn	4/6	4/5
4. Mr. Chumnan	Vitoorapakorn	5/6	5/5
5. Mr. Chalio	Vitoorapakorn	6/6	5/5
6. Mr. Ekawat	Vitoorapakorn	6/6	5/5
7. Mr. Chaiwat	Atsawintarakun	6/6	5/5
8. Mr. Tanachai	Santichaikul	6/6	5/5
9. Mr. Panchai	Wattanachai	5/6	5/5

Independent Director Meeting

The company shall hold independent director meeting once a year to consult subject in various area. The company has 4 independent directors and in 2018/19, the company held independent director meeting on 30th January 2019 where all

independent directors attended the meeting. The company secretary then reported the meeting resolution to Company management.

Executive Committee

The Executive Committee consists of 9 Directors as follows:

Name		Position
1. Mr. Pawat	Vitoorapakorn	Chief Executive Officers / Deputy Chief of Executive Officer Research and Development Business
2. Mr. Teerawat	Vitoorapakorn	Deputy Chief of Executive Officer of Plastic and Packaging Business
3. Mr. Chumnan	Vitoorapakorn	Deputy Chief of Executive Officer of Insulation Business
4. Mr. Chalio	Vitoorapakorn	Deputy Chief of Executive Officer of Business Development and Investment
5. Mr. Ekawat	Vitoorapakorn	Deputy Chief of Executive Officer of Automotive Parts and Accessories Business
6. Mr. Tanawat	Vitoorapakorn	Deputy Chief of Executive Officer of Other Supporting Business
7. Ms. Maliwan	Kittiwirayakarn	Deputy Chief of Executive Officer of Information Technology
8. Mr. Jarintr	Warintaporn	Deputy Chief of Executive Officer (Acting) of Human Resource and Administration
9. Ms. Rungravee	Vitoorapakorn	Deputy Chief of Executive Officer (Acting) of Accounting and Finance

Audit Committee

Audit Committee consists of 3 independent directors with 3 years term in the office. After said term is completed, Chairman of the audit committees and audit committee who retired by rotation may be re-elected to the position for another term in

the board of directors' meeting. Audit Committee consists of 3 directors as follows:

Name	Position
1. Mr. Chaiwat Atsawintarakun	Chairman of the Audit Committee
2. Mr. Tanachai Santichaikul	Audit Committee
3. Mr. Panchai Wattanachai	Audit Committee

Remark : Ms. Yaowapaporn Ranom is the Secretary of the Audit Committee

Mr. Chaiwat Atsawintarakun 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.

For the year of 2018/19 the company held the Audit Committee meeting 4 times with the following details:

Name	No. of attendance / No. of meeting	
	Apr.2017 – Mar.2018	Apr.2018 – Mar.2019
1. Mr. Chaiwat Atsawintarakun	7/7	4/4
2. Mr. Tanachai Santichaikul	7/7	4/4
3. Mr. Panchai Wattanachai	6/7	4/4

Risk Management Committee

Risk Management Committee consists of 4 directors with 3 years term in the office. After said term is completed, the chairman of the Risk Management Committee and Management Committee

retired by rotation may be re-elected to the position for another term in the board of directors' meeting.

Risk Management Committee consists of 4 directors as follows:

Name	Position
1. Mr. Vachara Tuntariyanond	Chairman of the Risk Management Committee
2. Mr. Chaiwat Atsawintarakun	Risk Management Committee
3. Mr. Chumnan Vitoorapakorn	Risk Management Committee
4. Mr. Ekawat Vitoorapakorn	Risk Management Committee

Remark : Ms. Yaowapaporn Ranom is the Secretary of the Risk Management Committee

For the year of 2018/19 the company held the Risk Management Committee meeting 12 times with the following details:

Name	No. of attendance / No. of meeting	
	Apr.2017 – Mar.2018	Apr.2018 – Mar.2019
1. Mr. Vachara Tuntariyanond	12/12	12/12
2. Mr. Chaiwat Atsawintarakun	11/12	12/12
3. Mr. Chumnan Vitoorapakorn	9/12	11/12
4. Mr. Ekawat Vitoorapakorn	11/12	11/12

Nomination and Remuneration Committee

Nomination and Remuneration Committee consist of 5 directors; 3 of which are independent committees, with 3 years term in the office. After said term is completed, the Chairman of Nomination and Remuneration Committees, and Nomination and Remuneration Committee who retired by rotation may be

re-elected to the position for another term in the board of directors' meeting Nomination and Remuneration Committee consists of 5 directors as follows.

Name	Position
1. Mr. Chaivat Atsawintarakun	Chairman
2. Mr. Tanachai Santichaikul	Member
3. Mr. Panchai Wattanachai	Member
4. Mr. Teerawat Vitoorapakorn	Member
5. Mr. Chalio Vitoorapakorn	Member

Remark : Mr. Jarintr Warintaraporn is the Secretary of the Nomination and Remuneration Committee

For the year of 2017/18 the company held the Nomination and Remuneration Committee meeting 2 times with the following details

Name	No. of attendance / No. of meeting	
	Apr.2017 – Mar.2018	Apr.2018 – Mar.2019
1. Mr. Chaivat Atsawintarakun	4/4	2/2
2. Mr. Tanachai Santichaikul	4/4	2/2
3. Mr. Panchai Wattanachai	4/4	2/2
4. Mr. Teerawat Vitoorapakorn	3/4	2/2
5. Mr. Chalio Vitoorapakorn	4/4	1/2

The Executives

The Company's first 4 Level, as fined by the Capital Market Advisory Board, consists of 9 persons as follows:

Name	Position
1. Mr. Pawat Vitoorapakorn	Chief Executive Officers / Deputy Chief of Executive Officer Research and Development Business
2. Mr. Teerawat Vitoorapakorn	Deputy Chief of Executive Officer of Plastic and Packaging Business
3. Mr. Chumnant Vitoorapakorn	Deputy Chief of Executive Officer of Insulation Business
4. Mr. Chalio Vitoorapakorn	Deputy Chief of Executive Officer of Business Development and Investment
5. Mr. Ekawat Vitoorapakorn	Deputy Chief of Executive Officer of Automotive Parts and Accessories Business
6. Mr. Tanawat Vitoorapakorn	Deputy Chief of Executive Officer of Other Supporting Business
7. Ms. Maliwan Kittiwiriyakarn	Deputy Chief of Executive Officer of Information Technology
8. Mr. Jarintr Warintaraporn	Deputy Chief of Executive Officer (Acting) of Human Resource and Administration
9. Ms. Rungravee Vitoorapakorn	Deputy Chief of Executive Officer (Acting) of Accounting and Finance

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

Detail of Director and Executive of the Company and Subsidiaries

BUs	Director Name		Executive Name		Position
Aeroflex	1. Mr. Pawat	Vitoorapakorn	1. Mr. Chumnan	Vitoorapakorn	Managing Director
	2. Mr. Teerawat	Vitoorapakorn	2. Miss Naowarat	Vitoorapakorn	Senior Domestic Sale and Marketing Director
	3. Mr. Chumnan	Vitoorapakorn	3. Mrs. Piyanee	Vitoorapakorn	Senior Export Sale and Marketing Director
	4. Mr. Chalio	Vitoorapakorn	4. Mr. Anand	Rotchanamethin	Safety and Environment Director/General Director
	5. Mr. Ekawat	Vitoorapakorn	5. Miss Nongyao	Siriwonk	Rubber Technical Director
	6. Mr. Tanawat	Vitoorapakorn	6. Miss Chompunuth	Kongsathien	Accounting Manager
Aeroklas	1. Mr. Pawat	Vitoorapakorn	1. Mr. Ekawat	Vitoorapakorn	Managing Director
	2. Mr. Teerawat	Vitoorapakorn	2. Mrs. Supawadee	Vitoorapakorn	Senior Deputy Managing Director/Deputy Strategy and Domestic Sale Managing Director
	3. Mr. Chumnan	Vitoorapakorn	3. Mr. Wira	Lapjatuporn	Deputy Marketing Managing Director
	4. Mr. Chalio	Vitoorapakorn	4. Miss Maliwan	Kittiwiriyakarn	Deputy Production Managing Director
	5. Mr. Ekawat	Vitoorapakorn	5. Mr. Brian William Rogers		Deputy Export Sale Managing Director
			6. Mrs. Rattiya	Suwankijkorn	Deputy Accounting and Financial Director
Eastern PolyPack	1. Mr. Pawat	Vitoorapakorn	1. Mr. Teerawat	Vitoorapakorn	Managing Director/General Director
	2. Mr. Teerawat	Vitoorapakorn	2. Mr. Tanawat	Vitoorapakorn	Deputy Sale Managing Director
	3. Mr. Chumnan	Vitoorapakorn	3. Mr. Rakthai	Boonmee	Deputy Production Managing Director
	4. Mr. Chalio	Vitoorapakorn	4. Mrs. Nisanat	Kongsathien	Accounting and Financial Director
	5. Mr. Ekawat	Vitoorapakorn			
Aeroflex Polymer Technologies (Shanghai)	1. Mr. Pawat	Vitoorapakorn	1. Mr. Tanawat	Vitoorapakorn	Managing Director/Sale and Marketing Director/Operation General Director
	2. Mr. Chumnan	Vitoorapakorn	2. Mr. Yao	Huizhong	Human Resource Director
	3. Mr. Tanawat	Vitoorapakorn	3. Ms. Huang	Xiuling	Deputy Accounting and Financial Manager
EPG Innovation Center	1. Mr. Pawat	Vitoorapakorn	1. Mr. Pawat	Vitoorapakorn	Managing Director
	2. Mr. Teerawat	Vitoorapakorn	2. Mr. Chumnan	Vitoorapakorn	Deputy Managing Director
	3. Mr. Chumnan	Vitoorapakorn	3. Mr. Ekawat	Vitoorapakorn	Asst. Managing Director
	4. Mr. Chalio	Vitoorapakorn	4. Mrs. Rattiya	Suwanakijkorn	Deputy Accounting and Financial Director
	5. Mr. Ekawat	Vitoorapakorn	5. Miss Phatchariya	Suriyachai	Deputy Research and Development Center Director

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 on conflict of interest of the committee

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 the reof is entitled to appoint candidate for the said positions to streamline managing task.

To resure 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.

Remuneration of Directors, Subcommittee and Executives

The detail of the runumeration of directors and Sub-Committee are as following:

Remuneration of the Directors

Remuneration of the Bord of Directors

Position	Annual remuneration	Meeting Allowance (Baht/time)
1. Chairman of the Board of Directors	384,000	27,000
2. Directors and Chairman of Audit Committee	324,000	22,000
3. Director and Chairman of Excutive Committee	324,000	22,000
4. Director	264,000	22,000

Remuneration of Subcommittee

Remuneration of the Audit Committee

Position	Meeting Allowance (Baht/Time)
1. Chairman of the Audit Committee	17,000
2. Audit Committee Member	12,000

Remuneration of the Risk Management Committee

Position	Meeting Allowance (Baht/Time)
1. Chairman of the Risk Management Committee	17,000
2. Risk Management Committee Member	12,000

Remuneration of Nomination and Remuneration Committee

Position	Meeting Allowance(Baht/Time)
1. Chairman of the Nomination and Remuneration Committee	17,000
2. Nomination and Remuneration Member	12,000

Remuneration of Directors and Subcommittee

For 1 April 2018 – 31 March 2019 the company paid total compensation for the committee member in total of 6,963,000 Baht which in accordance to the previous Annual General meeting shareholder's resolution with the following details:

Unit : Baht

No.	Name	Position	Annual remuneration (Baht/year)	Meeting Allowance (Baht/Year)	Bonus (Baht/year)	Total (Baht/year)
1	Mr. Vachara Tuntariyanond	Chairman of the Board / Independent Director	384,000	339,000	360,000	1,083,000
2	Mr. Chaiwat Atsawintarakun	Chairman of Audit Committee / Independent Director	324,000	356,000	300,000	980,000
3	Mr. Thanachai Santichaikul	Audit Committee / Independent Director	264,000	182,000	240,000	686,000
4	Mr. Panchai Wattanachai	Audit Committee / Independent Director	264,000	182,000	240,000	686,000
5	Mr. Pawat Vitoorapakorn	Vice-Chairman / CEO	324,000	110,000	360,000	794,000
6	Mr. Teerawat Vitoorapakorn	Director	264,000	112,000	240,000	616,000
7	Mr. Chumnant Vitoorapakorn	Director	264,000	242,000	240,000	746,000
8	Mr. Chalio Vitoorapakorn	Director	264,000	122,000	240,000	626,000
9	Mr. Ekawat Vitoorapakorn	Director	264,000	242,000	240,000	746,000
Total			2,616,000	1,887,000	2,460,000	6,963,000

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 2018 – March 2019 the Company and subsidiaries paid compensation to the executives at the amount of 127.33 Million baht.

Personnel in the organization

Number of personnel in various business groups across the globe

Business Group	No. of Employee (Person)
Eastern Polymer Group Plc.	72
Manufacturing and Distribution of Rubber insulation	900
Manufacturing and Distribution of Auto parts and Decorations	1,201
Manufacturing and Distribution of Plastic packaging	924
Other Support Business	19
Total	3,116

Compensation and Welfare

Compensation

In the most recent three fiscal year (2017 – 2019) The company and affiliates has the total compensation of all employee including the management in form of Salaries, Commission, Other compensation and Provident fund in the total of 1,555.0 MB., 1,662.6 MB and 1,895.3 MB. respectively.

Welfare

The Company set a clear policy for employee welfare and the practice, and disclosed rule and guideline of welfare for human resource department and administration by job position such as fuel, transportation, telephone, and other work related benefits include allowance, accommodation, uniform, health benefits include medical expense, annual health-check, sport club, and

other employee related benefits include accident insurance, staff loans, long-term employee care program, and the establishment of provident fund.

Provident fund

The Company establishes provident fund since 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 of 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.

Human resource development

Direction and strategy that require in taking care and develop EPG employee during 2018/19

In the 2018-2019, EPG Group establish development program for employee in order to nurture our employee to grow with the organization as follow

Subject	Objective	Direction	Expected result
1) Develop leadership in supervisor level	To develop the future leader of the organization and create positive mindset among the supervisor level	Revise and Re-propose the seminar that has detail of the course in accordance to the employee role to further develop their leadership.	<ul style="list-style-type: none"> - Career Progress - Enhance supervisor skill and Vision - Positive mindset which important for EPG as a whole
2) Leadership Development Program Group 3	To create and develop leadership and leader behavior within the organization. The development is conducted via analysis of organization which result in the necessity in development of Maturity, Mentality and ability to lead the organization to success.	Management selected representative from Business Unit to be in the program in accordance to nomination policy	-Develop leadership potential that could lead organization to achieve the goal of Global Player Leader in Innovation and Sustainable Profit and Growth
3) Individual Development Plan (IDP) and Leadership Development Group 1-2	To develop IDP that is connected to Organization leadership development	<ul style="list-style-type: none"> - Interview with related parties - Evaluation 360 degree 	- Able to identified the specific development for each person in order to plan the development in career path appropriately which benefit organization as a whole
4) Extend and follow up with the IDP in specific to Critical positions	To enhance potential and continue to develop those in critical positions for succession plan 2018	<ul style="list-style-type: none"> - Conduct seminar to enhance knowledge in develop IDP - Follow up closely in the operation and result in Planner, IDP employee and Human resource 	- Knowledge and understanding in operation in addition to progressing in development plan for Key Position in order to create confidence in management and management of Key position plan

Subject	Objective	Direction	Expected result
5) Continue to develop current human resource pool	Develop employee in corporate wide in accordance to each target goal	Analyze and selected the area that need to be develop	- Develop the abilities of workforce that enhance their work's role and objective that stimulate organization growth
6) Support the growth of corporate culture base on 5 core competency in each business unit	To acknowledge and create an understanding in corporate culture.	Open opportunities for each Business Unit to create activities in accordance to their Business unit sub-culture.	- To have knowledge and understanding which should lead to acceptance and action for future corporate culture
7) Develop career path for EPG employee	To establish career path for current employee and enhance retention rate of employee	Management and Corporate Human resource team co-develop Career Path and Career Development	- Create career path for employee
8) Revise employee benefit policy	Ensure that the policy reflect current economic situation and standard of industries.	Urgent revision of the policy and announce the implementation of policy	- Some of the revised policy has been adapted and implemented
9) Organized meeting between management and employee	To communicate goal and expectation of each Business Unit	Conducted twice a year	- Menegerial level acknowledge and understand the business direction and expectation in order to communicate to the sub-ordinate.

As a result, during financial year 2561/62, EPG group able to develop leader and create a path of opportunity for employee to progress in their career path which indicated by promotion of the managerial position total of 17 positions and supervisor level total of 99 position.

The Eastern Polymer Group and subsidiaries Aeroflex

The measurement of seminar hour of Eastern Polymer Group and Aeroflex is measured in quantitative manner using number of employee attending seminar in comparison to the total number of employee in each Rank.

Number of Seminar hour of each company in 2018 (1 January – 31 December 2018) summary as follow

No.	Position	Number of employee (Person)	Target (Hour / Person / Year)	Number of Employee that reached target (person)	Proportion of employee achieve Target Hour(%)
1	Operation level 1	26	6	20	76.9%
2	Operation level 2-3	142	12	83	58.5%
3	Supervisor and above	122	20	113	92.6%

Aeroklas

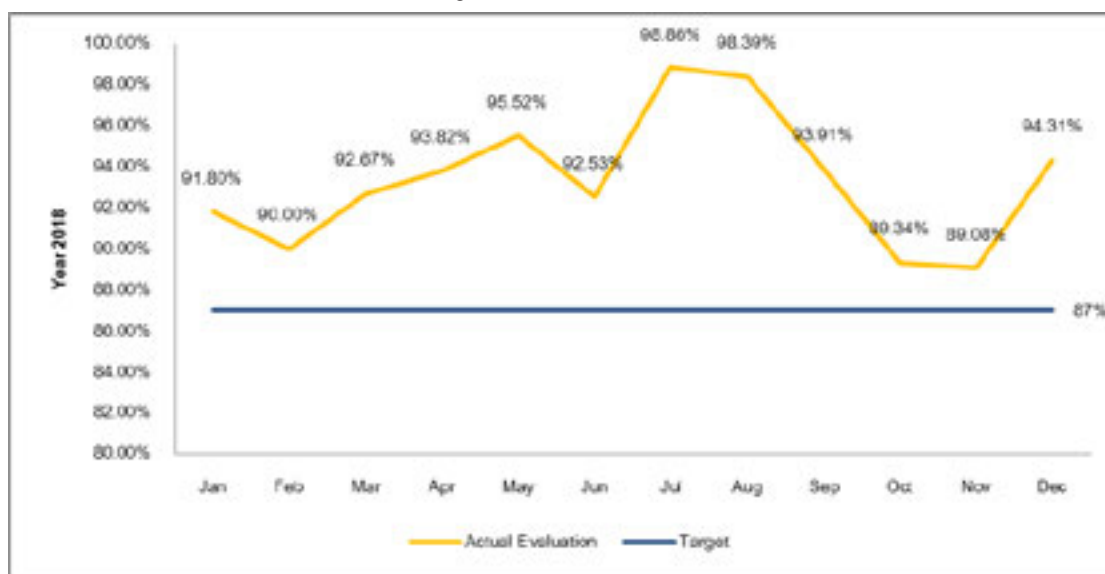
The measurement of Seminar hour of Aeroklas is measure from Training effective rate as per below

No.	Position	Number of employee (Person)	Number of seminar hour
1	Operation level 1	64	2,916
2	Operation level 2-3	614	18,315
3	Supervisor and above	157	16,396

Training Effectiveness Rate

The measurement can be categorized into 1) Satisfaction of employee attend the seminar weight 30% 2) After seminar question set weight 70%. Aeroklas set KPI to achieve higher than 87% of Training effective rate where the result is higher than KPI in every month.

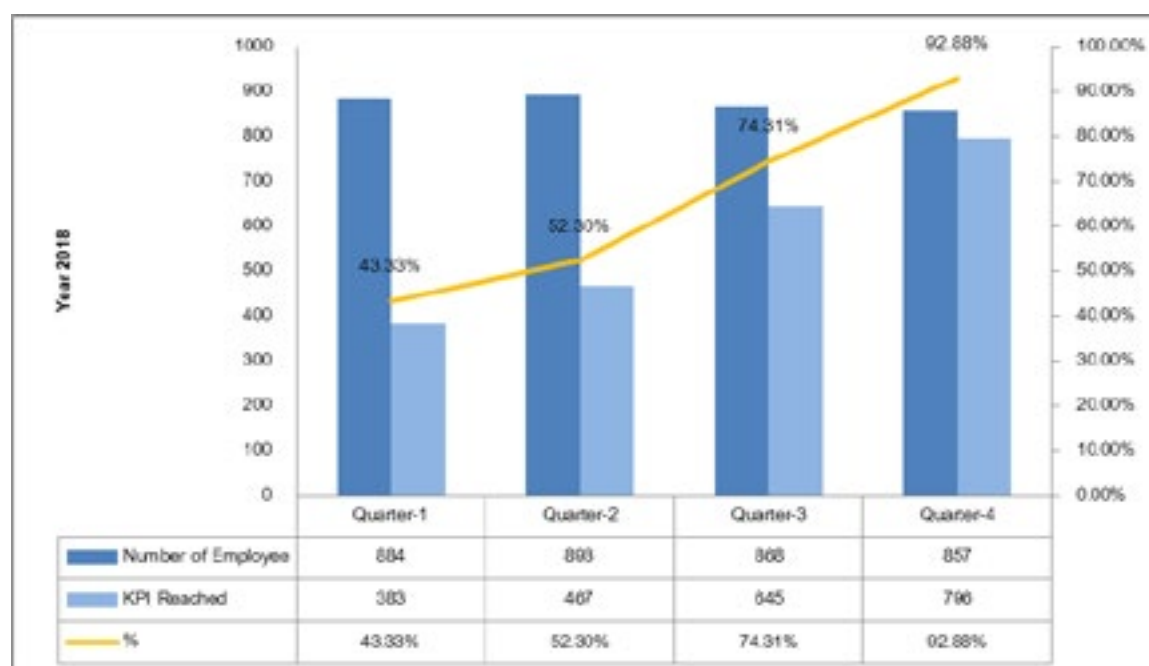
Training Effectiveness Rate table



Eastern Polypack

The measurement of seminar hour of Eastern Polypack is measured quarterly in quantitative manner using number of employee attending seminar in comparison to the total number of employee which look into number of seminar attend per person per quarter with the expectation of no less than 100%.

Table of Seminar Hour in each quarter



The Profile of Director

Mr. Vachara Tuntariyanond

Chairman of the Board of Directors and Independent Director

Age 61 Years

Education

- Master's degree of Science in Management Administration, Northrop University, California, USA

Training Background

- Audit Committee and Continuing Development Program (ACP), Class 41/2012, Thai Institute of Directors Association (IOD)
- Monitoring Fraud Risk Management (MFM), 8/2012, Thai Institute of Directors Association (IOD)
- Monitoring the Quality of Financial Reporting (MFR), Class 16/2012, 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)

Working Experience in the past 5 years

Listed company

2013 – Present	Chairman of the Board of Directors and Independent Director Eastern Polymer Group Public Company Limited
2017 – Present	Independent Director and Executive Board Thai Airways International Public Company Limited
2016 – Present	Advisor of the Audit Committee and Independent Director International Research Corporation Public Company Limited

2016 – Present	Audit Committee Member and Independent Director M Pictures Entertainment Public Company Limited
2013 – 2017	Audit Committee Member and Independent Director Big C Supercenter Public Company Limited
2016 - 2016	Chairman of the Board of Directors and Independent Directors Nation Multimedia Group Public Company Limited
2010 – 2013	Chairman of the Executive Board of Directors and Directors MFC Asset Management Public Company Limited

Holding a position Director of Listed company 4 Companies

Non-listed company

2017 - Present	Commission Member in Finance Office of Insurance Commission
2014 – Present	Chairman of the Board of Directors and Independent Director Krung Thai Asset Management Public Company Limited
2010 – Present	Advisor Fiscal Policy Office, Ministry of Finance
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
2016 - 2016	Advisor to the Minister Ministry of Information and Communication Technology
2009 – 2015	Chairman of the Executive Board of Directors and Director Government Saving Bank

Holding a position Director of Non-listed company 2 Companies

Appointed Date:

Term 1: 8 August 2013, Term 2: 25 July 2016

Holding shares in the company as of 12 June 2019

Ordinary Share 500,000 Shares, 0.018%

Mr. Pawat Vitoorapakorn

Vice Chairman, Chief Executive Officer and Deputy Chief Executive Officer of Research and Development Business

Age 68 Years

Education

- Honorary Doctorate of Chemical Engineering, Kasetsart University
- Bachelor's Degree of Economics, Krirk University

Training Background

- CEO insight-A proven process for getting real team and organization result, PacRim Group
- TDRI EIS exclusive briefing, TDRI
- Executive Leadership & Group Strategy Revisit, In-house Training
- Talent Management & Succession Planning, In-house Training
- Economic Intelligence service exclusive, Thailand Development Research Institute
- Capital Market Academy (CMA), Class 16/2013, Capital Market Academy, 2013
- Senior Executive Program, Graduate Institute of Business Administration of Chulalongkorn University
- Director Accreditation Program (DAP), Class 98/2012, Thai Institute of Directors Association (IOD)

Working Experience in the past 5 years

Listed company

1978 – Present Vice Chairman and Chief Executive Officer
Eastern Polymer Group Public Company Limited

Holding a position Director of Listed company 1 Company

Non-listed company

2014 – Present Director
Aeroklas USA Inc.

2014 – Present Director
ALP Aeroflex India Private Ltd.

2014 – Present National Researcher Academy
(Economic No. SA033)

2012 – Present Director
Vitoorapakorn Holding Company Limited

2012 – Present Director
Aeroflex Company Limited

2012 – Present Chairman of the Board of Directors
Aeroflex USA Company Limited

2011 – Present Chairman of the Board of Directors
Aeroklas (Shanghai) Company Limited

2011 – Present Director
Sanki Eastern (Thailand) Company Limited

2011 – Present Director
Aerocel Construction Material (Jiangsu) Company Limited

2006 – Present Director and Managing Director
EPG Innovation Center Company Limited

2005 – Present Director
Esco Service Company Limited

2001 – Present Chairman of the Board of Directors
Eastern Polypack Company Limited

1999 – Present Director
Aeroflex Polymer Technologies (Shanghai) Company Limited

1995 – Present Director
Zeon Advanced Polymix Company Limited

1995 – Present Director
Sumiriko Eastern Rubber (Thailand) Company Limited

1994 – Present Chairman of the Board of Directors
I.P.P (Thailand) Company Limited

1992 – Present Director
Eastern Syntech Company Limited

1992 – Present Chairman of the Board of Directors
Aeroklas Company Limited

2007 – 2015 Director
Patton Aero Company Limited

2009 – 2015 Director
Eastern Polytech Company Limited

1994 – 2014 Director
Abric Eastern International Company Limited

Holding a position Director of Non-listed company 17 companies

Appointed Date :

Term 1 : 8 August 2013, Term 2 : 31 July 2014

Term 3 : 27 July 2017

Holding shares in the company as of 12 June 2019

Ordinary Share 70,400,100 Shares, 2.514%

Mr. Chaiwat Atsawintarangkun

Chairman of the Audit Committee and Independent Director

Age 67 Years

Education

- Master's degree in Business Administration, Thammasat University
- Master's degree in Education Curriculum and Teaching Methodology (Teaching Chinese as a foreign language), Beijing Language and Cultural University)
- Bachelor's degree in Laws, Ramkhamhaeng University
- Bachelor's degree in Business Administration, Ramkhamhaeng University
- Bachelor of Arts in Chinese Languages (Trade & Economics), Beijing Language and Cultural University

Training Background

- Board Nomination and Compensation Program (BNCP), Class 3/2017, Thai Institute of Directors Association (IOD)
- AC HOT UPDATE Get Ready for the new era of Corporate Governance (CG) to sustainability, Federation of Accounting Professions Under the Royal Patronage of his Majesty the King
- Audit Committee Seminar – Get Ready for the Year End, Federation of Accounting profession under the Royal Patronage of His Majesty the King
- Director Certification Program (DCP), Class 81/2006, Thai Institute of Directors Association (IOD)
- Audit Committee and Continuing Development (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 past 5 years

Listed company

2013 – Present Chairman of the Audit Committee and Independent Director
Eastern Polymer Group Public Company Limited

2005 – Present Chairman of the Audit Committee and Independent Director
Eastern Printing Public Company Limited

2005 – Present Audit Committee Member and Independent Director
U City Public Company Limited

2004 – Present Chairman of the Audit Committee and Independent Director
Krungthai Car Rent & Lease Public Company Limited

2003 – Present Chairman of the Audit Committee and Independent Director
Syntech Construction Public Company Limited

2013 – 2017 Audit Committee Member and Independent Director
AQ Estate Public Company Limited

Holding a position Director of Listed company 5 companies

Non-listed company

2013 – Present Chairman of the Audit Committee and Independent Director
Merchant Partners Asset Management

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 Director
Boat House Hua Hin Company Limited

2004 – Present Director
Andaman Long Beach Resort Company Limited

1997 – Present Executive Partner and Director
Prospect Consulting Company Limited

Holding a position Director of Non-listed company 8 Companies

Appointed Date :

Term 1 : 8 August 2013, Term 2 : 31 July 2014, Term 3 27 July 2017

Holding shares in the company as of 12 June 2019

-None-

Mr. Tanachai Santichaikul

Audit Committee and Independent Director

Age 65 Years

Education

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

Training Background

- AC HOT UPDATE Get Ready for the new era of Corporate Governance (CG) to sustainability, Federation of Accounting Professions Under the Royal Patronage of his Majesty the King
- Graduate Diploma in Politics and Governance in Democratic Systems for Executives Course, Class 11/King, Prajadhipok's Institutes
- Capital Market Academy Leadership Program (CMA), Class 1/2005, Capital Market Academy
- Director Certification Program (DCP), Class 18/2002, Thai Institute of Directors Association (IOD)

Working Experience in the past 5 years

Listed company

2013 – Present	Audit Committee Member and Independent Director Eastern Polymer Group Public Company Limited
2018 – Present	Audit Committee Member and Independent Director Nation Multimedia Group Public Company Limited
2017 – Present	Assistant Managing Director Salee Printing Public Company Limited
2013 – Present	Chairman of the Audit Committee and Independent Director M Pictures Entertainment Public Company Limited
2013 – 2015	Audit Committee Member and Independent Director LDC Public Company Limited
1979 – 2012	Chief Executive Officer Nation Multimedia Group Public Company Limited
Holding a position Director of Listed company 4 companies	

Non-listed company

2016 – Present	Chairman of Board of Directors and Independent Director Siam Syndicate Technology Company Limited
2016 – Present	Director Aim Reit Management Company Limited
2012 – Present	Audit Committee Member Chulalongkorn University
2012 – Present	Executive Director TPN Media Company Limited
2012 – Present	Advisor VIV Interchem 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
2016 – July 2018	Director Spring News Corporation Company Limited
2016 – April 2018	Director News Network Multimedia Company Limited
2012 – 2016	Advisor The Majestic Creek Country Club Company Limited
2012 – 2014	Advisor Thai Edible Oil Company Limited
Holding a position Director of Non-listed company 6 Companies	

Appointed Date :

Term 1 : 8 August 2013, Term 2 : 25 July 2016

Holding shares in the company as of 12 June 2019

-None-

1993 – Present	Director Eastern Syntech Company Limited
1992 – Present	Director Aeroklas Company Limited
2007 – 2016	Director FOUR-S (2007) Company Limited
2007 – 2016	Managing Partner V.R.S. Service Ltd.
1994 – 2014	Director Abric Eastern International Company Limited

Holding a position Director of Non-listed company 9 companies

Appointed Date :

Term 1 : 8 August 2013, Term 2 : 29 July 2015, Term 3: 25 July 2018

Holding shares in the company as of 12 June 2019

Ordinary Share 40,000,100 Shares, 1.429%

Mr. Chumnan Vitoorapakorn

Director and Deputy Chief Executive Officer of Insulation Business

Age 58 Years

Educational

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

Training Background

- CEO insight-A proven process for getting real team and organization result, PacRim Group
- TDRI EIS exclusive briefing, TDRI
- Executive Leadership & Group Strategy Revisit, In-house Training
- Talent Management & Succession Planning, In-house Training
- Risk Management Program for Corporate Leaders (RCL), Class 6/2017, Thai Institute of Directors Association (IOD)
- Leading in a Disruptive World 2 (LDW2), Stanford University USA.
- Director Accreditation Program (DAP), Class 94/2012, Thai Institute of Directors Association (IOD)

Working Experience in the past 5 years

Listed company

1992 – Present	Director and Deputy Chief Executive Officer Eastern Polymer Group Public Company Limited
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Holding a position Director of Listed company 1 Company

Non-listed company

2013 – Present	Director Talistech Company Limited
2013 – Present	Director APS Company Limited
2012 – Present	Director and Managing Director Aeroflex Company Limited
2012 – Present	Director Vitoorapakorn Holding Company Limited
2011 – Present	Director Sanki Company Limited
2011 – Present	Director Aeroklas Shanghai Company Limited
2009 – Present	Director and Managing Director Eastern Polytech Company Limited
2006 – Present	Director and Deputy Managing 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 Sumiriko Eastern Rubber Company Limited
1994 – Present	Director I.P.P. (Thailand) Company Limited
1993 – Present	Director Eastern Syntech Company Limited
1992 – Present	Director Aeroklas Company Limited
1994 – 2014	Director Abric Eastern International Company Limited

Holding a position Director of Non-listed company 17 companies

Appointed Date:

Term 1: 8 August 2013, Term 2 : 25 July 2016

Holding shares in the company as of 12 June 2019

Ordinary Share 48,800,000 Shares, 1.743%

Assoc. Prof. Dr. Chalio Vitoorapakorn

Director and Deputy Chief Executive Officer of Business Development and Investment

Age 57 Years

Educational

- Doctor of Business Administration, International American University, USA
- Doctor of Philosophy in Public Administration, New York University and California University, USA
- M.D.A., Kasetsart University
- B.B.A., Bangkok University

Training Background

- TDRI EIS exclusive briefing, TDRI
- Executive Leadership & Group Strategy Revisit, In-house Training
- Talent Management & Succession Planning, In-house Training
- Capital Market Academy (CMA), Class 20, Capital Market Academy
- IR Professional Certification Program (IR2/2013), Federation of Accounting Profession
- 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 & Executive of Strategy – SFE 5/2009, Thai Institute of Directors Association (IOD)
- Project Finance 2012 Conference: Focusing on Energy & Infrastructure Sectors, ASIA BUSINESS CONNECT
- Modern Marketing Management Class 15, Chulalongkorn University

Working Experience in the past 5 years

Listed company

1992 – Present Director and Deputy Chief Executive Officer of Business Development and Investment Eastern Polymer Group Public Company Limited

Holding a position Director of Listed company 1 Company

Non-listed company

2013 – Present	National Researchers Economics (Code researchers: NU 327)
2013 – Present	Director Academic Committee of California University, USA (Thailand)
1992 – Present	Director Aeroklas Company Limited
1992 – Present	Director Vitoorapakorn Holding Company Limited
1992 – Present	Director Aeroflex Company Limited
1992 – Present	Director Eastern Polytech Company Limited
1992 – Present	Director EPG Innovation Center Company Limited
1992 – Present	Director Esco Service Company Limited
1992 – Present	Director Eastern Polypack Company Limited
1992 – Present	Director Aeroflex Polymer Technologies (Shanghai) Company Limited
1992 – Present	Director I.P.P. (Thailand) Company Limited
1992 – Present	Director and Managing Director Eastern Syntech Company Limited
2007 – 2016	Director Patton Aero Company Limited
1994 – 2016	Director and Managing Director Dinamic Eastern Garment Company Limited
2001 – 2014	Director Abric Eastern International Company Limited

Holding a position Director of Non-listed company 10 companies

Appointed Date:

Term 1: 8 August 2013, Term 2: 29 July 2015, Term 3: 25 July 2018

Holding shares in the company as of 12 June 2019

Ordinary Share 44,213,600 Shares, 1.579%

Mr. Ekawat Vitoorapakorn

Director and Deputy Chief Executive Officer of Automotive Parts and Accessories Business

Age 54 Years

Education

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

Training Background

- Corporate Innovative Summit-CIS 2018, RISE
- Executive Leadership & Group Strategy Revisit, In-house Training
- Talent Management & Succession Planning, In-house Training
- Director Accreditation Program (DAP) 106/2013, Thai Institute of Directors Association (IOD)

Working Experience in the past 5 years

Listed company

1992 – Present Director and Deputy Chief Executive Officer
Eastern Polymer Group Public Company Limited

Holding a position Director of Listed company 1 Company

Non-listed company

2017 – Present Director
Ekwadee 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 Otomotive Sanayi ve Ticaret A.S.

2009 – Present Director
Eastern Polytech Company Limited

2006 – Present Director and Deputy Managing Director
EPG Innovation Center Company Limited

2005 – Present Director
Esco Service Company Limited

2001 – Present Director
Eastern Polypack Company Limited

1994 – Present Director
I.P.P. (Thailand) Company Limited

1992 – Present Director
Eastern Syntech Company Limited

1992 – Present Director and Managing Director
Aeroklas Company Limited

1994 – 2014 Director
Abric Eastern International Company Limited

Holding a position Director of Non-listed company 12 companies

Appointed Date:

Term 1: 8 August 2013, Term 2: 31 July 2014, Term 3: 27 July 2017

Holding shares in the company as of 12 June 2019

Ordinary Share 40,400,000 Shares, 1.443%

Mr. Tanawat Vitoorapakorn

Deputy Chief Executive Officer of Other Supporting Business

Age 46 Years

Education

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

Training backgrounds

- Executive Leadership & Group Strategy Revisit, In-house Training
- Talent Management & Succession Planning, In-house Training
- Director Certification Program – DCP 121/2009, Thai Institute of Directors Association (IOD)

Working Experience in the past 5 years

Listed company

1992 - Present Deputy Chief Executive Officer
Eastern Polymer Group Public Company Limited

Non-listed company

2013 – Present Director
APS Company Limited

2012 – Present Director
Vitoorapakorn Holding Company Limited

2012 - Present Director and Deputy Managing Director
Aeroflex Company Limited

2011 - Present Director
Aerocel Construction Material (Jiangsu) Company Limited

2011 - Present	Director Aeroklas Shanghai Company Limited
2009 - Present	Director Eastern Polytech Company Limited
1999 - Present	Director and Managing Director Aeroflex Polymer Technologies (Shanghai) Company Limited

Holding shares in the company as of 12 June 2019

Ordinary Share 29,400,000 Shares, 1.050%

Ms. Maliwan Kittiwiriyakarn

Deputy Chief Executive Officer of Information Technology

Age 53 Years

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, Ramkhamhang University

Training backgrounds

- Executive Leadership & Group Strategy Revisit, In-house Training
- Talent Management & Succession Planning, In-house Training
- Director Accreditation Program (DAP) Class SEC/2013, Thai Institute of Directors Association (IOD)
- Development of Energy Management System in compliance with ministerial regulation and ISO 50001:2011 by Dr. Somchai Dechapanitkul
- Energy Management System Internal Auditor, Mahidol University 2011
- Internal Assessment TS16949/ISO9001/ISO14001/OHSAS 18001

Working Experience in the past 5 years

Listed company

1993- Present	Deputy Chief Executive Officer of Information and Technology Eastern Polymer Group Public Company Limited
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Non-listed company

2013- Present	Deputy Managing Director Aeroklas Company Limited
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Holding shares in the company as of 12 June 2019

-None-

Mr. Jarintr Warintaraporn

Deputy Chief Executive Officer of Human Resources (Acting)

Age 61 Years

Educational

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

Training

- Coaching for Performance, In-house Training
- Talent Management & Succession Planning, In-house Training
- Labour Law for Human Resource Management, Sripatum University
- Salary Structure Management by Easy Excel, HR Center
- Career Path & Succession Planning, HR Center
- Operational Seminar of Analysis and Evaluation of Compensation and Benefit Management.
- "How Directors Create Value to the Company", Thai Institute of Directors Association (IOD)
- 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 Thailand, 2015
- Learning and Operational workshop on critical issues regarding human capital management in the organization, Sripatum University 2015
- Situation and Trend of Labour Problem in year 2016, The Rayong Welfare and Labour Protection Office
- Manpower Management under the Royal Initiative of His Majesty the King Rama 9, The Eastern Seaboard Labour Relation Club

Working Experience in the past 5 years

Listed company

2015 - Present	Deputy Chief Executive Officer of Human Resources (Acting) Eastern Polymer Group Public Company Limited
2015 - Present	Secretary of the Nomination and Remuneration Committee Eastern Polymer Group Public Company Limited

2015 – 2016 Company Secretary
Eastern Polymer Group Public Company
Limited

Non-listed company

2000 - Present Deputy Managing Director
I.P.P. (Thailand) Company Limited

1996 – Present Director
Hayakawa Eastern Rubber Company Limited

Holding shares in the company as of 12 June 2019

-None-

Non-listed company

2005 – Present Director Best Architectural Lighting
Company Limited

Holding shares in the company as of 12 June 2019

Ordinary Share 14,700,000 Shares, 0.525%

Ms. Rungravee Vitoorapakorn

Deputy Chief Executive Officer of Financial and Accounting (Acting)

Age 49 Years

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 backgrounds

- CEO insight-A proven process for getting real team and organization result, PacRim Group
- Executive Leadership & Group Strategy Revisit, In-house Training
- Talent Management & Succession Planning, In-house Training
- Update COSO Enterprise Risk Management : Integrating with Strategy and performance, Stock Exchange of Thailand
- Strategy Financial Management, National Institute of Development Administration
- Strategic CFO in Capital Market, Class 5, Stock Exchange of thailand
- The Key point of the Accounting standard for the year 2017
- Chief Financial Officer Certification Program, Federation of Accounting Professions Under the Royal Patronage of his Majesty the King
- Director Certification Program - DCP 98/2013, Thai Institute of Directors Association (IOD)

Working Experience in the past 5 years

Listed company

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

Corporate Governance

Good Corporate Governance Policy

The Company realizes the importance of business operation with responsibility and fairness. Therefore, the Company prioritizes the corporate governance and good governance which can increase competitive capability and effectiveness in management by focusing on the sustainable development; this can lead to long-term added value creation to the Company, shareholders, and all stakeholders. In addition, the corporate governance sets the operation to be transparent and can be verified. The Company has set the policy of corporate governance by applying the principles of good corporate governance of The Stock Exchange of Thailand in 2549, so that committee, executives and all employees can rely on these principles in working.

Section 1: Rights of Shareholders

The Company gives priority to the rights of shareholders, and refrains from any actions that may violate or disenfranchise the rights of shareholders. As such, the board of directors sets policy to ensure that shareholders receive accurate, complete, sufficient, punctual and fair information as reference for the their decision making to all matters as follows:

- 1) The Company sends invitation letter along with the meeting agenda accompanied with sufficient information with clear indication of, objectives and reasons of the meeting, including the point of view of committees on every agenda. This information will be submitted in advance to the shareholders within period set forth by law, announcement or related rules or regulations in order to give shareholders an opportunity to study the information thoroughly in advance before attending the shareholders' meeting.
- 2) In case the shareholders cannot attend the meeting, the Company gives shareholders an opportunity to appoint independent director or any person as proxy by using the

Proxy form which will be sent together with the invitation letter.

- 3) The Company will facilitate every shareholder equally during the meeting in terms of place and time.
- 4) During shareholders meeting, the Company will conduct the meeting in accordance with the rules and regulations of the Company by orderly considering and voting on the agenda without any change of the important information or addition of the agenda which is not informed to the shareholders in advance or which is not necessary. The shareholders have the equal right to verify, inquire and share attitudes and recommendations about the operation of the Company.
- 5) The Company will add informative channel for shareholders via company's website; especially the invitation letter to shareholders will be made available before the meeting day for the shareholders to conveniently download the complete meeting agenda.
- 6) The Company has the policy that the involved committee and executives of the Company must attend the meeting simultaneously to answer the questions from the shareholders.
- 7) The Company will thoroughly and quickly record the minutes of the meeting with accuracy as well as transparency. All questions and comments are recorded for shareholders to review. Then, the minutes of the meeting will be disclosed in the Company's website and sent to the Stock Exchange of Thailand or the involved organizations within the limited time. Moreover, the Company will record the meeting session on video as the reference.
- 8) The Company will add convenience to the shareholders in receiving dividend by way of money transfer to bank account (if there is dividend payment) to ensure a

prompt payment, and to prevent any problems including damage check, lost check, or delays.

At the annual general meeting of shareholders of the year 2018, the Company had the action on the rights of shareholders as follows:

Before the meeting

- 1) Allowing the minority shareholders to propose the meeting agenda in advance in order to promote compliance with good corporate governance principles. The Company granted the rights to individual shareholder or in group, who held the shares of not less than 5 percent of the total issued shares of the Company and has held the shares continuously for at least 1 year, to be able to propose the agenda for the annual general meeting of shareholders of the year 2018, from 15th February 2018 to 31st March 2018. The Company publicized the criteria of agenda on the Company's website and informed it to the public through the Stock Exchange of Thailand.
- 2) The Company has published the invitation letter and the meeting agendas on the Company's website (www.epg.co.th) in advance in order that the shareholders can download the complete documents conveniently
- 3) The Company sends invitation letter along with the meeting agenda accompanied with sufficient information with clear indication of, objectives and reasons of the meeting, including the point of view of committees on every agenda. This information will be submitted in advance to the shareholders within period set forth by law, announcement or related rules or regulations in order to give shareholders an opportunity to study the information thoroughly in advance before attending the shareholders' meeting.
- 4) In case the shareholders cannot attend the meeting, the Company gives shareholders an opportunity to appoint independent director or any person as proxy by using the Proxy form which will be sent together with the invitation letter.

During the meeting.

- 1) The Company has held the annual general meeting of shareholders of the year 2018 on July 25, 2018, at 9:00 am, at Convention Hall, The Ambassador Hotel Bangkok, 171

Sukhumvit soi11, Khlong Toei Nuea, Watthana, Bangkok, which is located in the community and convenient to visit because it is close to Sukhumvit road and Nana BTS station

- 2) Total 9 Board of Directors attends the annual general meeting of shareholders
- 3) Presenting the meeting agendas to be acknowledged and approved by the shareholders, the Company has informed about the number of attendees, how to conduct the meeting, and the voting process of each agenda, including appointing an independent vote-counter who does not have a vested interest in the Company, and two shareholder representatives to be witness in the vote-counting process in the meeting
- 4) Never add the meeting agenda or change any important information without notifying the shareholders in advance at the annual general meeting of shareholders of the year 2018, and allow the shareholders to express their opinions and ask questions at the meeting
- 5) Use the technology to organize the meeting, such as shareholder registration, vote counting and score display, in order to conduct the meeting quickly and accurately.

After the meeting

- 1) The Company completely records the minutes of the meeting and makes the report of the annual general meeting of shareholders of the year 2018 within 14 days from the date of the meeting. The report will be submitted to The Stock Exchange of Thailand; The Ministry of Commerce within the time period prescribed by law, and will be publicized on the Company's website.

The Company emphasizes the important of the right of shareholders and act in accordance to good corporate governance procedure in all levels which earn the 100% score in AGM Checklist

Section 2 : Equitable treatment of Shareholders

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

The policy of facilitation and support for shareholders meeting

- 1) To send invitation letter to the meeting which includes information of the meeting to shareholders in advance

according to the period set forth by law, announcement, or related rules and regulations in order that the shareholders can thoroughly study the information before attending the meeting.

- 2) The Company permits the minority shareholders to nominate the candidate to be elected as the committee or to propose additional meeting agenda before the shareholders meeting.
- 3) The Company will add convenience to the shareholders who cannot attend the meeting in person by allowing the shareholders to appoint any person as proxy or the arrangement of at least 1 independent director as proxy to attend the meeting and vote. The name of the independent directors who are available will be noticed in the invitation letter to the meeting.
- 4) The Company will treat every shareholder with equality regardless of minor or major, Thai or foreign shareholders.

In the fiscal year of 2017/2018, the Company has treated the shareholders equally, as follows:

- 1) Allowing the minority shareholders to propose the meeting agenda in advance in order to promote compliance with good corporate governance principles. The Company granted the rights to individual shareholder or in group, who held the shares of not less than 5 percent of the total issued shares of the Company and has held the shares continuously for at least 1 year, to be able to propose the agenda for the annual general meeting of shareholders of the year 2018, from 15th February 2018 to 31st March 2018. The Company publicized the criteria of agenda on the Company's website (www.epg.co.th) in the section of investor relations, and informed the public through the Stock Exchange of Thailand.
- 2) Publicizing the meeting invitation letter and agenda information on the Company's website (www.epg.co.th) in advance for 33 days before the meeting date so that the

shareholders can download the meeting agenda information conveniently and completely.

- 3) Sending the meeting invitation letter along with the information for the meeting to the shareholders 22 days before the meeting, which is in accordance with the time period required by related law, announcement or regulations to allow shareholders to completely study the information before the meeting date.
- 4) Shareholders who are unable to attend the meeting by themselves can appoint any person or at least one independent director as a proxy to attend the meeting and vote on behalf of the shareholders and inform the name of such independent director in the meeting invitation letter.
- 5) Sending the proxy form A, form B and form C along with the meeting invitation letter to facilitate the shareholders who are unable to attend the meeting by themselves to be able to authorize an independent directors or other persons to attend the meeting and vote. These forms are publicized on the Company's website (www.epg.co.th) so that shareholders can download by themselves.

Internal Information Governance Policy

In the year 2017/2018, the Company sent the e-mail to notify the directors, executives and employees of the Company and subsidiaries to acknowledge the significant internal information at the end of every quarter, which affects the changes of stock price. It required the carefulness in trading the Company's stocks during the 1 month period before the money or internal information is disclosed to the public and during 24 hours after the Company's internal information has been disclosed to the public. Those who get involved with the internal information must not disclose that information to others until it has been notified to the Stock Exchange of Thailand.

Section 3 : Roles of Stakeholders

The Company recognizes and acknowledges the right of each group of stakeholders, both internal stakeholders who are shareholders, employees, and external stakeholders who are customers, partners, creditors, competitors, the public sector, other organizations, and surrounding communities due to the reason that the Company received the supports from these stakeholders who help create competitive capability and profits to the Company. This creates a long-term value for the Company.

The Company, therefore, defines the codes of conduct for each group of stakeholders based on the basic principle of fairness and equality as prescribed in business code of conduct in order that everyone in the company can follow.

In the year 2018/2019, the Company has the action on the roles of stakeholders, as follows:

1. Shareholders

The Company always realizes that the shareholders are the business owner; thereby the Company has the duty to create the long-term added value for the shareholders, and directors, executives and employees are required to comply with the code of conduct on business ethics.

Activities for ordinary shareholders

The Company has provided an opportunity to the minor shareholders to visit the Company in order to get to know the business and meet the executives, which the shareholders would sign the visit card at the annual general meeting of shareholders of the year 2018. Then, the shareholders were randomly selected to participate in the event, which was witnessed by Mr. Chalio Vitoorapakorn, Deputy Chief Executive officer and other executives. The list of eligible people was announced on the Company's website, including the phone call to confirm the attendance. The company visit was held on September 27, 2018 at IPP Industrial Estate, Nakhon Pattana, Rayong province.



2. Employees

In the year 2018/2019, the Company has implemented this section, as follows:

- 1) The Company has set the policies and guidelines on safety by promoting employees to have knowledge and understanding of work safety and raising awareness of security measures. The accident statistics were disclosed in the 56-1 form and annual report in the section of corporate social responsibility for sustainable development.
- 2) The company has set the policies and guidelines by providing fair returns to employees and paying attention to the welfare of employees by providing remuneration in the form of salary, bonus, commission and other compensation according to the performance of individual, Company and subsidiaries. Moreover, the Company also provides them the provident funds.
- 3) The company has set the policies and guidelines on the development of knowledge and capability of employees in each position. The information about training hours was disclosed in the 56-1 form and annual report in the section of employees.
- 4) The Company set the business policy by respecting the human rights, by not taking advantages from suppliers,

employees, customers, and people in the society. The Company should treat these people equally, appropriately and fairly. The information was disclosed in the section of business ethics in the third topic of CSR policy.

3. Customers

The Company realizes the importance of customers, by defining the policy to treat customers, as follows:

- The Company commits to produce the quality products and services to satisfy the customers, including the continual improvement and development.
- The Company holds customer confidentiality
- The Company provides accurate, adequate, up-to-date, and non-factual information.
- The Company provides advice on how to use the Company's products efficiently and profitably.

Accordingly, to comply with the policy, the Company has adopted strategies to build good relationships with its customers classified by business and customer segments. The customer needs would be analyzed to develop the product to meet their needs. The Company's products are certified internationally. In addition, the Company sets a customer satisfaction evaluation form to be used in order to improve the work and service of the Company.

4. Partners/ Creditors

The Company has the policy to treat partners and/or creditors with fairness, loyalty, and to not exploit partners, by concerning the Company's benefits, basis of mutual fair return, and avoiding the situation that causes the conflict of interest. Moreover, the Company's negotiation for problem solving is based on business relationship, and complied with guideline as follows:

- The Company will never call, receive, or pay any dishonest benefits in trade with the partner and/or creditor.
- The Company strictly complies with the conditions agreed upon. If any of the conditions cannot be met, the creditor should be informed in advance to find solutions.
- The Company offers business opportunities to all partners; and the partner selection is based on equality

and fairness to ensure that all deliverers are fully qualified.

- The Company uses goods and services with rights, patents, and trademarks, and also does not support goods or acts that violate intellectual property.

5. Competitors

The Company has the policy to treat the competitors, as follows;

- The Company should act under the rules of good competition.
- The Company should not seek the confidential information of a competitor in a dishonest or inappropriate manner.
- The Company should not damage the reputation of a competitor in a dishonest manner.
- The Company should support transparent cooperation with competitors, without concealing unlawful agreements, for the benefit of consumers.
- The Company should not violate but strictly follow the intellectual property law.

6. Society/ Community and Environment

The Company has a policy to conduct business to benefit the economy, society and environment. The Company also adherences to good citizenship, compliances with relevant laws and regulations, and participates in promotion and improvement of the quality of life of people in society and the community. In addition, the Company sets the policy to support the activities of society as defined in the "Social and Environmental Responsibility Policy" for the directors, executives, and employees of the Company to adopt the same practice.

Section 4 : Disclosure of information and Transparency

The board of directors has policy to disclose related financial information and others of the Company's business and turnover, which are true, complete, sufficient, consistent, and timely, and can demonstrate actual condition of the

Company's finance and performance including future of the Company's business.

The board of directors is determined to strictly abide any actions by the law, rules, and regulations related to the disclosure of information and transparency. Thereby, the Company publicizes the information on the Company's website, as well as in the media released by the Stock Exchange of Thailand in order that shareholders and other related persons can thoroughly reach the Company's information. Such information will be improved in accordance with the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission that are in effect.

The Company has arranged for the department of investor relations to communicate with investors or shareholders including institutional investors and minority shareholders. The Company also schedules regular meeting to analyze the result of business operation, and publicizes the information of the organization, both financial and general information, to shareholders, securities analysts, credit rating agencies and related government agencies through various channels such as the report to The Stock Exchange of Thailand, The Securities and Exchange Commission, and the Company's website. In addition, the Company emphasizes on regular disclosure of information in order that the shareholders can receive the news on regular basis through the Company's website. The information publicized on website will be updated constantly including vision, mission, financial information, public relations news, annual report, corporate structure and executives, and shareholders' structure and major shareholders.

Moreover, the Company emphasizes on the financial reporting to reflect true financial condition and turnover of the Company based on accurate and complete accounting information, and in accordance with generally accepted accounting principles. The Company will disclose the information of each committee including roles and duties of the board of directors and the subcommittee in the

Company's annual report (Form 56-2) and annual registration statement (Form 56-1), and the compensation of the committee and executives in the Company's annual report (Form 56-2) and annual registration statement (Form 56-1).

The report on conflict of interest of the committee

To pursue the interests of committee and executives, the Company sets the report on conflict of interest in accordance with section 89/14 of Securities and Exchange Act B.E. 2535, and the report on conflict of interest of committee and executives or other related parties will be revised once a year. The report must be submitted to the corporate secretary within 30 days after the end of company's fiscal year; after that the corporate secretary copies the report and submits to chairman of the board and chairman of the audit committee according to section 89/16 of Securities and Exchange Act B.E. 2535.

In the year 2018 /19 The Company progress in disclosure and transparency as follow

- 1) Disclose each director's compensation in the annual report under the topic of Director compensation in the Sub-committee and management section
- 2) Disclose the holding in Company's stock of Director and management
- 3) Disclose Director and Management Biography in the website of Company
- 4) Control usage of insider information.

● The publication channel of the company's information

The company has developed the publication channel of information and news for the advantage of stakeholders which are consisted of shareholders/individual investors/both domestic and international institutional investors/analysts/the Stock Exchange of Thailand and the Securities and Exchange Commission, and mass media. The contact channels are consisted of:

1. Providing the investor relations department in order that the company can directly contact with both domestic and international investors.
2. Organizing the press conference to report the quarterly performance and the important operational plan.
3. Announcing the quarterly performance to investors and analysts.
4. Operating the meeting with both domestic and international investors.
5. Operating the site visit project for shareholders, investors, analysts, mass media, students, and other relevant people.
6. Organizing the seminar for personnel in the managing level in order to explain the policy and direction of business operation, and to publicize the article Newsletter through the company's website (www.epg.co.th).
7. Publishing news through many types of mass media, for example, news of public relation, news photos, advertisement media, and other social media.
8. Preparing the publications and other media for publishing the company's information, for example, the company's annual report (Form 56-2) and annual registration statement (Form 56-1).
9. Publishing news to personnel through the electronic media, for example; e-mail, and social media.
10. Disclosing the information through www.epg.co.th. And social media

● The investor relations

The company has organized many activities for Chief Executive Officer and Deputy Chief Executive to meet the individual

investors, in stitutional in vestors, analysts, and news reporters in order to present the performance, financial budget, the explanation and analysis of management department, and the future business trend as follows:

1. Organizing the activities for that Chief Executive Officer and Deputy Chief Executive to meeting both domestic and international institutional investors (Road show and Conference) for 5 times.
2. Scheduling the quarterly meeting with the analysts for 4 times.
3. Organizing the press conference to report the performance to news reporters for 1 time.
4. Attending the Opportunity Day for 4 times.
5. Operating the site visit project in order to create understanding about production technology, production process, and products from all subsidiaries of EPG, including the advance of technology and innovation of EPG.
6. Scheduling the company visit: one-on-one meeting/group meeting and meetings call in order that the investors and pose questions about direction and strategies of operation of the company.
7. Informing and answering questions through e-mail and phone. For more information, please directly contact;

Address: 770 Theparak Road, Theparak sub-district, Mueang district, Samut Prakan 10270

Telephone: 02-249-3976 E-mail ir@epg.co.th



Section 5 : Responsibilities of the Committee

The management structure of the Company consists of the Board of Directors and 4 subcommittees including Audit Committee, Executive Committees, Risk Management Committees, and Nomination and Remuneration Committees. The Company operates the business as the holding company; therefore the Company must set the corporate governance guideline for subsidiaries or joint-venture companies. For subsidiaries, the Company will assign the representatives to take positions as committee and executives as chief executive officer and/or deputy chief executive. For joint-venture companies, the Company assigns the representatives to be the committee according to sharing portion to protect the benefits of the Company; unless there is a limitation according to other laws or joint investment term with the government or other conditions set forth by the Securities and Exchange Law, notification of the Capital Market Supervisory Board, or rules of the Stock Exchange of Thailand.

Board of Directors

The board of directors has responsibilities to shareholders in respect of business operation, and corporate governance to meet the targets and guidelines which will create maximum return to shareholders and all stakeholders.

Structure and composition of Board of Directors

The Board of Directors consists of 9 directors who are professionals from various industries including business, accounting and finance; all are involved in supporting the Company's business. The directors have 3 years term in the office, and separated into 5 administrative directors and 4 non-administrative (independent) directors which are in line with the rules of the Securities and Exchange Commission that specify listed company must have number of independent directors more than or equal to one-third of the total number of all directors in order to ensure proper balance of management structure.

The qualifications of the independent directors in accordance with the rules of the Securities and Exchange Commission are 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, affiliate 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, affiliate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to appointment into the director position of the company. Such prohibited characteristics 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, affiliate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, 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, affiliate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to appointment into the director position of the company.

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 Transaction, *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, affiliate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to appointment into the director position of the company.
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, affiliate 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 year prior to appointment into the director position of the company.

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, affiliates, 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, and 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 notice of the shareholders' meeting in agenda for 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

In addition, the Company sets policy that the Chairman of the board of directors shall not be the same person as the Chief Executive Officer. Their authority is divided clearly to balance the management power and to refrain one particular party from holding absolute authority. The Chairman of the board of directors has no relationship with the executives and the sole duty is to set policy and give advice.

Qualifications of Board of Directors

The qualifications of Board of Directors are as follows:

1. That person must have no prohibited characteristics according to Public Limited Companies Act B.E. 2535 and Securities and Exchange Act B.E. 2535.
2. That person should have knowledge, ability, expertise and experiences which are useful to the business operation. In addition, such person should have loyalty, sincerity and morality in operating the business, and should have time to dedicate knowledge and ability to work for the Company.

Scope of duties and responsibilities of Chairman of the Board of Directors

1. Chairman of the board has the duty to supervise the policy and strategic code of conduct of the management division, including giving advices and support the business operation, but does not participate in managing the routine work of the Company.
2. Chairman of the board is also the chairman of the meeting of the Board of Directors and the shareholders, and has the role to control the meeting in accordance with the Company's articles section 3 regarding committee and its authority and section 4 regarding the shareholders' meeting, and encourage every committee to participate in the

meeting, and supervise the meeting of the board of directors and shareholders to progress with success and successfully effectiveness.

3. Chairman of the board has the duty to convene a meeting of committees and to cast final vote in case tie vote.

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' meeting 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 method to appropriately reduce the impact on the business of the Company.
6. To determine targets, directions, policies, business operation plans and budget including monitoring and supervision of administration of the Management to ensure their consistency to policies, plans and budget set forth effectively and efficiently.
7. To determine and set the management structure, to appoint Executive Committees, Managing Director and other subcommittees where appropriate; to determine scope of authority of Executive Committees, Managing Director and other subcommittees being appointed thereof.

However, the power assigned in accordance with the authority and responsibility shall not be in a manner that enables the Executive Committee, Managing Director and other subcommittees to consider and approve any transactions that may have 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 committees.

8. To arrange annual report of the committees and to take on responsibility in preparing and disclosing of financial statements that demonstrate the financial status and operating result of the previous year, as well as to propose to the shareholders' meeting for consideration and approval.
9. The committees may authorize one or more directors or other person to execute a particular task on behalf of the committees, under supervision of the committees, or appoint such person as proxy with the scope of power as appropriate by the committees within the proper time frame. The Board may terminate, revoke, amend or edit such proxy as appropriate.

However, the power assigned shall not be in a manner that enables such persons to consider and approve any transactions that may have 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 the director or proxy of the director that may have conflict of interest with the Company or its subsidiaries, the said director or proxy is not entitled to vote on such matters.

Sub-committees

The Board of Directors appoints 4 subcommittees including Audit Committee, Executive Committees, Risk Management Committees, and Nomination and Remuneration to assist in administrative work for the Company as follows:

Executive Committees

Executive Committees consist of 9 directors. The scope of authority, duty and responsibility of Executive Committees are as follows:

Scope of authority of the Executive Committees

1. To operate and manage the business of the Company in accordance with objectives, articles, policies, regulations, rules, provisions, orders and resolutions of the committees and/or the shareholders' meetings.
2. To screen and review proposals from the Management; propose policies, targets, strategies and business operations of the Company, investment plans, business expansion and budget to the board of directors' meeting for consideration and approval.
3. To review and approve normal transactions of the Company such as investment in securities or acquisition of assets in line with investment budget or the budget approved by the board of directors. The credit limit for each transaction shall be in line with approved authorization from the board of directors and shall not exceed annual budget approved by the board of directors; including contracts for the Company on the related matter thereof.
4. To monitor business operation of the Company, in line with the committees' policies and targets, and to supervise business operation is conducted with quality and efficiency.
5. To have authority to consider and approve on the expenses in ordinary course of operating the business within the budget approved by the board of directors in accordance with approved authority as approved by the board of directors.

6. To determine organization structure and administrative power; consider the adjustments of salary, and bonuses for position of chief executive officer and lower, and approve manpower which is not included in the annual budget.
7. To have an authority to authorize one or more persons to implement a particular task which shall be under control of the Executive committees; or to authorize such person to have a power as appropriated by the Executive committees within period as appropriated by the Executive committees. The Executive committees may cancel, revoke, change or amend such authorized person or authorization as appropriate.
8. To perform any other tasks as assigned by the board of directors from time to time.

However, the authorization of power, duties or responsibilities of the board of directors shall not be in a manner that enables the authorized person to approve the transaction that oneself or any person may have conflict of interest (according to definition from the notification of the Capital Market Advisory Board and/or Stock Exchange of Thailand and/or relating authorities) with the Company or subsidiaries and/or relating companies. The Executive committees have no authority in such matter. Such Matter shall be proposed to the committees' meeting and/or the shareholders' meeting (as the case may be) for approval. Except that the approval for such transaction is conducted under ordinary course of business, with normal trading terms according to notification from the Capital Market Advisory Board and/or Stock Exchange of Thailand and/or relating authorities.

For the scope of credit facility authorization, the board of directors specifies that the Executive committees can approve the credit for business operation to certain level for flexibility of operating the business.

Audit Committee

Audit Committee consists of 3 independent directors with 3 years term in the office. After said term is completed, Chairman of the audit committee and audit committee who retired by rotation may be re-elected to the position for another term in the board of directors' meeting.

Scope of authority of the Audit Committee

Audit Committee have the duty to balance the power and audit work performance of the board of directors including audit of other important matters as assigned by the committees to assist in supervision of the Company's affair with effectiveness. The important matters assigned by the board of directors are as follows:

1. To review that the Company has accurately and sufficiently reported its financial statements.
2. To review that the Company has proper and effective internal control and audit system; review the independency of the Internal Audit Department; give consent to the appointment, relocation, and dismissal of Internal Audit Department Supervisor or any other departments with related responsibility in the internal audit.
3. To review that the Company has complied with the Securities and Stock Exchange law, regulations of the Stock Exchange, including applicable law related to business of the Company.
4. To consider, select and propose for the appointment of independent person as an auditor of the Company; propose for remuneration of such auditor, attend the meeting with and auditor without attendance of the Management at least once a year.
5. To consider connected transactions or the transactions that may have conflict of interest are in line with law and regulations of the Stock Exchange, to ensure that such transaction is reasonable and provided maximum benefit to the Company.

6. To prepare report of the Audit Committee and disclose in the Company's annual report. The said report shall be signed by the Chairman of 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) Opinions on compliancy of 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) Opinions on the transaction that may have conflict of interest.
- (f) The number of the meeting of the Audit Committee and attendance of each audit committee.
- (g) Opinions or observation received from performing their duties under the charter rules.
- (h) Any other matters that shareholders and general public investors should be informed under the scope of duties and responsibilities assigned by the board of directors.

7. To execute other tasks as assigned by the board of directors and consent by the Audit Committee.

Risk Management Committees

Risk Management Committee consists of 4 directors with 3 years term in the office. After said term is completed, the chairman of the Risk Management Committees and Management Committee retired by rotation may be re-elected to the position for another term in the board of directors' meeting.

Scope of authority of the Risk Management Committees

1. To assess the potential risks of the Company and subsidiaries, including trends that may affect the organization; both external and internal risks.
2. To determine risk management policy, improve and reassess risk management system for continuous efficacy by giving

assignment to the Management to comply with the said policy, and report the result to the Risk Management Committees.

3. To develop and reassess risk management system for continuous efficacy via performance review and monitor the risk management system to ensure the consistency to the policies on regular basis.
4. To report the risks and suggestions thereof to the board of directors and perform other tasks assigned by the board of directors.

Nomination and Remuneration Committees

The Company's Nomination and Remuneration Committee consists of 5 members; 3 of them are independent directors who have 3 year term of office. At the end of the term of office, the chairman and directors of the Nomination and Remuneration Committee who are retired by rotation may be re-appointed for another term at the Board of Directors meeting.

Scope of authority and responsibilities of the Nomination and Remuneration Committee

1. To suggest the structure, size, and composition of the Board of Directors and subcommittees, including determining qualifications, processes, and criteria for nominating nominees according to the structure, size, and composition of the Board as determined.
2. To consider nominating the person to be nominated as a director to be presented to the shareholders meeting in case of vacancy due to expiration of term, and the Board of Directors would consider the vacancy due to other cases, including the Chief Executive Officer position.
3. To recruit persons to be selected as subcommittees and Chief Executive Officer to be presented to the meeting of Board of Directors.
4. To prepare a succession plan for key positions in the Company, such as Chief Executive Officer and Senior Executives of the subsidiaries as Managing Director. In addition, the Company has also reviewed the development of such positions to prepare for the succession plan in order to have the successors in the case when such manager is

- retired or unable to work, in order that the Company's management can continue to operate.
5. To improve and recommend the remuneration structure of the Board of Directors and the subcommittees, both monetary and non-monetary to be in line with the Company's performance and comparable to other companies in the same industry to be presented to the Board of Directors for consideration before presenting at the shareholders' meeting to be approved.
 6. To improve and propose the self-assessment criteria of the directors, and the performance evaluation of the Chief Executive Officer to the Board of Directors in order to evaluate the overall performance of the Board of Directors and the Chief Executive Officer.
 7. To prepare a plan for the development and training for directors, subcommittees, Chief Executive Officers and Senior Executives of the subsidiaries in the position of Managing Director in each year, and evaluate the achievement of such development and training to be presented to the Board of Directors.
 8. To perform other duties as assigned by the Board of Directors.

Performance Appraisal and Knowledge Enhancement

Performance Appraisal of the Board

The company hold performance appraisal of the Board of directors and the Executive director during 2018/2019 (4th Consecutive time) which categorized into three parts (1) performance appraisal of the Board of Directors (as a committee and as an individual assessment) (2) performance appraisal of the subcommittee (as a committee and as an individual assessment) and (3) performance appraisal of CEO. The process of the appraisal is below.

Evaluation Process

- 1) The Board reviews and approves the evaluation form, and update information from the Stock Exchange Market's evaluation form for consistency and appropriateness of the Company's environment.
- 2) Nomination and remuneration committee concludes and analyses the evaluation's result and the effectiveness of the Board, and presents the evaluation result to the Board of Directors for further improvement.

Knowledge Enhancement of the Board and Executive

During 2018/2019, the company has endorsed the knowledge enhancement of the board and management by encouraging the executives in attending seminars and courses that benefit their role at the company with the following detail

Name	Course
Mr. Pawat Vitoorapakorn Vice-Chairman of the Board	<ul style="list-style-type: none"> - CEO Insights – A Proven Process for Getting Real Team and Organization Results” on March 29, 2019 (PacRim Group) - “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training) - TDIR EIS Exclusive Briefing Training
Mr. Chaiwat Atsawintarakun Chairman of the Audit Committee / Independent Director	<ul style="list-style-type: none"> - “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)
Mr. Tanachai Santichaikul	<ul style="list-style-type: none"> - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)

Name	Course
Audit Committee/Independent Director	
Mr. Panchai Wattanachai Audit Committee / Independent Director	- “Looking Forward : Target and Challenge in the year 2019” (In-house Training)
Mr. Teerawat Vitoorapakorn Director	- TDIR EIS Exclusive Briefing Training - “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)
Mr. Chalio Vitoorapakorn Director	- TDIR EIS Exclusive Briefing Training - “EPG Journey Together” (In-house Training)
Mr. Chumnat Vitoorapakorn Director	- CEO Insights – A Proven Process for Getting Real Team and Organization Results” on March 29, 2019 - PacRim Group - TDIR EIS Exclusive Briefing Training - “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)
Mr. Ekawat Vitoorapakorn Director	- “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)
Mr. Tanawat Vitoorapakorn Director	- “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)
Ms. Maliwan Kittiwiriyakarn Deputy Chief Executive Officer – Information Technology	- “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)
Mr. Jarintr Warintaraporn Deputy Chief Executive Officer (Acting) – Human Resources and Administration	- “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)
Ms. Rungravee Vitoorapakorn Deputy Chief Executive Officer (Acting) – Accounting and Finance	- CEO Insights – A Proven Process for Getting Real Team and Organization Results” on March 29, 2019 (PacRim Group) - “EPG Journey Together” (In-house Training) - “Looking Forward : Target and Challenge in the year 2019” (In-house Training)

In addition, The chairman of the board also appointed the related party to report any change in law and regulation that is related to Board of director including any change in Board of director Guidelines

Nomination and appointment of directors, sub-committees and chief executive officer

The Company assigns Nomination and Remuneration Committees to nominate directors, subcommittees and chief executive officer based on qualifications, education, experiences and skills that are appropriate to the vacant position.

The Nomination and Remuneration Committees would propose a list of selected candidates to the board of directors’ meeting and/or shareholders’ meeting for consideration and approval.

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 tie votes, the Chairman of the meeting shall exercise a casting vote.

The recruitment of executive and succession plan

The Board of Directors of the Company recognizes the importance of the effective and efficient management, as well as the continual operation. Consequently, this would bring about the sustainable growth and prosperity of the Company. Therefore, during the year 2017/2018, the Company defines the policy of succession plan to determine the succession of key positions in the Company, such as directors, executives, and key positions in the subsidiaries, in order to ensure that there will be people with the knowledge to inherit key positions in achieving sustainable growth for the organization.

Corporate Governance of the subsidiaries and joint ventures

Incorporated as a holding company, the Company has set supervisory guideline of investment for subsidiaries, joint ventures in the addendum of the Company's Articles of Association.

The purpose of mentioned Articles is to determine criteria and mechanism both in direct and indirect way to enable the Company to supervise and manage business operation of subsidiaries and joint venture companies to ensure their full compliance with the Company's policy, public company law, civil and commercial code, securities law and other applicable laws, including related notifications, regulations and rules of Capital Market Advisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand to the extent not in contradictory with other law, in order to protect investment benefit of the Company in its subsidiaries and joint venture 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 the consideration and approve of such transaction prior to; the board's meeting and/or shareholders' meeting of the subsidiaries and/or joint venture companies, and/or prior to the execution of such transaction. In this regard, the Company shall disclose the information and comply with criteria, conditions, procedures and method relevant thereof, mutatis mutandis, as stipulated in public company law, civil and commercial code, securities law and any applicable law, including notifications, regulations and rules of Capital Market Advisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand (to the extent not in contradictory), by which must be complete and accurate in all material respects.

The Corporation Governance of the subsidiaries on financial approval.

To supervise subsidiaries to be flexible in the operation, the Board of Directors has approved regulation, authority, and operation of each company in the authorization and operation manual

Control of internal information Policy

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 board of directors has determined the usage of internal information policy and declared to committees, executives and employees of the Company to acknowledge and abide by the policy as follows:

1. To provide knowledge to committee 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. Committee 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.

In regard to committee 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.

3. Committee, executives, staff and employees of the Company and Subsidiaries who acknowledge internal information material to the change 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 hour 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 such information is disclosed to the Stock Exchange. There will be punitive measure on any act of violation to such code of conduct. The Company considers any violation as disciplinary offense which is subjected to penalty such as verbal warning, warning letter, probation or termination of the employment by dismissal lay-off or offering option to resign as the case may be.
4. Committee, executives, staff and employees are prohibited from using internal information material to the change of the securities' price, and undisclosed to the public which they may obtain by their position or status, to buy or sell

or offer to buy or sell; or solicit other person to buy or sell or offer to buy or sell shares or other securities (if any) of the Company either directly or indirectly in a manner that could damage the Company either directly or indirectly; whether such action is taken for own interest or for others, or disclosing factual information for other person to implement regardless of who receives the benefits.

5. Committee, executives, staff and employees of the Company have the duty to keep the secret and/or the internal information of the Company, including those of the Company's partners. They must use the internal information of the Company only for the benefit of the Company's operation. Thereby, both present and former committee, executives, staff and employees of the Company are prohibited from disclosing the secret and/or the internal information of the Company, including those of the Company's partners, which they have obtained while performing their duty to outsider (for 1 year after termination of employment) or to other companies that they are shareholder, committee, executives and employees, even though such information could not damage the Company and its partners.
6. Committee, executives, staff, and 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.

The application of good corporate governance policies in the listed company of the year 2017 (CG Code)

The Company has revised the good corporate governance policies by referring from 'The principles of good corporate governance of listed company 2012' of the Stock Exchange of Thailand, and 'The principles of good corporate governance of listed company 2017 (CG Code)' of Securities and Exchange Commission (SEC). The Board of Directors of the Company have considered and revised the application of CG Code in accordance with the business context of the Company in the Board of Directors' meeting 1/2019 on 11th February 2019. The Company has applied most of these guidelines, while some of it, which are not yet able to be or have not been adapted, have been recorded as part of the Board of Directors' resolutions.

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 plan, 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

Sumiriko 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. Sumiriko Eastern Rubber (Thailand) 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

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	-	<ul style="list-style-type: none"> Vitoorapakorn Group Hold 75% Vitoorapakorn designates their representative to as directors of the Company which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnan 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 holding 100% of shares 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. Chumnan 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. Chumnan Vitoorapakorn (4) Mr. Chalio Vitoorapakorn and (5) Mr. Ekawat Vitoorapakorn
I.P.P (Thailand) Co., Ltd. ("IPP")	Real estate business and industrial estatesell, 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 6 nominated directors in IPP which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnan Vitoorapakorn (4) Mr. Chalio Vitoorapakorn (5) Mr. Ekawat Vitoorapakorn and (6) Mr. Tanawat Vitoorapakorn

Person / Juristic person that may have conflict of interest	Nature of business	Relationship
Hayakawa Eastern Rubber Co., Ltd. ("Hayakawa")	Manufacturer and Distributor of playground mat	<ul style="list-style-type: none"> Vitoorapakorn Group is a majorshareholders, holding 15.8% of Shares (Including Preferred Stock), directly and Indirectly Vitoorapakorn Group has 1 nominated director in Hayakawa which is Mr. Chumnan Vitoorapakorn Mr. Jarintr Warintaraporn, executive of the Company also hold directorship in Hayakawa Eastern Rubber Co., Ltd. ("Hayakawa")
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 93.7% of shares, directly and indirectly Vitoorapakorn Group has 3 nominated directors in Dynamic which are (1) Ms. Warapin Vitoorapakorn (2) Mrs. Ratiporn Chaiyangyuen and (3) Mr. Chalio Vitoorapakorn
Siam Inter Air Supply Co., Ltd. ("Siam Inter")	Siam Inter is a manufacturers and distributor of airconditioners	<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 Ms. 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 4 nominated directors in Four-S which are (1) Mrs. Somrual Vitoorapakorn (2) 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 51.0% of shares, directly and indirectly 3 directors designated by Vitoorapakorn consists of (1) Mrs. Kanyarat Vitoorapakorn (2) Ms. Naowarat Vitoorapakorn and (3) Ms. 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	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
Land and House ("P&T") A Group of Persons PRV ("PRV")		
Faraero Otomotive Sanayi ve Ticaret 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
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 4 directors designated by Vitoorapakorn Group which are (1) Mr. Teerawat Vitoorapakorn (2) Mr. Chumnant Vitoorapakorn (3) Mr. Chalio Vitoorapakorn (4) Mr. Tanawat 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 3 nominated directors in Sanki which are (1) Mr. Pawat Vitoorapakorn and (2) Mr. Chumnant Vitoorapakorn (3) Mrs. Piyanee 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.
Aeroflex Europe GmbH ("Aeroflex Europe")	Manufacturer and Distributor of insulation rubber in Europe	<ul style="list-style-type: none"> ■ Vitoorapakorn Group is a major Shareholder of EPT, holding 40.0% of shares, directly and indirectly
Esco Service Co., Ltd. ("Esco")	Construction materials and services, air-conditioning, sanitation, and electrical system	<ul style="list-style-type: none"> ■ Vitoorapakorn Group is a major shareholders of Esco, holding 100.0% of shares, directly and indirectly ■ Vitoorapakorn Group has 7 nominated directors in Esco which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnant Vitoorapakorn (4) Mr. Chalio Vitoorapakorn (5) Mr. Ekawat Vitoorapakorn (6) Mr. Tanawat Vitoorapakorn and (7) Ms. Rungravee Vitoorapakorn
Ekwadee Co., Ltd. ("Ekwadee")	The company can operate the property leasing business, as owner properties or sub lease	<ul style="list-style-type: none"> ■ Vitoorapakorn Group is a major shareholders of Ekwadee, holding 100.0% of shares, directly and indirectly ■ Vitoorapakorn Group has 3 nominated director in Ekwadee which are (1) Mr. Ekawat Vitoorapakorn (2) Mrs. Supawadee Vitoorapakorn and (3) Mr. Supawat Vitoorapakorn

Person / Juristic person that may have conflict of interest	Nature of business	Relationship
VTH Australia Pty. Ltd. (“VTH-AU”)	Real estate business, Building for rent, Utilities and services	<ul style="list-style-type: none"> ■ Vitoorapakorn Holding Co., Ltd. holding 100.0% of shares in VTH-AU, directly and indirectly ■ Vitoorapakorn Holding Co., Ltd. has 4 nominated director in VTH-AU which are (1) Mr. Pawat Vitoorapakorn (2) Mr. Teerawat Vitoorapakorn (3) Mr. Chumnan Vitoorapakorn and (4) Mrs. Supawadee Vitoorapakorn
Related Person		<ul style="list-style-type: none"> ■ Director, Executive and Close relatives are Vitoorapakorn family

Details of Related transactions during accounting year 2018/2019 (April 2018 – March 2019)

(Unit : Million Baht)

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and / or rationality of transaction
		2018 (Apr.17 – Mar.18)	2019 (Apr.18 – Mar.19)	
Income				
1. Service income				
1.1 Income from service of information technology				
- The company provides service of internet and IT system	The Company / Syntech	0.792	0.840	Such transaction is reasonable because Syntech's office is located near the company and Syntech offers affordable price.
1.2 Income from utility charge				
- The company provides utility service to IPP by providing cleaning staff for office buildings	The Company / IPP	0.180	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.
1.3 Income from service				
- Provides transportation, service billing and check, imports and exports document and other service	Aeroflex / Syntech	0.397	-	Such service provision does not affect the Company's operation, plus the service rate is reasonable.
	Aeroflex / IPP	0.070	0.035	Aeroflex provides service new year party for IPP, The Company and Aeroflex. EPG Innovation provide service seminar.
	EPG Innovation / Syntech	-	0.009	
- TJM provides contraction management fee	TJM / VTH-AU	3.856	2.829	TJM provides contraction control to VTH Australia in Australia
1.4 Income from R&D service				
- EPG Innovation provides R&D service	EPG Innovation / Hayakawa	0.088	0.041	Such service provision does not affect the Company's operation, plus the service rate is reasonable.
	EPG Innovation / Faraero	0.119	-	
Total income from service/consultant		5.503	3.934	

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and / or rationality of transaction
		2018 (Apr.17 – Mar.18)	2019 (Apr.18 – Mar.19)	
2. Income from lease of property, plant and equipment				
2.1 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		-	0.003	
3. Income from sale of finished goods products				
3.1 Income from sale of rubber insulation				
- Aeroflex sells finished goods such as ; rubber insulation and other related products and other consumables	Aeroflex / Syntech	10.069	30.365	Sale of finished goods to the Company is classified as normal business operation. In addition, the selling price is reasonable and not lower than other competitors.
	Aeroflex / IPP	1.072	-	
	Aeroflex / Hayakawa	0.030	0.009	
	Aeroflex / Siam Inter	0.531	0.529	
	Aeroflex / Aeroflex Europe	0.982	-	
	Aeroflex / Holding	0.028	-	
3.2 Income from sale of plastic packaging				
- Eastern Polypack sells finished good such as; plastic packaging and plastic sheet	Eastern Polypack / Syntech	1.922	1.544	Sale of finished goods to the Company is classified as normal business operation. In addition, the selling price is reasonable and not lower than other competitors.
	Eastern Polypack / IPP	0.001	-	
	Eastern Polypack / Holding	-	1.113	
3.3 Income from sale of products				
- Aeroklas sells finished goods such as automotive parts and accessories	Aeroklas / Holding	0.139	-	Sale of finished goods to the Company is classified as normal business operation. In addition, the selling price is reasonable and not lower than other competitors.
Total income from sale of finished goods		14.773	33.560	
4. Income from sale of other products				
4.1 Income from sale of products				
- Aeroflex sells other product and consumables	Aeroflex / Holding	0.020	0.015	Aeroflex ordered the purchasing of Calendar and diary for use in New Year Festival and sold to Vitoorapakorn Holding, IPP and Syntech in
	Aeroflex / IPP	0.015	0.073	

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and / or rationality of transaction
		2018 (Apr.17 – Mar.18)	2019 (Apr.18 – Mar.19)	
	Aeroflex / Syntech	0.121	0.190	reasonable price.
Total income from sale of other products		0.156	0.278	
Total income		20.432	37.775	
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	0.364	0.420	Aeroflex rents 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 paking lot	Aeroklas / IPP	0.198	0.198	Aeroklas rents land from IPP to use as storage space or temporary parking lot-which is neccessary for business operation. Additionally, the rent rate is reasonable.
1.3 Expense on rent of office space				
- The company rent office building from Vitoorapakorn Holding for to use as an office Theparak	The Company / Holding	9,000	9,000	The Company rents office building from Vitoorapakorn Holding to use as an office. The rent is reasonable, not higher than surrounding areas.
1.4 Expense on rent of plant				
- Eastern Polypack rents office and plant building from IPP for EPP2	Eastern Polypack / IPP	9,677	9,677	Eastern Polypack and APS rent the land and factory from IPP Company limited at Eco Park for establishment of Factory and warehouse which is necessary for business operation. The rental price is reasonable and not higher than the price that IPP Company Limited rent out the other Renters.
- APS rents office and plant buidling from IPP for use as Factory	APS / IPP	1,460	2,482	
- Aeroklas rent building from Vitoorapakorn Holding for use as an factory Theparak	Aeroklas / Holding	0.720	2.160	Aeroklas rent land and factory from Vitoorapakorn Holding at Theparak for establishment of Factory and warehouse which is necessary for business operation. Offers the reasonable rental rate.

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and / or rationality of transaction
		2018 (Apr.17 – Mar.18)	2019 (Apr.18 – Mar.19)	
Total expense on rent of property and plant		21.419	23.937	
2. Expense on rent of vehicles				
2.1 Expense on rent of towing trailer				
- Aeroflex rents towing trailer from IPP for business operation	Aeroflex / IPP	0.300	-	Aeroflex requires towing trailer for its business operation, IPP offers the reasonable rental rate and in the market price.
Total expenses on rent of vehicles		0.300	-	
3. Expense on utilities and other expenses				
3.1 Utility expense				
- Aeroklas Aeroflex Eastern Polypack and APS use utilities and substation from IPP industrial estate	Aeroflex / IPP	5.263	5.206	Factory of Aeroklas and Aeroflex are located in IPP industrial estate, and it is necessary to use utilities for business operation. Additionally, the utility charge rate is reasonable
	Aeroklas / IPP	10.621	11.697	
	Eastern Polypack / IPP	9.047	8.640	Eastern Polypack rent the land and factory from IPP which is necessary to use utilities for business operation. The utility charge rate is reasonable.
	APS / IPP	1.021	2.908	APS rent the land and factory from IPP which is necessary to use utilities for business operation. The utility charge rate is reasonable.
- Aeroflex use utilities for use as sale office	Aeroflex / Syntech	1.800	1.800	Aeroflex rent land from Syntech for use as sale office
- Aeroklas use utilities at rental Theparak from Vitoorapakorn Holding	Aeroklas / Holding	0.480	1.440	Aeroklas rent land and building from Vitoorapakorn Holding at Theparak for establishment of Factory and warehouse which is necessary for business operation. Offers the reasonable rental rate.
3.2 Other expenses				
- Aeroklas, Aeroflex and EPG Innovation employ or use service such as; staff transportation, medical expense for staff from IPP for their	Aeroflex / IPP	0.739	0.740	Factory of Aeroklas, Aeroflex, Eastern Polypack and EPG Innovation are located in IPP industrial estate, and it is necessary to provide transport service for employees, cover their medical expenses. Additionally, the utility charge rate is reasonable and not higher than other companies.
	Aeroklas / IPP	1.052	1.055	
	EPG Innovation / IPP	0.001	0.001	

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and / or rationality of transaction
		2018 (Apr.17 – Mar.18)	2019 (Apr.18 – Mar.19)	
business operation and other expenses. (transport billing and cheque)				
- Aeroflex employ or use service transportation from Syntech	Aeroflex / Syntech	0.052	-	Aeroflex employ or use services such transportation from Syntech for their business operation. Additionally, the utility charge rate is reasonable.
Total expense on utilities and other expenses		30.076	33.487	
4. Expense on raw materials and finished goods				
4.1 Expense on finished goods / raw materials				
- Aeroflex purchases finished goods from Syntech to use in cooling system production	Aeroflex / Syntech	22.033	13.259	The purchase of finished goods by Aeroflex from Syntech is classified as normal business course. Additionally, the selling price is reasonable.
- Aeroflex purchases finished goods from Hayakawa for Test	Aeroflex / Hayakawa	0.015	0.056	The purchase of the finished goods by Aeroflex from Hayakawa is classified as normal business operation of Aeroflex. In addition the selling price is reasonable.
4.2 Expense on finished good / raw materials				
- Aeroklas purchase finished goods automotive parts from syntec for the use in manufacturing process	Aeroklas / Syntech	1.142	2.756	Purchase of Automotive parts from Syntec is normal business operating business of Aeroklas. In Addition, the purchasing price is a reasonable.
4.3 Expense on finished good / raw materials				
- Aeroklas purchases finished goods from Dynamic for sale	Aeroklas / Dynamic	0.009	-	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.
4.4 Expense on finished good / raw materials				
- APS purchases finished goods from ALP Overseas for sale	APS / ALP Overseas	-	17.806	APS purchase raw materials and finish goods from ALP Overseas for product and sell, the purchasing price is a reasonable.

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and / or rationality of transaction
		2018 (Apr.17 – Mar.18)	2019 (Apr.18 – Mar.19)	
Total expense on raw materials and finished goods		23.199	33.877	
5. Expense on purchase of property, plant and equipment				
5.1 Purchase of equipment				
- The Company, Aeroflex, Aeroklas and Eastern Polypack purchase air-conditioners from Siam Inter	Aeroflex/Siam Inter	0.509	2.959	The Company, Aeroflex, Aeroklas 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.
	Eastern Polypack /Siam Inter	0.105	0.186	
	The Company/Siam Inter	-	0.041	
	Aeroklas/Siam Inter	0.160	0.165	
- Eastern Polypack and Aeroklas purchase assets which are finished goods of Syntech	Eastern Polypack/Syntech	-	-	Eastern Polypack and Aeroklas purchased equipment which are finished goods of Syntech, the purchasing price is a reasonable.
	Aeroklas/Syntech	0.185	0.196	
- Aeroflex purchase assets which are finished goods of Syntech	Aeroflex / Syntech	0.001	0.068	Aeroflex purchase hood machines and installs it in a factory building, the purchasing price is a reasonable.
- APS purchases equipment Machinery’s parts for manufacturing Product	APS / ALP Overseas	-	0.448	APS purchases equipment Machinery’s parts from ALP Oversea for manufacturing Product, the purchasing price is a reasonable.
5.2 Purchase of Vehicles				
- Aeroflex purchase trailer from IPP	Aeroflex / IPP	0.218	-	Aeroflex purchase trailer from IPP instead renting, the purchasing price is a reasonable.
5.3 Constuction				
- Aeroklas construct ARK4 building	Aeroklas / IPP	-	2.709	Aeroklas construct ARK4 Building = Aeroklas paid for construction material of ARK4 to IPP
- Aeroflex construct Aeroflex 5 building	Aeroflex / Syntech		3.726	Aeroflex hire Syntec in the management of Construction of Aeroflex 5, Rayong
Total expenses on purchase of property, plant and equipment		1.178	10.498	
6. Other Expenses				
6.1 Other Expenses				

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and / or rationality of transaction
		2018 (Apr.17 – Mar.18)	2019 (Apr.18 – Mar.19)	
- The Aeroklas, Aeroflex and Eastern Polypack have purchased consumable goods or hired or used service from Syntech for their business operation which are construction control, repair, training and other expenses.	Aeroklas, Aeroflex, Eastern Polypack / Syntech	0.782	0.463	Acquiring service repair from Syntech is reasonable and the service rate is appropriate comparing to expenses to other companies or persons.
- Eastern Polypack purchased consumable goods	Eastern Polypack / Hayakawa	-	0.002	Eastern Polypack purchased consumable goods from Hayakawa, the price is the general selling price.
6.2 Equipment repair cost				
- The company, Aeroklas and Eastern Polypack hire Siam Inter to repair air-conditioners	The Company, Aeroklas, Eastern Polypack / Siam Inter	0.006	0.002	The Company, Aeroklas and Eastern Polypack hire Siam Inter to repair air-conditioners. The service fee rate is reasonable and not higher than Siam Inter charges other customers.
6.3 Rent of accommodation				
- The Company, Aeroflex and Aeroklas rent a room for supporting guests	The Company / Four-S	0.035	0.038	The Company, Aeroflex and Aeroklas 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.
	Aeroflex / Four-S	0.010	0.028	
	Aeroklas / Four-S	0.006	0.011	
- Aeroklas rent a room for supporting guests	Aeroklas / Ekwadee	0.488	0.480	Aeroklas rents a room from Ekwadee in order to support guest from subsidiaries which may have to work in the surrounding area. The rental rate is reasonable and not higher than what Ekwadee charges other customers.
6.4 Other Expenses				
- Aeroflex pay for other service to Aeroflex Europe	Aeroflex / Aeroflex Europe	0.322	-	Other service for normal business operation of Aeroflex, the selling price is reasonable.
- Aeroflex pay for other service to Syntech.	Aeroflex / Syntech	0.278	-	Other service for normal business operation of Aeroflex, the service price is reasonable.

Type of Transaction	Company incharge of executing transactions	Amount		Pricing policy and / or rationality of transaction
		2018 (Apr.17 – Mar.18)	2019 (Apr.18 – Mar.19)	
- Aeroflex pay other expense related from purchase assets from IPP	Aeroflex / IPP	0.007	-	Aeroflex purchase trailer from IPP instead renting for transportation which are other expense related for purchase assets
6.5 Loan interest				
- APT receives loan from Dr. Chen Xiu Shi with payable interest, beginning loan, ending loan as follow :	APT / Mr. Chen Xiu Shi			APT is established to conducts business in China which requires loan from Vitoorapakorn Group (Mr. Sewsee Sae-tang) 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.
Interest paid		-	-	
Beginning loan		18.277	13.503	
Ending loan		13.503	-	
Total other expenses, excluding loan		1.934	1.024	
Total Expenses		78.108	102.824	
7. Other				
7.1. Other Expenses				
- Vitoorapakorn Group provide loan guarantee from bank for The company, subsidiaries; Aeroflex Aeroklas, Eastern Polymer	The Company / Vitoorapakorn Group			
	Aeroflex / Vitoorapakorn Group			
	Aeroklas / Vitoorapakorn Group			

Strategy or procedures of approval on related transactions

The board of directors has a resolution on setting policies and procedures of connected transactions to ensure the transaction between a person or juristic person that may have potential conflict is executed with transparency and done with care to protect the benefit of the Company. The Company strictly complies with the Securities and Stock Exchange Law, regulations, notifications or rules stipulated by the Capital Market Advisory Board concerning connected transaction. Executives or stakeholders cannot engage in approval of such connected transaction. In case where stipulated by law to seek approval from the meeting of board of directors, the Company would assign Audit Committee to attend in the meeting to consider and express their opinion concerning the necessity and reasonableness of such transactions. Furthermore, execution of transaction that is trading agreement with general trading condition or without general trading condition shall have following formality:

To transact trading agreement with general trading condition

Execution of connected transaction that is trading agreement with general trading condition between the Company and subsidiaries and committee, executives or connected person being approved in principle from the Company's committees, the management can approve such transaction if such transaction contains trading agreement in the same nature that any reasonable individual would deal with another contractual party under similar circumstance, based on negotiation power without influence by way of their position as committee, executives or connected person.

The Company shall prepare report on transactions that exceed 15,000,000 baht and inform in the meeting of Audit Committee and the committees every quarter.

To transact trading agreement without general trading condition

Execution of trading agreement without general trading condition shall be considered and remarked by the Audit Committee prior to submit to the board of directors and/or meeting of shareholders for approval to comply 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 connected transaction.

In case that the Audit Committees have no experience in reviewing potential connected transaction, the Company shall appoint independent expert or the Company's auditor to express opinion on such connected transaction to be used in complementary to the decision of Audit Committees and/or the board of directors 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 connected transactions shall be disclosed in annual registration statement and notes to financial statement audited by the Company's auditor.

Policy or trend of future related transactions

In the future, the company can do the company transactions among companies as indicated by policy.

Audit Committee Report 2019

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

1. Mr. Chaiwat Atsawintarakun - Chairman
2. Mr. Thanachai Santichaikul - Member
3. Mr. Panchai Wattanachai - Member

Mr. Chaiwat Atsawintarakun and Mr. Thanachai 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.

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 systems, consider the independence of the internal audit units 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 persons to act as Company auditor and their 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. And the views of the Audit Committee in these various matters can be summarized as follows:

In the Company's fiscal year ending 31 March 2019, the Audit Committee performed the following duties:

1. Reviewed and audited the Company's quarterly financial statements and the final accounts on 31 March 2019, including reporting to the Board of Directors.

Reviewing of the auditing of financial statement for Quarterly and the fiscal year ending on 31 March 2019 that has already been audited, the committee's unconditional opinion was that the report was accurate, complete, reliable and contained no issues requiring greater scrutiny.

2. Considered the internal audit plan, acknowledged the audit results of the Subsidiaries of Company's internal

control system and followed up on measures taken for improvement.

Internal audit department of the Company's have carried out their duties appropriately, efficiently and independently, The Company has adequate internal controls that are appropriate for the condition and nature of the Company's business and are in compliance with the laws and regulations of the regulatory bodies. The internal control system for connected transactions is sufficient.

3. Considered the Related Party Transaction of Company's and Subsidiaries and Related persons. And reporting to the Board of Directors.

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 announcement by the Stock Exchange of Thailand regarding connected transactions.

4. To consider and approve appointment of auditors and to determine auditor's remuneration.

The Company's auditor for the fiscal year ended as at 31 March 2019 from PricewaterhouseCoopers ABAS Co., Ltd. Mr. Sudwin Panyawongkhanti, Certified Public Account No. 3534 performed his duties appropriately.

And in the Audit Committee's meeting No. 3/2018 on 28 May 2018, the committee approved the appointment of the auditors of PricewaterhouseCoopers ABAS Ltd. as the Company's auditors for the fiscal year ended as at 31 March 2019. 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 25 July 2018. As follows:

- 1) Mr. Sudwin Panyawongkhanti,
Certified Public Accountant (Thailand) No. 3534 or
- 2) Mrs. Anuthai Poomsurakul,
Certified Public Accounting (Thailand) No. 3873 or
- 3) Mr. Krit Chatchavalwong,
Certified Public Accountant (Thailand) No. 5016

Anyone of the above auditors shall review and express his/her opinion on the Company's financial statement. If the nominated auditors are unable to perform their duties for the Company, PricewaterhouseCoopers ABAS Co., Ltd. agree to designate other qualified members of its team to replace the nominated auditors in order to perform the auditing work on the Company's financial statement. The remuneration for annual audit and quarterly review for the fiscal year, ended as at 31 March 2019 equals to 5,030,000 Baht.

5. Informed of the extension of the participation in subsidiaries' Private Sector Collective Action Coalition Against Corruption.

The Eastern Polypack, company subsidiaries, is a certified member Private Sector Collective Action Against Corruption. The certification shall cover 3 years of membership since the certified date which shall be expired on the 22 July 2019. The Eastern Polypack intend to continue to participate in the program and thus will require the extension of participation in the program.

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

In the Company's fiscal year ending on 31 March 2019 (1 April 2018 – 31 March 2019), the Audit Committee met a total of 4 times. Attendance by the committee member is summarized below.

Name	Position	No. of meeting attended/No. of meetings
Mr. Chaiwat Atsawintarangkun	Chairman	4/4
Mr. Thanachai Santichaikul	Member	4/4
Mr. Panchai Wattanachai	Member	4/4

Handwritten signature

Mr. Chaiwat Atsawintarangkun
Chairman of the Audit Committee

Management's Discussion and Analysis

Long Term Goal

The Eastern Polymer Group operates under the vision of "Creative Innovation Organization" by constructs the organization base on innovation and technology. The Company aims to manufacture high quality product that benefit society and uplift the quality of living while take in to consideration the impact on the environment. The company and subsidiaries long term goal is

1) To Success through innovation

Regarding the Innovation, EPG foster the innovation base corporate culture to all level of employee to promote them to have innovative thinking / to be observant and to solve the problem via establishing the organization to be the center of learning / having the innovative role model and promoting employee's product of innovation

The principle of innovation development can be categorized as follows

- 1) Using innovation to solve the issue
- 2) Continuously develop the existing product

In addition, the creative innovation has to take in consideration of both the economic benefit and the overall benefit to society and environment.

Furthermore, the EPG Innovation center (EIC) also centralizes the Research and Development for all core businesses. In Each year, EPG subsidiaries contribute directly and indirectly approximately 1% of the revenue from sale to EIC for Research and Development Purpose. Moreover, the company also set KPI on the innovation to encourage each subsidiary to come up with new innovation in order to generate sustainable future growth.

EPG Strongly believes that the power of innovation will drive the corporate toward sustainable growth.

2) To be Global Player

From the ideology of "World is our market", the past 40 years, EPG emphasize the oversea market expansion by establishing our manufacturing base in global strategic location. The company currently distributes the products to more than 100 countries around the world through

1) Strengthen the "Brand" of all businesses.

2) Good relationship management with consumers through the excellence product characteristic / product quality and services

3) Expansion of distribution channel in all business by appropriately manage customer proportion such as Industrial Customers / Dealers / Wholesalers / Retailers and also online

4) Develop inventory management software and utilize appropriate logistic software in order to satisfied customer's requirement

The Company target to manage the proportion of the international revenue from sale both directly and indirectly toward 70% in the future.

3) Toward the Sustainable Growth

In addition to success through innovation and to be global, EPG also emphasize the development of working process / database system and employee. The company fosters the corporate culture of the good virtue and ethical company management to all level of organization in accordance to EPG's good corporate governance practice that consider all parties of stakeholders with expectation that the industry and society can co-exist and moving toward the bright future under our motto of "Contribution toward better societies"

Factors affecting the performance of the Company

Factors affecting the Company's performance can be classified into 1) Successful overseas business operation 2) Successful research and development of new products 3) Successful expansion and improvement of production capacity, including expansion of sales channel 4) Price fluctuation of raw materials 5) Fluctuation of the currency exchange and 6) Domestic and global economic situation

1) The success of overseas business operation

Most products manufactured and distributed by the Company are very specific to limited market (Niche Market). Hence, the Company needs to develop technology, and innovate quality

products that stand out against competitors, and are in line with corporate strategy “Differentiated Focus Strategy”

Differentiated Focus Strategy is suitable for sizable market. For this reason, the Company must expand its overseas business to achieve Economic of Scale in production capacity, and competitiveness in global market.

2) The success of research and development of new products

One of the key success factors of the Company is the ability to commercialize innovative and quality products to the market. The company has hitherto succeeded in the invention, development, and introduction of products from different business units to the market, resulted in increase in sales and steady profit margin.

Researches and development of new products have associated risks from the level of consumer acceptance and responsiveness. In addition, the Company takes investment risk in research and development before realization of financial returns.

3) The success of expansion and improvement of production capacity of the Company and subsidiaries, including expansion of sales channel

The Company expands its production capacity continuously to support the growth in all business units with the focus on the improvement of production process using Technology / Machinery and modern production innovation to increase the output, reduce energy cost and labor cost. At the same time, the company has increased its product distribution capabilities for car accessories in Australia by acquiring the Automotive and Accessories Retailer under the brand “TJM” in 2015 and follow by acquiring of “Flexiglass” in 2018, expanding distribution of insulation products in the continent of America, and Europe. The expansion of production variety includes new product in demand by the market, for instance, the improvement and distribution of Canony, and Deck Cover to America, Australia, and Europe; the improvement and distribution of water cup “PET” in Asian countries where they demand high quality plastic packaging. Such countries are, for instance; Philipines Indonesia and CLMV countries.

4) Fluctuation of material price

The Company manufactures and distributes Polymer and Plastic Converter for different industries where one of the main costs is raw material cost. As a downstream manufacturer, the Company may have modest effect from the price fluctuation. The Company mitigates the fluctuation of raw materials price via purchasing future contracts in appropriate proportion for 3 – 6 month in advance while be able to pass on some portion of costs to customers.

5) Fluctuation of Currency Exchange

The company has financial exposure to foreign currency such as revenue from export, cost of raw material (Plastic Polymer), Machineries, loans and transaction between foreign subsidiaries.

The fluctuation of currency exchange depends on the domestic and global economic situation in which the company cannot control and accurately forecast. If exchange rate changes regressively, it could result in the decline of sales and profit of the company and its subsidiaries.

Despite the statement above, the advantage of being holding company is the ability to holistically manage foreign currencies so-called “Natural Hedging” from the foreign transaction pool of subsidiaries. The Company can partially mitigate risk from fluctuation of the currency exchange, where necessary, in accordance with risk policy of the Company that allows for the purchase of certain type of instruments with financial institutions.

6) Domestic and Global Economic Situation

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 relate to Constuction, automotive, and food and beverage packaging industry where the sale channels are both at the domestic and international. Hence, both domestic and global economic situation are potential factors that may have negative impacts to the business operation of the Company. However, the variety of the Company’s products and customer base creates diversification and reduces volatility from the economic situation to certain degree.

Incomes from products' sales (main revenue)

The following management discussion and analysis is conducted based on consolidated financial result of 1) Insulation Business under the brand Aeroflex 2) The automotive and accessories Business under the brand Aeroklas and 3) Plastic and Packaging Business under the brand EPP

(Unit : Million baht)

	Accounting Year 2016/2017		Accounting Year 2017/2018		Accounting Year 2018/2019	
	Apr.2016 – Mar.2017		Apr.2017 – Mar.2018		Apr.2018 – Mar.2019	
	Value	%	Value	%	Value	%
Manufacturing and Distributing of thermal insulation (Conducted by Aeroflex) ^{1/}	2,641.7	28.5	2,834.9	29.5	2,867.9	27.1
Manufacturing and Distributing of automotive parts and accessories (Conducted by Aeroklas) ^{2/}	4,176.3	45.0	4,462.0	46.5	5,275.8	49.9
Manufacturing and Distributing of Plastic packaging (Conducted by Eastern Polypack)	2,461.8	26.5	2,310.2	24.0	2,435.6	23.0
Total incomes	9,279.78	100.0	9,607.1	100.0	10,579.2	100.0

Remark: ^{1/} total operating result of Aeroflex Co., Ltd. / Aeroflex USA, Inc. / Aeroflex Polymer Technology (Shanghai) Co., Ltd and APS Co., Ltd.

^{2/} total operating result of Aeroklas Co., Ltd. / Aeroklas USA, Inc. / Aeroklas Australia Pty, Ltd / Aeroklas Europe, GmbH. /

TJM Products Pty, Ltd., and Aeroklas Malaysia Co., Ltd. and Flexiglass Challenge Pty. Ltd.

In accounting year 2019 (Apr.2018 – Mar.2019) the Company's main incomes from products' sales totaled 10,579.2 million baht. Income from each business segment to total incomes was as follows; (1) Thermal insulation business accounted for 27.1% (2) Automotive parts and accessories accounted for 49.9% and (3) Plastic packaging business accounted for 23.0% of total income. The 10.1% increase from accounting year 2018 (Apr.2017- Mar.2018) where total income was 9,607.1 million baht is due to following reasons:

1) Income from thermal insulation business increases 1.2% from the previous year, from both domestic and international market especially from USA and Japan that require premium products. The oversea 68.9% of total sale.

2) Income from automotive parts and accessories increases 18.2%, expands from domestic and international market due to marketing of core products and new product launch in addition to expansion of Australia distribution channel, The total of oversea revenue is 72.2% of total sales.

3) Income from plastic packaging business increase 5.4% from marketing in both Food and beverage plastic packaging with the support from growth Industrial made to order market segment. Currently the plastic and packaging

business has domestic revenue from sale accounted for 91.4%.

Cost of sales

In 2019 (Apr.2018 – Mar.2019) and 2018 (Apr.2017 - Mar.2018) the cost of sales of the Company was 7,687.7 million baht and 6,892.5 million bath, respectively. The increase of 795.3 million baht or 11.5% was due to the fluctuation of raw material price that remain high during our financial year. The direction of raw material price started to decline at the end of financial year and expects to benefit the company starting in the next financial year. In addition, The company also partially books the increase in provision of Employee benefit in accordance the new Labor Protection Act within the cost of goods sold where the rest is booked under the Selling and administrative expenses. As a result, gross profit margin from sales incomes slightly adjusts upward at 6.5%. The gross profit proportion from thermal insulation business, automotive parts and accessories and plastic packaging was 41.2%, 45.8%, 13.0% respectively.

Sale and administrative expenses

In 2019 (Apr.2018 – Mar.2019) and 2018 (Apr.2017 – Mar.2018) the Company's expenses on sale and other administrative expenses were 2,104.9 million baht and 1,876.7 million baht respectively. The increase of 228.2 million baht or 12.2 % was more than the increase of revenue mainly cause by additional expenses of shop expansion, marketing and development of the new international business of automotive part and accessories and increasing of all business sales promotion and sale marketing. Furthermore the company also books the increase in provision of Employee benefit in accordance to the new Labor protection Act.

Profit before Interest, Tax, Depreciation and

Amortization (EBITDA)*

**excluding others income / others expense / gain (loss) from exchange rate / share of profit from investments in associates*

In 2019 (Apr.2018 – Mar.2019) the Company's EBITDA was 1,458.4 million baht. The decrease of 1.5% from the previous year. Despite, higher revenue from sales, the cost of sales increased from higher cost of raw materials, the increase in selling and administrative expenses increased also increase in proportion in comparison with the increase in sales. The depreciation and amortization cost increased to 671.8 million baht from previous year to 643.4 million baht in 2018.

Profit (loss) from exchange rate

In 2019 (Apr.2018 – Mar.2019) the Company's gain from exchange rate of 7.56 million baht in comparison to loss of 21.0 million baht from previous year (post-adjustment for profit/loss from exchange rate derived from the use of financial instruments whereby accounting standard required to record as interest expense) was the result of appreciation of US dollars and Australian Dollar during Q1 2018/19; however both currency depreciate throughout the rest of Financial Year.

Share of profits from investments in associates

In 2019 (Apr.2018 – Mar.2019) and 2018 (Apr.2017 – Mar.2018) the Company's share of profits from investments in associates was 174.8 million baht, and 245.1 million baht respectively, a decrease of 70.3 million baht or 28.6% due to The JV experience higher cost of raw material while, at the same time, the domestic JV have to book the increase in provision of Employee

benefit in accordance to the new Labor protection Act and Inclusion of the new Joint Venture in South Africa which just started the operation during Company's Q4 2018/19

Financial Cost

In 2019 (Apr.2018 – Mar.2019) and 2018 (Apr.2017 – Mar.2018), the financial cost (post-adjustment for profit/loss from exchange rate) is at 51.6 million baht and 49.3 million baht increase by 2.3 million baht.

Tax expense

In 2019 (Apr.2018 – Mar.2019) and 2018 (Apr.2017 – Mar.2018) the Company's tax expense was 51.6 million baht and 70.3 million baht respectively; reduction of 18.7 million baht.

Net Profit

In 2019 (Apr.2018 – Mar.2019) the Company's net profit was 903.2 million baht, a decrease from the previous year 90.0 million baht or 9.1%

Financial Analysis

Overall financial status of the Company and subsidiaries as of 31 March 2019 in comparison with the statement of financial position as of 31 March 2018 was 13,393.2 million baht and 13,148.3 million baht respectively, an increase of 244.8 million baht or 1.9%. The important information is as follows;

Assets

- Investments in Joint Venture increased 93.1 million baht from the Joint venture in South Africa

Liabilities

Total liabilities were 3,077.9 million baht, an increase of 52.2 million baht from previous year, from increase short term loan and increase in provision of Employee benefit in accordance to the new Labor protection Act

Shareholder's equity

As of 31 March 2019, the Company's shareholder's equity was 10,315.3 million baht, an increase of 192.6 million baht from 10,122.6 million baht as of 31 March 2018, derived from accumulated operating profits.

AS of 31 March 2019, the capital structure of the Company and subsidiaries consisted of total liabilities 3,077.9 million baht and shareholder's equity 10,315.3 million baht, with debt to equity ratio of 0.30 times, similar to the previous year

According to consolidated financial statements as of 31 March 2019 and 31 March 2018, the Company and subsidiaries's operating cash flow was 1,322.2 million baht and 1,497.9 million baht respectively. Cash flow from investment was 662.6 million baht, and 649.3 million baht respectively. In addition, the cash flow from financing activity was 656.6 million baht, and 681.2 million baht respectively.

Auditor's remuneration

In 2019 (Apr.2018 – Mar.2019) The Company appointed PricewaterhouseCoopers ABAS Ltd. to be the auditor of the Company and subsidiaries in Thailand. The Company paid 5.03 million baht for audit fee and other service fee including traveling and accommodation allowance for 0.97 million baht.

Responsibilities of the Board of Directors for Financial Report

The administrative section is responsible for the preparation of the Company's financial statements as of March 31, 2019 in accordance with Accounting and Financial Reporting Standard imposed by Federation of Accounting Professions, and General Accepted Accounting Principles of Thailand. Preparation of Such financial statements was under vigilant attention with selection of proper accounting policy and consistent performance, including the disclosure of material information under the notes to the financial statements.

The Board of Directors has realized the responsibility and effectiveness of administering the

financial report. The proper internal audit is put in place and the integrity of the system is kept intact to ensure comprehensive and accurate accounting information for the benefit of shareholders and general investors. Audit committee is assigned to ensure correct financial report from the Company, and provide audit result to the Board on quarterly basis.

The Board has assessed the internal control system and commented that it is suffice, and reasonably firmed to believe that consolidated and separate financial statements of the Company as of March 31, 2019 is reliable.

For and on behalf of The Company



Mr. Pawat Vitoorapakorn
Vice-Chairman and Chief Executive Officer



Independent Auditor's Report

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

My opinion

In my opinion, the consolidated financial statements of Eastern Polymer Group Public Company Limited ("the Company") and its subsidiaries ("the Group") and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 March 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 March 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing ("TSAs"). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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



Key audit matter	How my audit addressed the key audit matter
<p>1) Assessment of impairment of goodwill</p> <p>Refer to note to the consolidated and separate financial statements no. 2.11 (Accounting policy - Goodwill), and no. 20 (Goodwill)</p> <p>Subsidiaries of the Group had goodwill of Baht 52.4 million on the consolidated statement of financial position as at 31 March 2019.</p> <p>Group management has assessed an impairment review of goodwill annually and will recognise the impairment if the carrying amount is higher than the recoverable amount.</p> <p>The Group assessed the recoverable amount from the value-in-use of the CGU from the future cash flow forecasts that required many assumptions subjected to management's significant judgments such as revenue growth rate, profit margin and discount rate.</p> <p>I focused on this area due to the assessment of the recoverable amount to consider if the impairment of goodwill and the future cash flow forecasts preparation is related to management's judgement and also the magnitude of the goodwill to the consolidated financial statements. Based on the annual impairment test, the recoverable amount of goodwill is higher than the carrying value. Therefore, the Group had not recognise any impairment loss on goodwill.</p>	<p>The goodwill was originated from subsidiaries of the Group and was audited by component auditor which is the same network of my firm.</p> <p>I planned my audit of the subsidiary's financial information for the audit of consolidation purpose and communicated the key audit matter to the component auditor.</p> <p>I reviewed the working papers relating to the assessment of impairment of goodwill and evaluated the test results of the component auditor for the procedures performed as below.</p> <ul style="list-style-type: none"> • understood, evaluated and challenged the management on the data used to calculate cash flow forecasts, including the process by which they were developed. • tested the parameters used to determine the discount rate applied and test the mathematical accuracy of the underlying calculations. • tested the management's estimation used to calculate the future cash flow forecasts by comparing the current year's actual results with the figures included in the prior year's forecast to consider they were reasonable. • assessed the reasonableness of management's key assumptions and recalculated the recoverable amount by comparing them to historical results, and the economic and industry outlook. <p>Based on the above procedures, I found that the management's relevant key assumptions used in the cash flow forecast preparation were reasonable.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.



Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

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



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

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

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

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read "Sudwin Panyawongkhanti", with a long horizontal line extending from the end of the signature.

Sudwin Panyawongkhanti
Certified Public Accountant (Thailand) No. 3534
Bangkok
27 May 2019

Eastern Polymer Group Public Company Limited

Statement of Financial Position

As at 31 March 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	503,166,905	497,892,690	162,567,867	227,581,388
Trade and other accounts receivable (net)	8	1,739,065,578	1,705,418,655	199,953,827	741,354,237
Short-term loans to related companies	41 c)	-	-	1,261,100,000	769,200,000
Inventories (net)	9	2,407,636,039	2,358,396,781	-	-
Value added tax	10	33,124,573	29,624,167	-	-
Current portion of land leasehold right (net)	21	205,533	216,611	-	-
Other current assets	11	8,422,873	17,084,536	-	-
Total current assets		4,691,621,501	4,608,633,440	1,623,621,694	1,738,135,625
Non-current assets					
Restricted deposits at financial institutions	12	270,327,953	269,608,552	1,500,000	1,500,000
Investments in associates	13	2,159,541,652	2,077,508,631	221,000,000	221,000,000
Investments in subsidiaries	14	-	-	3,764,229,749	3,764,229,749
Investments in joint venture	15	93,069,660	-	-	-
Other long-term investments (net)	16	1,237,425	1,237,425	-	-
Long-term loans to related companies	41 d)	-	-	931,644,900	931,057,300
Investment properties (net)	17	-	-	288,519,652	279,928,085
Property, plant and equipment (net)	18	5,616,738,519	5,648,505,379	72,792,472	106,251,219
Advance payment for fixed assets		75,422,066	39,587,006	-	-
Intangible assets (net)	19	232,905,221	247,800,253	462,278	1,049,499
Advance payment for intangible assets		-	1,557,108	-	-
Goodwill	20	52,404,879	55,236,135	-	-
Land leasehold right (net)	21	6,046,105	6,588,590	-	-
Deferred tax assets (net)	22	144,102,633	144,788,794	13,630,842	22,232,062
Other non-current assets	23	49,774,475	47,291,192	38,777,119	34,585,446
Total non-current assets		8,701,570,588	8,539,709,065	5,332,557,012	5,361,833,360
Total assets		13,393,192,089	13,148,342,505	6,956,178,706	7,099,968,985

Eastern Polymer Group Public Company Limited
Statement of Financial Position
As at 31 March 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	24	1,054,228,485	839,904,929	-	-
Trade and other accounts payable	25	1,269,466,994	1,293,830,456	14,723,382	13,372,164
Short-term loans from related parties	41 e)	-	13,503,984	-	-
Current portion of					
- Long-term loans from financial institutions	26	207,800,918	280,352,500	-	-
- Finance lease liabilities (net)	28	4,798,739	5,822,878	-	-
Accrued income tax		14,874,623	1,195,526	-	-
Value added tax	10	12,647,136	9,016,210	332,647	389,997
Other current liabilities	29	12,476,041	11,224,381	585,069	558,102
Total current liabilities		2,576,292,936	2,454,850,864	15,641,098	14,320,263
Non-current liabilities					
Long-term loans from financial institutions					
Finance lease liabilities (net)	28	4,789,860	4,364,909	-	-
Deferred tax liabilities (net)	22	72,127,907	70,580,721	-	-
Employee benefit obligations	30	236,013,746	163,983,284	22,703,696	13,480,083
Total non-current liabilities		501,622,748	570,857,664	22,703,696	13,480,083
Total liabilities		3,077,915,684	3,025,708,528	38,344,794	27,800,346

Eastern Polymer Group Public Company Limited

Statement of Financial Position

As at 31 March 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
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					
2,800,000,000 ordinary shares of Baht 1 each		2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000
Share premium on ordinary shares	31	3,274,182,000	3,274,182,000	3,274,182,000	3,274,182,000
Retained earnings					
Appropriated - legal reserve	32	205,638,348	154,446,048	205,638,348	154,446,048
Unappropriated		3,484,695,781	3,275,568,185	642,534,503	844,901,188
Remeasurement of post-employment benefit obligations		(31,610,280)	(20,723,574)	(4,520,939)	(1,360,597)
Surplus from business combination under common control		701,719,893	701,719,893	-	-
Other components of equity	34	(142,080,374)	(86,644,421)	-	-
Equity attributable to owners of the parent		10,292,545,368	10,098,548,131	6,917,833,912	7,072,168,639
Non-controlling interests	34	22,731,037	24,085,846	-	-
Total equity		10,315,276,405	10,122,633,977	6,917,833,912	7,072,168,639
Total liabilities and equity		13,393,192,089	13,148,342,505	6,956,178,706	7,099,968,985

Eastern Polymer Group Public Company Limited
Statements of Comprehensive Income
For the year ended 31 March 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Revenues					
Revenue from sales of goods	43	10,579,228,117	9,607,116,354	-	-
Revenue from services	43	7,595,040	7,182,464	94,339,200	93,608,000
Cost of goods sold		(7,687,748,152)	(6,892,494,334)	-	-
Cost of services		(5,670,935)	(5,073,733)	(78,891,013)	(57,747,168)
Gross profit		2,893,404,070	2,716,730,751	15,448,187	35,860,832
Other gains (losses) - net gain (loss)					
on foreign exchange rate		(4,050,264)	(82,362,470)	592,833	(3,223,995)
Dividend income	41 b)	-	-	473,799,904	1,059,559,785
Other income	35	35,765,662	49,467,447	73,543,337	38,737,209
Profit before expense		2,925,119,468	2,683,835,728	563,384,261	1,130,933,831
Selling expenses		(904,557,492)	(809,630,624)	-	-
Administrative expenses		(1,200,355,905)	(1,067,099,510)	(61,164,994)	(71,959,730)
Other expenses	36	(130,170)	(683,498)	-	-
Finance costs	38	(40,010,703)	11,972,332	(3,930)	(14,731)
Share of profit from investments in associates and joint venture	13 a), 15	174,810,890	245,119,706	-	-
Profit before income tax		954,876,088	1,063,514,134	502,215,337	1,058,959,370
Income tax	39	(51,648,341)	(70,303,983)	(9,391,305)	84,361
Net profit for the year		903,227,747	993,210,151	492,824,032	1,059,043,731
Other comprehensive income (loss)					
Item that will not be reclassified to profit or loss					
- Remeasurements of employment benefit obligations	30	(12,846,800)	3,775,771	(3,950,427)	(552,863)
- Income tax relating to components of other comprehensive income	22	1,960,094	(657,543)	790,085	110,572
Item that will be reclassified subsequently to profit or loss					
- Currency translation differences		(51,287,587)	(96,028,507)	-	-
- Share of other comprehensive income (loss) of associates and joint venture accounted for using the equity method	13 b), 15	(4,412,609)	(9,978,060)	-	-
Other comprehensive income (loss) for the year - net of tax		(66,586,902)	(102,888,339)	(3,160,342)	(442,291)
Total comprehensive income for the year		836,640,845	890,321,812	489,663,690	1,058,601,440

Eastern Polymer Group Public Company Limited
Statement of Comprehensive Income
For the year ended 31 March 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Profit attributable to:					
Owners of the parent		904,318,313	990,960,751	492,824,032	1,059,043,731
Non-controlling interests		(1,090,566)	2,249,400	-	-
		<u>903,227,747</u>	<u>993,210,151</u>	<u>492,824,032</u>	<u>1,059,043,731</u>
Comprehensive income attributable to:					
Owners of the parent		837,995,654	887,782,052	489,663,690	1,058,601,440
Non-controlling interests	34	(1,354,809)	2,539,760	-	-
		<u>836,640,845</u>	<u>890,321,812</u>	<u>489,663,690</u>	<u>1,058,601,440</u>
Earnings per share to the owners of the parent	40				
Basic earnings per share (Baht)		<u>0.323</u>	<u>0.354</u>	<u>0.176</u>	<u>0.378</u>

Eastern Polymer Group Public Company Limited
Statement of Changes in Equity
For the year ended 31 March 2019

Consolidated financial statements (Baht)													
Attributable to owners of the parent													
Notes	Authorised, issued and fully paid-up share capital	Premium on share capital	Retained earnings			Remeasurements of post-employment benefit obligations	Surplus from business combination under common control	Other components of equity					
			Appropriated - legal reserve	Unappropriated	Translation differences			Share of other comprehensive income (loss) of associates	Total other components of equity	Total owners of the parent	Non- controlling interests	Total equity	
Operating balance as at 1 April 2017													
Changes in equity for the year													
Legal reserve	32	-	-	35,313,768	(35,313,768)	-	-	-	-	-	-	-	
Dividend paid	33	-	-	-	(699,987,210)	-	-	-	-	(699,987,210)	-	(699,987,210)	
Investments in subsidiary of non-controlling interests	34	-	-	-	-	-	-	-	-	-	8,000,000	8,000,000	
Net profit for the year		-	-	-	990,960,751	-	-	-	-	990,960,751	2,249,400	993,210,151	
Total other comprehensive income for the year		-	-	-	-	3,118,228	-	(96,318,867)	(9,978,060)	(106,296,927)	290,360	(102,888,339)	
Closing balance as at 31 March 2018													
		2,800,000,000	3,274,182,000	154,446,048	3,275,568,185	(20,723,574)	701,719,893	(43,358,499)	(43,285,922)	(96,644,421)	10,098,548,131	24,085,846	10,122,633,977

Eastern Polymer Group Public Company Limited
Statement of Changes in Equity
For the year ended 31 March 2019

Consolidated financial statements (Baht)													
Attributable to owners of the parent													
	Notes	Authorised, issued and fully paid-up share capital	Premium on share capital	Appropriated – legal reserve	Unappropriated	Remeasurements of post-employment benefit obligations	Surplus from business combination under common control	Other components of equity					
								Retained earnings			Other comprehensive income (loss)		
Opening balance as at 1 April 2018		2,800,000,000	3,274,182,000	154,446,048	3,275,568,185	(20,723,574)	701,719,893	(43,358,499)	(43,285,922)	(86,644,421)	10,098,548,131	24,085,846	10,122,633,977
Changes in equity for the year													
Legal reserve	32	-	-	51,192,300	(51,192,300)	-	-	-	-	-	-	-	-
Dividend paid	33	-	-	-	(643,998,417)	-	-	-	-	-	(643,998,417)	-	(643,998,417)
Investments in subsidiary of non-controlling interests	34	-	-	-	-	-	-	-	-	-	-	-	-
Net profit for the year		-	-	-	904,318,313	-	-	-	-	-	904,318,313	(1,090,566)	903,227,747
Total other comprehensive income for the year		-	-	-	-	(10,886,706)	-	(51,023,344)	(4,412,609)	(55,435,953)	(66,322,659)	(264,243)	(66,566,902)
Closing balance as at 31 March 2019		2,800,000,000	3,274,182,000	205,638,348	3,484,695,781	(31,610,280)	701,719,893	(94,381,843)	(47,698,531)	(142,080,374)	10,292,545,368	22,731,037	10,315,276,405

Eastern Polymer Group Public Company Limited
Statement of Changes in Equity
For the year ended 31 March 2019

		Separate financial statements (Baht)					
		Retained earnings					Total equity
		Authorised, issued and fully paid-up share capital	Premium on share capital	Appropriated - legal reserve	Unappropriated	Gain (loss) on measurement of post-employment benefit obligations	
Notes							
	Opening balance as at 1 April 2017	2,800,000,000	3,274,182,000	119,132,280	521,158,435	(918,306)	6,713,554,409
	Changes in equity for the year						
	Legal reserve	-	-	35,313,768	(35,313,768)	-	-
32	Dividend paid	-	-	-	(699,987,210)	-	(699,987,210)
33	Net profit for the year	-	-	-	1,059,043,731	-	1,059,043,731
	Total comprehensive income for the year	-	-	-	-	(442,291)	(442,291)
	Closing balance as at 31 March 2018	2,800,000,000	3,274,182,000	154,446,048	844,901,188	(1,360,597)	7,072,168,639
	Opening balance as at 1 April 2018	2,800,000,000	3,274,182,000	154,446,048	844,901,188	(1,360,597)	7,072,168,639
	Changes in equity for the year						
	Legal reserve	-	-	51,192,300	(51,192,300)	-	-
32	Dividend paid	-	-	-	(643,998,417)	-	(643,998,417)
33	Net profit for the year	-	-	-	492,824,032	-	492,824,032
	Total comprehensive income for the year	-	-	-	-	(3,160,342)	(3,160,342)
	Closing balance as at 31 March 2019	2,800,000,000	3,274,182,000	205,638,348	642,534,503	(4,520,939)	6,917,833,912

Eastern Polymer Group Public Company Limited

Statement of Cash Flows

For the year ended 31 March 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities:					
Profit before income tax		954,876,088	1,063,514,134	502,215,337	1,058,959,370
Adjustments					
(Reversal of) allowance for doubtful accounts	8	6,266,188	3,595,267	-	(1,206,280)
(Reversal of) allowance for obsolete and slow-moving inventories	9	(37,469,140)	(2,335,635)	-	-
(Reversal of) allowance for inventories cost in excess of net realisable value	9	535,627	1,398,017	-	-
Net (gain) loss on exchange rates					
- Realised	26	(1,017,250)	171,630	-	-
- Unrealised	26, 41 d)	(1,541,341)	(7,284,158)	(587,600)	3,228,400
Share of (profit) from investments in associates	13 b)	(185,878,560)	(245,119,706)	-	-
Share of loss from investments in joint venture	15 b)	11,067,670	-	-	-
Depreciation					
- Investment properties	17	-	-	8,409,761	8,457,490
- Property, plant and equipment	18	616,687,025	588,614,817	6,362,916	5,992,751
Amortisation	37	55,335,449	54,803,495	655,321	67,143
Net loss on write-off of property, plant and equipment	36	130,170	683,498	-	-
Net (gain) loss on disposals of property, plant and equipment	35	(7,415,365)	(4,892,958)	(6,874,320)	15,492
Employee benefit obligations	30	66,756,661	16,561,663	6,758,686	1,147,082
Dividend income					
- Associates	41 b)	-	-	(91,800,000)	(97,560,000)
- Subsidiaries	41 b)	-	-	(381,999,904)	(961,999,785)
Interest income	35	(6,465,526)	(6,165,024)	(66,629,783)	(38,381,135)
Finance costs	38	40,010,703	(11,972,332)	3,930	14,731
		1,511,878,399	1,451,572,708	(23,485,656)	(21,264,741)

Eastern Polymer Group Public Company Limited
Statement of Cash Flows
For the year ended 31 March 2019

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Changes in working capital					
(Increase) decrease in operating assets					
Trade and other accounts receivable		(62,807,808)	91,056,985	(612,941)	1,751,764
Inventories		(48,765,852)	(165,153,340)	-	-
Value added tax		324,270	56,508,753	(57,350)	95,514
Other current assets		2,365,401	(2,622,829)	-	-
Other non-current assets		1,960,131	(7,993,947)	(15,981)	(20,000)
Increase (decrease) in operating liabilities					
Trade and other accounts payable		(14,908,842)	124,330,192	1,392,739	931,269
Other current liabilities		1,442,566	(12,031,595)	26,967	47,133
Employee benefit obligations paid	30	(5,850,648)	(4,722,940)	(1,485,500)	-
Cash generated from (used in) operating activities					
Before interest income received, finance costs paid and income tax paid		1,385,637,617	1,530,943,987	(24,237,722)	(18,459,061)
Interest income received		6,368,271	6,350,816	64,483,209	37,747,381
Finance costs paid - interest expense		(39,396,066)	13,837,549	(3,930)	(14,731)
Income tax received		-	5,123,968	-	-
Income tax paid		(30,451,098)	(58,341,741)	(4,175,692)	(3,693,261)
Net cash generated from operating activities		1,322,158,724	1,497,914,579	36,065,865	15,580,328

Eastern Polymer Group Public Company Limited
Statement of Cash Flows
For the year ended 31 March 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
(Increase) decrease in restricted deposits					
at financial institutions	12	(1,978,145)	301,237	-	-
Cash paid for purchase of investments in associates	13 b)	-	(16,186,792)	-	-
Net cash paid for purchase of assets					
as business acquisition	14.4	-	(200,409,675)	-	-
Cash proceeds from purchase of					
business acquisition	14.4	5,533,594	-	-	-
Cash paid for purchase of investment in joint venture	15 b)	(96,504,400)	-	-	-
Cash paid for purchase of investments					
in other company	16	-	(1,237,425)	-	-
Cash paid for purchase of					
- property, plant and equipment		(671,991,244)	(543,373,687)	(7,222,833)	(1,293,166)
- intangible assets		(52,027,709)	(47,271,684)	(68,100)	(62,500)
Cash received from disposals of					
- property, plant and equipment		60,401,385	39,291,548	22,962,688	314,660
- investment property		-	-	1,187,447	-
Short-term loans to related parties					
- proceeds	41 c)	-	-	(3,440,900,000)	(2,253,700,100)
- repayments	41 c)	-	-	2,949,000,000	2,316,300,100
Dividend receipts from investments in					
- associates		93,960,000	119,605,473	93,960,000	97,020,000
- subsidiaries		-	-	923,999,829	605,599,866
Net cash generated from (used in) investing activities		(662,606,519)	(649,281,005)	542,919,031	764,178,860

Eastern Polymer Group Public Company Limited
Statement of Cash Flows
For the year ended 31 March 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Cash flows from financing activities					
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	24	222,535,798	248,777,640	-	-
Short-term loans from related parties					
- proceeds	41 e)	-	-	-	-
- repayments	41 e)	(12,918,136)	(4,641,816)	-	-
Long-term loans from financial institutions					
- proceeds	26	65,000,000	108,400,000	-	-
- repayments	26	(278,230,506)	(332,632,130)	-	-
Finance lease liabilities payments		(9,038,205)	(9,069,842)	-	-
Dividends paid	33	(643,998,417)	(699,987,210)	(643,998,417)	(699,987,210)
Proceeds from investment in non-controlling interests	34	-	8,000,000	-	-
Net cash generated from (used in) financing activities		(656,649,466)	(681,153,358)	(643,998,417)	(699,987,210)
Net increase (decrease) in cash and cash equivalents		2,902,739	167,480,216	(65,013,521)	79,771,978
Exchange gains (losses) on cash and cash equivalents		2,371,476	(38,531,063)	-	-
Cash and cash equivalents at the beginning of the period		497,892,690	368,943,537	227,581,388	147,809,410
Cash and cash equivalents at the end of the period	7	503,166,905	497,892,690	162,567,867	227,581,388

Eastern Polymer Group Public Company Limited

Statement of Cash Flows

For the year ended 31 March 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Non-cash transactions:					
Dividend receivable - associates	8	9,450,000	11,610,000	9,450,000	11,610,000
- subsidiaries	8	-	-	179,999,940	721,999,865
Fixed asset receivable	8				
- other companies		1,970,681	-	-	-
- associate companies		352,749	4,073,075	-	-
Reclassification from property, plant and equipment to investment property	17	-	-	18,188,775	-
Fixed assets payable	25				
- other companies		36,942,130	36,167,591	-	41,522
- related companies		158,366	53,928	-	-
Retention payable	25	9,370,989	3,085,033	-	-
Purchase of vehicle under finance lease during the period		8,153,342	6,618,989	-	-
Reclassification of short-terms loan to long-terms loan to subsidiaries	41 c), 41 d)	-	-	-	(900,000,000)

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

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, according to letter from the Stock Exchange of Thailand (SET) at Bor. Jor 1067/2557 dated 23 December 2014. 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 Company uses "EPG" as a name for trading in Stock Exchange of Thailand. The address of its registered offices are as follows:

Head office : 770 Moo 6, Theparak Road, Theparak, Muang Samutprakarn, Samutprakarn
 Factory 1 : 111/7 Moo 2, Makhamkoo, Nikom Pattana, Rayong
 Factory 2 : 48, Soi Bangna-Trad 25, 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 14. 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.

The Group consolidated and separate financial statements were authorised for issue by the authorised directors on 27 May 2019.

2 Accounting policies

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

2.1 Basis of preparation

The consolidated and separate 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 separate 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 separate financial statements are disclosed in Note 4.

An English version of the consolidated and separate 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.

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Group.

TAS 7 (revised 2017)	Statement of Cash Flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale in the scope of TFRS 5 (revised 2017), except for the summarised financial information.

The Group's management assessed and considered that the above revised standards do not have a significant impact on the Group except for disclosure.

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective.

2.2.2.1 The Federation of Accounting Professions has issued new standard, TFRS15 Revenue from contracts with customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard.

TFRS 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.

An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.1 The Federation of Accounting Professions has issued new standard, TFRS15 Revenue from contracts with customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard. (Cont'd)

Key changes to current practice are:

- Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements
- Revenue may be recognised earlier than under current standards if the consideration varies for any reasons (such as for incentives, rebates, performance fees, royalties, success of an outcome etc) - minimum amounts must be recognised if they are not at significant risk of reversal
- The point at which revenue is able to be recognised may shift: some revenue which is currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa
- There are new specific rules on licenses, warranties, non-refundable upfront fees and, consignment arrangements
- As with any new standard, there are also increased disclosures.

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures.

The Group's management is currently assessing the impact of initial adoption of this standard.

2.2.2.2 Revised financial reporting standards will become effect for annual periods beginning on or after 1 January 2019 and are relevant to the Group. The Group has not yet adopt these standards.

TFRS 2 (revised 2018)	Share-based Payment
TAS 28 (revised 2018)	Investments in associates and joint ventures
TAS 40 (revised 2018)	Investment Property
TFRIC 22	Foreign Currency Transactions and Advance Consideration

TFRS 2 (revised 2018), the amendments clarify;

- The measurement basis for cash-settled share-based payments, vesting conditions, other than market conditions, shall not be taken into account when estimating the fair value of the cash-settled share-based payment at the measurement date. Instead, vesting conditions, other than market conditions, shall be taken into account by adjusting the number of awards included in the measurement of the liability arising from the transaction.
- Where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority, the whole award will be treated as if it was equity-settled provided it would have been equity-settled without the net settlement feature, and
- The accounting for modifications that change an award from cash-settled to equity-settled.

TAS 28 (revised 2018), the amendment clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition.

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.2 Revised financial reporting standards will become effect for annual periods beginning on or after 1 January 2019 and are relevant to the Group. The Group has not yet adopt these standards. (Cont'd)

TAS 40 (revised 2018), the amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer.

The TFRIC 22 interpretation provides guidance for determining the exchange rate to be used on the initial recognition of a related asset, expense or income where an entity pays or receives an advance consideration in a foreign currency. The interpretation requires an entity to use the exchange rate at the date on which an entity recognises the non-monetary assets, such as prepayments and advances, or non-monetary liability, such as deferred income arising from the advance consideration. If there are multiple advance payments or receipts of payments, the exchange rate is to be used on the date when each non-monetary asset or liability is recognised.

2.2.2.3 New financial reporting standards will become effect for annual periods beginning on or after 1 January 2020 and are relevant to the Group. The Group has not yet adopt these standards.

2.2.2.3.1 The group of financial reporting standards related to financial instruments comprise accounting standards and financial reporting standards as shown below. The early application is permitted only for the period beginning on or after 1 January 2019.

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The above new standards and interpretations will supersede the following standards:

TAS 101	Bad and Doubtful Debts
TAS 103	Disclosures in the Financial Statements of Bank and Similar Financial Institutions
TAS 104	Accounting for Troubled Debt Restructuring
TAS 105	Accounting for Investment in Debts and Equity securities
TAS 106	Accounting for Investment Companies
TAS 107	Financial Instruments: Disclosure and Presentation

TAS 32 Financial Instruments: Presentation, provides the requirements for the presentation financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.

TFRS 7 Financial Instruments: Disclosures, provides the requirements for the disclosure that are intended to enable users to evaluate the significance of financial instruments for an entity's financial position and performance, and to understand the nature and extent of risks arising from those financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.3 New financial reporting standards will become effect for annual periods beginning on or after 1 January 2020 and are relevant to the Group. The Group has not yet adopt these standards. (Cont'd)

2.2.2.3.1 The group of financial reporting standards related to financial instruments comprise accounting standards and financial reporting standards as shown below. The early application is permitted only for the period beginning on or after 1 January 2019. (Cont'd)

TFRS 9 Financial Instruments, establishes principles for the classification, measurement and derecognition of financial assets and financial liabilities, impairment requirement and hedge accounting as follow:

- Classification and measurement:
 - The classification and measurement of debt instrument financial assets has three classification categories, which are amortised cost, fair value through profit or loss and fair value through other comprehensive income. Classification of debt assets will be driven by the entity's business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
 - Equity instrument financial assets shall be measured at fair value through profit or loss. An entity can make an irrevocable election to recognise the fair value change in other comprehensive income without subsequent recycling to profit or loss.
 - Financial liabilities are classified and measured at amortised cost. An entity can choose to measure a liability at fair value through profit or loss when the conditions are met.
 - Derivatives are classified and measured at fair value through profit or loss.
 - The impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts. It is no longer necessary for a credit event to have occurred before credit losses are recognised. The entity always accounts for expected credit losses which involves a three stage approach. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. Except for trade receivables and contractual assets which apply in TFRS 15 and are no significant financial components and lease receivables, they are permitted to measure by simplified approach for credit impaired consideration.
 - The objective of hedge accounting is to represent, in the financial statements, the effect of an entity's risk management activities that use financial instruments to manage exposures arising from particular risks that could affect profit or loss (or other comprehensive income, in the case of investments in equity instruments for which an entity has elected to present changes in fair value in other comprehensive income). This approach aims to convey the context of hedging instruments for which hedge accounting is applied in order to allow insight into their purpose and effect.

TFRIC 16 Hedges of a Net Investment in a Foreign Operation, clarifies the accounting treatment in respect of net investment hedging, provides guidance on identifying the foreign currency risks that qualify as a hedged risk. Clarifying that hedging instruments that are hedges of a net investment in a foreign operation may be held anywhere in the group not only by the parent. This includes the guidance on how an entity should determine the amount to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.3 New financial reporting standards will become effect for annual periods beginning on or after 1 January 2020 and are relevant to the Group. The Group has not yet adopt these standards. (Cont'd)

2.2.2.3.1 The group of financial reporting standards related to financial instruments comprise accounting standards and financial reporting standards as shown below. The early application is permitted only for the period beginning on or after 1 January 2019. (Cont'd)

TFRIC 19 Extinguishing financial liabilities with equity instruments, provides the requirements for accounting treatment when the entity issues equity instruments to a creditor to extinguish all or part of a financial liability. The equity instruments issued shall be measured at fair value. The entity shall remove a financial liability (or part of a financial liability) from its statement of financial position when it is extinguished in accordance with TFRS 9. The difference between the carrying amount of the financial liability (or part of a financial liability) extinguished and the fair value of equity instruments issued shall be recognised in profit or loss.

The Group's management is currently assessing the impact of initial adoption of these standards.

2.2.2.3.2 TFRS 16 Leases, the earlier application is permitted for entities that apply TFRS 15 Revenue from Contracts with Customers at or before the date of initial application of this Standard.

The new standard will supersede the following standards:

TAS 17	Leases
TFRIC 4	Determining whether an arrangement contains a lease
TSIC 15	Operating leases - Incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease

TFRS16 Leases, a lessee shall recognise a right-of-use asset and a lease liability for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

Key changes to current practice are:

- The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.
- The total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation.
- Operating cash flows will be higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as operating cash flows.
- The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures.

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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 or loss, or exchange component of that gain or loss is recognised in profit or 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 in the statement of comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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 banks, other short-term highly liquid investments with maturities of three months or less from date of acquisition and are not used as collateral.

In the consolidated and company statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

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 which is generally based on collection experience and analysis of aged receivables at the end of period. 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.

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2 Accounting policies (Cont'd)

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.

2.7 Group Accounting - Investments in subsidiaries and associates

a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations, except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree 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.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurements are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

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 fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured 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 losses on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the company's separated financial statements, investments in subsidiaries are accounted for at cost less allowance for impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the Group's subsidiaries is set out in Note 14.

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2 Accounting policies (Cont'd)

2.7 Group Accounting - Investments in subsidiaries and associates (Cont'd)

b) Transactions with 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.

c) Disposal of subsidiaries

When the Group ceases to have control, 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.

d) Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree in the proportion of interests under common control at the carrying values of the acquiree presented in the highest level of the consolidation prior to the business combination under common control at the acquisition date. The Group retrospectively adjusted the business combination under common control transactions as if the combination occurred from the beginning of period of which the financial statements in the previous period are comparatively presented in accordance with the guidance of business combination under common control as issued by the Federation of Accounting Professions.

Costs of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs. Other costs directly attribute to business combination under common control, such as professional fees of legal advisors and other advisors, registration fees, and costs relating to preparation of information for shareholders, are capitalised as an investment in the separate financial statements while immediately recognised as expenses in the consolidated financial statements in the period of which the business combination occurs.

The difference between costs of business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "Surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed (transfer to retained earnings).

e) 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.

f) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint operations

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint venture

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interest in joint ventures are accounted for using the equity method.

Eastern Polymer Group Public Company Limited
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2 Accounting policies (Cont'd)

2.7 Group Accounting - Investments in subsidiaries and associates (Cont'd)

g) Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in associates and joint ventures 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. Profit or loss from reduction of the ownership interest in associates and in joint ventures is recognised in profit or 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 associates equals or exceeds its interest in the associates, together with any long-term interests that, in substance, form part of the entity's net investment in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit (loss) of associates in profit or loss.

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.

h) Separate financial statement

In the separate financial statements, investments in subsidiaries and associates 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.

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2 Accounting policies (Cont'd)

2.8 Other investments

Investments other than investments in subsidiaries, associates and joint arrangements are classified into the following three categories: (1) available-for-sale investments (2) held-to-maturity investments and (3) 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.

- (1) Available-for-sale investments are 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.
- (2) Held-to-maturity investments are investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
- (3) General investments are investments in non-marketable equity securities.

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

Available-for-sale investments are subsequently measured at fair value. 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 Thai Bond Dealing Center. The unrealised gains and losses of available-for-sale investments are recognised in other comprehensive income.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

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 profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

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.

Land and buildings held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met.

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.

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2 Accounting policies (Cont'd)

2.9 Investment Property Cont'd)

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

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

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 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

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 profit or loss.

2.11 Goodwill

Goodwill acquisitions of subsidiaries (Note 2.7) 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.

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2 Accounting policies (Cont'd)

2.12 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 to 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.

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 brand

Separately acquired trademarks and licences are shown at historical cost. Trademarks and brand acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and brand have a finite useful life and are carried at cost less accumulated amortisation and allowance for impairment. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and brand over their estimated useful lives of 10 and 15 years.

Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and are carried at cost less accumulated amortisation and allowance for impairment. Amortisation is calculated using the straight-line method over the estimated useful life of 7 years.

The intangible assets residual values and useful lives are reviewed, at the end of each reporting period.

2.13 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.

Eastern Polymer Group Public Company Limited
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2 Accounting policies (Cont'd)

2.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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

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.

2.17 Accounting for long-term leases

Finance leases - where the Group 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.

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2 Accounting policies (Cont'd)

2.17 Accounting for long-term leases (Cont'd)

Operating leases - where the Group 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 the Group is the lessor

Assets leased out under operating leases are included in investment properties in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with the Group's investment properties. 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 and joint arrangements, 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.

2.19 Employee benefits

The Group recognises a liability and an expense for bonuses and employee benefit obligations. 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 defined contribution plans and defined benefit plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity through trustee-administered funds. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

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2 Accounting policies (Cont'd)

2.19 Employee benefits (Cont'd)

A defined benefit plan comprise of retirement benefit. Typically defined benefit plan defined an amount of pension benefit that an employee will receive which 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 or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

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 to 15 percent of their basic salary and the Group also contributes 3 to 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

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

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, temporary investment at financial institutions, trade and other accounts receivable, short-term and long-term loans to related companies, certain parts of other current assets, restricted deposits at financial institutions, 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, short-term loans from related parties, certain parts of other current liabilities, long-term loans from financial institutions and finance lease liabilities. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

2.23 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.24 Revenue recognition

Revenue comprises the fair value for consideration received or receivable for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown net of valued-add tax, returns, rebates and discounts and after eliminating sales within the Group. Revenue from sale of goods is recognised when significant risks and rewards of ownership of the 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:

- Consultation and management income is recognised on an accrual basis in accordance with the substance of the relevant agreement.
- 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 by using straight line method over the contractual period.
- Scrap income is recognised when the scrap is actually sold.
- Other income is recognised when the Group has right to receive.

2.25 Finance costs

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

2.26 Dividends

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

2.27 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.

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

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 2019 and 2018, the Group has outstanding balances of financial assets and liabilities as follows:

Currency	Consolidated					
	2019			2018		
	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	8,942,749	7,990,264	31.81	9,111,395	8,499,040	31.23
Euro	2,389,126	94,262	35.72	1,385,078	673,529	38.44
Singapore dollar	40,808	-	23.47	52,822	-	23.82
Australian dollar	16,775,544	35,655,579	22.54	12,408,323	18,786,289	23.98
Yen	220,156,879	-	0.29	139,238,623	-	0.29
Renminbi	31,626,689	23,984,828	4.72	23,153,607	15,536,074	4.98
Swiss franc	-	-	31.95	188,561	-	32.69
British pound	-	-	41.61	-	165,950	43.83
Taiwan dollar	6,500	-	1.03	5,870	-	1.07
Hong Kong dollar	600	-	4.05	600	-	3.98
Ringgit	6,188,186	277,840	7.80	2,335,487	280,553	8.10
United Arab Emirates Dirham	70,206	4,714	8.66	143,505	41,433	8.50
Hungary	-	-	0.11	136,859,727	-	0.12
Rand	-	40,438	2.18	-	40,438	2.64

Currency	Separate					
	2019			2018		
	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	1,000,000	-	31.81	1,000,000	-	31.23

3.1.2 Interest rate risk

The Group exposes to interest rate risk relates primarily to their cash at financial institutions, loans to 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.

[illegible]

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

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 2019 and 2018 as follows: (Cont'd)

	2018										
	Consolidated financial statements						Separate financial statements				
	Fixed interest rate			Floating interest rate			Fixed interest rate			Floating interest rate	
	Within 1 year Baht	1 - 5 years Baht	Over 5 years 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	Within 1 year Baht	1 - 5 years Baht
Financial assets											
Cash and cash equivalents	-	-	-	284,453,492	213,439,198	497,892,690	-	-	-	228,596,849	984,539
Trade and other accounts receivable (net)	-	-	-	-	1,647,155,674	1,647,155,674	-	-	-	737,244,772	737,244,772
Short-term loans to related companies	-	-	-	-	-	-	769,200,000	-	-	-	769,200,000
Restricted deposits at financial institutions	269,608,552	-	-	-	-	269,608,552	1,500,000	-	-	-	1,500,000
Long-term loans to related companies	-	-	-	-	-	-	-	931,057,300	-	-	931,057,300
	269,608,552	-	-	284,453,492	1,860,594,872	2,414,656,916	770,700,000	931,057,300	-	228,596,849	738,229,311
Financial liabilities											
Bank overdrafts and short-term loans from financial institutions	569,319,889	-	-	270,585,040	-	839,904,929	-	-	-	-	-
Trade and other accounts payable	-	-	-	-	1,293,830,456	1,293,830,456	-	-	-	13,372,164	13,372,164
Short-term loans from related parties	-	-	-	-	13,503,984	13,503,984	-	-	-	-	-
Current portion of - long-term loans from financial institutions	81,252,500	-	-	199,100,000	-	280,352,500	-	-	-	-	-
- finance lease liabilities (net)	5,822,878	-	-	-	-	5,822,878	-	-	-	-	-
Long-term loans from financial institutions	-	108,628,750	-	223,300,000	-	331,928,750	-	-	-	-	-
Finance lease liabilities (net)	-	4,364,909	-	-	-	4,364,909	-	-	-	-	-
	656,395,267	112,993,659	-	692,985,040	1,307,334,440	2,769,708,406	-	-	-	13,372,164	13,372,164

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

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 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward exchange contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes.

Disclosures about derivative financial instruments to which the Group is a party are provided in Note 42.6.

3.3 Fair value estimation

The table below analyses financial instruments carried and disclosed at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Level	Baht	Baht	Baht	Baht
Assets as at 31 March					
Investment properties (net) (Note 17)	2	-	-	531,977,600	522,556,200
Long-term loan to related party (Note 41 d))	2	-	-	931,644,900	931,057,300
Liabilities as at 31 March					
Long-term loan from financial institutions (Note 26)	2	396,246,443	610,875,563	-	-

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Information on the fair values of investment properties, borrowings and long-term loans to related parties are included in Note 17, 26 and 41 d), respectively.

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

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.

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.

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. The allowance for impairment is based on the previous loss from operation of subsidiary, future expected estimated loss and other factors (Note 14 and 16).

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.

Deferred tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimation on a conservative basis.

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.

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

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.

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

6 Segment information

Categories and products which generate income are as follows :

	The consolidated statements of comprehensive income for the year ended 31 March 2019 (Baht)				
	Rubber insulation	Automotive plastics	Packaging plastics	Others	Total
Sale of goods and services					
Domestic	1,834,285,094	3,592,697,888	1,824,588,040	1,014,112,188	8,265,683,210
Overseas	1,094,872,656	1,694,845,995	176,884,095	278,032,235	3,244,634,981
Total sale of goods and services	2,929,157,750	5,287,543,883	2,001,472,135	1,292,144,423	11,510,318,191
Intra-group income				(923,495,034)	
Total income				10,586,823,157	
Segment income	1,070,977,975	1,254,311,911	303,656,131	264,458,053	2,893,404,070
Other gains (losses) - net gain (loss) on foreign exchange rate					(4,050,264)
Other income					35,765,662
Selling and administrative expenses					(2,104,913,397)
Other expenses					(130,170)
Finance costs					(40,010,703)
Share of profit from investment in associates and joint venture					174,810,890
Income tax					(51,648,341)
Net profit for the year					903,227,747
					(8,852,127)
					18,319,146
					(1,688,863,523)
					(70,706)
					(26,914,736)
					174,810,890
					(41,239,024)
					(10,409,317)
					4,801,863
					17,446,516
					(416,049,874)
					(59,464)
					(13,095,965)
					-
					(3,244,634,981)
					8,265,683,210
					-
					3,244,634,981
					11,510,318,191
					(923,495,034)
					10,586,823,157
					2,893,404,070
					(4,050,264)
					35,765,662
					(2,104,913,397)
					(130,170)
					(40,010,703)
					174,810,890
					(51,648,341)
					903,227,747
					11,072,685,424
					2,252,611,312
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					1,605,546,185
					729,297,557
					44,284,606
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					3,077,915,684
					11,072,685,424

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

6 Segment information (Cont'd)

Categories and products which generate income are as follows : (Cont'd)

	The consolidated statements of comprehensive income for the year ended 31 March 2018 (Baht)				
	Rubber insulation	Automotive plastics	Packaging plastics	Others	Total
Sale of goods and services					
Domestic	1,702,539,563	2,687,336,867	1,743,702,413	976,177,562	7,109,756,405
Overseas	1,048,331,494	1,789,875,159	157,436,031	204,847,323	3,200,490,007
Total sale of goods and services	2,750,871,057	4,477,212,026	1,901,138,444	1,181,024,885	10,310,246,412
Intra-group income					(695,947,594)
Total income					9,614,298,818
Segment income	1,009,525,190	1,111,879,122	370,659,771	224,666,668	2,716,730,751
Other gains (losses) - net gain (loss) on foreign exchange rate					(82,362,470)
Other income					49,467,447
Selling and administrative expenses					(1,876,730,134)
Other expenses					(683,498)
Finance costs					11,972,332
Share of profit from investment in associates					245,119,706
Income tax					(70,303,983)
Net profit for the year					993,210,151
					(75,576,540)
					33,822,090
					(1,425,185,839)
					(205)
					7,691,721
					245,119,706
					(55,936,784)
					(14,367,199)

Certain part of the consolidated statements of financial position as at 31 March 2018 (Baht)

	Rubber insulation	Automotive plastics	Packaging plastics	Others	Total
Segment assets	2,374,087,461	4,332,719,756	3,439,221,618	852,724,467	10,998,753,302
Investments at equity	266,087,422	-	-	1,811,421,209	2,077,508,631
Unallocated assets				72,080,572	72,080,572
Consolidated total assets					13,148,342,505
Segment liabilities	491,548,641	1,481,224,692	976,161,935	76,773,260	3,025,708,528
Consolidated total liabilities					3,025,708,528

As at 31 March 2019, the total of non-current assets do not include deferred tax assets located in the USA, China, Australia and Malaysia are Baht 248.29 million, Baht 167.97 million, Baht 379.35 million and Baht 6.94 million, respectively (31 March 2018 : USA, China, Australia and Malaysia are Baht 201.55 million, Baht 389.20 million and Baht 11.08 million, respectively).

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7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash on hand	1,959,372	2,505,420	30,000	30,000
Cash at banks - savings accounts	257,396,188	284,453,492	160,811,367	226,596,849
- current accounts	243,811,345	210,933,778	1,726,500	954,539
	<u>503,166,905</u>	<u>497,892,690</u>	<u>162,567,867</u>	<u>227,581,388</u>

As at 31 March 2019, cash at banks - savings accounts in consolidated financial statements carry interest at the rates of 0.04% to 1.50% per annum (2018 : at the rates of 0.04% to 1.50% per annum).

8 Trade and other accounts receivable (net)

		Consolidated financial statements		Separate financial statements	
	Notes	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts receivable					
- other companies		1,569,076,679	1,511,342,196	4,799,191	4,799,191
- related companies	41 a)	22,169,654	11,800,271	-	-
Trade notes receivable					
- other companies		126,917,597	137,347,945	-	-
- related companies	41 a)	54,571	-	-	-
<u>Less</u> Allowance for doubtful accounts		<u>(44,942,616)</u>	<u>(38,621,235)</u>	<u>(4,799,191)</u>	<u>(4,799,191)</u>
		<u>1,673,275,885</u>	<u>1,621,869,177</u>	<u>-</u>	<u>-</u>
Dividend receivable					
- associates	41 a)	9,450,000	11,610,000	9,450,000	11,610,000
- subsidiaries	41 a)	-	-	179,999,940	721,999,865
Other accounts receivable					
- other companies		2,433,017	8,056,176	571	6,748
Fixed asset receivable					
- other companies		1,970,681	-	-	-
- associates	41 a)	352,749	4,073,075	-	-
Interest receivable					
- financial institutions		1,101,010	1,003,755	12,604	13,611
- subsidiaries	41 a)	-	-	5,762,129	3,614,548
Advance payment					
- others companies		2,116,589	4,725,638	25,000	18,450
Prepaid expenses		26,429,902	19,439,561	3,894,145	3,279,677
Prepaid insurance		21,424,592	34,097,782	809,438	811,338
Accrued income from tax refund		-	543,491	-	-
Accrued revenue		511,153	-	-	-
		<u>1,739,065,578</u>	<u>1,705,418,655</u>	<u>199,953,827</u>	<u>741,354,237</u>

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8 Trade and other accounts receivable (net) (Cont'd)

Outstanding balance of trade accounts receivable and notes receivable as at 31 March 2019 and 2018 can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Not overdue	1,060,065,920	1,021,407,928	-	-
Overdue				
1 - 90 days	569,390,509	537,321,879	-	-
91 - 180 days	35,302,971	49,110,544	-	-
181 - 360 days	11,699,146	18,594,811	-	-
Over 360 days	41,759,955	34,055,250	4,799,191	4,799,191
	1,718,218,501	1,660,490,412	4,799,191	4,799,191
<u>Less</u> Allowance for doubtful accounts	(44,942,616)	(38,621,235)	(4,799,191)	(4,799,191)
	<u>1,673,275,885</u>	<u>1,621,869,177</u>	<u>-</u>	<u>-</u>

Outstanding balance of trade accounts receivable from related companies as at 31 March 2019 and 2018 can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Not overdue	15,979,312	10,585,534	-	-
Overdue				
1 - 90 days	4,212,536	1,214,737	-	-
91 - 180 days	1,977,806	-	-	-
181 - 360 days	-	-	-	-
	22,169,654	11,800,271	-	-
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
	<u>22,169,654</u>	<u>11,800,271</u>	<u>-</u>	<u>-</u>

The movements of the allowance for doubtful accounts of trade accounts receivable - other companies for the years ended 31 March 2019 and 2018 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Allowance for doubtful accounts at the beginning of the year	(38,621,235)	(36,026,651)	(4,799,191)	(6,005,471)
Net change during the year	(6,550,926)	(3,595,267)	-	1,206,280
Translation differences	229,545	1,000,683	-	-
Allowance for doubtful accounts at the end of the year	<u>(44,942,616)</u>	<u>(38,621,235)</u>	<u>(4,799,191)</u>	<u>(4,799,191)</u>

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9 Inventories (net)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Raw materials	788,463,866	859,645,816	-	-
Work in process	272,655,124	268,880,589	-	-
Work in process - machinery	180,802	1,051,976	-	-
Finished goods	1,223,240,808	1,145,108,678	-	-
Factory supplies	46,704,745	47,778,322	-	-
Packaging materials	25,225,683	30,543,643	-	-
Spare parts	6,359,840	6,381,204	-	-
	2,362,830,868	2,359,390,228	-	-
<u>Less</u> Allowance for obsolete and slow-moving inventories	(79,423,732)	(119,736,785)	-	-
<u>Less</u> Allowance for inventory cost in excess of net realisable value	(10,617,320)	(10,193,961)	-	-
	2,272,789,816	2,229,459,482	-	-
Goods in transit	105,226,083	105,508,898	-	-
Advance payment for goods	29,620,140	23,428,401	-	-
	<u>2,407,636,039</u>	<u>2,358,396,781</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 2019 and 2018 comprises the following;

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Allowance for obsolete and slow-moving inventories				
- raw materials	(11,061,103)	(15,875,242)	-	-
- work in process	(1,327,464)	(2,560,257)	-	-
- finished goods	(67,035,165)	(101,301,286)	-	-
	(79,423,732)	(119,736,785)	-	-
Allowance for inventories cost in excess of net realisable value - finished goods	(10,263,397)	(9,951,312)	-	-
- work in process	(353,923)	(242,649)	-	-
	(10,617,320)	(10,193,961)	-	-
Total	<u>(90,041,052)</u>	<u>(129,930,746)</u>	<u>-</u>	<u>-</u>

As at 31 March 2019, finished goods with a value of Baht 65,465,747 (2018 : Baht 55,159,901) and work in process with a value of Baht 2,483,616 (2018 : Baht 3,160,523) are carried at net realisable value, this being lower than cost. During the year ended 31 March 2019, the Group reversed allowance for obsolete and slow-moving inventories amounting to Baht 40,313,053 and recognised allowance for inventories cost in excess of net realisable value amounting to Baht 423,359 and recognised as a part of cost of goods sold in the statement of comprehensive income (2018 : reversed allowance for obsolete and slow-moving inventories amounting to Baht 2,335,635 and recognised allowance for inventories cost in excess of net realisable value amounting to Baht 1,398,017).

The cost of inventories recognised as an expense and included in cost of goods sold amounting to Baht 4,913,989,011 (2018 : Baht 4,276,782,695) (Note 37).

Eastern Polymer Group Public Company Limited
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10 Value added tax

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<u>Current assets</u>				
Value added tax refundable	22,203,575	20,921,622	-	-
Value added tax	-	652	-	-
Undue input tax	10,920,998	8,701,893	-	-
	<u>33,124,573</u>	<u>29,624,167</u>	<u>-</u>	<u>-</u>
<u>Current liabilities</u>				
Value added tax	<u>(12,647,136)</u>	<u>(9,016,210)</u>	<u>(332,647)</u>	<u>(389,997)</u>

11 Other current assets

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Prepaid corporate income tax	39,093	6,335,365	-	-
Promotional goods	5,846,296	7,177,670	-	-
Tax coupon	2,499,484	3,446,701	-	-
Others	38,000	124,800	-	-
	<u>8,422,873</u>	<u>17,084,536</u>	<u>-</u>	<u>-</u>

12 Restricted deposits at financial institutions

	Consolidated financial statements			
	2019 Currency	2019 Equivalents to Baht	2018 Currency	2018 Equivalents to Baht
Cash at banks				
- savings				
- Baht	-	100,000	-	100,000
- fixed deposits (3 months)				
- Australian dollar	100,000	2,215,470	100,000	2,360,860
- Baht	-	42,000,000	-	42,000,000
- fixed deposits (6 months)				
- Baht	-	124,000,000	-	124,000,000
- fixed deposits (12 months)				
- Australian dollar	767,895	17,012,483	683,975	16,147,692
- Baht	-	17,500,000	-	85,000,000
- fixed deposits (14 months)				
- Baht	-	67,500,000	-	-
		<u>270,327,953</u>		<u>269,608,552</u>
			Separate financial statements	
			2019 Baht	2018 Baht
Cash at banks				
- fixed deposits (12 months)			-	1,500,000
- fixed deposits (14 months)			1,500,000	-
			<u>1,500,000</u>	<u>1,500,000</u>

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12 Restricted deposits at financial institutions (Cont'd)

	Consolidated financial statements		Separate financial statements	
	Interest rate (% per annum)		Interest rate (% per annum)	
	2019	2018	2019	2018
Cash at banks				
- savings	1.00	1.00	-	-
- fixed deposits (3 months)	0.80 - 2.00	0.80 - 2.00	-	-
- fixed deposits (6 months)	0.55 - 1.00	0.55 - 1.00	-	-
- fixed deposits (12 months)	0.65 - 2.70	0.65 - 2.55	-	1.20
- fixed deposits (14 months)	1.30	-	1.30	-

As at 31 March 2019 and 2018, savings and 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 24, 26 and 42.3).

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13 Investments in associates

a) As at 31 March 2019 and 2018, investments in associates comprise of the following:

Company name	Incorporated in	Nature of business	Currency	Paid-up share capital (Amount)		Percentage of shareholding		Consolidated financial statements		Separate financial statements		Share of Profit (loss)	
				2019	2018	2019	2018	Equity method		Cost method		2019 Baht	2018 Baht
								2019 Baht	2018 Baht	2019 Baht	2018 Baht		
<u>Direct associates</u>													
SumiRiko Eastern Rubber (Thailand) Ltd (Formerly known as "Tokai Eastern Rubber (Thailand) Ltd.,")	Thailand	Automotive antivibration manufacturing	Baht	152,500,000	152,500,000	20	20	1,507,749,071	1,450,728,108	45,000,000	45,000,000	138,521,713	160,361,271
Zeon Advance Polymix Co., Ltd.	Thailand	Rubber compounding service	Baht	100,000,000	100,000,000	27	27	394,248,486	360,693,100	176,000,000	176,000,000	43,005,387	56,620,342
<u>Indirect associates</u>													
Aerocel Construction Materials(Jiangsu) Co., Ltd.	People's Republic of China	Rubber insulation manufacturing	Renminbi	50,000,000	50,000,000	40	40	195,042,972	210,283,681	-	-	(2,869,142)	26,276,687
ALP Aeroflex India Private Ltd.	India	Rubber insulation manufacturing	Indian Rupee	290,000,000	290,000,000	40	40	62,501,123	55,803,742	-	-	7,220,602	1,861,405
								2,159,541,652	2,077,508,631	221,000,000	221,000,000	185,878,560	245,119,706

The management of the Group has reviewed allowance for impairment of investments in associates by considering from the past performance and are expected to occur in the future including other factors (if any).

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13 Investments in associates (Cont'd)

- b) The movements in book value of investment in associates for the year ended 31 March 2019 and 2018 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening net book value	2,077,508,631	1,907,804,400	221,000,000	221,000,000
Share of profit - post-tax results	185,878,560	245,119,706	-	-
Transfer from advance payment for share subscription for associate	-	15,935,793	-	-
Additional investment	-	16,186,792	-	-
Dividend income	(91,800,000)	(97,560,000)	-	-
Translation differences	(12,045,539)	(9,978,060)	-	-
Closing net book value	<u>2,159,541,652</u>	<u>2,077,508,631</u>	<u>221,000,000</u>	<u>221,000,000</u>

During the year ended 31 March 2019, the Company received dividend income from SumiRiko Eastern Rubber (Thailand) Ltd. (Formerly known as "Tokai Eastern Rubber (Thailand) Ltd.") and Zeon Advance Polymix Co., Ltd. in the amount of Baht 82.35 million and Baht 9.45 million respectively, totalling Baht 91.80 million.

During the year ended 31 March 2018, the Company received dividend income from SumiRiko Eastern Rubber (Thailand) Ltd. (Formerly known as "Tokai Eastern Rubber (Thailand) Ltd.") and Zeon Advance Polymix Co., Ltd. in the amount of Baht 85.95 million, and Baht 11.61 million respectively, totalling Baht 97.56 million.

- ### Summarised statements of financial position

	As at 31 March (Thousand Baht)							
	SumiRiko Eastern Rubber (Thailand) Ltd. (Formerly known as "Tokai Eastern Rubber (Thailand) Ltd.")		Zeon Advance Polymix Co., Ltd.		Aerocel Construction Material (Jiangsu) Co., Ltd.		ALP Aeroflex India Private Ltd.	
	2019	2018	2019	2018	2019	2018	2019	2018
Current Assets	7,093,483	6,672,225	1,377,006	1,339,576	562,173	503,518	172,588	167,655
Liabilities	1,036,153	1,062,430	501,154	550,528	547,154	358,992	121,355	131,686
Total net current assets (liabilities)	6,057,330	5,609,795	875,852	789,048	15,019	144,526	51,233	35,969
Non-current Assets	1,600,410	1,727,840	604,328	557,042	473,016	381,835	118,564	121,361
Liabilities	118,995	83,993	20,001	10,190	-	-	7,013	8,813
Total net non-current assets (liabilities)	1,481,415	1,643,847	584,327	546,852	473,016	381,835	111,551	112,548
Net assets (liabilities)	7,538,745	7,253,642	1,460,179	1,335,900	488,035	526,361	162,784	148,517
							2,796,318	2,788,078
							146,009	102,996
							2,650,309	2,685,082
							9,649,743	9,264,420

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13 Investments in associates (Cont'd)

- b) Summarised share of profit (loss) from associates of the Group which are not listed in the Stock Exchange of Thailand and share of assets and liabilities are as follows: (Cont'd)

Summarised financial information for associates are as follows: (Cont'd)

Summarised of Statements of Comprehensive income

	For the year ended 31 March (Thousand Baht)									
	SumRiko Eastern Rubber (Thailand) Ltd. (Formerly known as "Tokai Eastern Rubber (Thailand) Ltd.")		Zeon Advance Polymix Co., Ltd.		Aerocel Construction Material (Jiangsu) Co., Ltd.		ALP Aeroflex India Private Ltd.		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue	7,369,728	7,235,276	2,527,019	2,635,896	1,519,448	1,417,111	378,486	383,439	11,794,681	11,671,722
Expenses	(6,493,180)	(6,277,921)	(2,353,381)	(2,402,244)	(1,522,301)	(1,326,568)	(348,853)	(373,824)	(10,717,715)	(10,380,557)
Profit before finance cost	876,548	957,355	173,638	233,652	(2,853)	90,543	29,633	9,615	1,076,966	1,291,165
Finance costs	-	(1)	(166)	(113)	(4,507)	(1,945)	(4,291)	(4,682)	(8,964)	(6,741)
Profit (loss) before income tax	876,548	957,354	173,472	233,539	(7,360)	88,598	25,342	4,933	1,068,002	1,284,424
Income tax	(169,241)	(157,840)	(14,193)	(23,834)	321	(23,131)	(7,203)	(1,897)	(190,316)	(206,702)
Net profit (loss) for the year	707,307	799,514	159,279	209,705	(7,039)	65,467	18,139	3,036	877,686	1,077,722
Currency translation differences	4,246	15,493	-	-	(30,929)	(4,817)	(1,308)	(27,875)	(27,991)	(17,199)
Share of other comprehensive income (loss) of associates	(14,700)	2,293	-	-	-	-	-	-	(14,700)	2,293
Other comprehensive income (loss) for the year - net of tax	(10,454)	17,786	-	-	(30,929)	(4,817)	(1,308)	(27,875)	(42,691)	(14,906)
Total comprehensive income for the year	696,853	817,300	159,279	209,705	(37,968)	60,650	16,831	(24,839)	834,995	1,062,816

The information above reflects the amounts presented in the financial statements of the associates (but not The Group's share of those amounts) adjusted for differences in accounting policies between the Group and the associates.

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13 Investments in associates (Cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates are as follows:

	SumiRiko Eastern Rubber (Thailand) Ltd. (Formerly known as "Tokai Eastern Rubber (Thailand) Ltd.")				Zeon Advance Polymix Co., Ltd.				Aerocel Construction Material (Jiangsu) Co., Ltd.				ALP Aeroflex India Private Ltd.				Total			
	2019		2018		2019		2018		2019		2018		2019		2018		2019		2018	
	Thousand	Baht	Thousand	Baht	Thousand	Baht	Thousand	Baht	Thousand	Baht	Thousand	Baht	Thousand	Baht	Thousand	Baht	Thousand	Baht	Thousand	Baht
Opening net assets 1 April	7,253,642	6,866,092			1,335,900	1,169,195			525,710	464,835			139,509	82,424			9,254,761	8,582,546		
Profit for the period	707,307	799,514			159,279	209,705			(7,039)	65,467			18,139	3,036			877,686	1,077,722		
Other comprehensive income	(10,454)	17,786			-	-			(30,929)	(4,817)			(1,308)	(27,875)			(42,691)	(14,906)		
Intercompany transaction	-	-			-	-			(134)	225			(87)	1,618			(221)	1,843		
Addition	-	-			-	-			-	-			-	80,306			-	80,306		
Dividend paid	(411,750)	(429,750)			(35,000)	(43,000)			-	-			-	-			(446,750)	(472,750)		
Closing net assets 31 March	7,538,745	7,253,642			1,460,179	1,335,900			487,608	525,710			156,253	139,509			9,642,785	9,254,761		
Percentage of shareholding	20	20			27	27			40	40			40	40			-	-		
Interest in associates	1,507,749	1,450,728			394,248	360,693			195,097	210,194			62,536	55,157			2,159,630	2,076,772		
Intercompany transaction	-	-			-	-			(54)	90			(34)	647			(88)	737		
Carrying value	1,507,749	1,450,728			394,248	360,693			195,043	210,284			62,502	55,804			2,159,542	2,077,509		

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14 Investments in subsidiaries

14.1 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 as that of the Company, for which the accounting period used in consolidation preparation was from 1 April 2018 to 31 March 2019.
- 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 shareholders' equity in the consolidated statement of financial position.

14.2 As at 31 March 2019 and 2018, investments in subsidiaries comprise the following:

Direct subsidiaries	Incorporated in	Nature of business	Paid-up share capital (Amount)		Percentage of shareholding		Separate financial statements Cost method (Baht)		Dividend income (Baht)	
			2019	2018	2019	2018	2019	2018	2019	2018
Aeroklas Co., Ltd.	Thailand	Bedliners and covers of pickup trucks and automotive accessories manufacturing	1,800,000,000 Baht	1,800,000,000 Baht	100	100	1,799,999,980	1,799,999,980	-	179,999,998
Eastern Polypack Co., Ltd.	Thailand	Plastic packaging manufacturing	1,000,000,000 Baht	1,000,000,000 Baht	100	100	999,999,980	999,999,980	99,999,998	151,999,997
Aeroflex Co., Ltd.	Thailand	Rubber insulation manufacturing	600,000,000 Baht	600,000,000 Baht	100	100	599,999,800	599,999,800	281,999,906	629,999,790
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.	People's 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	3,764,229,749	381,999,904	961,999,785

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14 Investments in subsidiaries (Cont'd)

14.2 As at 31 March 2019 and 2018, 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)	
			2019	2018	2019	2018	2019		2018		2019	2018
							Investment	Allowance for impairment of investment	Investment (net)	Allowance for impairment of investment	Investment (net)	
APS Co., Ltd (owned by Aeroflex Co., Ltd.)	Thailand	Manufacturing rubber for car machinery, building and others	30,000,000 Baht	30,000,000 Baht	60	60	17,999,800	-	17,999,800	-	17,999,800	-
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	-	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)	-	31,924,573	-	-
Aeroklas Australia Pty Ltd. (owned by Aeroklas Co., Ltd.)	Australia	Molded plastic parts assembling and distributing	40,000,000 Australian Dollar	36,000,000 Australian Dollar	100	100	1,021,648,107	-	923,186,307	-	923,186,307	-
Aeroklas (Shanghai) Co., Ltd. (owned by Aeroklas Co., Ltd.)	People's 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	-	124,308,336	-
Aeroklas Europe GmbH (owned by Aeroklas Co., Ltd.)	Germany	Molded plastic parts assembling and distributing	200,000 Euro	200,000 Euro	74.90	74.90	6,129,816	(3,926,408)	2,203,408	(3,926,408)	2,203,408	-
Aeroklas Malaysia Sdn. Bhd. (owned by Aeroklas Co., Ltd.)	Malaysia	Molded plastic parts assembling and distributing	3,000,000 Malaysian Ringgit	3,000,000 Malaysian Ringgit	70	70	17,282,790	-	17,282,790	-	17,282,790	-
TJM Products Pty. Ltd. (owned by Aeroklas Co., Ltd.)	Australia	Design and trading accessories for 4WD, light commercial and heavy transportation vehicle	445,320 Australian Dollar	445,320 Australian Dollar	100	100	547,374,939	-	547,374,939	-	547,374,939	-
TJM Off-Road Products Inc. (owned by TJM Products Pty. Ltd.)	USA	Manufacturing accessories for 4WD, light commercial and heavy transportation vehicle	100,000 US Dollar	100,000 US Dollar	100	100	2,390,564	-	2,390,564	-	2,390,564	-
TJM Products MEA DMCC (owned by TJM Products Pty. Ltd.)	United Arab Emirates	Trading accessories for 4WD, light commercial and heavy transportation vehicle	50,000 Dirham	50,000 Dirham	100	100	462,325	-	462,325	-	462,325	-
Flexiglass Challenge Pty. Ltd. (owned by Aeroklas Australia Pty. Ltd.)	Australia	Trading accessories for 2, 4WD, light commercial	6,942,000 Australian Dollar	7,164,000 Australian Dollar	100	100	173,036,986	-	173,036,986	-	178,570,580	-
							2,314,821,011	(35,850,981)	2,278,970,030	(35,850,981)	2,186,041,824	-

All subsidiaries undertaking are included in the consolidation. The proportion of the voting rights in the subsidiaries undertaking held directly by the parent company do not differ from the proportion of ordinary shares held.

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14 Investments in subsidiaries (Cont'd)

14.2 As at 31 March 2019 and 2018, investments in subsidiaries comprise the following: (Cont'd)

The net movements of investments in subsidiaries for the year ended 31 March 2019 and 2018 comprises the following:

	Separate financial statements	
	2019 Baht	2018 Baht
Opening net book value of the year	3,764,229,749	3,764,229,749
Increase in investment in subsidiaries	-	-
Closing net book value of the year	<u>3,764,229,749</u>	<u>3,764,229,749</u>

14.3 Summarised financial statements of subsidiaries with non-controlling interests

For the year ended 31 March 2019 Summarised financial statements of subsidiaries with non-controlling interests comprise 3 subsidiaries, Aeroklas Europe GmbH amounting to Baht 434,087, APS Co., Ltd. amounting to Baht 7,384,101 and Aeroklas Malaysia Sdn. Bhd. amounting to Baht 14,912,849 totalling to Baht 22,731,037 (2018 : Baht 24,085,846). Therefore, the non-controlling interests is not material to disclosure.

14.4 Significant events

Investments in subsidiaries

Aeroklas Co., Ltd.

1) An additional investment of subsidiary - Aeroklas Co., Ltd.

- At the Board of Directors' Meeting of Eastern Polymer Group Public Company Limited on 11 November 2016, the board of directors approved a subsidiary, Aeroklas Co., Ltd. to make a co-investment with a company by establishing a new company in Thailand to manufacture and distribute products for Aeroklas Co., Ltd. and other automotive companies. The new company will have registered share capital of Baht 25 million. Aeroklas Co., Ltd. will have 45% shareholding of the new company's share capital.
- At the Board of Directors' Meeting of Eastern Polymer Group Public Company Limited on 11 August 2017, the board of directors acknowledged the change in shareholding percentage in the new company which will be established in Thailand held by Aeroklas Company Limited. The shareholding percentage is 35% of the registered share capital capital.

As at 31 March 2019, the investment is in process according to the co-investment contract which is being considered by the management.

2) Allowance for impairment of investments in an indirect subsidiary - Aeroklas USA Inc.

As at 31 March 2019 and 31 March 2018, the Company's management reviewed and considered to set the allowance for impairment of investment in an indirect subsidiary - Aeroklas USA Inc. in the amount of Baht 31,924,573 which equivalent to 100% of the total investment. The allowance for impairment is based on the previous loss from operation of indirect subsidiary, future expected, estimated loss and other factors.

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14 Investments in subsidiaries (Cont'd)

14.4 Significant events (Cont'd)

Investments in subsidiaries (Cont'd)

Aeroklas Co., Ltd. (Cont'd)

3) Indirect subsidiaries - Aeroklas Australia Pty. Ltd.

3.1) Additional investment

- At the Board of Directors' Meeting of Eastern Polymer Group Public Company Limited on 16 March 2017, the Board of Directors pass a resolution to
 - Approve an indirect subsidiary, Aeroklas Australia Pty. Ltd., to make a co-investment with Spinks Holdings Pty. Ltd. in Australia which has registered capital of Australian Dollar 5 million (equivalent to Baht 136 million). Aeroklas Australia Pty. Ltd. will have 65% shareholding of share capital or Australian Dollar 3.25 million (equivalent to Baht 88.40 million).
 - Increase authorised share capital of its indirect subsidiary, Aeroklas Australia Pty. Ltd., from paid-up share capital amounting Australian Dollar 20 million to Australian Dollar 30 million and call for an increase in paid-up capital amounting to Australian Dollar 5 million or equivalent to Baht 128.25 million. The increase in paid-up share capital increased from Australian Dollar 20 million to Australian Dollar 25 million. Aeroklas Australia Pty. Ltd. received total paid-up share capital on 26 June 2017 and registered the paid-up share capital with Australian Securities and Investments Commission on 5 July 2017.

On 26 July 2017 and 28 June 2018, Aeroklas Australia Pty. Ltd. called for an increase in paid-up capital amounting to Australian Dollar 1 million or equivalent to Baht 25.99 million and Australian Dollar 4 million or equivalent to Baht 98.45 million

- At the Board of Directors' Meeting of Eastern Polymer Group Public Company Limited 6/2017 on 29 November 2017, the Board of Directors pass a resolution to
 - Approve an increase in capital of Aeroklas Australia Pty. Ltd. amounting to Australian Dollar 10 million for the purpose of business acquisition and working capital and call for an increase in paid-up capital amounting to Australia Dollar 10 million or equivalent to Baht 254.20 million. The increase in paid-up share capital increased from Australian Dollar 26 million to Australian Dollar 36 million. Aeroklas Australia Pty. Ltd. received total paid-up share capital on 24 January 2018 and registered the paid-up share capital with Australian Securities and Investments Commission on 20 February 2018. The holding interest will remain unchanged after the increase in authorised share capital.
- At the Board of Directors' Meeting of Eastern Polymer Group Public Company Limited on 28 May 2018, the Board of Directors pass a resolution to;
 - Approve an indirect subsidiary, Aeroklas Australia Pty. Ltd. to terminate the co-investment with Spinks Holdings Pty. Ltd. in Australia due to the return on investment is not viable. As at 31 March 2019, the Company terminate the co-investment with Spinks Holdings Pty. Ltd.

As at 31 March 2019, the Company has the investment in an indirect subsidiary - Aeroklas Australia Pty. Ltd. in the total amount of Baht 1,021.65 million.

3.2) The restructuring of indirect subsidiary

At the Board of Directors' Meeting of Eastern Polymer Group Public Company Limited on 29 May 2015, the board of directors approved 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. will hold 100% interest. The purpose of the new company is to act as distributor of 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).

As at 31 March 2019, the Group's managements are still in process of consideration for the restructuring of indirect subsidiaries mentioned above.

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14 Investments in subsidiaries (Cont'd)

14.4 Significant events (Cont'd)

Investments in subsidiaries (Cont'd)

Aeroklas Co., Ltd. (Cont'd)

3) Indirect subsidiaries - Aeroklas Australia Pty. Ltd. (Cont'd)

3.3) Business acquisition

The purpose of business acquisition of Flexiglass Challenge Pty. Ltd.

At the Board of Directors' Meeting No.6/2017 of Eastern Polymer Group Public Company Limited held on 29 November 2017, the meeting approved Aeroklas Australia Pty. Ltd. - a wholly owned indirect subsidiary to enter into a Share Sale Agreement on 11 December 2017 with Flexiglass Challenge Pty. Ltd. which is located in Australia with the total amount of Australian dollar 7,164,000 to acquire 100% shares of Flexiglass Challenge Pty. Ltd.

The Group has the following synergy and goodwill from the business acquisition.

To increase the distribution channel for Aeroklas Co., Ltd. and product of Flexiglass Challenge Pty. Ltd. can be distributed via TJM Products Pty. Ltd., Aeroklas Australia Pty. Ltd. and Aeroklas Co., Ltd.

On 31 January 2018, the Group acquisition of Flexiglass Challenge Pty. Ltd. with the contractual price amount of Australian Dollar 7,164,000 (equivalent to Baht 178,570,580). The Group has taken control and managed such asset since then.

Details of the provisional amount of total assets and total liabilities of Flexiglass Challenge Pty. Ltd. as at 31 January 2018, which was assessed by management to allocate purchase price of tangible and intangible assets, are as follows:

	31 January 2018		20 January 2019	
	Australian Dollar	Equivalent to Baht	Australian Dollar	Equivalent to Baht
Cash and cash equivalents	6,614	164,861	6,614	164,861
Trade and other receivables	3,233,799	80,605,997	3,221,776	80,306,310
<u>Less</u> Allowance for doubtful account	(12,023)	(299,687)	-	-
Inventories	4,945,051	123,260,836	3,591,071	89,511,395
<u>Less</u> Provision for obsolete inventories	(1,353,980)	(33,749,441)	-	-
Building and equipment - cost	3,255,213	81,139,765	3,255,213	81,139,765
- accumulated depreciation	(2,728,594)	(68,013,207)	(2,728,594)	(68,013,207)
Brand	-	-	1,201,339	29,944,696
Deferred tax asset (net)	146,628	3,654,864	146,628	3,654,864
Trade and other payables	(1,499,871)	(38,544,885)	(1,499,871)	(38,544,885)
Employee benefits obligation	(252,176)	(6,480,621)	(252,176)	(6,480,621)
Deferred tax liability (net)	-	-	(360,402)	(9,261,890)
Net assets acquired	5,740,661	141,738,482	6,581,598	162,421,288
Cash payment for business acquisition as at 31 January 2018	7,164,000	178,570,580	7,164,000	178,570,580
<u>Less</u> Cash proceeds from business acquisition (24 April 2018)	(222,000)	(5,533,594)	(222,000)	(5,533,594)
Net cash payment for business acquisition (24 April 2018)	6,942,000	173,036,986	6,942,000	173,036,986
Cash payment for purchase of business acquisition	7,164,000	178,570,580	6,942,000	173,036,986
<u>Less</u> Net assets acquired	(5,740,661)	(141,738,482)	(6,581,598)	(162,421,288)
Exchange differences	-	(1,353,808)	-	(1,353,808)
Goodwill (Note 20)	1,423,339	35,478,290	360,402	9,261,890
Cash proceeds from purchase of business acquisition	6,614	164,861	6,614	164,861
<u>Less</u> Cash payment for purchase of business acquisition (31 January 2018)	(7,164,000)	(178,570,580)	(6,942,000)	(173,036,986)
Net cash payment from purchase of business acquisition (31 January 2018)	(7,157,386)	(178,405,719)	(6,935,386)	(172,872,125)

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14 Investments in subsidiaries (Cont'd)

14.4 Significant events (Cont'd)

Investments in subsidiaries (Cont'd)

Aeroklas Co., Ltd. (Cont'd)

3) Indirect subsidiaries - Aeroklas Australia Pty. Ltd. (Cont'd)

3.3) Business acquisition (Cont'd)

The purpose of business acquisition of Flexiglass Challenge Pty. Ltd. (Cont'd)

During the year ended 31 March 2019, the Group received cash proceeds from business acquisition for the amount of AUD 222,000 (Baht 5,533,594) resulting to the decreasing of investment under cost method to be Baht 173,036,986.

During 2019, the Group's management measured fair value of identifiable net assets acquired from Flexiglass Challenge Pty. Ltd.. The group has to apply the change retrospectively for the estimate recognised on the buying date to reflect the additional information obtained about the fact and environment on the buying date.

From the aforementioned, the Group recognised trademarks amounting to Baht 29.94 million which included in intangible assets (Note 19) acquired at acquisition date. Trademarks have finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using straight-line method over the estimate useful lives of trademarks of 15 years.

Revenues and profit - Flexiglass Challenge Pty. Ltd.

The revenue included in the consolidated income statement from 31 January 2018 to 31 March 2018 contributed by the business acquisition from Flexiglass Challenge Pty. Ltd. was Australian Dollar 3,398,807 (equivalent to Baht 86,873,796). It also contributed profit of Australian Dollar 413,737 (equivalent to Baht 10,575,175) over the same period which included in the consolidated financial information for the period ended 31 March 2018.

If Flexiglass Challenge Pty. Ltd. had been consolidated from 1 April 2017, the consolidated income statement for the year ended 31 March 2018 would show revenue of Australian Dollar 20,429,959 (equivalent to Baht 522,191,477) and net loss of Australian Dollar 960,578 (equivalent to Baht 24,552,461).

4) Indirect subsidiaries - TJM Products Pty. Ltd.

4.1) Business acquisition

At the Board of Directors' Meeting of Aeroklas Co., Ltd. No. 3/2015 held on 16 February 2015, the meeting approved Aeroklas Australia Pty. Ltd. to enter into a Share Sale Agreement with TJM Products Pty. Ltd (Note 20).

4.2) Purchase of assets as business acquisition

The purpose of purchase of assets as business acquisition of TJM Brendale Pty. Ltd.

At the Board of Directors' Meeting No.5/2017 of Eastern Polymer Group Public Company Limited, on 10 November 2017, the board of directors approved TJM Products Pty. Ltd. - indirect subsidiary to enter into a Asset Sales Agreement with TJM Brendale Pty. Ltd. which is located in Australia with total amount of Australian dollar 1 million.

The Group has the following synergy and goodwill from the purchase of assets as business acquisition.

In alliance with growth strategy by TJM to increase number of corporate stores, as well as revenues and profits, the purchase will support Supplier Purchase Partner program and Fitting center, as well as boosting brand image and building TJM brand awareness.

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14 Investments in subsidiaries (Cont'd)

14.4 Significant events (Cont'd)

Investments in subsidiaries (Cont'd)

Aeroklas Co., Ltd. (Cont'd)

4) Indirect subsidiaries - TJM Products Pty. Ltd. (Cont'd)

4.2) Purchase of asset as business acquisition (Cont'd)

On 13 November 2017, the Group acquired assets of TJM Brendale Pty. Ltd. with the contractual price amount of Australian Dollar 1 million which includes the purchase of assets as business acquisition for the amount of Australian Dollar 900,000 (equivalent to Baht 22,452,030) and prepaid employee remuneration for the amount of Australian Dollar 100,000 (equivalent to Baht 2,433,730). The Group has taken control and managed such asset since then.

From the aforementioned, the Group recognised the difference between the fair value of identifiable net assets and the book value of net assets acquire amounting of Australian dollar 0.61 million which equivalent to Baht 15.29 million as goodwill (Note 20).

Details of the provisional amount of total assets and total liabilities of TJM Brendale Pty. Ltd. as at 13 November 2017, which was assessed by management to allocate purchase price of tangible and intangible assets, are as follows:

	13 November 2017	
	Australian Dollar	Equivalent to Baht
Cash and cash equivalents	18,411	448,074
Inventories	226,096	5,502,566
Building and equipment		
- cost	178,232	4,337,686
- accumulated depreciation	(132,504)	(3,224,790)
Net asset acquired	290,235	7,063,536
Cash payment for purchase of asset as business acquisition	900,000	22,452,030
<u>Less</u> Net assets acquired	(290,235)	(7,063,536)
Exchange differences	-	(93,893)
Goodwill (Note 20)	609,765	15,294,601
Cash proceeds from purchase of assets as business acquisition	18,411	448,074
<u>Less</u> Cash payment for purchase of assets as business acquisition	(900,000)	(22,452,030)
Net cash payment from purchase of assets as business acquisition (presented in statement of cash flows)	(881,589)	(22,003,956)

The Company recognised the difference from investment in TJM Brendale Pty. Ltd. amounting to Australian Dollar 0.61 million which is equivalent to Baht 15.29 million in goodwill and such amount cannot be deductible for tax purpose.

During the year ended 31 March 2019, the Group's management completed the fair value measurement of identifiable net assets acquired from TJM Brendale Pty. Ltd. There is Reacquired Rights uplift from the fair value measurement that is the right to sell products under brand TJM. The Reacquired Right should be recognised as an intangible assets.

However, the Group's management considered the Reacquired Rights is not material to classify in Consolidated Financial Information and is presented as part of goodwill.

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14 Investments in subsidiaries (Cont'd)

14.4 Significant events (Cont'd)

Investments in subsidiaries (Cont'd)

Aeroklas Co., Ltd. (Cont'd)

4) Indirect subsidiaries - TJM Products Pty. Ltd. (Cont'd)

4.2) Purchase of asset as business acquisition (Cont'd)

From the aforementioned, the Group recognised the difference between the fair value of identifiable net assets and the book value of net assets acquired amount of Australian Dollar 609,765 (equivalent to Baht 15,294,601) as goodwill (Note 20).

Revenues and profit

The revenue included in the consolidated income statement from 13 November 2017 to 31 March 2018 contributed by the business acquisition from TJM Brendale Pty. Ltd. was Australian Dollar 863,984 (equivalent to Baht 22,083,514). It also contributed profit of Australian Dollar 35,201 (equivalent to Baht 899,743) over the same period which included in the consolidated financial information for the period ended 31 March 2018.

If TJM Brendale Pty. Ltd. had been consolidated from 1 April 2017, the consolidated income statement for the year ended 31 March 2018 would show revenue of Australian Dollar 3,143,466 (equivalent to Baht 80,347,263) and profit of Australian Dollar 233,046 (equivalent to Baht 5,956,672)

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15 Investments in Joint venture

- a) As at 31 March 2019 and 2018, investments in joint venture comprise of the following:

Company name	Incorporated in	Nature of business	Currency	Paid-up share capital (Amount)		Percentage of shareholding		Consolidated financial statements		Separate financial statements		Share of Profit (loss)	
				2019	2018			Equity method		Cost method		2019 Baht	2018 Baht
								2019 Baht	2018 Baht	2019 Baht	2018 Baht		
Aeroklas Duys Pty. Ltd.	South Africa	Manufacturing and distributing accessories for vehicle	Rand	90,000,000	-	45	-	93,069,660	-	-	-	(11,067,670)	-

At the Board of Directors' Meeting No.5/2561 of Eastern Polymer Group Public Company Limited, held on 12 November 2018, Board of Directors approved principle to enter into joint-venture agreement among Aeroklas Co., Ltd., Duys Engineering Group Pty. Ltd., (51% shareholding) and Mr. Brian William Rogers (4% shareholding) in South Africa by establishing a new company named Aeroklas Duys Pty. Ltd. The new company has registered share capital of Rand 90 million (equivalent to Baht 202 million). Aeroklas will have 45% shareholding of the new company's share capital.

On 2 and 23 January 2019, Aeroklas Co., Ltd. paid for the share capital amounting to Euro 2.44 million (equivalent to Baht 91.17 million) and Euro 0.15 million (equivalent to Baht 5.33 million), respectively.

Aeroklas Duys Pty. Ltd is a private company and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Group's interest in the joint venture.

As at 31 March 2019, the joint venture, which in the opinion of the directors, is immaterial to the Group. The associate has share capital consisting solely of ordinary shares, which are held directly by the Group.

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15 Investments in Joint venture (Cont'd)

- b) The movements in book value of investment in joint venture for the year ended 31 March 2019 and 2018 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening net book value of the year	-	-	-	-
Additional investment	96,504,400	-	-	-
Shared loss after tax	(11,067,670)	-	-	-
Translation differences	7,632,930	-	-	-
Closing net book value of the year	93,069,660	-	-	-

16 Other long-term investments (net)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 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	2,940	2,940
	4,319,363	4,319,363	4,319,363	4,319,363
Less Allowance for impairment	(4,319,363)	(4,319,363)	(4,319,363)	(4,319,363)
	-	-	-	-
- Shanghai Aeroklas Auto Part Co., Ltd.	1,237,425	1,237,425	-	-
	1,237,425	1,237,425	-	-

As at 31 March 2019 and 2018 the Group's managements have reviewed about allowance for impairment of these other 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 separate financial statements respectively.

At the Board of Directors' Meeting of Aeroklas (Shanghai) Co., Ltd., the board of directors approved Aeroklas (Shanghai) Co., Ltd. to invest in Shanghai Aeroklas Auto Part Co., Ltd. The subsidiary will hold 5% interest of the total shares which is equal to Renminbi 500,000 and paid 50% of the registered share capital amounting to Renminbi 250,000 (equivalent to Baht 1,237,425).

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17 Investment properties (net)

	Separate financial statements			
	Land Baht	Plant buildings and building improvement Baht	Facility systems Baht	Total Baht
As at 31 March 2017				
Cost	74,889,500	325,191,476	22,056,416	422,137,392
<u>Less</u> Accumulated depreciation	-	(125,057,088)	(8,694,729)	(133,751,817)
Net book amount	74,889,500	200,134,388	13,361,687	288,385,575
For the year ended 31 March 2018				
Opening net book amount	74,889,500	200,134,388	13,361,687	288,385,575
Disposals - cost	-	-	-	-
- accumulated depreciation	-	-	-	-
Written-off - cost	-	-	-	-
- accumulated depreciation	-	-	-	-
Depreciation charge (Note 37)	-	(7,905,520)	(551,970)	(8,457,490)
Closing net book amount	74,889,500	192,228,868	12,809,717	279,928,085
As at 31 March 2018				
Cost	74,889,500	325,191,476	22,056,416	422,137,392
<u>Less</u> Accumulated depreciation	-	(132,962,608)	(9,246,699)	(142,209,307)
Net book amount	74,889,500	192,228,868	12,809,717	279,928,085
For the year ended 31 March 2019				
Opening net book amount	74,889,500	192,228,868	12,809,717	279,928,085
Reclassification from property, plant, and equipment (Note 18)	18,188,775	-	-	18,188,775
Disposals - cost	-	-	(1,914,177)	(1,914,177)
- accumulated depreciation	-	-	726,730	726,730
Written-off - cost	-	-	-	-
- accumulated depreciation	-	-	-	-
Depreciation charge (Note 37)	-	(7,903,863)	(505,898)	(8,409,761)
Closing net book amount	93,078,275	184,325,005	11,116,372	288,519,652
As at 31 March 2019				
Cost	93,078,275	325,191,476	20,142,239	438,411,990
<u>Less</u> Accumulated depreciation	-	(140,866,471)	(9,025,867)	(149,892,338)
Net book amount	93,078,275	184,325,005	11,116,372	288,519,652

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17 Investment properties (net) (Cont'd)

During the second quarter of 2018, the Company reclassified land and land improvement to investment properties amounting to Baht 18,188,775 since the Company's management changed the purpose of land and land improvement usage because Aeroflex Co., Ltd., a subsidiary, needs to expand a factory by purchasing these assets from the Company. However, the assets are used as collaterals. Therefore, the Company and the subsidiary entered into a rental agreement instead.

The Company mortgaged investment properties as securities for facilities of bank overdrafts short-term and long-term borrowings from financial institutions (Note 24 and 26).

Fair values of the investment properties as at 31 March 2019 and 2018 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 using depreciated replacement cost approach. The fair values are within level 2 of the fair value hierarchy.

As at 31 March 2019, fair values of investment properties in the company financial statements assessed is Baht 531.98 million compare to net book value of Baht 277.60 million (2018 : 522.56 million compare to net book value of Baht 267.32 million). The assets that were not assessed comprised of building improvement and facility systems in the company financial statements amounting to Baht 10.92 million (2018 : Baht 12.60 million).

Amounts recognised in profit and loss in the company financial statements that are related to investment properties for the year ended 31 March 2019 and 2018 are as follows:

	Separate financial statements	
	2019 Baht	2018 Baht
Revenue		
Rental income	21,570,000	21,880,000
Service income	72,769,200	71,728,000
	<u>94,339,200</u>	<u>93,608,000</u>
Direct operating expense arise from investment properties that generated rental income for the year	17,730,266	17,407,887
Direct operating expense arise from investment properties that did not generate rental income for the year	-	-

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18 Property, plant and equipment (net)

	Consolidated financial statements							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
As at 31 March 2017									
Cost	329,011,684	58,816,172	2,450,477,294	5,079,791,550	761,573,243	257,748,985	129,950,886	228,373,940	9,295,743,754
Less Accumulated depreciation	-	(23,621,465)	(778,612,413)	(2,063,254,335)	(464,073,694)	(196,317,875)	(55,936,312)	-	(3,581,816,094)
Net book amount	329,011,684	35,194,707	1,671,864,881	3,016,537,215	297,499,549	61,431,110	74,014,574	228,373,940	5,713,927,660
For the year ended 31 March 2018									
Opening net book amount	329,011,684	35,194,707	1,671,864,881	3,016,537,215	297,499,549	61,431,110	74,014,574	228,373,940	5,713,927,660
Business acquisition	-	-	1,290,472	2,789,366	39,902,071	30,794,101	10,701,441	-	85,477,451
- cost	-	-	(875,982)	(2,576,857)	(35,365,618)	(22,554,870)	(9,864,670)	-	(71,237,997)
Additions	-	-	7,611,653	47,083,427	60,426,056	20,043,412	15,525,109	429,084,575	579,774,232
Transfer in (out)	-	-	89,364,860	304,178,927	49,191,135	5,507,744	240,000	(448,482,666)	-
Disposals - cost	-	-	-	(86,939,229)	(11,409,488)	(387,483)	(9,124,121)	-	(107,860,321)
- accumulated depreciation	-	-	-	59,875,871	8,127,147	309,067	3,287,913	-	71,599,998
Written-off - cost	-	-	-	(17,570,073)	(20,500)	(6,600)	-	-	(17,597,173)
- accumulated depreciation	-	-	-	16,886,780	20,295	6,600	-	-	16,913,675
Depreciation charge (Note 37)	-	(1,924,693)	(102,606,721)	(354,373,140)	(88,381,818)	(20,634,779)	(20,693,666)	-	(588,614,817)
Translation differences	(2,331,409)	-	(13,381,342)	(12,161,542)	(342,963)	(2,427,734)	(2,492,449)	(739,890)	(33,877,329)
Closing net book amount	326,680,275	33,270,014	1,653,267,821	2,973,730,745	319,645,866	72,080,568	61,594,131	208,235,959	5,648,505,379
As at 31 March 2018									
Cost	326,680,275	58,816,172	2,529,155,510	5,291,449,678	896,916,162	306,450,703	143,405,408	208,235,959	9,761,109,867
Less Accumulated depreciation	-	(25,546,158)	(875,887,689)	(2,317,718,933)	(577,270,296)	(234,370,135)	(81,811,277)	-	(4,112,604,488)
Net book amount	326,680,275	33,270,014	1,653,267,821	2,973,730,745	319,645,866	72,080,568	61,594,131	208,235,959	5,648,505,379

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18 Property, plant and equipment (net) (Cont'd)

	Consolidated financial statements											
	Plant buildings, building improvement and utilities systems			Machinery, molds and equipment	Factory equipment and tools	Office equipment and tools	Motor vehicles	Assets under installation and construction in progress		Total Baht		
	Land Baht	Land improvement Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht		
For the year ended 31 March 2019												
Opening net book amount	326,680,275	33,270,014	1,653,267,821	2,973,730,745	319,645,866	72,080,568	61,594,131	208,235,959	5,648,505,379			
Additions	19,398,532	-	9,390,069	54,441,618	36,213,483	21,254,331	21,554,934	489,482,199	651,735,166			
Transfer in (out)	-	-	80,366,847	246,198,945	26,577,527	3,068,940	-	(356,212,259)	-			
Reclassification - cost	-	-	-	(139,792)	139,792	-	-	-	-			
- accumulated depreciation	-	-	-	35	(35)	-	-	-	-			
Disposals - cost	(11,411,250)	(4,560,483)	(2,706,023)	(54,872,478)	(39,523,745)	(1,227,179)	(16,659,355)	-	(130,960,513)			
- accumulated depreciation	-	-	732,588	34,795,607	33,451,265	1,085,582	9,659,096	-	79,724,138			
Written-off - cost	-	-	(78,000)	(369,830)	(931,346)	(3,412,009)	(1,004,444)	-	(5,795,629)			
- accumulated depreciation	-	-	77,999	369,829	857,414	3,355,780	1,004,437	-	5,665,459			
Depreciation charge (Note 37)	-	(1,812,600)	(111,104,307)	(366,506,112)	(91,476,544)	(26,969,590)	(18,817,872)	-	(616,687,025)			
Translation differences	(609,483)	-	(5,651,006)	(6,154,619)	(588,357)	(1,341,074)	(1,258,217)	154,300	(15,448,456)			
Closing net book amount	334,058,074	26,896,931	1,624,295,988	2,881,493,948	284,365,320	67,895,349	56,072,710	341,660,199	5,616,738,519			
As at 31 March 2019												
Cost	334,058,074	54,255,689	2,606,495,889	5,528,448,392	914,553,876	322,615,813	144,971,612	341,660,199	10,247,059,544			
Less Accumulated depreciation	-	(27,358,758)	(982,199,901)	(2,646,954,444)	(630,188,556)	(254,720,464)	(88,898,902)	-	(4,630,321,025)			
Net book amount	334,058,074	26,896,931	1,624,295,988	2,881,493,948	284,365,320	67,895,349	56,072,710	341,660,199	5,616,738,519			

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18 Property, plant and equipment (net) (Cont'd)

	Separate financial statements						
	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
As at 31 March 2017							
Cost	36,206,500	9,754,008	58,924,534	7,849,104	19,133,994	16,162,950	148,031,090
Less: Accumulated depreciation	-	-	(9,163,286)	(6,751,886)	(14,280,573)	(6,534,220)	(36,729,965)
Net book amount	36,206,500	9,754,008	49,761,248	1,097,218	4,853,421	9,628,730	111,301,125
For the year ended 31 March 2018							
Opening net book amount	36,206,500	9,754,008	49,761,248	1,097,218	4,853,421	9,628,730	111,301,125
Additions	-	-	41,000	-	1,231,997	-	1,272,997
Disposals - cost	-	-	-	(180,617)	(55,000)	(550,000)	(785,617)
- accumulated depreciation	-	-	-	166,500	21,590	267,375	455,465
Written-off - cost	-	-	-	-	-	-	-
- accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge (Note 37)	-	-	(1,818,675)	(96,385)	(1,536,437)	(2,541,254)	(5,992,751)
Closing net book amount	36,206,500	9,754,008	47,983,573	986,716	4,515,571	6,804,851	106,251,219
As at 31 March 2018							
Cost	36,206,500	9,754,008	58,965,534	7,668,487	20,310,991	15,612,950	148,518,470
Less: Accumulated depreciation	-	-	(10,981,961)	(6,681,771)	(15,795,420)	(8,808,099)	(42,267,251)
Net book amount	36,206,500	9,754,008	47,983,573	986,716	4,515,571	6,804,851	106,251,219
For the year ended 31 March 2019							
Opening net book amount	36,206,500	9,754,008	47,983,573	986,716	4,515,571	6,804,851	106,251,219
Additions	-	-	-	-	521,312	6,660,000	7,181,312
Reclassification to investment property (Note 17)	(12,995,250)	(5,193,525)	-	-	-	-	(18,188,775)
Disposals - cost	(11,411,250)	(4,560,483)	-	(1,166,346)	-	-	(17,138,079)
- accumulated depreciation	-	-	-	1,049,711	-	-	1,049,711
Written-off - cost	-	-	-	-	-	-	-
- accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge (Note 37)	-	-	(1,819,350)	(86,130)	(1,399,566)	(3,057,870)	(6,362,916)
Closing net book amount	11,800,000	-	46,164,223	783,951	3,637,317	10,406,981	72,792,472
As at 31 March 2019							
Cost	11,800,000	-	58,965,534	6,502,141	20,832,303	22,272,950	120,372,928
Less: Accumulated depreciation	-	-	(12,801,311)	(5,718,190)	(17,194,986)	(11,865,969)	(47,580,456)
Net book amount	11,800,000	-	46,164,223	783,951	3,637,317	10,406,981	72,792,472

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18 Property, plant and equipment (net) (Cont'd)

Leased assets included above, where the Group is a lessee under a finance lease, comprise motor vehicle:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Cost - capitalised finance leases	17,585,663	13,940,248
<u>Less</u> Accumulated depreciation	<u>(3,150,866)</u>	<u>(2,487,181)</u>
Net book amount	<u>14,434,797</u>	<u>11,453,067</u>

As at 31 March 2019, the Group has pledged property, plant and equipment at the cost of Baht 1,925.24 million and Baht 197.89 million (equivalent to Renminbi 42.41 million) (2018 : Baht 1,884.60 million and Baht 208.56 million (equivalent to Renminbi 42.41 million)) as collateral against credit facilities, overdrafts, short-term and long-term borrowings from financial institutions (Notes 24 and 26).

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19 Intangible assets (net)

	Consolidated financial statements					
	Research and development Baht	License Baht	Computer software Baht	Trademark and brand Baht	Customer relationship Baht	Total Baht
As at 31 March 2017						
Cost	293,162,982	25,214,442	51,222,547	91,414,823	48,889,656	509,904,450
Less Accumulated amortisation	(193,774,129)	(10,148,652)	(30,723,879)	(12,696,503)	(14,550,493)	(261,893,656)
Net book amount	99,388,853	15,065,790	20,498,668	78,718,320	34,339,163	248,010,794
For the year ended 31 March 2018						
Opening net book amount	99,388,853	15,065,790	20,498,668	78,718,320	34,339,163	248,010,794
Business acquisition	-	-	-	29,944,696	-	29,944,696
Additions	25,736,676	137,150	21,397,858	-	-	47,271,684
Disposals - cost	-	-	-	-	-	-
- accumulated amortisation	-	-	-	-	-	-
Written-off - cost	-	-	-	-	-	-
- accumulated amortisation	-	-	-	-	-	-
Amortisation charge	(35,309,754)	(1,418,796)	(5,206,531)	(5,996,399)	(6,872,015)	(54,803,495)
Translation differences	(8,240,593)	(1,216,276)	(1,964,034)	(8,595,794)	(2,606,729)	(22,623,426)
Closing net book amount	81,575,182	12,567,868	34,725,961	94,070,823	24,860,419	247,800,253
As at 31 March 2018						
Cost	304,698,147	23,604,666	70,121,534	111,148,105	44,431,386	554,003,838
Less Accumulated amortisation	(223,122,965)	(11,036,798)	(35,395,573)	(17,077,282)	(19,570,967)	(306,203,585)
Net book amount	81,575,182	12,567,868	34,725,961	94,070,823	24,860,419	247,800,253

Eastern Polymer Group Public Company Limited
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For the year ended 31 March 2019

19 Intangible assets (net) (Cont'd)

	Consolidated financial statements						
	Research and development Baht	Patent Baht	Computer software Baht	Trademark and brand Baht	Customer relationship Baht	Computer software under installation Baht	Total Baht
For the year ended 31 March 2019							
Opening net book amount	81,575,182	12,567,868	34,725,961	94,070,823	24,860,419	-	247,800,253
Additions	21,355,865	2,571,530	10,001,629	-	-	19,655,793	53,584,817
Transfer-in (out)	-	-	19,655,793	-	-	(19,655,793)	-
Disposals - cost	-	-	-	-	-	-	-
- accumulated amortisation	-	-	-	-	-	-	-
Written-off - cost	-	-	-	-	-	-	-
- accumulated amortisation	-	-	-	-	-	-	-
Amortisation charge	(31,419,478)	(1,235,438)	(8,398,337)	(7,732,433)	(6,337,447)	-	(55,123,133)
Translation differences	(4,418,675)	(78,644)	(2,655,529)	(5,053,874)	(1,149,994)	-	(13,356,716)
Closing net book amount	67,092,894	13,825,316	53,329,517	81,284,516	17,372,978	-	232,905,221
As at 31 March 2019							
Cost	315,796,081	25,766,777	96,491,753	104,577,692	41,695,146	-	584,327,449
Less Accumulated amortisation	(248,703,187)	(11,941,461)	(43,162,236)	(23,293,176)	(24,322,168)	-	(351,422,228)
Net book amount	67,092,894	13,825,316	53,329,517	81,284,516	17,372,978	-	232,905,221

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.

Eastern Polymer Group Public Company Limited
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19 Intangible assets (net) (Cont'd)

		Separate financial statements
		Computer software Baht
	Notes	
As at 31 March 2017		
Cost		13,296,821
<u>Less</u> Accumulated amortisation		(12,242,679)
Net book value		1,054,142
For the year ended 31 March 2018		
Opening net book amount		1,054,142
Additions		62,500
Written-off - cost		-
- accumulated amortisation		-
Amortisation charge	37	(67,143)
Closing net book value		1,049,499
As at 31 March 2018		
Cost		13,359,321
<u>Less</u> Accumulated amortisation		(12,309,822)
Net book value		1,049,499
For the year ended 31 March 2019		
Opening net book amount		1,049,499
Additions		68,100
Written-off - cost		-
- accumulated amortisation		-
Amortisation charge	37	(655,321)
Closing net book value		462,278
As at 31 March 2019		
Cost		13,427,421
<u>Less</u> Accumulated amortisation		(12,965,143)
Net book value		462,278

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

20 Goodwill

	Consolidated financial statements Baht
As at 1 April 2017	
Cost	34,747,166
<u>Less</u> Allowance for impairment	-
Net book value	<u>34,747,166</u>
For the year ended 31 March 2018	
Opening net book amount	34,747,166
Addition from purchase assets as business acquisition - TJM Brendale Pty. Ltd. (Note 14.4.4))	15,294,601
Addition from business acquisition - Flexiglass Challenge Pty. Ltd. (Note 14.4.3))	9,261,890
Translation differences	<u>(4,067,522)</u>
Closing net book value	<u>55,236,135</u>
As at 31 March 2018	
Cost	55,236,135
<u>Less</u> Allowance for impairment	-
Net book value	<u>55,236,135</u>
For the year ended 31 March 2019	
Opening net book amount	55,236,135
Translation differences	<u>(2,831,256)</u>
Closing net book value	<u>52,404,879</u>
As at 31 March 2019	
Cost	52,404,879
<u>Less</u> Allowance for impairment	-
Net book value	<u>52,404,879</u>

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20 Goodwill (Cont'd)

As at 31 March 2019 and 2018 Goodwill of the Group comprise the following:

	Date of acquisition	2019		2018	
		Australian Dollar	Equivalent to Baht	Australian Dollar	Equivalent to Baht
Business acquisition - TJM Product Pty. Ltd.	2 March 2015	1,337,587	33,378,549	1,337,587	33,378,549
Purchase assets as business acquisition - TJM Brendale Pty. Ltd. (Note 14.4)	13 November 2017	609,765	15,294,601	609,765	15,294,601
Business acquisition - Flexiglass Challenge Pty. Ltd. (Note 14.4)	31 January 2018	360,402	9,261,890	360,402	9,261,890
Translation differences		-	(5,530,161)	-	(2,698,905)
		<u>2,307,754</u>	<u>52,404,879</u>	<u>2,307,754</u>	<u>55,236,135</u>

On 31 January 2018, the Group acquired Flexiglass Challenge Pty. Ltd. Goodwill incurred from business acquisition is Australian Dollar 360,402 (equivalent to Baht 9,261,890).

On 13 November 2017, the Group acquired assets as business acquisition of TJM Brendale Pty. Ltd. Goodwill incurred from business acquisition is Australian Dollar 609,765 (equivalent to Baht 15,294,601).

On 2 March 2015, the Group acquired TJM Products Pty. Ltd. Goodwill incurred from business acquisition is Australian Dollar 1,337,587 (equivalent to Baht 33,378,549).

• Impairment tests for goodwill from business acquisition - TJM Group

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment. The Group management review the business performance based on type of business.

As at 31 March 2019 and 2018, a segment-level summary of the goodwill allocation is presented below.

	2019 Baht	2018 Baht
Automotive products under TJM Brand	<u>43,142,990</u>	<u>34,747,166</u>

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

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20 Goodwill (Cont'd)

For each of the CGUs with significant amount of goodwill, the key assumptions used in the value-in-use calculations are as follows.

	Automotive products under TJM brand	
	2019	2018
Growth rate	3.00%	3.00%
Discount rate	12.00%	8.10%

These assumptions have been used for the analysis of each CGU within the business segment. Management determined the growth rates to be consistent with the forecasts in the industry. The discount rates used are pre-tax and reflect specific risks relating to the relevant segment.

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The Group does not prepare the sensitivity analysis for the growth rate because the rate applied to the discounted cash flows is lower than the actual growth rate and similar to the average growth rate of the industry.

If the estimated cost of capital used in determining the pre-tax discount rate applied to the discounted cash flows had been 2.0% higher than management's estimates, the Group would not have to recognise a further impairment against goodwill for the year ended 31 March 2019.

- **Goodwill from business acquisition of Flexiglass Challenge Pty. Ltd.**

The Group's management has finished measurement of fair value of identifiable net assets acquired from business acquisition of Flexiglass Challenge Pty. Ltd. on 20 January 2019. There is no impairment indicator identified by the Group's management between 20 January 2019 and 31 March 2019.

21 Land leasehold right (net)

Land leasehold right as at 31 March 2019 and 2018 were presented as the following:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Current portion	205,533	216,611
Non-current portion	6,046,105	6,588,590
Total land leasehold right (net)	6,251,638	6,805,201

Land leasehold right of a 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 year 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.

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22 Deferred income tax assets (net)

Deferred income taxes assets as at 31 March 2019 and 2018 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred income tax assets:				
Deferred income tax assets to be recovered within 12 months	50,134,156	33,484,551	6,476,000	5,196,000
Deferred income tax assets to be recovered after more than 12 months	103,318,176	120,615,766	7,154,842	17,036,062
	<u>153,452,332</u>	<u>154,100,317</u>	<u>13,630,842</u>	<u>22,232,062</u>
Deferred income tax liabilities:				
Deferred income tax liabilities to be settled within 12 months	(16,651,015)	(35,204,598)	-	-
Deferred income tax liabilities to be settled after more than 12 months	(64,826,591)	(44,687,646)	-	-
	<u>(81,477,606)</u>	<u>(79,892,244)</u>	<u>-</u>	<u>-</u>
Deferred income tax assets (net)	<u>71,974,726</u>	<u>74,208,073</u>	<u>13,630,842</u>	<u>22,232,062</u>
	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets (liabilities) (net) which presented in statement of financial position				
- Deferred tax assets (net)	144,102,633	144,788,794	13,630,842	22,232,062
- Deferred tax liabilities (net)	<u>(72,127,907)</u>	<u>(70,580,721)</u>	<u>-</u>	<u>-</u>
	<u>71,974,726</u>	<u>74,208,073</u>	<u>13,630,842</u>	<u>22,232,062</u>

The movements of deferred income taxes for the year ended 31 March 2019 and 2018 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance of the year	74,208,073	112,526,547	22,232,062	22,037,129
Increase (decrease) to profit or loss	(5,178,490)	(30,380,172)	(9,391,305)	84,361
Increase (decrease) to other comprehensive income	1,960,094	(657,543)	790,085	110,572
Business acquisition (Note 14.4)	-	(9,261,890)	-	-
Translation differences	<u>985,049</u>	<u>1,981,131</u>	<u>-</u>	<u>-</u>
Closing balance of the year	<u>71,974,726</u>	<u>74,208,073</u>	<u>13,630,842</u>	<u>22,232,062</u>

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22 Deferred income tax (net) (Cont'd)

The movements of deferred income taxes for the year ended 31 March 2019 and 2018 comprise the following:
(Cont'd)

	Consolidated financial statements				
	1 April 2018 Baht	Increase (Decrease) to the statement of income Baht	Increase (Decrease) to the statement of other comprehensive income Baht	Translation differences Baht	31 March 2019 Baht
Deferred income tax assets					
Allowance for doubtful accounts	6,098,168	904,516	-	(55,464)	6,947,220
Allowance for obsolete and slow-moving inventories	20,206,880	(1,526,881)	-	(212,463)	18,467,536
Allowance for inventories cost in excess of net realisable value	1,014,037	6,755	-	(13,594)	1,007,198
Unrealised gain from intercompany sales					
- Inventories	40,357,006	(7,292,052)	-	-	33,064,954
- Fixed assets	7,134,601	(549,206)	-	-	6,585,395
Allowance for impairment of investments	7,170,197	-	-	-	7,170,197
Accrued staff bonus	2,009,195	159,718	-	-	2,168,913
Accrued rebates	2,645,443	(224,538)	-	-	2,420,905
Accrued expense	2,740,091	(1,326,546)	-	(40,083)	1,373,462
Provision for sales return	-	114,811	-	-	114,811
Deferred revenue	177,972	(17,204)	-	-	160,768
Finance lease liabilities	-	2,581,667	-	(155,206)	2,426,461
Employee benefit obligations	31,783,508	11,233,978	1,960,094	(914,033)	44,063,547
Difference realisable charge and depreciation of assets between tax and accounting	1,033,392	(228,324)	-	-	805,068
Tax loss carried forward	31,729,827	(4,155,703)	-	(898,227)	26,675,897
	<u>154,100,317</u>	<u>(319,009)</u>	<u>1,960,094</u>	<u>(2,289,070)</u>	<u>153,452,332</u>
Deferred income tax liabilities					
Difference amortisation charge and depreciation of assets between tax and accounting	(9,082,339)	(11,724,882)	-	(28,411)	(20,835,632)
Allowance for obsolete and slow-moving inventories	-	(425,045)	-	11,833	(413,212)
Accrued expenses	-	(9,476)	-	264	(9,212)
Finance lease liabilities	-	(3,130,747)	-	87,155	(3,043,592)
Difference book value (net) of intangible asset in the consolidation and the Company	(68,464,865)	11,026,819	-	3,186,253	(54,251,793)
Prepayment	(2,345,040)	(596,150)	-	17,025	(2,924,165)
	<u>(79,892,244)</u>	<u>(4,859,481)</u>	<u>-</u>	<u>3,274,119</u>	<u>(81,477,606)</u>
Deferred income tax assets (net)	<u>74,208,073</u>	<u>(5,178,490)</u>	<u>1,960,094</u>	<u>985,049</u>	<u>71,974,726</u>

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22 Deferred income tax assets (net) (Cont'd)

The movements of deferred income taxes for the year ended 31 March 2019 and 2018 comprise the following:
(Cont'd)

	Consolidated financial statements					31 March 2018 Baht
	1 April 2017 Baht	Increase (Decrease) to the statement of income Baht	Increase (Decrease) to the statement of other comprehensive income Baht	Business acquisition Baht	Translation differences Baht	
Deferred income tax assets						
Allowance for doubtful accounts	6,810,888	(634,688)	-	-	(78,032)	6,098,168
Allowance for obsolete and slow-moving inventories	22,886,583	(1,080,149)	-	-	(1,599,554)	20,206,880
Allowance for inventories cost in excess of net realisable value	1,081,250	(65,896)	-	-	(1,317)	1,014,037
Unrealised gain from intercompany sales						
- Inventories	49,599,809	(9,242,803)	-	-	-	40,357,006
- Fixed assets	8,356,257	(1,221,656)	-	-	-	7,134,601
Allowance for impairment of investments	6,384,915	785,282	-	-	-	7,170,197
Accrued staff bonus	1,457,775	551,420	-	-	-	2,009,195
Accrued expenses	5,088,416	(2,030,366)	-	-	(317,959)	2,740,091
Deferred revenue	-	177,972	-	-	-	177,972
Accrued rebates	61,184	2,584,259	-	-	-	2,645,443
Employee benefit obligations	26,379,087	7,610,136	(657,543)	-	(1,548,172)	31,783,508
Tax deductible donation of an overseas subsidiary	229,703	(221,388)	-	-	(8,315)	-
Difference realisable charge and depreciation of assets between tax and accounting	836,824	196,568	-	-	-	1,033,392
Tax loss carried forward	53,905,522	(21,134,145)	-	-	(1,041,550)	31,729,827
	<u>183,078,213</u>	<u>(23,725,454)</u>	<u>(657,543)</u>		<u>(4,594,899)</u>	<u>154,100,317</u>
Deferred income tax liabilities						
Difference amortisation charge and depreciation of assets between tax and accounting	(1,880,941)	(7,743,240)	-	-	541,842	(9,082,339)
Allowance for doubtful accounts	(1,086,294)	1,038,959	-	-	47,335	-
Difference book value (net) of intangible asset in the consolidation and the Company	(65,563,276)	567,664	-	(9,261,890)	5,792,637	(68,464,865)
Prepayment	(2,021,155)	(518,101)	-	-	194,216	(2,345,040)
	<u>(70,551,666)</u>	<u>(6,654,718)</u>	<u>-</u>	<u>(9,261,890)</u>	<u>6,576,030</u>	<u>(79,892,244)</u>
Deferred income tax assets (net)	<u>112,526,547</u>	<u>(30,380,172)</u>	<u>(657,543)</u>	<u>(9,261,890)</u>	<u>1,981,131</u>	<u>74,208,073</u>

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22 Deferred income tax (net) (Cont'd)

The movements of deferred income taxes for the year ended 31 March 2019 and 2018 comprise the following: (Cont'd)

	Separate financial statements		
	1 April 2018 Baht	Increase (Decrease) to the statement of income Baht	Increase (Decrease) to the statement of other comprehensive income Baht
Deferred income tax assets			
Allowance for doubtful accounts	959,838	-	-
Accrued bonus of employee	480,000	-	-
Employee benefit obligations	2,696,015	1,054,637	790,085
Tax loss carried forward	18,096,209	(10,445,942)	-
	<u>22,232,062</u>	<u>(9,391,305)</u>	<u>790,085</u>
			<u>13,630,842</u>
	Separate financial statements		
	1 April 2017 Baht	Increase (Decrease) to the statement of income Baht	Increase (Decrease) to the statement of other comprehensive income Baht
Deferred income tax assets			
Allowance for doubtful accounts	1,201,094	(241,256)	-
Accrued bonus of employee	420,000	60,000	-
Employee benefit obligations	2,356,026	229,417	110,572
Tax loss carried forward	18,060,009	36,200	-
	<u>22,037,129</u>	<u>84,361</u>	<u>110,572</u>
			<u>22,232,062</u>

As at 31 March 2019 and 2018, the Company and the Group did not recognise deferred tax assets which such amount can be deductible with tax expense in the future are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
• Unused tax losses within 5 years				
- Tax losses for 2014 expire 2019	-	5,163,709	-	-
- Tax losses for 2015 expire 2020	4,713,364	4,880,553	-	-
- Tax losses for 2016 expire 2021	6,265,850	6,478,130	-	-
- Tax losses for 2017 expire 2022	12,479,959	12,815,516	-	-
- Tax losses for 2018 expire 2023	4,168,147	4,262,480	-	-
- Tax losses for 2019 expire 2024	7,972,738	-	-	-
	<u>35,600,058</u>	<u>33,600,388</u>	<u>-</u>	<u>-</u>
• Usable within 20 years (USA)	<u>103,150,952</u>	<u>91,595,054</u>	<u>-</u>	<u>-</u>
• Without expiry date (Australia, Malaysia and Germany)	<u>469,540,258</u>	<u>367,491,632</u>	<u>-</u>	<u>-</u>

Deferred tax assets for accumulated deficit are only recognised to the future taxable profits, which is probable that the deferred tax assets can be utilised.

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23 Other non-current assets

	Note	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Prepaid withholding tax		39,126,909	34,723,560	38,689,638	34,513,946
Tax coupon of overseas subsidiaries		1,715,723	3,679,326	-	-
Deposits - other companies		3,319,563	3,396,026	87,481	71,500
- related companies	41 a)	5,612,280	5,492,280	-	-
		<u>49,774,475</u>	<u>47,291,192</u>	<u>38,777,119</u>	<u>34,585,446</u>

As at 31 March 2019, the separate financial statements has prepaid withholding tax amounting Baht 30.82 million (2018 : Baht 30.82 million). The refund was in process from Revenue Department.

24 Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Bank overdrafts	21,787,288	1,025,094	-	-
Bank promissory notes	760,008,443	365,059,946	-	-
Trust receipts	272,432,754	473,819,889	-	-
	<u>1,054,228,485</u>	<u>839,904,929</u>	<u>-</u>	<u>-</u>

	Consolidated financial statements		Separate financial statements	
	Interest rate (% per annum)		Interest rate (% per annum)	
	2019	2018	2019	2018
Bank overdrafts	7.12 - 7.20	7.20 - 7.70	-	-
Bank promissory notes	2.10 - 5.44	2.10 - 5.44	-	-
Trust receipts	2.17 - 4.95	1.00 - 2.64	-	-

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 (Note 18 and 26).

As at 31 March 2019, bank promissory note are aged between 1 to 6 months and will be mature in 2019 (2018 : 1 to 6 months and will be mature in 2018).

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25 Trade and other accounts payable

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts payable					
- other companies		710,337,720	783,418,369	326,316	309,410
- related companies	41 a)	25,525,049	27,713,175	-	-
Other accounts payable					
- other companies		99,008,803	90,658,019	1,661,340	1,489,947
- related companies	41 a)	7,532,617	8,691,927	3,134,000	3,163,000
Fixed assets payable					
- other companies		36,942,130	36,167,591	-	41,521
- related companies	41 a)	158,366	53,928	-	-
Interest payable					
- other companies		1,394,036	1,593,514	-	-
Accrued staff salary, wages and bonus		116,233,652	98,809,187	4,858,987	4,509,228
Accrued expenses		108,302,935	102,246,669	4,742,739	3,859,058
Advance received for goods		69,475,948	50,357,274	-	-
Retention payable		9,370,989	3,085,033	-	-
Accrued sales promotion and rebates		72,529,283	73,602,475	-	-
Deferred revenue		10,705,060	17,176,849	-	-
Provision for sales return		1,516,262	-	-	-
Others		434,144	256,446	-	-
		<u>1,269,466,994</u>	<u>1,293,830,456</u>	<u>14,723,382</u>	<u>13,372,164</u>

26 Long-term loans from financial institutions

The movements of long-term loans from financial institutions for the year ended 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance of the year	612,281,250	843,625,908	-	-
Addition during the year	65,000,000	108,400,000	-	-
Repayment during the year	(278,230,506)	(332,632,130)	-	-
Realised (gain) loss on exchange rate	(1,017,250)	171,630	-	-
Unrealised (gain) loss on exchange rate	(1,541,341)	(7,284,158)	-	-
Closing balance of the year	<u>396,492,153</u>	<u>612,281,250</u>	<u>-</u>	<u>-</u>

Outstanding balances of long-term loans from financial institutions as at 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Due within 1 year	207,800,918	280,352,500	-	-
Due within 1 to 5 years	188,691,235	331,928,750	-	-
	<u>396,492,153</u>	<u>612,281,250</u>	<u>-</u>	<u>-</u>

26 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2019 and 2018 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
	2019 (Million Baht)	2018 (Million Baht)						
1	-	-	Thailand	Purchase of fixed assets	480.00	MLR less fixed interest rate 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 July 2013 and January 2013 respectively. However, the repayment of principal and interest was totally paid on 27 August 2017.	a) Secured by mortgaged land and buildings of parent company. b) Secured by mortgaged machinery of Aeroflex Co., Ltd.
2	77.13	109.00	Thailand	Payment for construction and machinery	180.00	MLR less fixed interest rate 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.
3	65.00	-	Thailand	Payment for construction and machinery	200.00	MLR less fixed interest rate per annum.	Agreement dated 25 January 2019, repayments for principal and interest are based on monthly basis. The repayments of principal and interest were since thirteenth month after the first drawn-down date and the first drawn-down date respectively.	a) Secured by mortgaged land and buildings of parent company. b) Secured by mortgaged land and buildings of Aeroflex Co., Ltd.

Total 142.13 109.00

26 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2019 and 2018 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
	2019 (Million Baht)	2018 (Million Baht)						
1	-	-	Thailand	Payment for machinery	US dollar 2.00 million	LIBOR plus fixed interest rate per annum.	Agreement dated 21 April 2011, repayments for principal and interest are based on monthly basis. The repayments of principal and interest were on the last working day of the fourth month since the first drawn-down date. However, the repayment of principal and interest was totally paid on 29 September 2017.	a) Secured by parent company. b) Secured by mortgaged land and buildings of Aeroklas Co., Ltd.
2	0.18	60.10	Thailand	Purchase of land, machinery, and payment for other expenses	190.00	MLR less fixed interest rate 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.	
3	-	-	Thailand	Refinancing loans to reduce finance costs	200.00	MLR less fixed interest rate 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. However, the repayment of principal and interest was totally paid on 29 September 2017.	a) Secured by mortgaged land and buildings of Aeroklas Co., Ltd. b) Secured by the parent company.
4	34.37 (Australian dollar 1.50 million)	60.88 (Australian dollar 2.50 million)	Thailand	Lending to Aeroklas Australia Pty. Ltd.	Australian dollar 4.00 million	Fixed interest rate per annum.	Agreement dated 5 June 2015, repayments for principal and interest are based on semi-annual and monthly basis respectively. The repayments of principal will be on the last working day of October 2016 and interest was since last working day of the first drawn-down month.	Unsecured loan
Total	34.55	120.98						

26 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2019 and 2018 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
	2019 (Million Baht)	2018 (Million Baht)						
1	53.00	119.00	Thailand	Payment for machinery and equipment to expand production capacity project	256.00	MLR less fixed interest rate 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.	
2	16.91	49.90	Thailand	Payment for warehouse construction and machinery	115.00	MLR less fixed interest rate 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.	Secured by mortgaged land, buildings and machinery of Eastern Polypack Co., Ltd.
3	77.40	84.40	Thailand	Payment for machinery	84.40	MLR less fixed interest rate per annum.	Agreement dated 18 September 2015, 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. The Company makes the first drawn-down on 15 August 2017.	
4	22.50	45.00	Thailand	Payment for machinery	90.00	Fixed interest rate per annum.	Agreement dated 29 October 2015, repayments for principal based on three-month basis and interest are based on monthly basis. The repayments of principal and interest were since the ninth month and first month after the first drawn-down date respectively.	
5	30.00	60.00	Thailand	Payment for machinery	120.00	Fixed interest rate per annum.	Agreement dated 29 October 2015, repayments for principal based on three-month basis and interest are based on monthly basis. The repayments of principal and interest were since the ninth month and first month after the first drawn-down date respectively.	Secured by mortgaged machinery of Eastern Polypack Co., Ltd.
Total	199.81	358.30						

26 Long-term loans from financial institutions (Cont'd)

Outstanding long-term loans from financial institutions as at 31 March 2019 and 2018 are as follows: (Cont'd)

Subsidiary - APS Co., Ltd.

Contract No.	Outstanding borrowings		Bank	Loan purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Mortgaged assets
	2019 (Million Baht)	2018 (Million Baht)						
1	20.00	24.00	Thailand	Payment for machinery	24.00	Fixed interest rate per annum.	Agreement dated 8 October 2017, repayments for principal and interest are based on monthly basis. The repayments of principal and interest were since the seventh month and first month respectively after the first drawn-down date on 23 November 2017	Secured by mortgaged machinery of APS Co., Ltd.
Total	20.00	24.00						
Grand total	396.49	612.28						

The Group is under the debt covenant criteria as stipulated in the loan agreements which require the Group to maintain the financial ratio, proportion of management shareholders and other requirements in accordance with each loan agreement.

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26 Long-term loans from financial institutions (Cont'd)

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated financial statements			
	2019		2018	
	Carrying amounts Baht	Fair values Baht	Carrying amounts Baht	Fair values Baht
Borrowings from financial institutions	396,492,153	396,246,443	612,281,250	610,875,563

	Separate financial statements			
	2019		2018	
	Carrying amounts Baht	Fair values Baht	Carrying amounts Baht	Fair values Baht
Borrowings from financial institutions	-	-	-	-

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. The fair values are within level 2 of the fair value hierarchy.

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 financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Borrowings at fixed rates	106,865,421	189,881,250	-	-
Borrowings at floating rates	289,626,732	422,400,000	-	-
	396,492,153	612,281,250	-	-

The effective interest rates as at 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 % per annum	2018 % per annum	2019 % per annum	2018 % per annum
Borrowings from financial institutions	4.00 - 5.00	3.94 - 4.86	-	-

26 Long-term loans from financial institutions (Cont'd)

Unused credit facilities

Unused credit facilities as at 31 March 2019 and 2018 are as follows;

	Consolidated financial statements					
	31 March 2019			31 March 2018		
	Overdrafts	Long-term loans	Working capital	Overdrafts	Long-term loans	Working capital
Floating interest rate						
- Limited period (Baht)	-	135,000,000	-	-	-	-
- Unlimited period (Baht)	391,212,712	-	980,150,000	401,974,906	-	930,150,000
- Unlimited period (US Dollar)	-	-	4,285,157	-	-	6,920,060
- Unlimited period (Australian Dollar)	100,000	-	1,479,381	100,000	-	70,993
Fixed interest rate/fee						
- Unlimited period (Baht)	-	-	4,958,982,314	-	-	4,825,906,724
- Unlimited period (US Dollar)	-	-	47,271,018	-	-	42,239,309
- Unlimited period (Australian Dollar)	-	-	9,794,450	-	-	9,629,107
	Separate financial statements					
	31 March 2019			31 March 2018		
	Overdrafts	Long-term loans	Working capital	Overdrafts	Long-term loans	Working capital
Floating interest rate						
- Unlimited period (Baht)	25,000,000	-	-	25,000,000	-	-
Fixed interest rate/fee						
- Unlimited period (Baht)	-	-	3,652,000	-	-	3,652,000

27 Debenture

At the Ordinary Shareholders' Meeting 1/2017 of Eastern Polymer Group Public Company Limited, on 27 July 2017, the shareholders approved to issue and offer debenture of the Company for the amount not exceeding Baht 2,000 million for operating and investing activities.

However, as at 31 March 2019, the Company has not issued the debenture yet.

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 2019 and 2018, finance lease liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Finance lease liabilities	10,249,372	10,726,296	-	-
<u>Less</u> Deferred interest expenses	(660,773)	(538,509)	-	-
Present value of finance lease liabilities	9,588,599	10,187,787	-	-
<u>Less</u> Current portion	(4,798,739)	(5,822,878)	-	-
	4,789,860	4,364,909	-	-

28 Finance lease liabilities (net) (Cont'd)

As at 31 March 2019 and 2018, minimum finance lease liabilities payments are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Due of finance lease liabilities payment				
- Not later than 1 year	5,407,950	6,361,387	-	-
- Later than 1 year but not later than 5 years	4,841,422	4,364,909	-	-
	<u>10,249,372</u>	<u>10,726,296</u>	<u>-</u>	<u>-</u>

29 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Withholding tax payable	7,563,412	6,245,373	478,801	463,310
Accrued social security fund	4,026,756	3,998,942	106,268	94,792
Others	885,873	980,066	-	-
	<u>12,476,041</u>	<u>11,224,381</u>	<u>585,069</u>	<u>558,102</u>

30 Employee benefit obligations

The amounts recognised in the statements of financial position as at 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Present value of unfunded obligations	<u>236,013,746</u>	<u>163,983,284</u>	<u>22,703,696</u>	<u>13,480,083</u>

The movements of employee benefit obligations for the year ended 31 March 2019 and 2018 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Beginning balance of the year	163,983,284	151,109,035	13,480,083	11,780,138
Increase (decrease) from business combination (Note 14.4)	-	6,480,621	-	-
Current service cost	13,898,980	12,507,743	897,875	792,176
Past service cost	48,396,220	-	5,475,482	-
Interest cost	4,461,461	4,053,920	385,329	354,906
Remeasurements of employee benefit obligations				
Amount of (gain) loss that changed from				
- Discount rate	2,464,787	107,122	(40,939)	-
- Salary growth rate	(256,320)	(1,467,316)	(150,523)	(247,773)
- Staff turnover rate	(1,140,227)	(3,972,674)	38,412	1,701,508
- Mortality rate	-	1,865,062	-	110,668
Experience (gain)/loss	11,778,560	(307,965)	4,103,477	(1,011,540)
Employee benefit paid	(5,850,648)	(4,722,940)	(1,485,500)	-
Translation differences	(1,722,351)	(1,669,324)	-	-
Ending balance of the year	<u>236,013,746</u>	<u>163,983,284</u>	<u>22,703,696</u>	<u>13,480,083</u>

During the fourth quarter, the Group has amended their defined benefit plan due to the new labour protection act which rules the change in compensation for employee who has retired and has more than or equal 20 years of service from 300 days to 400 days of final salary. The Group's management has assessed the impact of the amendment and recognised the increase in the past service cost of Baht 48,396,200 and Baht 5,475,482 on the consolidated and separate statement of comprehensive income, respectively.

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30 Employee benefit obligations (Cont'd)

Employee benefit obligations recognised in the statement of income for the year ended 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current service cost	13,898,980	12,507,743	897,875	792,176
Past service cost	48,396,220	-	5,475,482	-
Interest cost	4,461,461	4,053,920	385,329	354,906
Total	66,756,661	16,561,663	6,758,686	1,147,082

The amount recognised in cost of sales, selling expenses and administrative expenses are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cost of sales	36,879,776	7,113,696	5,136,601	458,833
Selling expenses	6,452,299	1,802,269	-	-
Administrative expenses	23,424,586	7,645,698	1,622,085	688,249
Total	66,756,661	16,561,663	6,758,686	1,147,082

The principal actuarial assumptions are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 %	2018 %	2019 %	2018 %
Discount rate	2.04 to 4.21	2.26 to 4.41	2.71	2.68
Expected future salary increase	1.80 to 9.65	1.88 to 9.57	5.20	5.32
Staff turnover rate	0.00 to 54.00	0.00 to 63.00	0.00 to 26.00	0.00 to 24.00
Retirement age	55, 60, 65 year	55, 60, 65 year	55, 60 year	55, 60 year

Sensitivity analysis for principal actuarial assumptions are as follows:

		Increase (Decrease) on employee benefit obligation			
Change in assumption		Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Discount rate	Increase by 0.50%	(10,084,342)	(6,031,658)	(862,700)	(419,900)
Discount rate	Decrease by 0.50%	10,779,921	6,447,886	920,786	443,709
Salary growth rate	Increase by 0.50%	9,581,884	5,871,156	849,663	406,770
Salary growth rate	Decrease by 0.50%	(9,060,095)	(5,551,168)	(804,482)	(388,978)
Turnover rate	Increase by 0.50%	(8,114,293)	(5,917,115)	(340,147)	(344,759)
Turnover rate	Decrease by 0.50%	8,416,070	6,115,164	354,204	365,314

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to principal actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The weighted average duration of the defined benefit obligation of the Group is 12-23 years (2018 : 10 - 22 years) and the Company is 12 years. (2018 : 10 years)

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30 Employee benefit obligations (Cont'd)

Expected maturity analysis of retirement benefits as at 31 March 2019 and 2018 comprise the following:

	Post-employment benefits (Baht)			
	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Less than 1 year	5,947,529	5,775,643	-	1,437,060
Between 1 - 5 years	30,948,002	42,460,597	8,551,447	6,254,881
Between 5 - 10 years	121,142,511	89,711,882	9,660,805	8,145,884
Between 10 - 15 years	155,896,139	96,417,884	23,159,184	5,897,572

31 Share capital

	Consolidated and Separate financial statements				
	Registered shares	Issued and paid-up shares	Registered capital Baht	Issued and paid-up Baht	Share premium on ordinary share Baht
As at 31 March 2017	2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000	3,274,182,000
Issue of shares	-	-	-	-	-
As at 31 March 2018	2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000	3,274,182,000
Issue of shares	-	-	-	-	-
As at 31 March 2019	2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000	3,274,182,000

32 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance of the year	154,446,048	119,132,280	154,446,048	119,132,280
Appropriation during the year (Note 33)	51,192,300	35,313,768	51,192,300	35,313,768
Closing balance of the year	205,638,348	154,446,048	205,638,348	154,446,048

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 2019 and 2018, retained earnings-unappropriated in the consolidated financial statements included legal reserves of 4 subsidiaries in the amount of Baht 246.11 million and Baht 246.11 million, respectively.

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33 Dividend payment

Parent company - Eastern Polymer Group Public Company Limited

In 2019

At the Ordinary of Shareholders' meeting no. 5/2018 held on 12 November 2018, the Board approved the payment of dividend from net profit after tax for six-month period ended 30 September 2018 at 0.08 Baht per share, totalling Baht 224 million and appropriation of its net income to legal reserve amounting to Baht 13.02 million.

At the Ordinary of Shareholders' meeting no. 1/2018 held on 25 July 2018, the Board approved the payment of dividend from net profit for the year ended 31 March 2018 at 0.15 Baht per share, totalling Baht 420 million and appropriation of its net income to legal reserve amounting to Baht 38.17 million.

During the year ended 31 March 2019, the Company paid dividend totalling Baht 644 million and appropriation of its net income to legal reserve amounting to Baht 51.19 million (Note 32).

In 2018

The Board of Directors' meeting no.5/2017 held on 10 November 2017, the Board approved the payment interim dividend from net profit after tax for the six-month period ended 30 September 2017 to shareholders at Baht 0.10 per share, totalling Baht 280 million and appropriation of its net income to legal reserve amounting to Baht 14.78 million.

The Ordinary of Shareholders' Meeting no. 1/2017 held on 27 July 2017, the shareholders approved the dividend payment for the year ended 31 March 2017 to shareholders at Baht 0.15 per share, totalling Baht 420 million and appropriation of its net income to legal reserve amounting to Baht 20.53 million.

During the year ended 31 March 2018, the Company paid dividend totalling Baht 700 million and appropriation of its net income to legal reserve amounting to Baht 35.31 million (Note 32).

Dividend payment of a subsidiary - Eastern Polypack Co., Ltd.

In 2019

At the Board of Directors' Meeting of the Company no.5/2018 held on 28 May 2018, the meeting has approved the payment from net profit after tax for the year ended 31 March 2018 for 100 million shares at Baht 1.00 per share, totalling of Baht 100 million.

During the year ended 31 March 2019, the Company paid dividend totalling Baht 100 million .

In 2018

At the Board of Directors' Meeting of the Company no.4/2018 held on 20 March 2018, the meeting has approved the payment of interim dividend from retained earnings as at 31 March 2017 for 100 million shares at Baht 0.87 per share, totalling of Baht 87 million and approved an appropriation of legal reserve totalling Baht 4.35 million. As at 31 March 2018, there is outstanding dividend payable in amounting to Baht 87 million in statement of financial position.

At the Board of Directors' Meeting of the Company no.1/2018 held on 10 February 2018, the meeting has approved the payment of interim dividend from current net profit after tax for nine-month period ended 31 December 2017 for 100 million shares at Baht 0.65 per share, totalling of Baht 65 million and approved an appropriation of legal reserve totalling Baht 6.59 million. The Company paid the dividend on July 2018.

During the year ended 31 March 2018, the Company paid dividend totalling Baht 152 million and appropriation of its net income to legal reserve amounting to Baht 10.94 million.

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Notes to the Consolidated and Separate Financial Statements
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33 Dividend payment (Cont'd)

Dividend payment of a subsidiary - Aeroflex Co., Ltd.

In 2019

At the Board of Directors' Meeting of the Company no.1/2019 held on 11 February 2019, the meeting has approved the payment from net profit after tax for the nine-month period ended 31 December 2018 for 6 million shares at Baht 30 per share, totalling Baht 180 million. As at 31 March 2019, there is outstanding dividend payable in amounting to Baht 180 million in statement of financial position.

At the Board of Directors' Meeting of the Company no.4/2018 held on 28 May 2018, the meeting has approved the payment from net profit after tax for the year ended 31 March 2018 for 6 million shares at Baht 17 per share, totalling of Baht 102 million.

During the year ended 31 March 2019, the Company paid dividend totalling Baht 282 million.

In 2018

At the Board of Directors' Meeting of the Company no.3/2018 held on 20 March 2018, the meeting has approved the payment of interim dividend from retained earnings as at 31 March 2017 for 6 million shares at Baht 25 per share, totalling of Baht 150 million. As at 31 March 2018, there is outstanding dividend payable in amounting to Baht 150 million in statement of financial position.

At the Board of Directors' Meeting of the Company no.1/2018 held on 10 February 2018, the meeting has approved the payment of interim dividend from current net profit after tax for nine-month period ended 31 December 2017 for 6 million shares at Baht 40 per share, totalling of Baht 240 million and approved an appropriation of legal reserve totalling Baht 14.25 million. The Company paid the dividend on July 2018.

At the Ordinary of Shareholders' Meeting no.1/2017 held on 26 July 2017, the meeting has approved the payment of interim dividend from current net profit after tax for the year ended 31 March 2017 for 6 million shares at Baht 40 per share, totalling of Baht 240 million and approved an appropriation of legal reserve totalling Baht 6.98 million.

During the period ended 31 March 2018, the Company paid dividend totalling Baht 630 million and appropriation of its net income to legal reserve amounting to Baht 21.23 million.

Dividend payment of a subsidiary - Aeroklas Co., Ltd.

In 2018

At the Board of Directors' Meeting of the Company no.4/2018 held on 20 March 2018, the meeting has approved the payment of interim dividend from retained earnings as at 31 March 2017 for 180 million shares at Baht 0.35 per share, totalling of Baht 63 million and approved an appropriation of legal reserve totalling Baht 3.15 million. As at 31 March 2018, there is outstanding dividend payable in amounting to Baht 63 million in statement of financial position.

At the Board of Directors' Meeting of the Company no.2/2018 held on 10 February 2018, the meeting has approved the payment of interim dividend from current net profit after tax for nine-month period ended 31 December 2017 for 180 million shares at Baht 0.65 per share, totalling of Baht 117 million and approved an appropriation of legal reserve totalling Baht 8.98 million. The Company paid the dividend on July 2018.

During the period ended 31 March 2018, the Company paid dividend totalling Baht 180 million and appropriation of its net income to legal reserve amounting to Baht 12.13 million.

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34 Other components of equity and non-controlling interest

Other components of equity

Movements for other components of equity for the year ended 31 March 2019 and 2018 comprise of the following :

	Consolidated financial statements					
	2019			2018		
	Translation differences Baht	Share of other comprehensive income (loss) of associate and joint venture Baht	Total Baht	Translation differences Baht	Share of other comprehensive income (loss) of associates Baht	Total Baht
Beginning balance of the year	(43,358,499)	(43,285,922)	(86,644,421)	52,960,368	(33,307,862)	19,652,506
Increasing during the year	(51,023,344)	(4,412,609)	(55,435,953)	(98,318,867)	(9,978,060)	(108,296,927)
Ending balance of the year	(94,381,843)	(47,698,531)	(142,080,374)	(43,358,499)	(43,285,922)	(86,644,421)

Non-controlling interest

	Consolidated financial statements	
	2019 Baht	2018 Baht
Opening balance of the year	24,085,846	13,546,086
Share of net profit of subsidiaries	(1,354,809)	2,539,760
Increase (decrease) in non-controlling interest during the year	-	8,000,000
Closing balance of the year	22,731,037	24,085,846

35 Other income

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Interest income					
- other companies		6,465,526	6,165,024	2,256,003	2,506,928
- related companies	41 b)	-	-	64,373,780	35,874,207
Rental income					
- other companies		-	431,670	-	-
Net gain on disposals of					
Property, plant and equipment (net)					
- other companies		7,415,365	4,892,958	23,553	-
- related companies		-	-	6,850,767	-
Net gain from fire insurance claim		669,118	-	-	-
Compensate income insurance					
from temporary stop operation		-	15,196,183	-	-
Income from scrap sale		7,199,508	3,818,628	-	90,000
Service income					
- other companies		88,013	5,789,637	-	-
Utility income					
- other companies		-	228,069	-	-
Management fee					
- other companies		198,680	2,450	-	-
- related companies	41 b)	2,875,236	4,280,262	-	-
Income from provident fund		2,684,586	2,234,470	4,218	105,671
Others		8,169,630	6,428,096	35,016	160,403
		<u>35,765,662</u>	<u>49,467,447</u>	<u>73,543,337</u>	<u>38,737,209</u>

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36 Other expenses

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Loss on written-off of property, plant and equipment	(130,170)	(683,498)	-	-

37 Expense by nature

The expenditure items for the years ended 31 March 2019 and 2018 are classified by nature as follows:

		Consolidated financial statements		Separate financial statements	
	Notes	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Purchase and changes in work in process and finished goods and raw materials	9	4,913,989,011	4,276,782,695	-	-
Staff costs and other benefits		1,760,744,680	1,536,199,791	70,529,195	68,656,880
Employee benefit obligations	30	66,756,661	16,561,663	6,758,686	1,147,082
Depreciation charges					
- Investment property	17	-	-	8,409,761	8,457,490
- Property plant and equipment	18	616,687,025	588,614,817	6,362,916	5,992,751
Amortisation charges		55,335,449	54,803,495	655,321	67,143
Repair and maintenance expenses		158,052,227	164,693,006	882,037	803,383
Utilities expenses		407,391,172	387,521,613	3,458,332	3,407,186
Transportation expenses		329,363,253	299,920,342	-	-
Sales promotion and commission expenses		165,073,409	151,448,422	793,808	-
Research and development expenses		26,957,805	28,595,859	-	-
Allowance for obsolete and slow-moving inventories (reversal)	9	(40,313,053)	(2,335,635)	-	-
Allowance for inventories cost in excess of net realisable value	9	423,359	1,398,017	-	-

38 Finance costs

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Interest expense from borrowings from				
- financial institutions	(50,798,061)	(48,412,147)	(3,930)	(14,731)
Interest expense from financial lease liabilities	(814,115)	(928,634)	-	-
Bank charge	(10,005)	-	-	-
Gain (loss) on exchange rate from				
- Realised	13,988,718	42,588,702	-	-
- Unrealised	(2,377,240)	18,724,411	-	-
	(40,010,703)	11,972,332	(3,930)	(14,731)

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39 Income tax

Reconciliations of income tax for the year ended 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current income tax:				
Current income tax on taxable profit for the year	(45,851,041)	(34,046,821)	-	-
Adjustments over (under) recorded income tax for the prior year	(618,810)	(2,222,126)	-	-
Total current income tax	(46,469,851)	(36,268,947)	-	-
Deferred income tax:				
Origination and reversal of temporary differences (Note 22)	(5,178,490)	(30,380,172)	(9,391,305)	84,361
Business acquisition (Note 14.4)	-	(3,654,864)	-	-
Total tax expense	(51,648,341)	(70,303,983)	(9,391,305)	84,361
	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Profit before tax accounting base	954,876,088	1,063,514,134	502,215,337	1,058,959,370
Tax calculated at a tax rate of 20% (2018 : 20%)	(190,975,218)	(212,702,827)	(100,443,068)	(211,791,874)
Tax effect of:				
Income not subject to tax	106,359,699	96,390,394	94,759,981	211,911,957
Expenses not deductible for tax purpose	145,343	(19,769,152)	(4,140,132)	350,974
Additional deductible expenses for tax purpose	46,066,749	54,035,202	431,914	(386,696)
Tax losses for which no deferred income tax asset was recognised	(55,007,400)	(37,413,028)	-	-
Share of profit from associates and joint venture in equity method	34,962,178	49,023,941	-	-
Utilisation of previously unrecognised tax losses	5,819,676	13,320	-	-
Adjustments over record income tax of prior year	(618,810)	(2,222,126)	-	-
Remeasurement from derived BOI promotion	-	(436,383)	-	-
Effect of different tax rates in countries in which group operates	1,599,442	2,776,676	-	-
Income tax	(51,648,341)	(70,303,983)	(9,391,305)	84,361

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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 financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit attributable to shareholders of the parent for the year (Baht)	904,318,313	990,960,751	492,824,032	1,059,043,731
Weighted average number of ordinary shares (Shares)	2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000
Basic earnings per share (Baht per share)	0.323	0.354	0.176	0.378

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 2019 and 2018, Vitoorapakorn Holding Co., Ltd. Vitoorapakorn family and Teeracharawat family together held 75% of shares of the Company. The remaining 25% of the shares are widely held.

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 associates, subsidiaries and joint venture are disclosed in Notes 13, 14 and 15.

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.	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.
Aeroklas Malaysia Sdn. Bhd.	Malaysia	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.
TJM Off-Road Products Inc.	USA	Subsidiary of TJM Products Pty. Ltd.
TJM Shenzhen Ltd.	China	Subsidiary of TJM Products Pty. Ltd.
TJM Products MEA DMCC	United Arab Emirates	Subsidiary of TJM Products Pty. Ltd.
Flexiglass Challenge Pty. Ltd.	Australia	Subsidiary of Aeroklas Australia Pty. Ltd. (Starting from 31 January 2018)
SumiRiko Eastern Rubber (Thailand) Ltd. (formerly known as "Tokai Eastern Rubber (Thailand) Ltd.")	Thailand	Associate
Zeon Advance Polymix Co., Ltd.	Thailand	Associate
Aerocel Construction Materials(Jiangsu) Co., Ltd.	China	Associate of Aeroflex Co., Ltd.

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41 Related-party transactions (Cont'd)

Relationships between the Company and related parties are as follows: (Cont'd)

<u>List of related parties</u>	<u>Country/Nationality</u>	<u>Relationship</u>
ALP Aeroflex India Private Ltd.	India	Associate of Aeroflex Co., Ltd.
Aeroklas Duys Pty., Ltd.	South Africa	Joint Venture of Aeroklas Co., Ltd. (Starting from 2 January 2019)
Faraero Otomotiv Sanayi Ve Ticaret A.S.	Turkey	Common shareholders and directors
Eastern Syntech Co., Ltd.	Thailand	Common shareholders and directors
Eastern Polytech Co., Ltd.	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
Dynamic Eastern Garment Co., Ltd.	Thailand	Common shareholders and directors
Sanki Eastern (Thailand) Co., Ltd.	Thailand	Common shareholders and directors
Aeroflex Europe GmbH	Germany	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
Ekwadee Co., Ltd.	Thailand	Common shareholders and directors
VTH Australia Pty. Ltd.	Australia	Common shareholders and directors
ALP Overseas Private Limited	India	Common shareholders
LSF Technology Sdn. Bhd.	Malaysia	Common shareholders
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
<u>Related body of person</u>		
T and C Land and House Body of Person	Thailand	Body of Person whose member is director or shareholder or close member of the shareholder's family
P and C Land and House Body of Person	Thailand	
P and T Land and House Body of Person	Thailand	
PRV Body of Person	Thailand	
B.N.C.1 Body of Person	Thailand	
<u>Directors and shareholders</u>		Individual who is a director or shareholder of the Company or subsidiaries
<u>Shareholders and close members of the family</u>		Shareholders and close members of the shareholders' family who is not be a director of the Company or subsidiaries.

Management benefit expenses represent benefits which management has received from the Company. The definition of "management" is in accordance with the laws on securities and stock exchange.

Management benefit obligation represent retirement benefits, for management which is calculated by independent actuary.

Directors' remuneration is approved at the Annual General Meeting of the Company's shareholders.

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41 Related-party transactions (Cont'd)

Related-party transactions are as follows:

- a) Outstanding balances as at 31 March 2019 and 2018 arising from purchase/sales of goods and services and others are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts receivable				
<u>Associates</u>				
ALP Aeroflex India Private Ltd.	10,421,869	5,091,228	-	-
Zeon Advance Polymix Co., Ltd.	22,650	-	-	-
SumiRiko Eastern Rubber (Thailand) Ltd. (formerly known as Tokai Eastern Rubber (Thailand) Ltd.)	-	4,601	-	-
	<u>10,444,519</u>	<u>5,095,829</u>	<u>-</u>	<u>-</u>
<u>Related companies</u>				
Eastern Syntech Co., Ltd.	11,679,973	5,487,499	-	-
I.P.P. (Thailand) Co., Ltd.	-	1,147,049	-	-
Siam Inter Air Supply Co., Ltd.	45,162	56,284	-	-
Hayakawa Eastern Rubber Co., Ltd.	-	13,610	-	-
	<u>11,725,135</u>	<u>6,704,442</u>	<u>-</u>	<u>-</u>
	<u>22,169,654</u>	<u>11,800,271</u>	<u>-</u>	<u>-</u>
Trade notes receivable				
<u>Related company</u>				
Siam Inter Air Supply Co., Ltd.	54,571	-	-	-
	<u>54,571</u>	<u>-</u>	<u>-</u>	<u>-</u>
Dividend receivable				
<u>Associates</u>				
Zeon Advance Polymix Co., Ltd.	9,450,000	11,610,000	9,450,000	11,610,000
<u>Subsidiaries</u>				
Aeroflex Co., Ltd.	-	-	179,999,940	389,999,870
Eastern Polypack Co., Ltd.	-	-	-	151,999,997
Aeroklas Co., Ltd.	-	-	-	179,999,998
	<u>-</u>	<u>-</u>	<u>179,999,940</u>	<u>721,999,865</u>
	<u>9,450,000</u>	<u>11,610,000</u>	<u>189,449,940</u>	<u>733,609,865</u>
Fixed assets receivable				
<u>Associate</u>				
ALP Aeroflex India Private Ltd.	352,749	4,073,075	-	-
Interest receivable				
<u>Subsidiaries</u>				
Aeroflex Co., Ltd.	-	-	1,166,258	822,893
Eastern Polypack Co., Ltd.	-	-	1,553,589	878,175
Aeroklas Co., Ltd.	-	-	3,026,756	1,899,205
EPG Innovation Center Co., Ltd.	-	-	15,526	14,275
	<u>-</u>	<u>-</u>	<u>5,762,129</u>	<u>3,614,548</u>
Deposit				
<u>Related Company</u>				
I.P.P.(Thailand) Co., Ltd.	5,612,280	5,492,280	-	-

Deposit to related company represents a land rental deposit from Eastern Polypack Co., Ltd. to I.P.P. (Thailand) Co., Ltd. for rental period of 8 years.

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41 Related-party transactions (Cont'd)

- a) Outstanding balances as at 31 March 2019 and 2018 arising from purchase/sales of goods and services and others are as follows: (Cont'd)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts payable				
<u>Associate</u>				
Aerocel Construction Materials (Jiangsu) Co., Ltd.	15,727,607	2,792,243	-	-
<u>Joint venture</u>				
Aeroklas Duys Pty. Ltd.	464,985	-	-	-
<u>Related companies</u>				
ALP Overseas Private Limited	4,842,455	-	-	-
Eastern Syntech Co., Ltd.	4,490,002	9,538,103	-	-
Talomsin Plastics Co., Ltd.	-	15,372,829	-	-
Dynamic Eastern Garment Co., Ltd.	-	10,000	-	-
	9,332,457	24,920,932	-	-
	25,525,049	27,713,175	-	-
Other accounts payable				
<u>Associate</u>				
Zeon Advance Polymix Co., Ltd.	-	53,875	-	-
<u>Related companies</u>				
Eastern Syntech Co., Ltd.	490,710	1,616,555	-	-
I.P.P. (Thailand) Co., Ltd.	3,824,027	3,820,497	-	-
Hayakawa Eastern Rubber Co., Ltd.	29,960	-	-	-
Ekwadee Co., Ltd.	24,500	38,000	-	-
LSF Technology SDN BHD.	29,420	-	-	-
	4,398,617	5,475,052	-	-
<u>Board of director</u>				
Accrued meeting allowance and remuneration	3,134,000	3,163,000	3,134,000	3,163,000
	7,532,617	8,691,927	3,134,000	3,163,000
Fixed assets payable				
<u>Related body of person and related company</u>				
Siam Inter Air Supply Co., Ltd.	139,716	-	-	-
Eastern Syntech Co., Ltd.	18,650	53,928	-	-
	158,366	53,928	-	-

Eastern Polymer Group Public Company Limited
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41 Related-party transactions (Cont'd)

b) Significant revenue and expense transactions with related parties for the years ended 31 March 2019 and 2018 are as follows:

	For the year ended 31 March 2019							
	Consolidated financial statements			Separate financial statements				
	Subsidiaries Baht	Associates Baht	Related parties Baht	Total Baht	Subsidiaries Baht	Associates Baht	Related parties Baht	Total Baht
Revenue from sales/services	-	112,157,389	33,560,474	145,717,863	-	-	-	-
- inventories	-	-	180,000	180,000	13,596,000	-	180,000	13,776,000
- utilities	-	-	-	-	21,570,000	-	-	21,570,000
- investment property rental	-	-	-	-	18,264,000	-	840,000	19,104,000
- information system service	-	-	840,000	840,000	39,889,200	-	-	39,889,200
- consulting	-	-	-	-	24,009,947	-	-	24,009,947
- machinery and equipment	-	-	-	-	-	-	-	-
- managing	-	-	2,875,236	2,875,236	-	-	-	-
Other income	-	-	319,080	319,080	-	-	-	-
Dividend income	-	-	-	-	381,999,904	91,800,000	-	473,799,904
Interest income	-	-	-	-	64,373,780	-	-	64,373,780
Purchase of inventories	-	123,697,169	80,847,021	204,544,190	-	-	-	-
Purchase of property, plant and equipment	-	-	10,498,036	10,498,036	-	-	41,000	41,000
Expenses - utility	-	-	31,690,817	31,690,817	-	-	-	-
- staff transportation	-	-	79,260	79,260	-	-	-	-
- medical	-	-	1,696,576	1,696,576	-	-	-	-
- others	-	-	1,065,919	1,065,919	170,760	-	38,199	208,959
- motor vehicle rental	-	-	-	-	-	-	-	-
- land and building rental	-	-	-	-	-	-	-	-
- loss on sale of property, plant and equipment	-	-	23,937,276	23,937,276	-	-	9,000,000	9,000,000
	-	-	-	-	-	-	-	-

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

41 Related-party transactions (Cont'd)

b) Significant revenue and expense transactions with related parties for the years ended 31 March 2019 and 2018 are as follows: (Cont'd)

	For the year ended 31 March 2018							
	Consolidated financial statements			Separate financial statements				
	Subsidiaries Baht	Associates Baht	Related parties Baht	Total Baht	Subsidiaries Baht	Associates Baht	Related parties Baht	Total Baht
Revenue from sales/services	-	131,435,169	14,773,029	146,208,198	-	-	-	-
- inventories	-	-	180,000	180,000	15,196,000	-	180,000	15,376,000
- utilities	-	-	-	-	21,880,000	-	-	21,880,000
- investment property rental	-	-	-	-	17,400,000	-	792,000	18,192,000
- information system service	-	-	792,000	792,000	38,160,000	-	-	38,160,000
- consulting	-	-	-	-	46,177	-	-	46,177
- machinery and equipment	-	4,064,238	-	4,064,238	-	-	-	-
- managing	-	-	4,280,262	4,280,262	-	-	-	-
Other income	-	489,093	406,917	896,010	-	-	-	-
Dividend income	-	-	-	-	961,999,785	97,560,000	-	1,059,559,785
Interest income	-	-	-	-	35,874,207	-	-	35,874,207
Purchase of inventories	-	123,803,549	87,273,909	211,077,458	-	-	-	-
Purchase of property, plant and equipment	-	-	1,178,334	1,178,334	-	-	-	-
Expenses - utility	-	-	28,232,844	28,232,844	-	-	-	-
- staff transportation	-	-	79,544	79,544	-	-	-	-
- medical	-	-	1,680,514	1,680,514	-	-	-	-
- others	-	31,850	2,088,826	2,120,676	255,573	-	37,903	293,476
- motor vehicle rental	-	-	300,000	300,000	-	-	-	-
- land and building rental	-	-	21,419,280	21,419,280	-	-	9,000,000	9,000,000
- loss on sale of property, plant and equipment	-	2,715,960	-	2,715,960	-	-	-	-

Eastern Polymer Group Public Company Limited
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41 Related-party transactions (Cont'd)

- b) Significant revenue and expense transactions with related parties for the years ended 31 March 2019 and 2018 are as follows: (Cont'd)

Managements and directors' remuneration

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Managements' and directors' remuneration				
- Short-term	114,621,777	112,519,772	18,808,716	21,177,548
- Post employment benefit	12,713,054	6,957,419	5,524,474	1,149,599
	<u>127,334,831</u>	<u>119,477,191</u>	<u>24,333,190</u>	<u>22,327,147</u>

- c) Short-term loans to related companies

The movements of short-term loans to related companies for the years ended 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
<u>Short-term loans to</u>				
Beginning balance of the year	-	-	769,200,000	1,731,800,000
Additional during the year	-	-	3,440,900,000	2,253,700,100
Repayment during the year	-	-	(2,949,000,000)	(2,316,300,100)
Reclassify to long-term loans	-	-	-	(900,000,000)
Ending balance of the year	<u>-</u>	<u>-</u>	<u>1,261,100,000</u>	<u>769,200,000</u>

Outstanding balances of short-term loans to related companies as at 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
<u>Short-term loans to</u>				
<u>Subsidiaries</u>				
Aeroflex Co., Ltd.	-	-	169,100,000	161,000,000
Eastern Polypack Co., Ltd.	-	-	304,000,000	91,700,000
Aeroklas Co., Ltd.	-	-	783,400,000	508,000,000
EPG Innovation Center Co., Ltd.	-	-	4,600,000	8,500,000
Total short-term loans to	<u>-</u>	<u>-</u>	<u>1,261,100,000</u>	<u>769,200,000</u>

As at 31 March 2019, the Company's short-term loans to subsidiaries are unsecured loans and bear interest at the rate of 3.00% per annum (2018 : 2.00% per annum). The loans are due for repayment at call.

Eastern Polymer Group Public Company Limited
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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 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<u>Long-term loans to</u>				
Beginning balance of the year	-	-	931,057,300	34,285,700
Additional during the year	-	-	-	-
Reclassify from short-term to long-term loan	-	-	-	900,000,000
Repayment during the year	-	-	-	-
Gain (loss) on exchange rate				
- Realised	-	-	-	-
- Unrealised	-	-	587,600	(3,228,400)
Ending balance of the year	-	-	931,644,900	931,057,300

Long-term loan to related companies as at 31 March 2019 and 2018 are due for repayments as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<u>Long-term loans to subsidiaries</u>				
Aeroflex Co., Ltd.	-	-	200,000,000	200,000,000
Eastern Polypack Co., Ltd.	-	-	300,000,000	300,000,000
Aeroklas Co., Ltd.	-	-	400,000,000	400,000,000
Aeroflex Polymer Technologies (Shanghai) Co., Ltd.	-	-	31,644,900	31,057,300
Total long-term loans to	-	-	931,644,900	931,057,300

As at 31 March 2019, the Company's long-term loan to subsidiaries are unsecured loans and bear interest at the rate on 3.25% - 4.00% per annum (2018 : 3.00% - 4.00% per annum). The outstanding long-term loan to Aeroflex Polymer Technologies (Shanghai) Co., Ltd. denominated in US Dollar amounting to US Dollar 1,000,000 or equivalent to Baht 31,644,900 (2018 : US Dollar 1,000,000 or equivalent to Baht 31,057,300).

e) Short-term loans from related parties

The movements of short-term loans from related parties for the year ended 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<u>Short-term loans from</u>				
Beginning balance of the year	13,503,984	18,277,069	-	-
Additional during the year	-	-	-	-
Repayment during the year	(12,918,136)	(4,641,816)	-	-
Translation adjustment	(585,848)	(131,269)	-	-
Ending balance of the year	-	13,503,984	-	-

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41 Related-party transactions (Cont'd)

e) Short-term loans from related parties (Cont'd)

Outstanding balances of short-term loans from related companies as at 31 March 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Short-term loans from				
Related person	-	13,503,984	-	-

For the year ended 31 March 2019, the Company received full repayment for short-term loans from related person.

As at 31 March 2018, short-term loans from related parties are an interest free note payable denominated in Renminbi. The loans are 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 2019 and 2018, the Group and the Company had future lease and service payments required under these contracts as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Due payment				
Within 1 year	118,226,766	128,740,872	10,503,596	6,750,000
Later than 1 year but not later than 5 years	192,520,550	212,808,114	213,750	-
Later 5 years	52,839,713	73,593,785	-	-
	<u>363,587,029</u>	<u>415,142,771</u>	<u>10,717,346</u>	<u>6,750,000</u>

42.2 Capital commitments

As at 31 March 2019 and 2018, the Group and the Company had capital commitments, relating to the construction of factory buildings and acquisition of equipment as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Buildings and utilities system	57,246,800	82,451,000	-	-
Machinery and equipment	53,223,017	55,611,828	-	-
Furniture and fixtures	594,000	-	-	-
Total	<u>111,063,817</u>	<u>138,062,828</u>	<u>-</u>	<u>-</u>

Eastern Polymer Group Public Company Limited
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42 Commitments (Cont'd)

42.3 Bank guarantees

As at 31 March 2019 and 2018, the Group had outstanding bank guarantees for the normal course of business, issued by banks as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Guarantee for electricity	52,836,700	52,236,700	348,000	348,000
Guarantee for sale and purchase transactions	549,104	661,630	-	-
Guarantee for industrial waste transportation	100,000	100,000	-	-
	<u>53,485,804</u>	<u>52,998,330</u>	<u>348,000</u>	<u>348,000</u>
	Australian dollar	Equivalents to Baht	Australian dollar	Equivalents to Baht
Guarantee for property lease				
- TJM Products Pty. Ltd.	421,582	9,660,793	515,427	12,551,936
- Aeroklas Australia Pty. Ltd.	100,000	2,291,560	124,080	3,021,658
	<u>521,582</u>	<u>11,952,353</u>	<u>639,507</u>	<u>15,573,594</u>

42.4 Standby letter of credit

As at 31 March 2019 and 2018 the Group had standby letter of credit issued by local commercial bank for guarantee as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Guarantee for an indirect subsidiary's loans				
- TJM Products Pty. Ltd.	289,625,338	64,261,008	-	-
	<u>289,625,338</u>	<u>64,261,008</u>	<u>-</u>	<u>-</u>

42.5 Other commitments

As at 31 March 2019 and 2018, the Company had commitments but didn't recognise in the financial statement as follows:

	Consolidated financial statements			
	2019		2018	
	Currency	Equivalents to Baht	Currency	Equivalents to Baht
Letter of credit for goods commitments				
- US dollar	839,322	26,840,269	2,219,492	69,674,102

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42 Commitments (Cont'd)

42.6 Forward contracts

As at 31 March 2019 and 2018, 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 paid under contractual exchange rates of the outstanding contracts were:

	Consolidated financial statements	
	2019 US dollar	2018 US dollar
THB 9.34 million at the exchange rate of USD 0.03 per THB	300,000	-
THB 9.34 million at the exchange rate of USD 0.03 per THB	300,000	-
	<u>600,000</u>	<u>-</u>
	Consolidated financial statements	
	2019 Australian dollar	2018 Australian dollar
USD 0.81 million at the exchange rate of AUD 1.41 per USD	1,136,760	-
USD 0.30 million at the exchange rate of AUD 1.41 per USD	422,535	-
USD 0.50 million at the exchange rate of AUD 1.41 per USD	704,225	-
USD 0.30 million at the exchange rate of AUD 1.41 per USD	422,535	-
USD 0.02 million at the exchange rate of AUD 1.37 per USD	29,977	-
USD 2.46 million at the exchange rate of AUD 0.77 per USD	-	3,194,592
THB 22.21 million at the exchange rate of AUD 0.05 per THB	1,000,000	-
THB 4.41 million at the exchange rate of AUD 0.05 per THB	200,000	-
THB 6.64 million at the exchange rate of AUD 0.05 per THB	300,000	-
	<u>4,216,032</u>	<u>3,194,592</u>

The net fair values of the financial instruments as at 31 March 2019 and 2018 were as follow;

	Consolidated financial statements	
	2019	2018
Favourable/(Unfavourable) forward foreign exchange (Australian dollar)	<u>3,155</u>	<u>5,585</u>
Favourable/(Unfavourable) forward foreign exchange (Baht)	<u>(861,463)</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. The fair values are within level 2 of the fair value hierarchy.

42.7 Guarantees of related companies

As at 31 March 2019 and 2018, the Group had guarantees as follows:

Guarantee	Guarantee on behalf of	List of guarantee	2019		2018	
			Currency	Amount (Million Baht)	Currency	Amount (Million Baht)
The Company	Subsidiaries	Loans and bank credit facilities	Baht	3,491.80	Baht	3,281.80
The Company	Subsidiaries	Loans and bank credit facilities	US dollar	16.50	US dollar	13.75
The Company	Subsidiaries	Loans and bank credit facilities	Australian dollar	6.00	Australian dollar	6.00
Subsidiaries	Subsidiaries	Loans and bank credit facilities	US dollar	3.00	US dollar	3.00

Eastern Polymer Group Public Company Limited
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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 privileges *										
					1	2.1	2.2	3	4	5	6	7	8.1	8.2	9
1389/2542	3 September 1999	The manufacture of plastic sheet and product plastic sheet forming	12 January 2001	11 January 2014	✓	-	-	-	✓	✓	✓	✓	✓	-	✓
2083(2)/2548	28 September 2005	The manufacture of plastic sheet and plastic forming	7 January 2010	6 January 2018	✓	-	✓	-	-	✓	✓	✓	✓	-	✓
1786(2)/2549	13 September 2006	The manufacture of mould & Die, Jig and repair mold	Not yet start generating revenue	-	✓	-	✓	-	-	-	-	-	-	✓	✓
1014(2)/2554	2 December 2011	The manufacture of plastic sheet and plastic sheet forming	1 April 2014	31 March 2022	✓	-	✓	-	-	✓	✓	✓	✓	-	✓
1902(2)/2556	22 January 2013	The manufacture of product of plastic and plastic parts for automotive industry	1 April 2018	31 March 2026	✓	-	✓	-	-	✓	✓	✓	✓	-	✓
59-1590-0-00-1-0	23 March 2015	The manufacture of product of plastic and plastic parts for automotive industry	Not yet start generating revenue	-	✓	-	✓	-	-	✓	✓	✓	✓	-	✓
59-1591-0-00-1-0	30 March 2015	The manufacture of product of plastic and plastic parts for automotive industry	Not yet start generating revenue	-	✓	-	✓	-	-	✓	✓	✓	✓	-	✓

Subsidiary - Aeroflex Co., Ltd.

BOI Certificate No.	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges *										
					1	2.1	2.2	3	4	5	6	7	8.1	8.2	9
1232(2)/2556	19 February 2013	The manufacture of insulation rubber plastic product	9 June 2014	8 June 2022	✓	-	✓	-	-	✓	✓	✓	✓	-	✓

Eastern Polymer Group Public Company Limited
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43 Promotional privileges (Cont'd)

The Group received the following promotional privileges from the Board of Investment as table below: (Cont'd)

Subsidiary - Eastern Polypack Co., Ltd.

BOI Certificate no.	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges *											
					1	2.1	2.2	3	4	5	6	7	8.1	8.2	9	
1139(2)/2552	13 October 2008	The manufacture of plastic package type 6.18 clean and green plastic package/plastic sheet.	26 October 2011	25 October 2019	✓	✓	-	-	✓	✓	✓	✓	-	✓	✓	
1652(2)/2554	5 April 2011	The manufacture of plastic package type 6.12 The manufacture of plastic coating.	8 April 2014	7 April 2017	✓	✓	-	-	-	-	-	-	-	✓	✓	
1626(2)/2556	22 January 2013	The manufacture of plastic package type 6.12 The manufacture of plastic coating.	3 November 2016	2 November 2023	✓	-	✓	-	-	✓	✓	✓	✓	-	✓	
60-0162-0-001-0	30 March 2015	The manufacture of plastic package type 6.12. The manufacture of plastic coating.	Not start to generate income yet	-	✓	-	✓	-	-	✓	✓	✓	✓	-	✓	
60-0163-0-001-0	2 March 2015	The manufacture of plastic package type 6.12. The manufacture of plastic coating.	Not start to generate income yet	-	✓	-	✓	-	-	✓	✓	✓	✓	-	✓	
60-0171-0-001-0	30 March 2015	The manufacture of plastic package type 6.12. The manufacture of plastic coating.	Not start to generate income yet	-	✓	-	✓	-	-	✓	✓	✓	✓	-	✓	
60-0324-1-041-0	30 January 2017	The manufacture of recycling plastic package type 6.8. The manufacture of recycle plastic.	1 April 2017	31 March 2020	✓	-	-	✓	-	-	-	-	-	-	✓	

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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	8.1	8.2	9	
2023(4)/2549	25 May 2005	Research and development, for industrial products, testing and analysis for industrial supplies and calibration testing of tools and equipment	17 September 2010	16 September 2018	✓	-	-	-	✓	-	-	-	-	-	-	

Subsidiary - APS 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	8.1	8.2	9
61-0075-0-00-1-2	23 January 2018	Rubber profile and PVC profile	Not start to generate income yet	-	✓	✓	-	-	-	✓	✓	✓	-	-	

* 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 privilege 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 payment of corporate income tax not in excess of 50% of the investment amount excluding cost of land and working capital. This privilege is due for expiration within a period of three years from the date income is first derived.
- 4) Exemption from corporate income tax for the promoted activities for a period of eight years from the date income is first derived.
- 5) 50% reduction of corporate income tax for five years after the termination of normal income tax holiday.
- 6) 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.
- 7) 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.
- 8) Exemption from payment of import duty on imported raw material and supplies to be used in the manufacturing of goods for export sales.
 - 8.1) For a period of five years from the first import date.
 - 8.2) For a period of one year from the first import date.
- 9) The Company does not need to include dividend received from a BOI-promoted entity to calculate the income tax expense during the exemption period.

In February 2013, Aeroflex Co., Ltd. received a transferred of Promotion Certificate No. 1232(2)/0./2556 and 1233/0./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.

Eastern Polymer Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2019

43 Promotional privileges (Cont'd)

The operating results for the year ended 31 March 2019 and 2018 classified as sales under BOI and non-BOI promoted activities are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenue from activities				
BOI Promoted				
- Sales of goods	4,269,480,198	4,270,648,295	-	-
- Revenue from services	1,941,778	5,763,664	-	-
Total	4,271,421,976	4,276,411,959	-	-
Non-BOI promoted				
- Sales of goods	6,309,747,919	5,336,468,059	-	-
- Revenue from services	5,653,262	1,418,800	94,339,200	93,608,000
Total	6,315,401,181	5,337,886,859	94,339,200	93,608,000
	10,586,823,157	9,614,298,818	94,339,200	93,608,000

44 Events after the reporting period

At the Board of Directors' meeting 3/2562 of Eastern Polymer Group Public Company Limited, on 27 May 2019, the Board of Directors pass a resolution.

- Approved the dividend payment of Eastern Polymer Group Public Company Limited and its subsidiaries from the operation result from 1 April 2018 to 31 March 2019 to shareholders as followed:
 - Eastern Polymer Group Public Company Limited 2,800 million shares at Baht 0.14 per share, totalling Baht 392 million and appropriation of its net income to legal reserve amounting to Baht 11.62 million.
 - Eastern Polypack Co., Ltd. 100 million shares at Baht 1 per share, totalling Baht 100 million and appropriation of its net income to legal reserve amounting to Baht 6.05 million.
 - Aeroflex Co., Ltd. 6 million shares at Baht 20 per share, totalling Baht 120 million.
 - Aeroklas Co., Ltd. 180 million shares at Baht 0.50 per share, totalling Baht 90 million and appropriation of its net income to legal reserve amounting to Baht 11.97 million.
- Approved to enter into co-investment agreement among Aeroklas (Shanghai) Co., Ltd. and Sailing Technology Co., Ltd. in People's Republic of China by establishing a new company. The new company has registered share capital of Renminbi 20 million (equivalent to Baht 90.37 million). Aeroklas (Shanghai) Co., Ltd. will have 49% shareholding of the new company's share capital.

General Information

Company General Information

Company Name	: Eastern Polymer Group Public Company Limited
Stock symbol	: EPG
Registered No.	: 0107556000540
Typed of business	: Holding Company Investing in Polymer and Plastic Product and Manufacture business
Website	: www.epg.co.th
Registered capital	: 2,800,000,000 Baht
Paid in Capital	: 2,800,000,000 Baht Consists of 2,800,000,000 ordinary shares (as of 12 June 2019)
Group of Industry	: Real Estate and Construction
Business sector	: Construction materials
Market Value	: 16,520 Million Baht (as of 12 June 2019)
Number of shareholders	: 9,939 (as of 12 June 2019 the record date for determining the shareholders who are entitled to attend the 2019 Annual General Meeting of Shareholders)
% of shares held by minorities	: 26.29%
Head Office Location	: 770 Moo 6 Theparak Rd., Theparak Sub-District, Mueang District Samutprakan 10270 Thailand
Phone	: +662 383 6599
Fax	: +662 383 6533
Investor Relation	
Phone	: +662 249 3976
E-mail	: ir@epg.co.th
Company Secretary	
Phone	: +662 383 6599
E-mail	: cs@epg.co.th

Reference

Registrar	: The Thailand Securities Depository Co., Ltd. (TSD) 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
Telephone	: +662 009 9000
Fax	: +662 009 9911
Website	: www.tsd.co.th
Auditor	: Mr. Sudwin Panyawongkhanti Certified Public Accountant (Thailand) 3534 PricewaterhouseCoopers ABAS Ltd. 179/74-80 Bangkok City Tower 15th Floor, South Sathorn Rd., Sathorn Bangkok 10120
Telephone	: +662 334 1000
Fax	: +662 344 1130
Website	: www.pwc.com

General Information of the subsidiaries

Name of Company	Business / Main Product	Place of Business Engagement	Type of share	Paid in Capital (Number of shares: Million)	Paid in capital (Million Baht)	Paid in capital (Million Foreign Currency)	Direct and Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary share	Ratio (%)
Susidiaries of Eastern Polymer Group Public Co., Ltd										
1. Aeroklas Co., Ltd. 111/1,111/10, Mu 2, Tumbon Makamku, Nikom Pattana, Rayong Phone: +662 744 3020-30 Fax: +662 744 3032	Bed liner, Canopy, Car accessories	Thailand	Ordinary Share	180	1,800		100	Eastern Polymer Group Public Co., Ltd Mr. Pawat Vitoorapakorn Mr. Teerawat Vitoorapakorn	179,999,998 1 1	100 0 0
2. Eastern Polypack Co., Ltd. 770 Mu 6 , Teparak road, Teparak, Muang, Samutprakarn Phone +662 744 3139 Fax: +662 361 8854	Plastic packaging	Thailand	Ordinary Share	100	1,000		100	Eastern Polymer Group Public Co., Ltd Mr. Pawat Vitoorapakorn Mr. Teerawat Vitoorapakorn	99,999,998 1 1	100 0 0
3. Aeroflex Co., Ltd. 770 Mu 6 , Teparak road, Teparak, Muang, Samutprakarn Phone: +662 383 6599 Fax: +662 759 7147	Rubber Insulation	Thailand	Ordinary Share	6	600		100	Eastern Polymer Group Public Co., Ltd Mr. Pawat Vitoorapakorn Mr. Teerawat Vitoorapakorn	5,999,998 1 1	100 0 0
4. EPG Innovation Center Co., Ltd. 111/1,Mu 2, Tumbon Makamku, Nikom Pattana, Rayong Phone +6638 893 599 Fax: +6638 893 611	Research and development, and standard testing	Thailand	Ordinary Share	5	50		100	Eastern Polymer Group Public Co., Ltd Mr. Pawat Vitoorapakorn Mr. Teerawat Vitoorapakorn	4,999,998 1 1	100 0 0

Name of Company	Business / Main Product	Place of Business Engagement	Type of share	Paid in Capital (Number of shares: Million)	Paid in capital (Million Baht)	Paid in capital (Million Foreign Currency)	Direct and Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary share	Ratio (%)
5. Aeroflex Polymer Technologies (Shanghai) Co., Ltd No.251-5 Min Yi Rd., Song Jiang Industrial District, Shanghai, P.R.China Phone 862 157-680-860 Fax: 862 157-680-876	Insulation, import & export of machineries and chemical materials	China	Ordinary Share	No Par Value		USD8.1	100	Eastern Polymer Group Public Co., Ltd	No Par Value	100
Associate of Eastern Polymer Group Public Co., Ltd										
6. Zumiriko Eastern Rubber (Thailand) Co., Ltd 111/3 Mu 2, Soi Nikom, Tumbon Makamku, Nikom Pattana, Rayong * Ratio not including preferred stock Phone +6638-893565 Fax: +6638-893167	Anti-vibration rubber parts for automobile and Automotive Fuel Resin Hose	Thailand	Ordinary Share	1.525 (Ordinary share 1.5 Preferred Shared 0.025)	152.5		20	Sumitomoriko Co., Ltd. Eastern Polymer Group Public Co., Ltd. Sumipol Corporation Co., Ltd. Toyota Tsusho (Thailand) Co., Ltd. S.E.I. Thai Holding Co., Ltd	735,000 25,000 ¹ 450,000 135,000 120,000 60,000	49 30* 9 8 4
7. Zeon Advance Polymix Co., Ltd. 111/2 Soi Nikom 13, Mu 2, Tumbon Makamku, Nikom Pattana, Rayong Phone +6638 893 565 Fax: +6638 893 167	Rubber compound	Thailand	Ordinary Share	10	100		27	Eastern Polymer Group Public Co., Ltd. Toyota Tsusho (Thailand) Co., Ltd. Zeon Polymix Incorporation Zeon Corporation Co., Ltd. Toyotsu Chemiplas Corporation Co., Ltd.	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	Type of share	Paid in Capital (Number of shares: Million)	Paid in capital (Million Baht)	Paid in capital (Million Foreign Currency)	Direct and Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary share	Ratio (%)
Subsidiaries of Aeroflex Co., Ltd										
8. Aeroflex USA Inc. No.282 Industrial Park Rd., Sweetwater, TN37874 USA	Rubber insulation	USA	Ordinary Share	0.02891		USD12.0925	100	Aeroflex Co., Ltd.	28,910	100
9. APS Co., Ltd. 770 Mu 6 , Teparak road, Teparak, Muang, Samutprakarn Phone +662 383 6599 Fax: +662 759 7147	Rubber profile for automobile, machine, building and other application	Thailand	Ordinary Share	0.3	30		60	Aeroflex Co., Ltd. ALP OVERSEAS Private Limited Mr.Chumnan Vitoorapakorn Mr.Tanawat Vitoorapakorn	179,998 120,000 1 1	60 40 0 0
Associate of Aeroflex Co., Ltd										
10. Aerocel Construction Materials (Jiangsu) Co., Ltd. No.8, Wenhua Rd., Taixing City, Jiangsu, P.R.China	Rubber insulation	China	Ordinary Share	No Par Value		RMB50	40	Wincell Insulation Co.,Ltd. Aeroflex Co., Ltd.	No Par Value No Par Value	60 40
11. ALP Aeroflex India Private Ltd. 25/31, Ambros House, East Patel Nagar, Delhi-DL, INDIA 110008	Rubber insulation	India	Ordinary Share	29		INR290	40	ALP OVERSEAS Private Limited Aeroflex Co., Ltd.	17,400,000 11,600,000	60 40
Subsidiaries of Aeroklas Co., Ltd										
12. Aeroklas USA Inc. 282 Industrial Park Rd., Sweetwater, TN37874 USA	Assemble and sales of thermoforming plastic products	USA	Ordinary Share	0.001		USD1.0	100	Aeroklas Co., Ltd.	1,000	100

Name of Company	Business / Main Product	Place of Business Engagement	Type of share	Paid in Capital (Number of shares: Million)	Paid in capital (Million Baht)	Paid in capital (Million Foreign Currency)	Direct and Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary share	Ratio (%)
13. Aeroklas Australia Pty Ltd. 1831-1833 Sydney Rd., Campbellfield VIC3061, AUSTRALIA	Assemble and sales of thermoforming plastic products	Australia	Ordinary Share	40		AUD40	100	Aeroklas Co., Ltd	40,000,000	100
14. Aeroklas (Shanghai) Co., Ltd. No.251-5 Min Yi Rd., Song Jiang Industrial District, Shanghai, P.R.China	Manufacturing thermoforming plastic products	China	Ordinary Share	No Par Value		USD4	100	Aeroklas Co., Ltd	No Par Value	100
15. Aeroklas Europe GmbH IM LEHRER 30 89081 ULM DEUTSCHLAND/GERMANY	Assemble and sales of thermoforming plastic products	Germany	Ordinary Share	No Par Value		EUR0.2	74.9	Aeroklas Co., Ltd Mr. Roland Baumann	No Par Value No Par Value	74.9 25.1
16. Aeroklas Malaysia Sdn. Bhd. 5747, Kidamai Industrial Park, Bukit Angkat, 43000 Kaang, Selangor Darul Ehsan	Manufacturing thermoforming plastic products	Malaysia	Ordinary Share	3		MYR3	70	Aeroklas Co., Ltd LSF Technology Sdn. Bhd.	2,100,000 900,000	70 30
Investment in Joint Venture of Aeroklas Co., Ltd										
17. Aeroklas Duys (Pty.) Limited 1-5 Progress Road, New Germany 3610, KwaZulu-Natal, Republic of South Africa	- Manufacturing and distribute metal and plastic automotive accessories	South Africa	Ordinary Share	90,000		ZAR90	45	Aeroklas Co., Ltd Duys Engineering Group (Pty) Ltd. Mr. Brian William Rogers	40,500 45,900 3,600	45 51 4

Name of Company	Business / Main Product	Place of Business Engagement	Type of share	Paid in Capital (Number of shares: Million)	Paid in capital (Million Baht)	Paid in capital (Million Foreign Currency)	Direct and Indirect share holding ratio of the company and subsidiary (%)	Major Shareholder	Number of ordinary share	Ratio (%)
Subsidiaries of Aeroklas Australia Pty. Ltd.										
18. TJM Products Pty. Ltd.	Design and sales of automobile accessories for 4x4 and trucks	Australia	Ordinary Share	0.445		AUD0.44532	100	Aeroklas Australia Pty. Ltd.	445,320	100
19. Flexiglass Challenge Pty. Ltd.	sales of automobile accessories for 4x4 and trucks	Australia	Ordinary Share	0.000002		AUD 0.000002	100	Aeroklas Australia Pty. Ltd	2	100
Subsidiaries of TJM Products Pty. Ltd.										
20. TJM Off-Road Products Inc.	Design and sales of automobile accessories for 4x4 and trucks	USA	Ordinary Share	0.1		USD0.1	100	TJM Products Pty. Ltd.	100,000	100
21. TJM Products MEA DMCC	Design and sales of automobile accessories for 4x4 and trucks	UAE	Ordinary Share	No Par Value		AED0.05	100	TJM Products Pty. Ltd.	No Par Value	100

^{7/1} Have the right to vote and receive dividend 30 times of the ordinary share, the important agenda need to receive the vote from the shareholder at least 81.0%

WELL-ESTABLISHED GLOBAL PLATFORMS FOR INTERNATIONAL EXPANSION



Main Production facilities of Aeroflex, Aeroklas and EPP



Thailand



Aeroflex facilities



China*



India

(joint venture)



Switzerland

(Licensing)



Russia

(Licensing)



USA

Distribution channel more than
120 countries around the world.



Aeroklas facilities



China



Malaysia



South Africa



TER and ZAP facilities



Thailand

(Joint Venture)

**Remark: Two production bases in China are consisting 1) Aeroflex Polymer Technologies (Shanghai) Co., Ltd. (APT) which is the subsidiaries of EPG and 2) Aerocel Construction Material (Jiangsu) Co., Ltd. (ACM) which is the joint venture of Aeroflex*



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