



TCC

บริษัท ไทย แคปิตอล คอร์ปอเรชั่น จำกัด (มหาชน)
Thai Capital Corporation Public Company Limited

ANNUAL REPORT 2558
รายงานประจำปี

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"The Investors can find more information of the Company via www.set.or.th or www.thaicapital.co.th"

Vision

- Strive for the country's top five companies in Coal Trading business
- Continuously seek new business opportunities which shall bring forth long-term and sustainable growth

Strategies

- Maintaining excellent relationships with existing customers
- Penetrating new market
- Continually improving internal controls
- Setting out strategic investment plan and policy for opportunities to expand its business.



Message from the Chairman

To The Shareholders of Thai Capital Corporation Public Company Limited

In 2015, the overall economy in many countries began to show a good sign of improving and a better growth rate of various industry sectors compared to 2014. However, the factors that negatively affected the coal industry still continued to appear, for instance, world market oil price which still had a decreasing trend, and restructuring of energy consumption in China which is the world's largest coal user. In addition, the domestic competition of coal business was relatively high. As a result, the Company had to operate under challenging circumstances.

From what mentioned above, the Company appreciated an importance of risk management and internal controls by closely monitoring and assessing the situations in order for an effective management and for the Company to be timely adaptive. The Company put ongoing efforts to adjust its marketing strategies to cope with the industry changes and competition by adding new products and expanding its customer base, as well as effectively managing its costs and expenses. Moreover, the Company emphasized on good governance and awareness of social responsibility, environment, community, and other stakeholders in parallel with the will to drive its business to grow and be sustainable.

Lastly, on behalf of the Board of Directors of Thailand Capital Corporation Limited, I hereby thank all our shareholders, business partners, financial institution, related public and private organizations, the customers who have provided the Company with great support, and the management team and all employees for dedicating themselves to the company. May all of you please be confident that the Company will commit and dedicate itself to push its business towards the goal and will, at the same time, adhere to ethical standards and good corporate governance for the Company's sustainable and stable growth forever.

Yours sincerely,



(Mr. Munsin Chaivikrai)
Chairman

General Information

About the Company

Company Name	:	Thai Capital Corporation Public Company Limited
Company Registration No.	:	0107537001226
Type of Business	:	Import and Sale of coal
Address of Head Office	:	87/2 CRC Tower 45 th Floor, All Season Place, Wireless Road, Lumpini, Pathumwan, Bangkok, 10330
Telephon	:	0-2685-3600
Fax	:	0-2685-3607
Website	:	http://www.thaicapital.co.th/
E-mail Address	:	info@thaicapital.co.th

Registered Capital and Paid-up Capital as at December 31, 2015:

Registered Capital	881,486,633.50	Baht
Divided into Ordinary Shares	1,762,973,267	Shares
Paid-up Capital	639,699,376.50	Baht
Divided into Ordinary Shares	1,279,398,753	Share
Par Value	0.50	Baht

Information of legal entities that the Company holds more than 10 percent of their shares sold

Company Name	:	Theco Sales Co., Ltd. (TCS)
Company Registration No.	:	0105536114441
Type of Business	:	Sales of spare parts of air conditioner, cooler and heater for all types of vehicle, home, building, including other types of heater and cooler. According to the resolution of the Board of Directors' Meeting of TCC No. 7/2008, approval was granted in cancellation of the air conditioning related business of TCC, Consequently, TCS the subsidiary of TCC who operated the air conditioning business together with TCC, was also to cease its operation and, hence, business
Address of Head Office	:	87/2 CRC Tower 45 th Floor, All Season Place, Wireless Road, Lumpini, Pathumwan, Bangkok, 10330
Telephon	:	0-2685-3606
Fax	:	0-2685-3607
Holding (%)	:	99.99%

Company Name : **Thai Capital Corporation Company Limited (Guangzhou)**
Company Registration No. : 440101400110719
Type of Business : Consultant about Coal
Address of Head Office : Room 1907-1908, No 167 Linhe West Road,
Tianhe District, Guangzhou, China, 510610
Holding (%) : 100%

Company Name : **P.T. Thai Capital Indo Mining Company Limited**
Company Registration No. : 09.03.1.46.81919
Type of Business : Sale of solid fuel, liquid fuel, gas and relevance products
Address of Head Office : 49th Floor, Equity Tower, JL JEND Sudirman KAV 52-53, SCBD,
12190, Jakarta, Indonesia
Holding (%) : 99.83%

Reference

Securities Registrar : **Thailand Securities Depository Co., Ltd.**
The Stock Exchange of Thailand Building No. 93
Ratchadaphisek Road, Dindaeng, Bangkok 10400
Telephone No. 0-2009-9000
Fax. No. 0-2009-9991

Auditor : **PV Audit Co., Ltd.**
100/19, 14th Floor Vongvanij B Building, Rama 9 Road,
Huai Khwang, Bangkok 10310
Telephone No. 02-645-0080
Fax. No. 02-645-0020

Financial Highlights

	Unit	2015	2014	2013
Results of Operations				
Revenue from Sales	Million Baht	1,160.15	1,593.21	929.47
Total Revenue	Million Baht	1,172.35	1,604.48	941.63
Margin	Million Baht	145.50	198.35	100.02
Profit (Loss) for the year	Million Baht	20.58	28.20	(52.85)
Comprehensive Income for the year	Million Baht	21.09	24.11	(53.48)
Financial Status				
Current Assets	Million Baht	750.60	659.25	657.12
Total Assets	Million Baht	1,017.32	932.52	943.01
Total Liabilities	Million Baht	64.45	64.25	109.94
Shareholders' Equity	Million Baht	952.87	868.27	833.07
Ratio Analysis				
Current Ratio	Times	12.17	10.63	6.04
Debt to Equity Ratio	Times	0.06	0.07	0.13
Gross Profit (Loss) Margin Ratio	Percentage	12.54	12.45	10.76
Net Profit (Loss) Margin Ratio	Percentage	1.77	1.77	(5.69)
Return On Equity : ROE	Percentage	2.26	3.32	(6.44)
Return On Asset : ROA	Percentage	2.11	2.96	(5.74)

Policy and Overview of Business

Thai Capital Corporation Public Company Limited ("the Company") (formerly known as "Thai Heat Exchange Public Company Limited") has established a limited company under the name Thai Heat Exchange company Limited in 1972 with the registered capital of 1 million Baht. The objective of the Company was to manufacture and distribute automotive air conditioning parts as a substitution for imported products. The Company continued to operate and invested in joint ventures with other parties doing related businesses both domestically and abroad. It was listed on the Stock Exchange of Thailand in 1991.

The Company's business was affected by the economic crisis in Thailand in 1998. It filed for restructuring with the bankruptcy court in 2000, sold investments in various businesses, and undergoing debt restructuring for many times. In March, 2006. The Bankruptcy Court issued an order approving the revised rehabilitation plan. The Company received capital from a new group of shareholders which was used to repay debts to the financial institutions, redeemed of the collateral, and exited the rehabilitation process in July 2006. Afterwards, there was a change in directors and management by new investors.

Due to fluctuations in the price of copper pipe, main raw material, together with a decreasing trend of ordering parts for automotive air conditioners decreased due to the technology change, the Company can not cope with the market demand. The company therefore started to expand its business, beginning with buying shares Burapa Steel Industry Co., Ltd. (BRP) in 2006.

However, the volatility of steel prices and limitation in the amount of working capital led to a loss in 2007, which did not go as anticipated. Meanwhile, the Company had a plan to invest in coal trading business, which was considered a potential business and was more profitable than steel business, with the similar amount investments. The Board of Directors resolved to do coal business in early 2008 and sold all investment in BRP, resulted in BRP no longer be a subsidiary ever since. In 2007, the Company had its name changed to "**Thai Capital Corporation Public Company Limited**".

The Company currently core business is procurement and distribution of coal. The Company has invested in 3 subsidiaries; Theco Sales Co., Ltd. - selling air conditioning parts. Heating and cooling for buildings and automobiles, Guangzhou Chia Tai Chu Chu Yoon-Business Consulting Co., Ltd. - coal consulting business, and PT. Thai Capital Indo Mining - selling solid or liquid fuel and gas.

As at December 31, 2015, the Company had registered capital of 881,486,633.50 Baht divided into 1,762,973,267 ordinary shares at par value of 0.50 Baht per share, with a paid-up capital of 639,699,376.50 Baht, divided into 1,279,398,753 ordinary shares.

Major Changes and Developments

The summary of major changes and developments in the past 3 years are as follow;

ปี 2015:

- Notification about resignation of Mr. Chaipat Sahasakul and Ms. Nataya Ouivirach as the Independent Directors and Members of the Sub-Committees on December 9, 2015
- The Board of Director Meeting No. 7/2015 held on November 13, 2015 resolved to establish an Investment Committee with the main objective to consider and opine on the Company's investments.
- The Board of Director Meeting No. 6/2015 held on August 13, 2015 resolved to appoint Mr. Songyos Noppaprach as an Independent Director and Member of the Audit Committee with the effective date on August 14, 2015.
- Notification about resignation of Mr. Chalit Limpanavech as the Independent Director and Chairman of the Audit Committee on April 30, 2015
- The Board of Director Meeting No. 1/2015 held on January 19, 2015 resolved to appoint Mr. Boon-anant Srikhao as to Managing Director with the effective date on January 20, 2015.

Year 2014:

- The Company improved operating results from net loss 52.85 Million Baht in the year 2013 to net profit of 27.77 Million Baht in the year 2014, increasing from previous year by 80.62 Million Baht or 152.54% due to adjustments in Company's marketing strategies and continuous improvement of its internal control.
- TCC-W1 of 398,957 units remained after the final exercise date on October 30, 2014 which expired, and also duly ceased to be considered as listed securities from October 31, 2014.

Year 2013:

- The Board of Directors' Meeting No. 4/2013 held on August 9, 2013 acknowledged the resignation of Mr. Bandid Chotiwanaporn as the Managing Director with the effective date on 16 August 2013.
- In the Annual General Meeting of Shareholders for the year 2013 held on April 30, 2013, it approved the offering and the allotment of the TCC-W4 for not more than 369,800,031 units to the existing shareholders, at the ratio of 3.2 shares per 1 unit of warrant at no charge.1 unit of TCC-W4 can purchase 1 ordinary share with the exercised price of 1 Baht per share. According to the terms and conditions of TCC-W1, TCC-W2, and TCC-W3, the Company shall adjust the exercise price and ratio when the Company issues any new securities to the existing shareholders with an option for the securities holders to exercise their rights in buying or

converting into the Company's shares, and that the exercise price is lower than 90 percent of market price. Therefore, the Company adjusted the exercise price and ratio. After adjustment, 1 unit of TCC-W1 can purchase 1.39010 ordinary shares with the exercised price of 0.719 Baht per share, 1 unit of TCC-W2 can purchase 1.21782 ordinary shares with the exercised price of 0.821 Baht per share and 1 unit of TCC-W3 can purchase 1.14249 ordinary shares with the exercised price of 0.875 Baht per share.

- On January 3, 2013 the Company registered the P.T. Thai Capital Indo Mining at Indonesia for sale of solid fuel, liquid fuel, gas and relevance products with the registered capital USD 1 Million, the Company hold the shares 99.83%.

The company has had no significant change of control of the company, shareholding structure, or other milestones in the last 3 years.

Capital Structure

As at December 31, 2015, the Company has 3 subsidiaries, in which the Company directly holds a stake of more than 50 percent of the paid-up capital as follows.



Relationship with the major shareholder.

The Company sells coal to Far East Knitting and Spining Company Limited, a company whose major shareholder is Chaivikrai Group which is also the major shareholder of the Company, with a normal course of business. The pricing method is cost plus margin based on spot marketing prices. (Details are shown in the chapter. "Connected Transactions").

Nature of Business

Structure of Revenue

Unit : Million Baht

Line Business	Management by	Financial Statement For the year 2015		Financial Statement For the year 2014		Financial Statement For the year 2013	
		Revenue	%	Revenue	%	Revenue	%
		Revenue from Sale Coal	TCC	1,160.15	100	1,593.21	100
Total		1,160.15	100	1,593.21	100	929.47	100

Type of Product

Coal is a kind of combustible sedimentary rock, comprising the main component that is carbon compound of not less than 50% by weight or 70% by quantity. Coal begins from naturally changing in the plant matters decomposing and accumulating in the basin or swamp for hundred million years ago. At the time the crust of the Earth changes such as earthquake, erupting volcano, or more accumulating sediment. The sedimentary deposits therefore are more affected by pressure and heat under the World. This humus becomes the various kinds of coals. The generally physical characteristics of coal has a light brown to black, both to glossy and matte, lightweight.

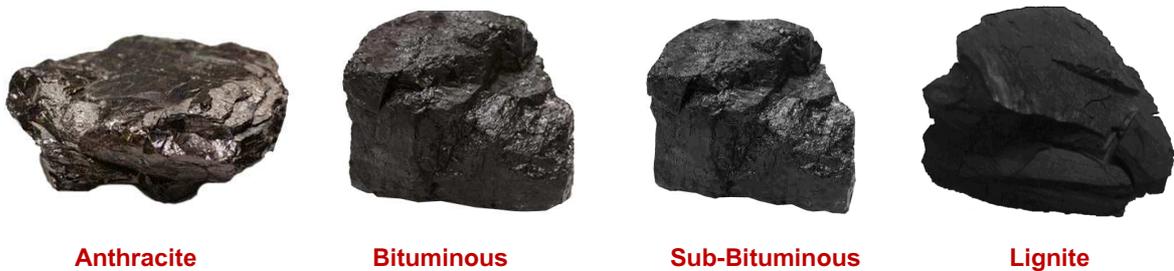
American Society for Testing and Materials; ASTM has divided the coal in 4 types/levels aligning from the most to the least compound of carbon i.e. Anthracite, Bituminous, Sub-bituminous, and Lignite. The general properties of coal ranking the high level are the high quantity of carbon, high-heating, and low hydrogen and oxygen. Meanwhile the coal ranking the low level is of the low quantity of carbon, but high hydrogen and oxygen. Each level is subdivided according to the different chemical properties and Calorific Value

The table for compare the quality of each type of coal.

Type of coal	Calorific Value (Kcal / Kg)	Moisture (%)	Ash (%)	Sulfur (%)
Anthracite	6,500-8,000	5-8	5-12	0.1-1.0
Bituminous	5,500-6,500	8-15	1-12	0.1-1.5
Subbituminous	4,500-5,500	24-30	1-20	0.1-1.5
Lignite	3,000-4,000	30-38	15-20	2.0-5.0

Types of coal can be summarized as follows.

- 1) **Anthracite** is a type of coal classified in the highest rank and deemed as the best quality coal. It's shining, black, and flashing. The carbon content of anthracite is up to 90% or more. Its humidity is much low and the Calorific Value is high. This type is hard-combustible and less smoking. Anthracite usually is used to be fuel source in order to generate the household heat, and in glass industry, chemical industry, etc.
- 2) **Bituminous** is black and shiny with the carbon content of approximately 80-90 percent. Bituminous is appropriate for use as a substituted product for fuel oil in the boilers of many types of insutrial factories for in stance, food manufacturers and paper manufacturers.
- 3) **Sub-Bituminous** is dark-brown to black coal. Its matter is wax-like soft, not very solid. The carbon content of sub-bituminous is around 71-77%, but low sulfur. This type of coal is almost used as fuel for electricity production or industries.
- 4) **Lignite**, a type of coal with little plant remains, is dark-brown to black coal. The carbon quantity is rather low, and the sulfur is high. The humidity is up to 30-70%. Lignite almost is used as fuel and regarded the low-quality coal.



Type of coals which company distributes are Bituminous/Sub-Bituminous, as non-sized coal (0-50mm), dust (0-5mm and 0-10mm) and nut (10-25mm and 25-50mm).

Coal is utilized rather widely from several hundred years to the present due to its sources spread aboard the World and is of the large quantity. Coal utilization was very popular after the Industrial Revolution in English. In 1973, much more popular than before, the oil price shock occurred and resulted in the coal was more used as fuel instead of oil, both for electricity production and industries. Coal is regarded as the power source inferior to the petroleum oil and natural gas. The countries possessing the coal source should be deemed that they are highly stable in energy such Indonesia, Russia, China, Germany, and Australia, etc. As a result of alternative energy source other than oil or natural gas that are increasingly, highly-priced.

Coal is mainly utilized as fuel for electricity production and industries such as steel, cement, lime, and others. It will be less investment than the direct electricity usage. In general, it will be fuel for activities such as water boiling to send the steam to spin the turbine of electricity production or sent the steam to bake such as rubber baking or wood baking, etc.

Other than the direct combustion, the coal can be converted to be other fuel forms through the coal liquefaction or coal gasification. Coal is utilized as clean fuel in order to reduce the pollution from utilizing the coal as fuel. Under the coal conversion process, acidic or toxic gas can be separated. By-product substances

obtained from coal can be utilized in other ways such as sulfur used for sulfuric acid and gypsum production, ammonia used as fertilizer for agriculture, coal ash used for building material production, etc.

Marketing and Competition

Marketing Policy

The Company values the importance of maintaining its quality standard of products and services, continues to build good relationship with its customers and maintains its existing customer base. Meanwhile the Company continually adjusts its marketing policy to cope with the market conditions in order to boost its sale up. The company's main target customers are mainly medium and small industrial customers.

Industrial and Competitive Condition

Domestic coal business has continued to expand for a period of time. Currently, there are approximately 10 operators of domestic coal business. The competition is high, especially in term of pricing. However, for the large industrial enterprises, the purchase is done in large quantities and continual. Coal business operators must maintain sufficient amount of coal inventory to meet the volume and continuity as per these customers' requirement and therefore, requires sufficient funds and a storage facility which could be a major drawback of small coal business operators. The Company currently has 2 warehouses with the capacity to store over 200,000 tons of coal in total and a capacity of 3,000 tons production per day, and adequate funds to invest. Thus, the Company is deemed to have the potential to compete well in the market.

Trends of Domestic Energy Use

The Energy Policy and Planning Office, Ministry of Energy disclosed that in 2015, the domestic coal consumption was approximately 37.08 million tonnes, decreasing by 4.7 percent from the consumption in 2014 of 38.86 million tonnes. The consumption was categorized into the coal domestically produced of 15.15 million tonnes and imported coal of 21.93 million tonnes. 51 percent of imported coal was used to generate electricity. The remaining 49 percent was used in various industrial sectors, for instance, cement production, paper industry, food industry, etc.

Coal / Lignite Sourcing (Domestic / Import)

Unit : Thousand Tonnes

	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
EGAT	17,558	16,590	17,072	17,079	14,588
Others	3,769	1,476	1,039	901	563
Total – Domestic	21,327	18,066	18,111	17,980	15,151
Import	16,331	18,404	17,328	20,881	21,932
Total (Domestic and Import)	37,658	36,470	35,439	38,861	37,083

Source : Energy Policy and Planning Office (EPPO), Ministry of Energy

Coal / Lignite Usage

Unit : Thousand Tonnes

	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
Electricity Generation	8,080.2	9,005.8	9,048.1	9,521.2	8,658.4
Industry	7,727.1	7,400.8	6,797.5	8,375.7	8,908.1
Total	15,807.3	16,406.5	15,845.6	17,896.9	17,566.5

Source : Energy Policy and Planning Office (EPPO), Ministry of Energy

Coal / Lignite Import (Volume and Amount)

	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
Import Volume (Million Tonnes)	16,337.2	18,614.1	18,030.4	20,932.8	21,932.0
Import Amount (Million Baht)	42,207.8	46,702.3	41,732.3	47,947.3	45,318.4
Import Amount per Ton (Baht)	84.36	80.37	74.79	70.25	60.13

Source : Energy Policy and Planning Office (EPPO), Ministry of Energy

The Ministry of Energy proposed a framework for power development plan of Thailand for the year 2015-2036 (“2015 PDP”) to the Board of Director of Energy Policy and Planning Office for consideration on May 14, 2015 and the Council of Ministers acknowledged that resolution on June 30, 2015. The key framework 2015 PDP was the increasing usage ratio of coal from 20% in 2014 to 20-25%, by compensating the natural gas from the present ratio of 64% to 30-40% whereby 3 additional clean coal power plants will be constructed during 2019-2024 comprising Krabi Power plant, with the net generating capacity of 800 Megawatts and Tera Powerplant 1 and 2, with the net generating capacity of 2,000 Megawatts. However, though there was an announcement and adoption of 2015 PDP in 2015, the volume of coal usage in electricity generation was not likely to increase significantly in 2016 since new coal power plant was expected to be completed in 2019.

The key consideration why the Ministry of Energy opted to use coal to generate electricity can be summarized as follows:

- To increase the use of coal to generate electricity in accordance with government policy stated in the 2015 PDP with purposes to diversify types of fuel used to generate electricity, reduce dependence on natural gas, and to bring balance of the energy use for the country.
- Coal reserves volume was relatively large and would be available for up to 20 years.
- Coal plant technology was upgraded and could control pollution better than that required by law. It could reduce the carbon dioxide by more than 33 percent compared to conventional coal power plant technology. The mercury emission was 0.0009 mg / cbm, lower than the EU standard (0.03) and USA standard (0.001).
- Coal power plant was the primary power base that could supply electricity continuously which would lead to stability and good quality of power.
- Coal can be reserved (IPP currently reserved coal for 60 days).
- Coal prices were stable and lower than the price of liquefied natural gas (LNG). The lower cost could save electricity expense for the consumers for approximately 6000-9000 million baht per year.

Sourcing of products or services

Sourcing process of products or services

The Company distributes coal imported majorly from Indonesia. The process of import is as follows.

- Selection of coal mines and coal suppliers that are reliable and inspects the quality of products according to the market demand.
- Coal is transported by ocean vessels to Thailand and will legitimately pass legal procedures and customs clearance.
- Partial volume of imported coal will be shipped to the customer directly, and some will be stored in warehouses for sorting coal sizes to meet customers' needs.
- The coal will be delivered to customers according to the customers' requirements, using a truck as a vehicle to transport.

Environmental impact

Coal sourcing process includes inbound transportation, sizing, piling, of which is the impact controlling is as follows:

- In the process of inbound transportation which includes maritime and river transportation, the Company chooses the reliable and high quality service providers. While transporting, coal is

entirely covered. In addition, the Company liaises with the service providers to set out the measures to ensure minimum effect of coal flowed into the sea or river.

- In the process of sizing and piling, the Company has built the shelter covering the sizing machines and grown trees along the ridge surrounding the manufacturing area to detect noise and dust from leaking outside. For the coal piled outside the building, the Company covers the coal with a canvas or slan and uses water sprinkle system to prevent dust from spreading. And in order to prevent water pollution, the Company has built a pond and ditches around sizing plant and warehouse to prevent water contaminated by coal from flowing directly outward.

Risk Factors

1. Risk from raw material cost fluctuation according to world market price

Major cost components of the Company are coal and freight, which may fluctuate according to certain factors being volatility of oil prices, and demand and supply. To mitigate such risk, the Company enters into forward contracts for partial sale and purchase of coal and regularly keeps track of directions or trends of coal prices in the world market.

2. Risk from fluctuation of exchange rate

In the event that the Company uses foreign currency (US Dollars) to pay for Coal and freight, while the Company's sales are domestic and quoted in Baht, the Company is exposed to fluctuation of exchange rate if Baht depreciates which would lead to higher import costs. In 2014, the Company mitigated such risk by buying Forward Contract.

3. The risk of importing coal from Indonesia

In addition to the risk from fluctuation of foreign exchange rate mentioned above, to import coal from Indonesia, there may be risks regarding unstable quality and quantity, which are typical risks for this business. The Company manages such risks by building good relationship with the suppliers in Indonesia.

4. Risk from Uncollectible Accounts Receivable (Credit Risk)

Some customers of the Company may encounter liquidity problems which may have an impact on their settlement. In order to mitigate the risk, the Company implements robust internal control over customer selection process and accounts receivable management.

5. Environmental risk

Due to the fact that the Company operates sourcing and distribution of coal where the related processes may lead to certain environmental risks. The Company implements certain measures to mitigate such risks and explained in the section of Corporate Governance.

Securities and Shareholders

Registered Capital and Paid-up Capital :

Registered Capital and Paid-up Capital as at December 31, 2015 as follow:

Registered Capital	881,486,633.50	Baht
Divided into Ordinary Shares	1,762,973,267	Shares
Paid-up Capital	639,699,376.50	Baht
Divided into Ordinary Shares	1,279,398,753	Share
Par Value	0.50	Baht

The Company has no other types of shares with rights or conditions different from the ordinary shares.

Security in Focus

Symbol of Security	TCC
Market	Stock Exchange of Thailand (SET)
Industry	Resources
Sector	Energy & Utilities

Shareholders

First top ten major shareholders as at December 30, 2015

No.	Shareholders' Name		No. of Ordinary Shares	% of Total Shares
1	Chaivikrai Family			
1.1	Ms. Sopin	Chaivikrai	162,210,648	12.68
1.2	Ms. Yupin	Chaivikrai	161,641,758	12.63
1.3	Ms. Pompin	Chaivikrai	160,358,659	12.53
1.4	Mr. Kritsana	Chaivikrai	51,948,000	4.06
1.5	Ms. Krittaporn	Chaivikrai	51,290,000	4.01
1.6	Ms. Phaninee	Chaivikrai	45,000,000	3.52
	Total amount of Chaivikrai Family		632,449,065	49.43
2	DNA 2002 Public Company Limited*		100,000,000	7.82
3	Ms. Natsuree	Lertchairat	56,950,000	4.45
4	Ms. Vilai	Charoenvitoo	54,790,000	4.28

No.	Shareholders' Name	No. of Ordinary Shares	% of Total Shares
5	Ms. Supanee Chaikulwattana	36,000,000	2.81
6	Mr. Tanakorn Riwongsanuphap	30,161,800	2.36
7	Ms. Nuntana Jittsrisunun	17,683,100	1.38
8	Mrs. Supaporn Nontanum	12,931,657	1.01
9	Thai NVDR Company Limited	12,845,765	1.00
10	Mr. Borworn Jirasook	10,784,300	0.84
	Total top ten shareholders	964,595,687	75.39
	Total remaining shareholders	314,803,066	24.61
	Total paid-up shares	1,279,398,753	100.00

*หมายเหตุ : * DNA 2002 Public Company Limited is a listed company in the Stock Exchange of Thailand, runs a business of distribution of home entertainment medias such as movies and songs including other publication.*

Issuance of Other Securities

As at December 31, 2015 the Company has the convertible securities which are warrants that have been issued to the existing shareholders with the details below:

1. The Warrant of Thai Capital Corporation Public Company Limited No. 2 (TCC-W2)

Issuance and Offering Date	:	May 4, 2011
Type of Warrants	:	In named certificate and transferable
Term of Warrant	:	Not exceeding 7 years from the issuance and offering date
Number of Warrants Issued	:	75,982,482 Units
Number of Warrants Offered	:	75,981,182 Units
Offering Price	:	0.00 Baht
Exercise Ratio	:	Warrant 1 Unit per ordinary share 1 share (Unless the exercise ratio is adjusted under the conditions of the rights adjustment)
Exercise Price	:	1 Baht per share (Unless the exercise price is adjusted under the conditions of the rights adjustment)
Exercise Date	:	The last business day of February, May, August and November of each year
Final Exercise Date	:	May 3, 2018

2. The Warrant of Thai Capital Corporation Public Company Limited No. 3 (TCC-W3)

Issuance and Offering Date	:	April 2, 2012
Type of Warrant	:	In named certificate and transferable
Term of Warrant	:	Not exceeding 10 years from the issuance and offering date
Number of Warrants Issued	:	92,208,961 Units
Number of Warrants Offered	:	92,208,576 Units
Offering Price	:	0.00 Baht
Exercise Ratio	:	Warrant 1 unit per ordinary share 1 share (Unless the exercise ratio is adjusted under the conditions of the rights adjustment)
Exercise Price	:	1 Baht per share (Unless the exercise price is adjusted under the conditions of the rights adjustment)
Exercise Date	:	The last business day of March, June, September and December of each year
Final Exercise Date	:	April 1, 2022

3. The Warrant of Thai Capital Corporation Public Company Limited No. 4 (TCC-W4)

Issuance and Offering Date	:	May 15, 2013
Type of Warrant	:	In named certificate and transferable
Term of Warrant	:	Not exceeding 10 years from the issuance and offering date
Number of Warrants Issued	:	369,800,031 Units
Number of Warrants Offered	:	369,779,804 Units
Offering Price	:	0.00 Baht
Exercise Ratio	:	Warrant 1 unit per ordinary share 1 share (Unless the exercise ratio is adjusted under the conditions of the rights adjustment)
Exercise Price	:	1 Baht per share (Unless the exercise price is adjusted under the conditions of the rights adjustment)
Exercise Date	:	The last business day of March, June, September and December of each year
Final Exercise Date	:	May 14, 2023

The 2013 Annual General Meeting of Shareholders held on April 30, 2013 approved the change of the exercise date of TCC-W2 from the last business day of February, May, August and November of each year to the last business day of March, June, September and December of each year, in order to more facilitate the holders of the Warrants. And due to the fact that the company issued and offered TCC-W3 and TCC-W4 to the shareholders (RO) and the average price per share of ordinary share issued to accommodate the exercise was less than 90 percent of the market price of the ordinary shares of the Company, the Company must adjust of the exercise ratio and exercise price, pursuant to Terms and Conditions of Warrants, to prevent the right of the warrant holders not to be diminished. The Company adjusted the exercise ratio and exercise price of TCC-W2 and TCC-W3, as per details below.

Reasons for Adjustment	Detail	TCC-W2		TCC-W3	
		Before Right Adjustment	After Right Adjustment	Before Right Adjustment	After Right Adjustment
Adjustment from issued TCC-W3	Exercise Ratio	Warrant 1 Unit / Ordinary Share 1 share	Warrant 1 Unit / Ordinary Share 1.06594 Share	-	-
	Exercise Price	1 Baht / Share	0.938 Baht / Share	-	-
Adjustment from issued TCC-W4	Exercise Ratio	Warrant 1 Unit / Ordinary Share 1.06594 share	Warrant 1 Unit / Ordinary Share 1.21782 Share	Warrant 1 Unit / Ordinary Share 1 share	Warrant 1 Unit / Ordinary Share 1.14249 share
	Exercise Price	0.938 Baht / Share	0.821 Baht / Share	1 Baht / Share	0.875 Baht / Share

The results of the exercise of warrants (TCC-W2, TCC-W3 and TCC-W4) as at December 31, 2015 as follows.

Securities	Number of Warrant			Exercise Ratio	Exercise Price (Baht/Share)	Number of Shares (If Fully Exercised)	Number of Shares for the Exercise	Final Exercising Date
	Number of offered	Number of Exercise	Remaining					
TCC-W2	75,981,182	71,165,642	4,815,540	1:1.21782	0.821	83,214,738	83,893,968	May 3, 2018
TCC-W3	92,208,576	6,212	92,202,364	1:1.14249	0.875	105,340,279	106,200,069	April 1, 2022
TCC-W4	369,779,804	425,437	369,354,367	1:1.00000	1.000	369,354,367	369,374,594	May 14, 2023

Dividend Policy

Thai Capital Corporation Public Company Limited

The Company has the policy to pay out at least 40 % of net profit after tax (of the separate financial statement) as dividend. The rate may be adjusted as deemed appropriate, considering that there are no other requisites and that the payment has no significant effect on the normal operation of the company.

Subsidiary

1) Theco Sales Co., Ltd. (TCS)

The Company does not have a fixed dividend policy, and therefore the dividend payment is considered based on its financial performance in each year and resolutions of Annual General Shareholders' Meeting ("AGM"). Theco Sales Co.,Ltd. as at December 31, 2015 was not in a position to pay dividends because company has ceased the air conditioning business since quarter 3/2008 which resulted in no business operation and profit.

2) Thai Capital Corporation (Guangzhou) Co., Ltd.

The Company does not have a fixed dividend policy, and therefore the dividend payment is considered based on its financial performance in each year and resolutions of AGM. Thai Capital Corporation (Guangzhou) Co., Ltd. as at December 31, 2015 was not in a position to pay dividend because company had no profit.

3) P.T. Thai Capital Indo Mining Co., Ltd.

The Company does not have a fixed dividend policy, and therefore the dividend payment is considered based on its financial performance in each year and resolutions of AGM. P.T. Thai Capital Indo Mining Co., Ltd. as at December 31, 2015 was not in a position to pay dividends because company had no profit.

Management Structure

Management Structure of the Company including;

- The Board of Directors
- The Sub-committees 5 committee as below; the Audit Committee, the Executive Committee, the Risk Management, the Nomination and Remuneration Committee and the Investment Committee
- The Chief Executive Officer is the top management of company.

Board of Directors

As at December 31, 2015 The Board of Directors has the directors 6 person, divided into;

- Non – Member of the Executive Director 6 person, in this number has the independent director 1 person
- Member of the Executive Director 2 person

Name - Surname		Position	No. of Meetings / No. of Attendance
1. Mr. Munsin	Chaivikrai	Chairman	7/1
2. Mr. Charoenchai	Chaivikrai	- Director - Chief Executive Officer - Chairman of the Executive Committee - Member of the Nomination and Remuneration Committee - Chairman of the Risk Management Committee - Chairman of the Investment Committee	7/7
3. Mr. Kittisak	Chaivikrai	Director	7/4
4. Ms. Yupin	Chaivikrai	- Director - Member of the Investment Committee	7/6
5. Mr. Boon-anant	Srikhao ¹⁾	- Director - Managing Director - Member of the Executive Director - Member of the Nomination and Remuneration Committee - Member of the Risk Management Committee - Member of the Investment Committee	7/7

Name - Surname		Position	No. of Meetings / No. of Attendance
6. Mr. Songyos	Noppaprach ²⁾	- Independent Director - Member of the Audit Committee	1/1
The directors who appointed during in the year :			
1. Mr. Songyos	Noppaprach ²⁾	- Independent Director - Member of the Audit Committee	1/1
The directors who resigned during in the year :			
1. Mr. Chalit	Limpanavech ²⁾	- Independent Director - Chirman of the Audit Committee	4/4
2. Mr. Chaipat	Sahasakul ³⁾	- Independent Director - Chirman of the Audit Committee - Member of the Nomination and Remuneration Committee	7/7
3. Ms. Nataya	Ouivirach ⁴⁾	- Independent Director - Chirman of the Audit Committee - Chairman of the Nomination and Remuneration Committee	7/7

หมายเหตุ :

1) Mr. Boon-anant Srikhao appointed as the Managing Director on January 20, 2015

2) Mr. Songyos Noppaprach appointed as the Independent Director and Member of the Audit Committee on August 14, 2015 instead Mr. Chalit Limpanavech who resigned from the Independent Director and Chairman of the Audit Committee before the end of term on May 1, 2015

3) Mr. Chaiyapat Sahasakul resigned from the Independent Director and other Chairman/Member of the Sub-Committee on December 9, 2015. After that the Board of Directors appointed Mr. Chirdsak Kukiattinan as the Independent Director and Chairman of the Audit Committee on January 7, 2016. His remaining term equals to that of Mr. Chaipat Sahasakul.

4) Ms. Nattaya Ouivirach resigned from the Independent Director and other Chairman/Member of the Sub-Committee on December 9, 2015, resigned before the end of term.

Duties and Responsibilities of the Board of Directors

1. To perform duties according to Public Company Act of 1992 and any other laws which designate such duties and responsibilities as that of Directors of a listed company
2. To perform duties according to the law, objectives and article of Association of the Company, including the resolutions of the Shareholders Meeting
3. To establish major business policies for the Company which include financial policy, funding policy, fund management policy and risk management policy
4. To determine business policy, financial policy, funding policy, capital management policy, and risk management policy for the management to implement.
5. To have the power to designate and change authorized directors

6. To provide good corporate governance and ensure achievement of goal or in excess thereof; and to provide corrective measure to overcome the obstructions that may hinder such achievement
7. To arrange for reports on general information and financial statement to shareholders and stakeholders that are accurate, complete, transparent and according to the law
8. To acknowledge significant audit notes and provide corrective measures in case of material deficiency

According to the Company's Articles of Association, the company's Board of Directors has the authority to make decision and monitor company's operations, except for the following where the Board of Directors must be authorized by the shareholders' meeting before proceeding:

- a) Matters which, according to the law, require resolutions of the shareholders' meeting
- b) the connected transaction with the value exceeding the criteria established by the Stock Exchange of Thailand ("SET").
- c) the purchase and sale of core assets with the value exceeding the criteria established by SET.

Authorized Directors

Mr. Charoenchai Chaivikrai, Ms. Yupin Chavikrai, and Mr. Boon-anant Srikhao are authorized Directors with 2 out of 3 signatures with an affix of the company seal forms legal binding.

Management

As at December 31, 2015 the management has the executives 3 person, the name as followings:

Name - Surname		Position
1. Mr. Charoenchai	Chaivikrai	Chief Executive Officer
2. Mr. Boon-anant	Srikhao	Managing Director
3. Mr. Kamphol	Patana-anukul	Chief Financial Officer

Management structure as at December 31, 2015 is as follow:



Company Secretary

The Board of Directors resolved to appoint **Mr. Kamphol Patana-anukul** as a Company Secretary on August 16, 2013.

Remuneration of Directors and Management

The Remuneration of directors and sub-committee for the year 2015 has been carefully considered by the Board of Directors and approved by the Annual General Meeting of Shareholders for the year 2015 on April 29, 2015 as per Board of Directors' proposal. The basis for remuneration was determined by the roles and responsibilities of the directors, comparison with listed companies in the same industry, and the operating results of the Company and current economic conditions.

The remuneration of the Board of Directors and Sub-Committee for the year 2015 are as follow;

1) Fixed Remuneration

Chairman	250,000	Baht per year
Chairman of the Audit Committee	250,000	Baht per year
Independent Director	150,000	Baht per year
Member of the Audit Committee	200,000	Baht per year

2) Meeting Allowance

Director	10,000	Baht per time
Independent Director	10,000	Baht per time
Member of the Audit Committee	10,000	Baht per time
Member of the Nomination and Remuneration Committee	10,000	Baht per time

3) Bonus:

To be allocated by the Board of Directors

Total Remuneration not exceeding 3,000,000 Baht per year

Remuneration in Cash

1) Remuneration of Directors

Including fixed remuneration and meeting allowance, with pay by number of attendance as follow;

Name of Director		Position	Remuneration of Directors for the year 2015 (Baht)								
			Fixed Remuneration	Meeting Allowance							Total of Remuneration
				Board of Directors	Audit Committee	Executive Committee	Risk Management Committee	Nomination and Remuneration Committee	Investment Committee		
1. Mr. Munsin	Chaivikrai	Chairman	250,000	10,000	-	-	-	-	-	260,000	
2. Mr. Charoenchai	Chaivikrai	- Director - Chief Executive Officer - Chairman of Executive Committee - Member of the Nomination and Remuneration Committee - Chairman of the Risk Management - Chairman of Investment Committee	-	70,000	-	-	-	65,000	-	135,000	
3. Mr. Kittisak	Chaivikrai	Director	-	40,000	-	-	-	-	-	40,000	
4. Ms. Yupin	Chaivikrai	- Director - Member of the Investment Committee	-	60,000	-	-	-	-	-	60,000	
5. Mr. Boon-anant	Srikhao	- Director - Managing Director - Member of the Executive Director	-	70,000	-	-	-	65,000	-	135,000	

Name of Director	Position	Remuneration of Directors for the year 2015 (Baht)								
		Fixed Remuneration	Meeting Allowance							Total of Remuneration
			Board of Directors	Audit Committee	Executive Committee	Risk Management Committee	Nomination and Remuneration Committee	Investment Committee		
	- Member of the Nomination and Remuneration Committee - Member of the Risk Management Committee - Member of the Investment Committee									
<i>The directors who appointed during in the year :</i>										
6. Mr.Songyos	Noppaprach	- Independent Director - Member of the Audit Committee	134,250	10,000	10,000	-	-	-	-	154,250
7. Mr. Chirdsak	Kukiattinun	- Independent Director - Chairman of the Nomination and Remuneration	-	-	-	-	-	-	-	-
<i>The directors who resigned during in the year :</i>										
1. Mr. Chalit	Limpanavech	- Independent Director - Chairman of the Audit Committee	133,333	40,000	30,000	-	-	-	-	203,333
2. Mr. Chaipat	Sahasakul	- Independent Director	350,000	70,000	70,000	-	-	65,000	-	555,000

Name of Director	Position	Remuneration of Directors for the year 2015 (Baht)							
		Fixed Remuneration	Meeting Allowance						Total of Remuneration
			Board of Directors	Audit Committee	Executive Committee	Risk Management Committee	Nomination and Remuneration Committee	Investment Committee	
	- Chairman of the Audit Committee - Member of the Nomination and Remuneration Committee								
3. Ms. Nataya Ouivirach	- Independent Director - Member of the Audit Committee - Chairman of the Nomination and Remuneration Committee	350,000	70,000	70,000	-	-	65,000	-	555,000
Total of Remuneration		1,217,583	440,000	180,000	-	-	260,000	-	1,662,583

2) Remuneration of Management

In the year 2015, the Company paid remuneration for management which include salary, bonus and social security fund totaling 11.4 Million Baht.

Others Remuneration

1) Other Remuneration of Directors

- None -

2) Other Remuneration of Management

The Company setup a provident fund where the Company contributes for management at a rate of 3% of salary. In the year 2015, the Company contributed provident fund for management of 3 persons totaling 0.2 Million Baht.

Personal

As at December 31, 2015 the Company and its subsidiary had the total staff of 52 person, divided by the level as below.

Level	Number
Management staff (Person)	3
Operation staff (Person)	19
Staff in the head office (Person)	28
Staff in the subsidiary company (Person)	2
Total of Staff (Person)	52
Remuneration of staff (Including salary, wages, overtime pay, bonus, allowance and social security fund, medical bill etc.) (Million Baht)	33

During the last 3 years, there has not been any cases of significant change in number of employees or labor disputes.

Policy of Developing Knowledge, Ability, and Potential of Employees:

The Company has policy regarding development of the Company's personnel which forms part of the Corporate Governance with the guideline for practice as follows:

- 1) Conducting in-house training by the instructors who are expertizes in such topics for instance, Risk Management Training.

- 2) Promoting external training by sending out employees to attend courses with an objective to develop their professional knowledge and potential for instance, various accounting courses conducted by the Federation of Accounting Professions, or other private instructors.
- 3) Preparing employees manual which lays out rules and regulations required, and communicating to all employees

In addition, the Company values on the job training by having a supervisor giving knowledge and training necessary skills to new personnel of the Company.

The information of Directors, Managements, Controlling Shareholders and Company Secretary

Name – Surname / Position / Date of appointment	Age (Year)	Education/ Seminar	Holding (%) (Dec. 30, 2015)	Relation with the family during director and management	Experience and Position		
					Time	Position	Department / Company name / Type of Business
1. Mr. Musin Chaivikrai - Chairman Date of appointment : August 13, 2009	65	- Undergrad Degree Sitabutr Bamrung School	- None -	- Older brother of Mr. Charoenchai - Father of Mr. Kittisak and Ms. Yupin	2009 – Present 1973 – Present	Chairman - Chairman - Authorized Director	Thai Capital Corporation PCL. / Distribution coal Far East Knitting & Spinning Co., Ltd. / Production and Distribution Knitting & Spinning
2. Mr. Charoenchai Chaivikrai - Director - Chairman of the Executive Committee - Chairman of the Risk Management Committee - Chairman of the Investment Committee - Member of the Nomination and Remuneration Committee - Chief Executive Officer	58	- Undergrad Degree Suksa Wattan School - Director Accreditation Program (DAP) 78/2009	- None -	- Elder brother of Mr. Munsin - Uncle of Mr. Kittisak and Ms. Yupin	2008 – Present	- Director - Chairman of the Executive Committee - Chairman of the Risk Management Committee - Chairman of the Investment Committee - Member of the Nomination and Remuneration Committee - Chief Executive Officer - Authorized Director	Thai Capital Corporation PCL. / Distribution coal

Name – Surname / Position / Date of appointment	Age (Year)	Education/ Seminar	Holding (%) (Dec. 30, 2015)	Relation with the family during director and management	Experience and Position		
					Time	Position	Department / Company name / Type of Business
- Authorized Director Date of appointment: July 25, 2008					1973 – Present	- Chief Executive Officer - Authorized Director	Far East Knitting & Spinning Co., Ltd. / Production and Distribution Knitting & Spinning
3. Mr. Kittisak Chaivikrai Director Date of appointment: August 10, 2007	42	- Master Degree of Accounting The George Washington University, USA - Bachelor Degree of Business Administration, The George Washington University, USA - Director Accreditation Program (DAP) 54/2006	- None -	- Son of Mr. Munsine - Grandson of Mr. Charoenchai - Older brother of Ms. Yupin	2007 – Present 2007 – Present 1999 – Present 2002 – 2010	Director Authorized Director Deputy Managing Director Director	Thai Capital Corporation PCL. / Distribution coal Theco Sales Co., Ltd. / Sales of spare parts of air conditioner, cooler and heater for all types of vehicle, home, building Far East Knitting & Spinning Co., Ltd. / Production and Distribution Knitting & Spinning Far East Securities / Securities Broker
4. Ms. Yupin Chaivikrai - Director - Member of the Investment Committee - Authorized Director	38	- Master of Science in Accounting, Strayer University, USA - Bachelor of Business Administration in	12.63	- Granddaughter of Mr. Charoenchai - Daughter of Mr. Munsin	2006 – Present	- Director - Member of the Investment Committee - Authorized Director	Thai Capital Corporation PCL. / Distribution coal

Name – Surname / Position / Date of appointment	Age (Year)	Education/ Seminar	Holding (%) (Dec. 30, 2015)	Relation with the family during director and management	Experience and Position		
					Time	Position	Department / Company name / Type of Business
Date of appointment: June 21, 2006		Accounting, Assumption University (ABAC) - Director Accreditation Program (DAP) 56/2006 - Directors Certification Program (DCP) 210/2015 - Financial Statements for Directors (FSD) 29/2015		- Elder sister of Mr. Kittisak	2014 – Present 2014 – Present 2002 – Present	- Chief Executive Officer - Authorized Director - Chief Executive Officer - Authorized Director Executive Vice President	U&I Group Co., Ltd. / Restuarant U&I Group Suki Co., Ltd. / Restuarant Far East Knitting & Spinning Co., Ltd. / Production and Distribution Knitting & Spinning
5. Mr. Boon-anat Srikhao - Director - Member of the Executive Committee - Member of the Nomination and Remuneration Committee - Member of Investment Committee - Member of Risk Management Committee	41	- Master Degree of Business Administration Construction Project Management University of Manchester Institute of Science and Technology (UMIST) - Bachelor of Engineering, Thammasat University	0.03	- None -	2009 – Present	- Director - Member of the Executive Committee - Member of the Nomination and Remuneration Committee - Member of Investment Committee - Member of Risk Management Committee - Managing Director	Thai Capital Corporation PCL. / Distribution coal

Name – Surname / Position / Date of appointment	Age (Year)	Education/ Seminar	Holding (%) (Dec. 30, 2015)	Relation with the family during director and management	Experience and Position		
					Time	Position	Department / Company name / Type of Business
- Managing Director - Authorized Director Date of appointment: February 2, 2009		- Directors Certification Program (DCP) 208/2015			2012 – Present	- Authorized Director - Member of the Executive Committee - Authorized Director	P.T. Thai Capital Indo Mining / Sale of solid fuel, liquid fuel, gas and relevance products
					2012 – Present	- Member of the Executive Committee - Authorized Director	Thai Capital Corporation (Guangzhou) / Consulting on coal business
					2001 – 2009	Senior Engineering Project	Hemaraj Land And Development PCL. / Land Development
					1999 – 2001	Civil Engineering	Nong Khae Cogeneration Co., Ltd. / Power Plant
					1998 – 1999	Civil Engineering	Samutprakarn Cogeneration Co., Ltd. / Power Plant

Name – Surname / Position / Date of appointment	Age (Year)	Education/ Seminar	Holding (%) (Dec. 30, 2015)	Relation with the family during director and management	Experience and Position		
					Time	Position	Department / Company name / Type of Business
6. Mr. Songyos Noppaprach - Independent Director - Member of the Audit Committee Date of appointment: August 13, 2015	73	- Bachelor Degree, B.A. Language Institute of India - Directors Accreditation Program (DAP) 27/2004	- None -	- None -	2015 – Present 2004 - 2015 2001 - 2003 1996 - 2000 1990 - 1995	- Independent Director - Member of the Audit Committee Independent Consultant Consultant of Invigorating Thai Business Managing Director Member of the Executive Committee	Thai Capital Corporation PCL. / Distribution coal Ministry of Industry Mitsubishi Corporation Cambodia Ltd, / Production and Distribution Electronic Mitsubishi Corporation (Thailand) Ltd. / Production and Distribution Electronic
7. Mr. Kamphol Patana- anukul - Member of the Executive Committee - Member of the Risk Management Committee - Member of the Investment Committee - Chief Financial Office - Company Secretary	38	- Bachelor Degree of Business Administration, Accounting, Assumption University (ABAC) - Certified Public Account (CPA) of Thailand, Federation of Accounting Professions	- None -	- None -	2013 – Present 2011 – 2013	- Member of the Executive Committee - Member of the Risk Management Committee - Member of the Investment Committee - Chief Financial Office - Company Secretary Senior Regional Accounting Manager / Financial	Thai Capital Corporation PCL. / Distribution coal Red Planet Hotel Co., Ltd. / Hotel

Name – Surname / Position / Date of appointment	Age (Year)	Education/ Seminar	Holding (%) (Dec. 30, 2015)	Relation with the family during director and management	Experience and Position		
					Time	Position	Department / Company name / Type of Business
Date of appointment: August 16, 2013		- Company Secretary Program (CSP) 65/2015			2551 – 2554	Controller, Thailand Corporate Accounting Manager	Bangkok Hospital Medical / Hospital
					2548 – 2550	Assurance Manager	PricewaterhouseCoopers LLP, USA / Consultant
					2542 – 2551	Audit Manager	Price Waterhouse Coopers ABAS Ltd. / Consultant

Corporate Governance

Corporate Governance Policy

The Board of Directors values the importance of running a business under the principles of good corporate governance to encourage transparency, fairness, accountability, and promote confidence from shareholders, investors, and all stakeholders. The Board of Directors Meeting No. 7/2015 held on November 13, 2015 approved Corporate Governance Policy and Business Ethics and Code of Conduct for executives and employees to use as guidelines. The Company' bases its principles of corporate governance on best practices of the Stock Exchange of Thailand ("SET") which is also consistent with ASEAN CG Scorecard, which covers five categories as follows:

Section 1	Rights of Shareholders
Section 2	Equitable Treatment of Shareholders
Section 3	Role of Stakeholders
Section 4	Disclosure and Transparency
Section 5	Responsibilities of the Board of Directors

The details of the above matter can be seen on the company's website. <http://www.thaicapital.co.th/>

Sub-Committee

Sub-Committee structure comprises Audit Committee, Executive Committee, Risk Management Committee, Nomination and Remuneration Committee, and Investment Committee with the name lists and roles and responsibilities detailed below:

1. Audit Committee

Audit Committee as at December 31, 2015 comprises the following members:

Name – Surname	Position
1. Mr.Songyos Noppaprach ⁽¹⁾	Member of the Audit Committee

Remark :

- 1) *Mr. Chaipat Sahasakul and Ms. Nataya Ouivirach resigned from the Independent Directors and the members of the Sub-Committee on December 9, 2015. After that the Board of Directors Meeting resolved to appoint Mr. Chirdsak Kukiattinun as to the Independent Director and the Chairman of the Audit Committee on January 7, 2016. His remaining term equal to the term of Mr. Chaipat Sahasakul*

The Audit Committee does not involve in management of the Company and is not an employee of the Company. It should be noted that Mr. Chirdsak Kukiattinun, Chairman of the Audit Committee who was appointed on January 7, 2016, has knowledge and experience in accounting.

Duties and Responsibilities of the Audit Committee

- 1) ensure that the Company's financial report accurately and sufficiently discloses the information by coordinating with the auditor and the executives responsible for the preparation of the financial statement both quarterly and annually, During the course of auditing, the Audit Committee may request the auditor to review or audit any transactions as deemed necessary
- 2) To ensure, together with the auditor and the internal auditor, that the Company has a suitable and effective internal audit system, and to approve the appointment, transfer, and termination of the Company's internal auditor.
- 3) To consider and propose the appointment of auditor as well as remuneration of auditor, The auditor shall be appointed on the basis of credibility, resourcefulness, amount of work commissioned to such audit office and the experience of the auditor that has been appointed
- 4) To consider and disclose the Company's information regarding connected transactions or conflicts of interest, if any, in an accurate and complete manner
- 5) To perform duties as assigned by the Board of Directors and agreed by the Audit Committee such as to review financial management and risk management policies; to review the management performance in terms of good business ethics; to review together with the management the reports that disclose significant transactions to the public such as the analysis report of the management
- 6) To prepare and arrange the Audit Committee's activity report and disclose it in the Annual Report, The report must be certified by the Chairman of the Audit Committee and the detail shall include:
 - a) Opinion regarding preparation process and disclosure of information in the financial statement on its accuracy, completeness and trustworthiness
 - b) Opinion regarding the sufficiency of internal control system
 - c) Reasons to support the appointment of the auditor
 - d) Opinion on the Company's operation in accordance with the Securities and Exchange Act, Regulations set by SET or any other laws relating to the business of the Company
 - e) Any other reports that the shareholders and investors should be informed, under the duties and responsibilities assigned by the Board of Directors

2. Nomination and Remuneration Committee

Nomination and Remuneration Committee as at December 31, 2015 comprises the following members:

Name – Surname		Position
1. Mr. Charoenchai	Chaivikrai ⁽¹⁾	Member of the Nomination and Remuneration Committee
2. Mr. Boon-anant	Srikhao ⁽¹⁾	Member of the Nomination and Remuneration Committee

Remark :

- 1) *Mr. Chaipat Sahasakul and Ms. Nataya Ouivirach resigned from the Independent Directors and the members of the Sub-Committee on December 9, 2015. After that the Board of Directors Meeting resolved and appointed Mr. Chirdsak Kukiattinun as to the Independent Director and the Chairman of the Audit Committee on January 7, 2016. His remaining term equals to the remaining term of Mr. Chaipat Sahasakul. The Board of Directors Meeting No. 2/2016 on February 18, 2016 resolved and appointed Mr. Chirdsak Kukiattinun, Independent Director and Chairman of the Audit Committee as a Chairman of the Nomination and Remuneration Committee.*

Duties and Responsibilities of the Nomination and Remuneration Committee

- 1) To determine the qualifications of the directors in accordance with the structure, size, and composition of the Board of Directors.
- 2) To nominate and propose candidates who are qualified as the directors for consideration by the Board of Directors.
- 3) To determine the suitable remuneration structure of the directors
- 4) To set up the criteria for the Managing Director's performance appraisal and present to the Board of Directors for consideration.
- 5) To determine the annual remuneration for the directors and Managing Director.
- 6) To consider the terms and conditions in case of new securities (or warrants) offered to directors and employees (ESOP), if any.

3. Executive Committee

Executive Committee as at December 31, 2015 comprises the following members:

Name – Surname		Position
1. Mr. Charoenchai	Chaivikrai	Chairman of the Executive Committee
2. Mr. Boon-anant	Srikhao	Member of the Executive Director
3. Mr. Kamphol	Pattan-anukul	Member of the Executive Director

Duties and Responsibilities of the Executive Committee

Duties and Responsibilities of the Executive Committee are to administer the Company's general business practice and management. Its duties and responsibilities are also to set the policies, business plans, budget, management structure, and power of management authorities, as well as the criteria in conducting the Company's business that complies with the economic environment and propose to the Board

of Directors for consideration and approval and/or endorsement. The Executive Committee shall investigate and monitor the Company's performance to ensure the compliance with the prescribed policies. Major duties and responsibilities of the Executive Committee are as follows:

- 1) To set policy, direction, strategy, and core management structure regarding the Company's business conduct and submit to the Board of Directors for approval.
- 2) To set business plan, budget, and management authorities and submit to the Board of Directors for approval.
- 3) To consider the Company's investment project and submit to the Board of Directors for approval.
- 4) To approve important investment expenditures prescribed in the annual budget as assigned by the Board of Directors or investment expenditures that are already approved in principle by the Board of Directors.
- 5) To approve procurement, negotiation, and entering into contracts, agreement or other documents in accordance with the Company's Authority Matrix which is approved by the Board of Directors.
- 6) To act as the management's advisory committee in the matter of financial policy, marketing, operation and other administrative duties.
- 7) To approve the opening or closing of the bank deposit account, to specify the authorized person who shall withdraw money from the Company's account, as well as to handle the matters concerning the bank deposit account.
- 8) To conduct any necessary operations to support and protect the Company's benefits.

According to the regulations of the Securities and Securities Exchange Commission ("SEC") and SET, the authorities of the Executive Committee shall not include the approval of transactions that member of the Executive Committee or other persons may have interests or conflict of interests of any nature with the Company or its subsidiaries (if any).

Duties and Responsibilities of Chief Executive Officer

- 1) To devise the mission, objective, guideline and policy, and to provide good corporate governance according to the guideline or principle approved by the Board of Directors
- 2) To study and explore the opportunities to expand the Company's business in such a way that will maximize benefits and return to the shareholders, and propose to the Board of Directors
- 3) To consider and comment on the annual budget proposed by the President/Managing Director before its submission to the Board of Directors, and to control the expenses in ensuring that they fall within the budget limit already approved by the Board of Directors
- 4) To approve expenditure or disbursements of projects or investments or trading of the Company's fixed assets in accordance with the resolution of the Board of Directors

- 5) To approve purchasing, hiring, contract bindings, payments or any other entries into legal deeds related to normal business operation of the Company or according to the resolution of the Board of Directors
- 6) To approve appointment, employment, relocation, salary rate, salary raise and termination of employment of management, from department manager level and above
- 7) To have authorized power to act on behalf or be the representative of the Company to outside parties in related business and in a way that benefits the Company
- 8) To have authorized power to sign and certify documents, applications and forms as well as to seek permission and approval from the government agencies related to the objectives of the Company, and to appoint others to act on behalf. However, exception must be made to the latter, in the case that the appointed person may be a connected person or have conflict of interest with the business of the Company
- 9) To have authorized power to file complaint, charge or prosecute persons involved in corruption, embezzlement, theft or engaged in any other acts that result in a loss of benefits or cause substantial damage to the Company
- 10) To consider meeting agendas before proposing for approval from the Board of Directors

4. Risk Management Committee

Risk Management Committee as at December 31, 2015 comprises the following members:

Name – Surname		Position
1. Mr. Charoenchai	Chaivikrai	Chairman of the Risk Management Committee
2. Mr. Boon-anant	Srikhao	Member of the Risk Management Committee
3. Mr. Kamphol	Pattan-anukul	Member of the Risk Management Committee

Duties and Responsibilities of the Risk Management Committee

- 1) The Risk Management Committee shall have the authority to summon each business unit/department of the Company to disclose information in writing or invite the management and officers to attend a meeting with the Risk Management Committee to verbally clarify or provide information on the related risks and their responsibilities as deemed appropriate by the Risk Management Committee. The invited management and officers can inquire or request for information which will be considered a part of their responsibilities in cooperating with the Risk Management Committee.
- 2) The Risk Management Committee has the authority to engage any Company's business unit to carry out any tasks or operations as deemed necessary to achieve its duties, or any other special duties that the Board of Directors exclusively assigns.
- 3) To consider and express its opinion on the risk management policy and framework.

- 4) To consider and express its opinion on determination of the level of acceptable risks, and the risk tolerance level of the Company prior to proposing to the Board of Directors.
- 5) To acknowledge, consider, and express its opinion on the risk assessment, risk management measures, and action plans to mitigate the residual risks of the Company to ensure that the Company's risk management is adequate and appropriate.
- 6) To oversee and support the risk management of the Company to ensure its success. To propose preventive actions and means to mitigate the risk to an acceptable level. To follow up on risk management plans continually to ensure that the risks are adequately and appropriately managed.
- 7) To advise and support the Board of Directors, management and staff on the enterprise risk management as well as promote and encourage the continuous and consistent improvement and development of risk management within the organization.
- 8) To administer and support the review and revision of risk management policy and framework at least on an annual basis to ensure that such policy and framework is still relevant and appropriate for the business as a whole and for the Company's risk management activities.
- 9) To report on the significant risks of the Company as well as risks status, risk management guideline, progress, and results of risk management to the Board of Directors.
- 10) To express its opinion and recommend on engaging services of third parties for an independent consultancy and advice in regards to the scope and operations of the risk management staff.
- 11) To communicate and coordinate regarding risks and internal control with the Audit Committee at least once a year.

5. Investment Committee

Investment Committee as at December 31, 2015 comprises the following members:

Name – Surname		Position
1. Mr. Charoenchai	Chaivikrai	Chairman of Investment Committee
2. Mr. Boon-anant	Srikhao	Member of Investment Committee
3. Ms. Yupin	Chaivikrai	Member of Investment Committee
4. Mr. Kamphol	Pattan-anukul	Member of Investment Committee

Duties and Responsibilities of the Investment Committee

- 1) Set out strategies, goals, investment plans and budget, return on investment, and other benefits from the investment to increase productivity and growth of the company.
- 2) Consider potential investment projects proposed by the management team in order that the investment aligns and is consistent with the policy and objectives of the company by, taking into account, the return on investment and risk factors which shall be managed to a level that is acceptable.

- 3) Monitor, follow up, and evaluate projects that have been approved for investment. and report to the Board of Directors .

The details on meeting attendance by the Company's Directors and members of the sub-committees in the year 2015 are as follows:

Name - Surname		Position	No. of Meetings / No. of Attendance						Remark
			Audit Committee	Executive Committee	Risk Management Committee	Nomination and Remuneration Committee	Investment Committee	Shareholders Meeting	
Mr. Munsin	Chaivikrai	Chairman	-	-	-	-	-	-	-
Mr. Charoenchai	Chaivikrai	- Director - Chairman of the Executive Committee - Chief Executive Officer - Member of the Nomination and Remuneration Committee - Chairman of the Risk Management Committee - Chairman of the Investment Committee	-	18/18	1/1	8/8	-	1/1	-
Mr. Kittisak	Chaivikrai	Director	-	-	-	-	-	1/1	-
Ms. Yupin	Chaivikrai	- Director - Member of the Investment Committee	-	-	-	-	-	1/1	-
Mr. Boon-anant	Srikhao	- Director - Managing Director - Executive Committee - Member of the Nomination and	-	18/18	1/1	8/8	-	1/1	-

Name - Surname	Position	No. of Meetings / No. of Attendance						
		Audit Committee	Executive Committee	Risk Management Committee	Nomination and Remuneration Committee	Investment Committee	Shareholders Meeting	Remark
	Remuneration Committee - Member of the Risk Management Committee - Member of the Investment Committee							
Mr. Songyos Noppaprach	- Independent Director - Member of the Audit Committee	1/1	-	-	-	-	-	Appointed Aug. 14, 2015
Mr. Chalit Limpanavech	- Independent Director - Chairman of the Audit Committee	3/3	-	-	-	-	1/1	Resigned May 1, 2015
Mr. Chaiyapat Sahasakul	- Independent Director - Chairman of the Audit Committee - Member of the Nomination and Remuneration Committee	7/7	-	-	8/8	-	1/1	Resigned Dec. 9, 2015
Ms. Nattaya Ouivirach	- Independent Director - Member of the Audit Committee - Chairman of the Nomination and Remuneration Committee	7/7	-	-	8/8	-	1/1	Resigned Dec. 9, 2015

Nomination and Appointment of Directors and Management

Independent Director

Composition and Nomination of the Independent Director

The Company set up the composition of the Board of Directors in accordance with the regulation of the SEC which requires at least 1 out of 3 of the Directors to be Independent Directors with a minimum of 3 persons. The Company set the nomination criteria in accordance with that determined by SEC as detailed belows:

- 1) Holding shares not exceeding 1 percent of the total shares with voting rights of its parent company, its subsidiary, its associated company or potential conflicting juristic person (provided that any shares held by his or her related person as stipulated in section 258 of securities laws (No.4) 2008 must be taken into account).
- 2) Not being (at present) nor having been (2 years prior to appointment) an executive director (including the director who has the same responsibility as management and authorized director except for the signature in transactions approved by the Board of Directors and joint signing with other directors), employee, officer, monthly paid advisor or controlling person of the Company, its parent company, its subsidiary, its associated company, its parallel subsidiary (subsidiary of the same holding company) or potential conflicting juristic person.
- 3) Not being a person related by blood or by registration under laws such as father, mother, spouse, sibling and child, including spouse of child of executive, major shareholder, controlling person or such other persons who will be nominated to take up the position of executive or controlling person of the Company or its subsidiary.
- 4) Not having (at present) nor having had (2 years prior to appointment) a business relationship with the Company, its parent company, its subsidiary, its associated company or potential conflicting juristic person that might interfere his or her use of independent discretion, including not being (at present) nor having been (2 years prior to appointment) a major shareholder, a director who is not an independent director, or an executive of a person who has a business relationship with the Company, its parent company, its subsidiary, its associated company or potential conflicting juristic person with transaction value equal to or more than 3 percent of net tangible assets (NTA) of the Company. The calculation of such transaction value must include the transaction incurred during 1 year prior to the date entering into the business relationship with the same person. The aforementioned business relationship includes any trading transaction in the ordinary course of business, taking or granting a lease of real property, any transaction relating to assets or services, and granting or acceptance of financial assistance.
- 5) Not being (at present) nor having been (3 years prior to appointment) an auditor of the Company, its parent company, its subsidiary, its associated company or potential conflicting juristic person as well as not being a major shareholder, a director who is not an independent director, an executive,

or a managing partner of the auditing firm employing an auditor of the Company, its parent company, its subsidiary, its associated company or potential conflicting juristic person.

- 6) Not being (at present) nor having been (2 years prior to appointment) any professional service providers, including a legal advisor or a financial advisor, obtaining service fees of more than baht two million per annum from the Company, its subsidiary, its associated company or potential conflicting juristic person. If a professional service provider is a juristic person, this will include a major shareholder, a director who is not an independent director, an executive or a managing partner of such professional service provider.
- 7) Not being a director appointed to represent any director of the Company, a major shareholder or a shareholder who is a related person to the Company's major shareholder.
- 8) Not operating the same business and being in a significant competition with the Company, its subsidiary or associated company. Not holding significant shares in the Partnership, being an Executive Director, an employee, or a consultant receiving fixed salary, or holding more than 1% of the total number of shares with voting rights of the other company operating the business of the same nature and being in significant competition with the Company, its subsidiary or associated company.
- 9) Not having any other characteristic which makes him or her incapable of expressing an independent opinion with regard to the Company's operation.

Director and Senior Executive ¶

Composition and Nomination of the Director

Composition and selection, appointment, dismissal or termination from the position of the Company's Director is prescribed in the Company's article of association which can be concluded as follows.

- 1) The Company's Board of Directors comprises at least 5 members and not less than half of the Directors must reside in Thailand. All Directors must meet the qualification required by law.
- 2) The annual meeting of shareholders shall elect members of the Board of Directors in accordance with the following criteria and procedures.
 - a) Each shareholder shall have one vote for each share he/she holds.
 - b) Each shareholder shall exercise all votes in electing one or many persons to be Directors, provided that a vote shall not be divisible.
 - c) Persons who receive the highest votes are, in descending order, elected to the Board of Directors until the required number is met. In the case that two or more candidates have an equality of votes but exceed the number of Directors which the meeting of shareholders is to appoint, the presiding Chairman will cast the deciding vote.
- 3) At every annual general meeting, one-third of the Directors, or if the number is not a multiple of three, then the number nearest to one-third shall retire from the office. The Directors retiring on the

first and second year after the registration of the company shall be drawn by lots. In every subsequent year, the directors who have been longest in office shall retire. Directors whose terms expire may be re-elected.

- 4) In case of vacancy due to reasons other than expiry of service terms, the Board of Directors shall choose any person who is qualified and not subject to prohibition by law as a replacement director at the next meeting of the Board of Directors, except in the case that the remaining term of office of such director is less than two months. The replacement director shall hold the office only for the remaining term of the director whom he/she replaces. The resolution of the Board of Directors must be passed by votes of not less than three-fourth of the number of the remaining directors.
- 5) In appointment of the Director, Nomination and Remuneration Committee, which comprises 2 Independent Directors from out of 4 Committee members, is responsible for considering the qualified candidate by considering the structure, size, and composition of the Board of Directors, and proposing him/her to the Board of Directors for further proposing in the Shareholders' meeting. Nomination and Remuneration Committee also allows the Director and shareholder to propose a qualified candidate.
- 6) The meeting of shareholders may pass a resolution to dismiss the director before the expiration of his/her service term with the votes of at least three-fourth of the number of attendant shareholders entitles to vote and at least one half of shares held by the attendant shareholders entitled to vote.

Composition and Nomination of the the Audit Committee

The Audit Committee members shall be qualified, respectable individuals from outside of the Company and are selected and appointed by the Board of Directors as Independent Directors and Audit Committee members. One of the three committee members shall be appointed as Chairman of the Audit Committee. One director must have knowledge or experience in accounting or finance, and have consistent knowledge of events affecting the changes in the Company's financial report in order to increase the efficiency of the Audit Committee. The Audit Committee shall hold office on a three-year term.

When the term of service expires or there is any circumstance causing any member to be unable to hold office until expiration, thus making the number of committee members to be lower than three persons, the Board of Directors or the shareholders' meeting should appoint the new member to fill up the vacancy immediately or not later than three months from the date of vacancy to ensure the continual performance of the Audit Committee.

Composition and Nomination of the Nomination and Remuneration Committee

The Company shall appoint the Nomination and Remuneration Committee which consists of not less than 3 members. At least half of the members, including the Chairman of the Nomination and Remuneration Committee, must be the independent directors. The Nomination and Remuneration Committee shall hold office on a three-year term.

In case of vacancy because of completion of term, or for other reasons than completion of term, the Board of Directors shall appoint a qualified person as a replacement member within 90 days to ensure that the composition of the Nomination and Remuneration Committee complies with the requirement of the Board of Directors.

Composition and Nomination of the Executive Committee

The Executive Committee is appointed by the Board of Directors

Composition and Nomination of the Risk Management Committee

The Board of Directors shall appoint the Risk Management Committee which consists of Director and/or Executive of not less than 3 members. One member must have knowledge or experience in finance, accounting, or risk management. The Risk Management Committee shall hold office on a three-year term.

In case of vacancy because of completion of term, or for other reasons than completion of term, the Board of Directors shall appoint a qualified person as a replacement member to ensure that the composition of the Risk Management Committee complies with the requirement of the Board of Directors. The replacement member shall hold the office only for the remaining term of the member whom he/she replaces.

Composition and Nomination of the Investment Committee

The Investment Committee is appointed by the Board of Directors

Composition and Nomination of the Top Executive

In appointment of the Chief Executive Officer and Managing Director, Nomination and Remuneration Committee is responsible for considering the qualified candidate who has knowledge, skills, and experience which are beneficial to the Company, understand the Company's business thoroughly, and is capable of managing the Company to achieve objectives and goals set by the Board of Directors. The Nomination and Remuneration Committee will then propose the candidate to the Board of Directors for consideration.

Overseeing the operations of its subsidiaries and associated companies.

In order to comply with a regulatory mechanism that allows control and management responsibility for the operations of its subsidiaries and associated companies and maintain the benefits of the investment company. The Board is sending a person to represent the company as directors in subsidiaries and associated companies. The appointed person must ensure the best interests of the subsidiaries or associates. The Company has granted the right to the appointed person to vote on the matter which must

be approved by the Board of Directors. The company will send a representative to the Board of Directors in subsidiaries or associates according to the shareholding structure and ownership.

Besides, in the case of a subsidiary, it is required that the appointed person must ensure that its subsidiaries apply regulations in respect of connected transactions, the acquisition or disposition of assets, significant transactions, and the practices relating to the disclosure and transactions in the same manner as the parent company, as well as to oversee the storage and accounting records of the subsidiary companies to monitor and obtain information to prepare the consolidated financial statements by the deadline.

The Company has no agreement between the company and other shareholders in the management of its subsidiaries and associated companies that have significant operations, or control, or profit sharing other than normal return based on shareholding ratio.

Supervision of Inside Information Usage

The Company has a strict policy on supervision of inside information usage and has a written policy on this matter in the Code of Business Ethics for Directors, Executives, and Employees disclosed in the Annual Report and the Company's website and requires Director, Executive, and Employee to comply. The Company's guidelines on this policy are as follows.

1. It is an obligation of Directors, Executives, and employees to acknowledge the announcement published by SEC which requires Directors and Executives to prepare the report on changes of their ownerships of the Company's stock to SEC, in accordance with Section 59 of the Securities and Securities Exchange Act B.E.2535, within 3 days after buying, selling, or transferring of those stocks. An information must be copied to the Company Secretary to prepare a summary of the information of each Director and Executive and report to the Board of Directors for acknowledgement in the Board of Directors' meeting. In addition, penalty for violating or not complying with such regulation is informed to the Directors, Executives, and employees.
2. The Company prohibits its Directors, Executives, and Employees to disclose financial information or other information of the Company which may have an impact on Company's stock price to outsiders. Directors, Executives, and Employees must stop buying or selling of the Company's stock 1 month prior to the day that the Company discloses of Company's financial statements or other related information to general public and must not buy or sell Company's stock until after 24 hours after such disclosure. Violation of this regulation will result in penalty the Company deems appropriate which includes, but not limited to, cooperating with relevant supervisory agencies to undertake necessary legal actions.

The mentioned guideline has been approved by the Board of Directors.

The details of change in ownerships of the Company's stock of Directors and top Executives in the year 2015 are as follows:

Name and Surname		Position	No. of share Held as of Dec. 31, 2014	No. of share Held as of Dec. 31, 2015	Increase / Decrease	Remark
Mr. Munsin	Chaivikrai	Chairman	-	-	-	-
Mr. Charoenchai	Chaivikrai	- Director - Chairman of the Executive Committee - Chief Executive Officer - Member of the Nomination and Remuneration Committee - Chairman of the Risk Management Committee - Chairman of the Investment Committee	-	-	-	-
Mr. Kittisak	Chaivikrai	Director	-	-	-	-
Ms. Yupin	Chaivikrai	- Director - Member of of the Investment Committee	145,530,000	161,641,758	16,111,758	-
Mr. Boon-anant	Srikhao	- Director - Managing Director - Member of the Executive Director - Member of the Nomination and Remuneration Committee - Member of the Risk Management - Member of of the Investment Committee	423,652	423,652	-	-
Mr. Songyos	Noppaprach	- Independent Director - Member of the Audit Committee	-	-	-	Appointed Aug. 14, 2015

Name and Surname		Position	No. of share Held as of Dec. 31, 2014	No. of share Held as of Dec. 31, 2015	Increase / Decrease	Remark
Mr. Chalit	Limpanavech	- Independent Director - Chairman of the Audit Committee	-	-	-	Resigned May 1, 2015
Mr. Chaiyapat	Sahasakul	- Independent Director - Member of the Audit Committee - Member of the Nomination and Remuneration Committee	-	-	-	Resigned Dec. 9, 2015
Ms. Nattaya	Ouivirach	- Independent Director - Member of the Audit Committee - Chairman of the Nomination and Remuneration Committee	-	-	-	Resigned Dec. 9, 2015

Remuneration of Auditor

Audit Fee

In the year 2015, Company paid audit fee for auditor of PV Audit Co.,Ltd. amounting 1,150,000 Baht (Company and its subsidiaries), excluding other auditing expenses such as travelling expenses, stamp etc.

Non-Audit Fee

In the year 2015, the Company did not pay Non - Audit Fee for auditor and related individual.

Compliance with the principles of corporate governance.

Besides the already mentioned above. The company adheres to good corporate governance principles as follow.

1. Rights of Shareholders

The Company must recognize shareholders' rights, such as the right to attend and vote in shareholders' meetings, the right to approve dividend payment and the right to specify remuneration for directors; and non-statutory rights such as disclosure of information and news to shareholders via the Company's website.

Shareholders' Meeting

In order to encourage and facilitate the shareholders. This includes institutional investors have joined the shareholder meeting of the Company. The company set the scheduled and meeting place where is the shareholders can attend the meeting. In the year 2015, the Company the Annual General Meeting for the year on April 29, 2015 at 10.00 hrs. at the Infinity Room, 7th Floor, AETAS Lumpini, 1030/4 Rama IV Road, Thung Maha Mek, Sathorn, Bangkok.

In regards to shareholders' meetings, minor shareholders are allowed to propose the meeting agendas and the names of candidates for the directors to the Company in advance. The Board of Directors sets various criteria such as the shareholding percentage of the shareholder eligible for proposal, details of supporting information for consideration, various channels for information submission, and the submission deadline. All relevant information will be published through the channel of the SET and details of the said criteria are also available on the Company's website. The Company's meeting invitation document contains supporting information for each agenda and various proxy forms as well as a list of independent directors in case that any shareholders would like to assign proxy to attend the meeting on their behalves with no conditions which make the proxy granting difficult. The Company also posts the meeting invitation and related attachments on its website in advance of the meeting.

At the Annual General Meeting of Shareholders, all members of the Board of Directors shall attend the meeting unless having inevitable matter. The meeting Chair, who is also Chairman of the Board of Directors will inform all the attendees about regulations governing the meeting, enabled the shareholders to use their right to elect each individual director, as well as allowed the shareholders to express their opinions and pose any inquiries relating to the meeting or the Company. Furthermore, the Company has encouraged the shareholders to send their questions to the Company in advance via the Company's email.

The Company has policy in facilitating and promoting the shareholders, including investment institutions, to attend the shareholders' meeting by determining the meeting place to which is convenient for the shareholders to travel, enclosing the map and suggestion in traveling as well as the contact number in case of any questions. In additions, the Company prepares the invitation letter in both Thai and English for the shareholders and investment institutions to exercise their rights in attending the meeting or granting proxy with ease. The Company publishes the news regarding the meeting in the newspaper for 3 days consecutively before the meeting to remind the shareholders of and promote the meeting.

At the Annual General Meeting of Shareholders, all members of the Board of Directors shall attend the meeting unless having inevitable matter. At the beginning of the meeting, the Chairman of the meeting will inform all the attendees about regulations governing the meeting, enabled the shareholders to use their right to elect each individual director, as well as allowed the shareholders to express their opinions and pose any inquiries relating to the meeting or the Company. Furthermore, the Company has encouraged the shareholders to send their questions to the Company in advance via the Company's email. After the Company's Annual General Meeting of Shareholders, the meeting minutes shall be prepared for dissemination through the Company's website within 14 days.

With regards to control of usage of internal information, the Board of Directors has a policy to prevent directors, executives, and employees from using internal information they may acquire through their status for their own or other persons' benefits. Details of this policy are presented under the section "Supervision of inside Information Usage". In addition, the Company has prescribed measures and procedures on the approval of connected transactions between the Company and its stakeholders or relevant parties to ensure that the directors who have conflicts of interest or participated in such transactions do not have the right to vote in the decision making process.

2. Equitable Treatment of Shareholders

The Company values the importance of equitable treatment of all shareholders including major shareholders, minor shareholders, investment institutions, or foreign investors by by doing the following:

The Company allows minor shareholders to propose the meeting agendas and the names of candidates for the directors. The Company announces various criteria for consideration publicly via SET website and the Company's website. Proposal made by the minor shareholder will be condiseder by the Nomination and Remuneration Committee and proposed to the Board of Directors to further consider putting

in as the Shareholders' Meeting agenda. In addition, the minor shareholders can suggest or express their opinion or file complaints to the Independent Directors or the Company Secretary and can request for the Company's information or express their opinion via Investor Relations.

3. Role of Stakeholders

The Company realizes the importance and gives due care to all groups of stakeholders both inside and outside the Company, such as the shareholders, employees, customers, suppliers and competitors with respect to their legal rights, as well as undertakes responsibility for the society and the public. The Board of Directors therefore stipulates a code of business ethics as guidelines for the Board of Directors, the management team and employees in their operations. It is the duty and responsibility of everyone to comply with this code. The synopsis is as follows: .

➤ Treatment of Employees:

The Company realizes the importance of every employee and set the clear and concrete policy regarding this matter as follows:

Compensation and welfare of the employee:

The Company pays compensation with rate that is deemed proper, fair, consistent with the same business industry, and consistent with the Company's results of operation both short-term and long-term, as well as provides various welfare for instance, overtime, bonus, allowance, social security fund, and provident fund (Company's portion), healthcare, and annual leave.

Safety and Health:

The Company stresses the importance of occupational health and safety by assigning a person directly responsible for Safety and Environment for the factories. There are measures to check the safety of workplaces on a regular basis. Fire extinguishers were installed and fire exits were established, and fire control demonstrations and fire drills were arranged every year for the factory and fire drills are participated for the head office. The operating manual for construction sites was formulated. The practices and statistics of accident, absence, or illness from work are disclosed. In the year 2015, there was no absence from work accident.

Developing Knowledge, Ability, and Potential of Employees:

As mentioned in subjects, "Policy of Developing Knowledge, Ability, and Potential of Employees

➤ Treatment of Shareholders:

As mentioned in subjects, Rights of Shareholders and Equitable Treatment of Shareholders

➤ ***Treatment of Customers:***

The Company stresses the importance of customer satisfaction and confidence by consistently providing customers with high quality products and services at reasonable prices while maximizing customers' benefits with integrity and honesty.

➤ ***Treatment of Competitors:***

The Company competes fairly with all business competitors under the justified framework of complying with a good business competition practice with morality and not damaging the reputation of its competitors by making false accusations.

➤ ***Treatment of Creditors:***

The Company has a policy relating to fair treatment and responsibility to the creditors by adhering to operating business with principle and discipline to build trust with the creditors. The Company strictly complies with the mutually agreed terms and conditions in settlement of the debt and interest thereon (if any) and full holds itself responsible for any collaterals. In case of any potential breach of the agreed terms and conditions, the Company will inform the creditors in advance to collectively find solutions.

➤ ***No Infringement of Intellectual Property or Copyright:***

The Company values no Infringement of Intellectual Property or Copyright and setting the policy that all employees must respect the rights of the owner of the intellectual property or copyright, and must use of information and communication technology under the terms of the law and regulation of the Company With due care.

➤ ***Social and Public Responsibility:***

The Company emphasizes the importance of the social and public responsibility through its compliance with laws and related regulations, management of environment issues, and adoption of safety measures for business operations. With regards to environment, the Company has determined measures to reduce environmental impact at the job sites and the maintenance yard. Furthermore, the Company has promoted the resources and energy saving campaign among employees through reduction in use of electricity, water, and fuel. The Company places importance on providing supporting activities to the community around the Head Office and Petchburi factory with key activities in 2013 such as providing monetary support for the Children's Day activities and other merit making ceremonies held in Nong Chumpon, Khao Yoi, Petchaburi.

All stakeholders may report or send complaints on the matters which may damage the Company, or if their rights are violated to the Board of Directors. In addition, the Company has Whistle Blowing policy whereby if anyone discovers any illegal or unethical acts, inaccurate financial reports or weak internal control

systems, they can inform these through the Independent Directors and Audit Committee or Company's secretary. The Company will protect the informants by keeping their name as confidential. The Independent Directors and Audit Committee will then examine the submitted information and report it to the Board of Directors.

All stakeholders can communicate such matters to the Board of Directors through Independent Directors and Audit Committee via e-mail or through Company's Secretary via telephone, e-mail, or mail as detailed below:

Through Independent Directors and Audit Committee

E-mail: chirdsak.ku@tfg.co.th

E-mail: songyos@thaicapital.co.th

Through Company's Secretary

Company's Secretary

Thai Capital Corporation Public Company Limited

87/2 CRC Tower Building,

45th Floor, All Seasons Place, Wireless Road,

Lumpini, Pathumwan, Bangkok 10330

Tel: 66-2-685-3600 ext. 801

Email: kamphol@thaicapital.co.th .

4. Disclosure and Transparency

The Company discloses all of its important information, both financial and non-financial, via the Company's website. This includes information about the organization, corporate governance policy, shareholding structure, structure of the Board of Directors and its Committees, as well as news inside and outside the organization, which is mostly available in Both Thai and English. Shareholders and investors are also provided easy access to the Company's website to download the Annual Report, the Annual Registration Statement (Form 56-1) and the financial statements. In addition, the Company sets up an investor relations unit to communicate with shareholders, investors, and securities analysts equally.

The Company values importance of the disclosure of information to investors so that they are provided with accurate and transparent information thoroughly. The Company therefore set the Investor Relations to be responsible for liaising with the investors and shareholders. The Investor Relations can be contacted at e-mail: info@thaicapital.co.th or at:

- 1) Kamphol Patana-anukul,
Tel: 66-2-685-3600 ext. 801
Email: kamphol@thaicapital.co.th or

- 2) Weeravan Boonkanokwong,
Tel: 66-2-685-3600 ext. 203
Email: Weeravan@thaicapital.co.th

5. Responsibilities of the Board of Directors

As at December 31, 2015 The Board of Directors has the directors 6 directors divided to 1 Independent Directors (In during the year the Company has 3 independent directors, 2 independent directors were resigned on December 9, 2015, so the position vacant as at December 31, 2015), 2 Executive Directors and 3 Non - Executive Directors. The structure of the Board of Directors consists of directors with extensive knowledge and experience in various fields relating to the Company's business, e.g. accounting, finance and banking, marketing, economics, corporate governance and engineering.

The Board of Directors directly appoints 5 sub-committees being Audit Committee who are all the Independent Directors, Nomination and Remuneration Committee, Executive Committee, Risk Management Committee and Investment Committee. All sub-committees have a scope of authority, responsibility and qualifications as specified by the Board of Directors and report directly to the Board on a quarterly basis. The Independent Directors also regularly hold a meeting with no participation from the Company's executive management.

The Board of Directors approves the Company's vision, mission and income projection of the following year as well as an annual investment budget. The Board of Directors also revises standards of corporate governance, code of business ethics for Directors, Executives, and employees, risk management policy and transactions that may cause conflicts of interest (if any), and expresses opinions on the adequacy of the internal control system. Board of Directors, sub-committees, and individual Director will perform self-assessment on his/her operating performance. Policy and criteria on payment of directors' remuneration are determined by the Board of Directors and approved by the shareholders. Considerations for remuneration are based on comparison with the industry and the Company's operating results. The Board of Directors also sets remuneration for sub-committees except for the Executive Committee member and Risk Management Committee member which receives Remuneration as the Company's employee.

Chairman of the Board of Directors

The Board of Directors select Chairman of the Board of Directors from the Director but must not be the same person as the Chief Executive Officer or Managing Director. Their roles are clearly segregated where the Chairman of the Board of Directors does not take part in the day-to-day operation and is not a member of any committee of specific matters. The roles related to policies, follow-up and appraisal, and management are segregated. The Chairman of the Board of Directors must exhibit strong leadership and play the key role in ensuring the efficient operation of the Board of Directors, is independent from the management, assists in determining the smooth running of the meeting of the Board and the Shareholders'

meeting, and ensuring that the Directors abide by the Corporate Governance Policy and the Code of Business Ethics, and perform duties independently under the policies established by the Board of Directors.

Board of Directors Meetings

The Board of Directors will determine the dates of its meetings over a year in advance, as well as set a clear agenda to be discussed each month. Special meetings (urgent) will be held if the need arises. The Board received copies of their invitations, minutes of meeting drafts, and information pertaining to agenda items at least 5 days before each meeting was held.

The Chief Executive Officer and Managing Director are normally responsible for setting the Meeting Agenda. However, Directors are entitled to make suggestions as well. High-level Executives and members of management are invited to attend the meetings and provide useful information directly to the Board. Exceptions to this are when agenda items concern specific issues related to special committees, which need to be given independent consideration or meeting for Non-Member of the Executive Directors.

The Chairman is responsible for and presides over meetings, providing every Director with an opportunity to openly voice his/her opinions. Meeting resolutions are then decided by a majority vote. Each Director is entitled to one vote except for anyone who has conflicts of interest with the agenda item being discussed. In the event that the final vote ends in a tie, the Chairman will cast the deciding vote. After the conclusion of the meeting, the Company Secretary is responsible for preparing the meeting minutes and presenting them at the following meeting for approval.

Policy and practice on Holding Director Position in Other Companies

Directors as well as Executives being Chief Executive Officer, Managing Director, and Executive Vice President must not operate the same business and being in a significant competition with the Company, or holding ownership or being a Director in a partnership or a private company or other institution that operate same business as the Company's or being in competition with the Company, regardless of whose benefit from such actions; himself/herself or others unless he/she notifies such information to the shareholders before the appointment. And in order to comply with good governance guideline, Directors, Executives being Chief Executive Officer, Managing Director, and Executive Vice President shall not hold Director Position in more than 5 listed companies or limited companies established under the Public Limited Company Act B.E.2535 or Civil and Commercial Code. And the Directors must notify the Company immediately for any direct or indirect interests in the Company's business operation or changes in ownership of the Company's or related companies' shares or securities.

Directors and Executives Development

The Company values the importance of Directors and Executives Development and has a policy to continually develop knowledge and ability as follows:

- *New Director;* The Company conducts orientation for the new Director of the Company and meeting with the Executives so that the Director and inquire on the extensive information related to Company's business and related rules and regulations.
- *Existing Director;* Directors are knowledgeable, skilled, and they are constantly seeking more information about developments in the Company's industry. The Company is supportive in providing extra training to Directors to help them better perform their duties such as the training courses conducted by the Thai Institute of Directors ("IOD") or other courses relevant to the Company's business. Majority of the Company's Directors have completed the essential training courses conducted by IOD.

Details of training courses attended by each Director in the last year are as follows:

Name – Surname		Position	Training Courses Attended In the year 2015
Ms. Yupin	Chaivikrai	- Director - Member of the Investment Committee	- Directors Certification Program (DCP) No. 210/2015 - Financial Statements for Directors (FSD) No. 29/2015
Mr. Boon-anant	Srikhao	- Director - Managing Director - Member of the Executive Director - Member of the Risk Management Committee - Member of the Nomination and Remuneration Committee - Member of the Investment Committee	Directors Certification Program (DCP) No. 208/2015

Performance Assessment of the Board of Directors

The Company requires the annual performance evaluation of the Board of Directors. These reviews are made to assess the working operations, problems and obstacles that had been dealt with over the year. Two types of assessment are performed: assessments on the Board as a whole including all sub-committees (Audit Committee, Nomination and Remuneration Committee, Executive Committee, and Risk Management Committee), and individual self-assessments. The self assessment guideline prepared by the SET, which is deemed appropriate by the Board of Directors, is used. The 6 key topic of the assessments are as follows:

- 1) Structure and Qualification of the Board of Directors/Committee
- 2) Roles, Duties, and Responsibilities of the Board of Directors/Committee
- 3) Meeting of the Board of Directors/Committee
- 4) Acting on Duties of the Board of Directors/Committee
- 5) Relationship with the Management

6) Self Development of the Directors and Executives

Operating under the principle of good governance, the Company was rated by agencies related to the corporate governance in 2015 as follows:

- 1) According to the assessment of the Annual General Meeting 2015, held by the Investors Association Thailand, companies rated with scored 90-99 out of 100 were "excellent" . The Company's overall score on this matter was 92.68.
- 2) Survey on Corporate Governance of Listed Companies for the year 2015, organized by the Thailand Institute of Thailand listed companies. The company has been assessed as one of the 191 companies that have been scored at a good level (Good CG Scoring) from the report on corporate governance of listed companies for the year 2015. When compared to the maximum and average overall rating of listed companies, from a total of 588 companies surveyed, the company's overall score was higher than the overall average score of all companies.

Corporate Social Responsibilities

Policy Overview

The company is committed to developing business with social responsibility. The company has business operations with social responsibility (Corporate Social Responsibility: CSR), which are detailed below:

1) Undertaking with fairness

The company is committed to conduct business fairly and ethically, emphasize on respecting law and regulations of the society, be politically neutral. The company is committed to leading the foundation of quality and performance by building credibility with customers, investors and other stakeholders in order to add value and promote the sustainable growth of the organization, as well as the management principles in accordance with standard universal principles which shall also be beneficial to Thai society. All mentioned were for the Company to achieve and sustain excellence in moral values .

2) Anti-Corruption

The Board has a policy on banning anti-corruption and bribery by setting out the written guidelines in ethics and business ethics for directors, executives and employees, including the policy on not receiving gifts, assets or other benefits from business partners. The Board also promotes the training to educate the employees on the anti-corruption. There is a process to assess the risk of fraud designated as part of the internal audit and is in charge by Risk Management Committee.

The Company also provides a channel to report misconduct (Whistle Blowing) with the aim for all employees to jointly help monitor/oversee to ensure compliance with the principles of corporate governance and business ethics. The Company supports reporting on practices that is contrary to good faith or suspected violation of the principles. All complaints are treated as confidential and the complainants will be protected.

3) Respect for Human Rights

The Company focuses on basic human rights to promote respect for the rights and freedoms of non-discrimination, no gender discrimination, no racist, and no use of illegal labor.

4) To treat workers fairly

The company has oversight and treat workers fairly in terms of wages, welfare, quality of life, work safety and hygiene in the work environment. As disclosed in The role of stakeholders As part of the Employees.

5) Respond to Customer

The company focuses on quality production with maximum security to maximize customer satisfaction and is sincere to handle customer complaints, as well as fixing problems that may arise from production and/or services with an aim to maintain lasting relationships with customers.

6) Caring for the environment

The company has a clear environmental policy and shall be strictly abided by. The Board encourages communication to educate employees on environmental issues. The policy is part of the corporate governance and disclosure practices guidelines to be noted by employees at all levels with an emphasis on practical, legal and environmental standards. The company has embarked on a campaign to help employees save resources and energy, for instance, electricity, water and oil.

7) the development of a community or society.

The Company will consider the needs of the community and provide assistance for those who are involved in the local establishment and promote and encourage employee participation, volunteer work and activities with the community, as disclosed in the subject. The role of stakeholders In terms of social practices.

8) the innovation and innovation diffusion, which was operating with social responsibility and environmental stakeholders.

- none –

Implementation and reporting.

The company has established a 2015 Corporate Social Responsibility Annual Report. This report is based on the guidelines for reporting on the social responsibility of the business conducted by the Stock Exchange of Thailand. Article 8, which covers the principles, including Running the business fairly, Anti-Corruption, Respect human rights, Treat workers fairly, Being responsible for consumers, Caring for the environment, Community and social development, and Innovation and the dissemination of innovation.

In addition to operating responsibly towards society as mentioned above, the company focuses on environmental issues that may arise from the operations. The core operation process of the company includes inbound transportation, sizing, piling, and outbound transport. This may have an impact on the environment since coal may leak into the sea or river, and there may be dust spreading around the plant, warehouse, and transportation routes. The Company has measures to mitigate such impacts as follows:

- In the process of inbound transportation which includes maritime and river transportation, the Company chooses the reliable and high quality service providers. While transporting, coal is entirely covered. In addition, the Company liaises with the service providers to set out the measures to ensure minimum effect of coal flowed into the sea or river.
- In the process of sizing and piling, the Company has built the shelter covering the sizing machines and grown trees along the ridge surrounding the manufacturing area to detect noise and dust from leaking outside. For the coal piled outside the building, the Company covers the coal with a canvas or slan and uses water sprinkle system to prevent dust from spreading. And in order to prevent water pollution, the Company has built a pond and ditches around sizing plant and warehouse to prevent water contaminated by coal from flowing directly outward.
- On the outbound transportation, the Company uses the reliable top-tier logistics providers with an emphasis on entirely covering of canvas over the transported coal.

The business impact of social responsibility.

In 2015, no business operations of the Company and its subsidiaries that affected society and the environment and / or businesses that violated the law with regards to the principles of Article 8.

Activities to benefit society and the environment (After Process).

The Company is committed to conducting business with social responsibility and collective. In compliance with the relevant laws or regulations. As well as support activities that benefit society and the surrounding community.

The Youth and Education

- Support for the food and drinks and gifts on Children's Day. Thai Rath Witthaya school 5,000 baht
- Grant to Support Children's Day organized by the SAO. Yoi District, Phetchaburi Province Nong Chumphon 10,000 baht.
- donation saint school science. (School for the Blind), Petchaburi 1,500 baht.

Religious

- Candle offerings with the SAO. Assembly Nong Khao Yoi District, Phetchaburi Province worth 1,000 baht.
- Buddhist donation camp with the SAO. Assembly Nong Khao Yoi Phetchaburi 1,000 baht.

Community

- Support Ticket Concert Unites to Fight Drugs. With Police Station Yoi Petchaburi 5,000 baht.

- Full support for exhibitors Loy works by Taos. Assembly Nong Khao Yoi District, Phetchaburi Province worth 4,000 baht.
- Full support for exhibitors Loy works by Taos. Nong Chumphon (headman among 6) Yoi District, Phetchaburi Province worth 2,000 baht.
- Support Award Charity Golf Organized by the Federation of Industries, Phetchaburi
- Support for the food and beverage Event organized by the Community among the six headmen among six Yoi District, Phetchaburi Province worth 3,000 baht.
- Full support for the Red Cross joined with the SAO. Marsh Assembly Yoi District, Phetchaburi 5,000 baht.
- donation of prizes for the Red Cross in conjunction with the Federation of Industries, Phetchaburi 5,000 baht.
- Support Ticket Concert Guardian Spirit to love the earth. Regimental Special Forces training with the first (Cha), Phetchaburi Province worth 2,000 baht.
- Full support for exhibitors Anniversary of the founding of the industry value 1050 baht.
- Contribution for New Year. SAO. Assembly Nong Khao Yoi Phetchaburi 5,000 baht.
- Support for the food and beverage Community Development Organized by the headman among six Phetchaburi 2,300 baht.
- Support join open village banks. SAO. Nong Khao Yoi, Phetchaburi, Chumphon over 2,000 baht.
- Provide financial support for the renovation of the village among 6 conference table Yoi District, Phetchaburi worth 10,000 baht.
- Support the vehicle to distribute water to the villagers and the village of Nong Moo 5 E. sham monk. SAO. Assembly Nong Khao Yoi District, Phetchaburi Province.
- Contribution for Health Contest. With Police Station Yoi Phetchaburi 5,000 baht.
- Provide financial support to assist the elderly and disabled with the SAO. Assembly Nong Khao Yoi Phetchaburi 1,000 baht.
- Support of the Red Cross together with the club winning the establishment of industrial plants. Assembly Nong Khao Yoi Phetchaburi worth 2,500 baht.
- Support a charity dance card worth 1,500 baht Banphot measurement units.

Protection has been involved in corrupt

The Board of Directors has established a policy prohibiting bribery and anti-corruption to the business interests of the company. There are written guidelines including as a part of business ethics and codes of conduct for directors, executives and employees, which have been approved by the Board of Directors. The company has measures to prevent involvement with corruption as follows:

- 1) The Company communicates to both executives and employees by requiring them to carry out all processes in strict legal framework. If an error occurs in the process due to negligence, they shall be legally punished by the government. The Company will not attempt lobbying for acquittal.
- 2) The Company provides channels to report if they see any violations, fraud, or corruption with protection measures to the reporters.

The details of the policies and actions related to the prevention of fraud and corruption have been disclosed on the company website. <http://www.thaicapital.co.th/>

Internal Control and Risk Management

Board of Directors' Evaluation on Company's Internal Controls

At the Board of Director Meeting No. 2/2016 held on February 18, 2016 in which the Independent Director 2 members of the Audit Committee was also in attendance, the Board of Directors assessed the adequacy of internal control system of the year 2015 based on the Audit Committee's report duly considered at the Meeting No. 1/2016 in the same day, which the Audit Committee has reviewed the assessment form of Year 2015 and considered the reports of the Internal Audit Department and the external auditor. The auditor has mutually agreed that no significant operational faults were identified in 2015. The Board of Director deemed that the internal control system of the Company was appropriate and adequate. However, the Audit Committee has adopted policy to improve company' internal control system for higher standard.

Opinion of the Audit Committee where it Differs from the opinion of the Board of Directors

- None -

Chief of the Internal Audit Operation

The Company has realized the importance of the internal control system. The Company has appointed an external audit office, BK-IA&IC Co., Ltd. to audit the Company since the second half of 2007 until now to review and assess company's internal control system. After due consideration of the qualifications of BK-IA&IC Co., Ltd., the Audit Committee opined that the firm was qualified for performing such duties as the firm has demonstrated independence and experiences in audits more than 10 years. Furthermore, the Company appointed Mr. Kamphol Patana-anukul to coordinate with such outsource auditor.

The consideration on appointment, transfer, and terminate the internal auditor must be approved by the Audit Committee.

Connected Transactions

In doing business, the Company has related-party transactions with its subsidiary. Information and details of the related-party transactions are disclosed in Note 4 of the Financial Statements for the year ended December 31, 2015 and additionally disclosed the comparative connected transactions for the year ended December 31, 2014 as follows:

Individual/Corporation with Potential Conflict	Relationship	Nature of Transactions	Amount (Million Baht)		Rationale
			2015	2014	
Far East Knitting Industry Co.,Ltd. ("Far East") (the shareholders of Far East are Chaivikrai group which is the major shareholder of the Company)	<p>1. Mr. Munsin Chaivikrai - Hold Director Position in the Company</p> <p>- Hold Director Position and shares in Far East for 10.00%</p> <p>2. Mr. Charoenchai Chaivikrai - Hold Director Position in the Company</p> <p>- Hold Director Position and shares in Far East for 8.33%</p> <p>3. Mr. Tanakarn Chaivikrai Holder shares in the Company and Far East for 0% and 0.02%, respectively</p> <p>4. Mr. Kittisak Chaivikrai - Hold Director Position in the Company</p> <p>- Hold Director Position and shares in Far East for 10.00%</p> <p>5. Ms. Pornpin Chaivikrai - Hold shares in the Company and Far East for 12.53% and 10.00%, respectively</p> <p>6. Ms. Yupin Chaivikrai - Hold Director Position and shares in the Company for 12.63%</p> <p>- Hold shares in Far East for 10.00%</p>	<p>1. Revenue from Sales</p> <p>2. Trade Receivables</p>	36.25	35.65	The Company sold coal to Far East to use in a normal business operation. The selling prices were quoted using Cost plus margin and was in line with market prices.
			27.51	18.44	

<p>7. Ms. Sopin Chaivikrai - Hold shares in the Company and Far East for 12.68% and 10.00%, respectively</p> <p>8. Mr. Kridsana Chaivikrai - Hold shares in the Company and Far East for 4.06% and 8.33%, respectively</p> <p>9. Ms. Paninee Chaivikrai - Hold shares in the Company and Far East for 3.52% and 8.33%, respectively</p> <p>10. Ms. Krittaporn Chaivikrai - Hold shares in the Company and Far East for 4.01% and 8.33%, respectively</p> <p>11. Ms. Nattaporn Chaivikrai - Hold shares in the Company and Far East for 0.00% and 8.33%, respectively</p>				
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On February 18, 2016 the Audit Committee considered the connected transactions for the year ended December 31, 2015 and expressed its opinion that such transactions were for the normal business operation of the Company and applied normal commercial terms in the same fashion as what ought to be done by a reasonable person in the similar situation, and were done on an arm's length basis. There was no transfer of benefits between the company and individuals with potential conflict of interest.

Measures or Procedures on the Approval of the Connected Transactions

The Board of Directors has supervised the Company to ensure compliance with the Securities and Securities Exchange Act, rules, notifications, orders, or regulations prescribed by SET including the regulations regarding the disclosure of information on the connected transaction and the acquisition or disposition of the Company's asset.

If the Company enters into a connected transaction with person who may have conflict, interest, or may cause conflict of interest in the future, the Audit Committee shall advise on the necessity of the transaction and suitability of its price. The advice would base on the terms and conditions of the normal business practice in the market and the price would be compared with the market price. In case that the Audit Committee does not have skill to consider the particular connected transaction, the Company shall appoint the independent expert or the Company's external auditor to provide comments on that transaction to be used for the decision of the Board of Directors, and/or the Audit Committee and/or the shareholders

whatever the case may be. The Company shall disclose the connected transactions in the note accompanying the financial statements that are audited or reviewed by the Company's external auditor.

The Company has complied with the regulations of SET and its amendments regarding the connected transaction and/or the acquisition and disposition of asset of the listed company as well as the disclosure of information to the Company's shareholders, general investors, and relevant agencies including SET. The regulations also include the approval from the Board of Directors' Meeting and/or The meeting of shareholders as prescribed by SET. In addition, directors or shareholders who have conflicts of interest or participate in such transactions do not have the right to vote in the decision making process.

Policy or Trend on the Connected Transaction Including the Acquisition and Disposition of Asset in the Future

The company set a policy for connected transactions in the future that they must be done in accordance with the normal business operations of the Company. No unfair transfer of the Company's benefit to shareholders, Board of Directors, or other related parties.

The Audit Committee will consider the reasonableness of the transaction and the pricing conditions and terms of the transaction that they are in line with normal business of the Company and the prices are comparable with outsiders. Party with conflict of interest will not involve in the approval of such transactions. The audit committee will approve the transactions and propose to the Board of Directors for further approval.

The Board of Directors Will comply with the regulations relating to Securities and and Securities Exchange, or regulations of SET as well as the regulations relating to the disclosure of information about the connected transaction, the acquisition or disposition of core assets of the Company or its subsidiary, and Accounting Standards set by the Federation of Accounting Professions. The Company will disclose the transactions in the notes to the financial statements which are audited by the statutory auditors.

Management's Discussion and Analysis

The consolidated and separate financial statements of Company and its subsidiaries for the year ended December 31, 2015 and 2014 was audited by Mr. Kraisit Silapamongkonkul CPA License No.9429 which expressed an unqualified opinion. The financial statement presents fairly, in all material respects, the consolidated financial position of Company and its subsidiaries as at December 31 2015, and its financial performance and cash flows for the year ended in accordance with Thai Generally Accepted Accounting Principles.

The consolidated and separate financial statements of Company and its subsidiaries for the years ended December 31 2013 were audited by Ms.Thittraporn Klinklao CPA License No.3726 which expressed an unqualified opinion. The financial statements present fairly, in all material respects, the consolidated financial position of Company and its subsidiaries as at December 31 2013, and its financial performance and cash flows for the year ended in accordance with Thai Generally Accepted Accounting Principles.

Overall Performance Overview

Thai Capital Corporation Public Company Limited and its subsidiaries

Statements of Income

Unit : Million Baht

	Y 2015	%	Y 2014	%	Y 2013	%
Revenues from sales	1,160.15	100.00%	1,593.21	100.00%	929.47	100.00%
Cost of sales	1,014.65	87.46%	1,394.86	87.55%	829.45	89.24%
Gross Profit	145.50	12.54%	198.35	12.45%	100.02	10.76%
Other income	12.20	1.05%	11.27	0.71%	12.16	1.31%
Selling expenses	(89.33)	(7.70%)	(131.35)	(8.24%)	(93.61)	(10.07%)
Administrative expense	(40.31)	(3.47%)	(40.36)	(2.53%)	(93.84)	(10.10%)
Financial costs	-	0.00%	(0.01)	(0.00%)	(0.04)	(0.00%)
Tax income (expense)	(7.48)	(0.64%)	(9.70)	(0.61%)	0.87	0.09%
Profit (loss) for the year from continuing operations	20.58	1.77%	28.20	1.77%	(74.44)	(8.01%)
Profit (loss) for the year from discontinued operations	-	0.00%	-	0.00%	21.59	2.32%
Profit (loss) for the year	20.58	1.77%	28.20	1.77%	(52.85)	(5.69%)
Profit (loss) attributable to minority interest	-	0.00%	-	0.00%	-	0.00%
Profit (loss) attributable to Equity holders of the parent	20.58	1.77%	28.20	1.77%	(52.85)	(5.69%)
Basic earnings (loss) per share	0.0166		0.0237		(0.046)	
Diluted earnings (loss) per share	0.0137		0.0205		(0.043)	

Thai Capital Corporation Public Company Limited and its subsidiaries

Statements of Comprehensive Income

Unit : Million Baht

	Y 2015	%	Y 2014	%	Y 2013	%
Profit (loss) for the year	20.58	1.77%	28.20	1.77%	(52.85)	(5.69%)
Other comprehensive Income (loss):						
Items that will never be reclassified to profit of loss						
Defined benefit plan actuarial gains (losses)						
Income tax relating to defined benefit plan actuarial gains (losses)	0.09	0.01%	(0.53)	(0.03%)	-	0.00%
Defined benefit plan actuarial gains (losses)	(0.02)	(0.00%)	0.10	0.01%	-	0.00%
	0.07	0.01%	(0.43)	(0.03%)	-	0.00%
Items that are or may be reclassified to profit or loss						
Foreign currency translation differences for Foreign operations	0.44	0.04%	(3.66)	(0.23%)	(0.63)	(0.07%)
	0.44	0.04%	(3.66)	(0.23%)	(0.63)	(0.07%)
Other comprehensive income (loss) for the year-net of tax	0.51	0.04%	(4.09)	(0.26%)	(0.63)	(0.07%)
Total comprehensive Income (loss) for the year	21.09	1.82%	24.11	1.51%	(53.48)	(5.75%)

Thai Capital Corporation Public Company Limited and its subsidiaries

Statements of Financial Position

Unit : Million Baht

	Y 2015	%	Y 2014	%	Y 2013	%
Assets						
Current assets						
Cash and cash equivalents	70.55	6.93%	44.93	4.82%	165.90	17.59%
Current investments	426.67	41.94%	322.36	34.57%	130.05	13.79%
Trade account receivables, net	167.84	16.50%	153.64	16.48%	164.60	17.45%
Other short-term loan	-	0.00%	2.00	0.21%	-	0.00%
Inventory, net	85.28	8.38%	136.13	14.60%	196.28	20.81%
Other current assets	0.26	0.03%	0.19	0.02%	0.29	0.03%
Total current assets	750.60	73.78%	659.25	70.70%	657.12	69.68%
Non-current assets						
Restricted investments	135.84	13.35%	135.84	14.57%	135.84	14.40%
Property, plant and equipment, net	115.57	11.36%	123.39	13.23%	130.63	13.85%
Intangible asset, net	8.50	0.84%	5.81	0.62%	1.27	0.13%
Deferred tax assets	5.75	0.57%	6.95	0.75%	16.55	1.76%
Other non-current assets	1.06	0.10%	1.28	0.14%	1.60	0.17%
Total non-current assets	266.72	26.22%	273.27	29.30%	285.89	30.32%
Total assets	1,017.32	100.00%	932.52	100.00%	943.01	100.00%
Liabilities						
Current liabilities						
Trade and other payables	57.31	5.63%	61.58	6.60%	108.14	11.47%
Short-term loan from related party	-	0.00%	-	0.00%	0.04	0.00%
Accrued income tax	3.99	0.39%	-	0.00%	-	0.00%
Other current liabilities	0.38	0.04%	0.42	0.05%	0.64	0.07%
Total current liabilities	61.68	6.06%	62.00	6.65%	108.82	11.54%
Non-current liabilities						
Employee benefit obligation	2.77	0.27%	2.25	0.24%	1.12	0.12%
Total non-current liabilities	2.77	0.27%	2.25	0.24%	1.12	0.12%
Total liabilities	64.45	6.34%	64.25	6.89%	109.94	11.66%

Thai Capital Corporation Public Company Limited and its subsidiaries

Statements of Financial Position

Unit : Million Baht

	Y 2015	%	Y 2014	%	Y 2013	%
Shareholders' equity						
Authorized share capital	881.49		881.49		881.49	
Paid-up share capital	639.70	62.88%	601.02	64.45%	592.01	62.78%
Premium on ordinary shares	197.49	19.41%	172.66	18.52%	168.59	17.88%
Advanced receipts for share subscription	-	0.00%	-	0.00%	1.98	0.21%
Retained earnings	119.54	11.75%	98.89	10.60%	71.12	7.54%
Other component of shareholders' equity	(3.86)	(0.38%)	(4.30)	(0.46%)	(0.63)	(0.07%)
Total shareholders' equity	952.87	93.66%	868.27	93.11%	833.07	88.34%
Total liabilities and shareholders' equity	1,017.32	100.00%	932.52	100.00%	943.01	100.00%

Thai Capital Corporation Public Company Limited and its subsidiaries

Statements of Cash Flows

Unit : Million Baht

	Y 2015	Y 2014	Y 2013
Net Cash Provided from Operating Activities	60.06	62.81	45.80
Net Cash Provided (Used) from Investing Activities	(98.38)	(191.17)	(114.59)
Net Cash Provided from financing Activities	63.50	11.05	69.65
Exchange differences on translating financial statements	0.44	(3.66)	(0.63)
Cash and Cash Equivalent Increase(Decrease), Net	25.62	(120.97)	0.23
Cash and cash equivalents at beginning of the year	44.93	165.90	165.67
Cash and cash equivalents at end of the year	70.55	44.93	165.90

Financial Ratio

	Unit	2015	2014	2014
Liquidity Ratio				
Current ratio	Times	12.17	10.63	6.04
Quick ratio	Times	10.79	8.44	4.23
Cash Flows liquidity ratio	Times	0.97	0.74	0.33
Account receivable turnover	Times	7.22	10.01	6.00
Collection period	Days	50.55	36.46	60.83
Inventory turnover	Times	9.17	8.38	3.57
Average number of days sales	Days	39.80	43.56	102.24
Account payables turnover	Times	17.07	16.41	8.75
Payment period	Days	21.38	22.24	41.71
Cash Cycle	Days	68.97	57.78	121.36
Profitability Ratio				
Gross profit (loss) margin	%	12.54	12.45	10.76
Operating profit (loss) margin	%	1.77	1.77	(8.01)
Other revenue margin	%	1.05	0.71	3.63
Cash flows from operating activities-to-net profit	%	291.84	222.73	(61.53)
Net profit (loss) margin	%	1.77	1.77	(5.69)
Return on Equity - ROE	%	2.26	3.32	(6.44)
Efficiency Ratio				
Return On Assets – ROA	%	2.11	2.96	(5.74)
Return On Fixed Assets	%	17.22	21.86	(38.81)
Total Assets Turnover	Times	1.20	1.71	1.02
Financial Policy Ratio				
Total debt-to-total assets ratio	Times	0.06	0.07	0.12
Debt to Equity ratio	Times	0.06	0.07	0.13

Analysis of operations and financial position. Significant changes

1. Overview of Operating Results

TCC had net profit for Year 2015 of Baht 20.6 million or 1.8% of total revenues, decreasing from net profit for previous year of Baht 28.2 million due to fierce competition of coal business and continual decrease of world coal prices. To mitigate the situations, TCC has continually attempted to adjust marketing policies and strategies to boost sales volume (from both existing product types and the new ones) and to increase its customer base.

2. Operating Results for the Past Year

➤ Revenue

Company had revenue from sales for 2015 of 1,160.15 Million Baht, decreasing from previous year by 433.06 Million Baht or 27.18% due to the above factors.

➤ Cost of sales and Expenses

Company had cost of sales in 2015 of 1,014.65 Million Baht, decreasing from previous year by 380.21 Million Baht or 27.26 % which was in line with a decrease in revenue from sales. Gross margin percentage for 2015 was 12.54%, increasing from previous year of 12.45%.

Selling expenses for 2015 totaled 89.33 Million Baht, decreasing from previous year by 42.02 Million Baht or 31.99% which was in line with a decrease in revenue from sales. However, when compared to revenue from sales, selling expenses of 2015 were 7.70% which were lower as compared to 8.24% of previous year.

Administrative expenses for 2015 totaled 40.31 Million Baht, similar to previous year by 40.36 Million Baht.

Company had tax expense for 2015 totaled 7.48 Million Baht as compared to previous year in which TCC had tax expense for 2014 totaled 9.70 Million Baht which was in line with a decrease in profit before taxes.

➤ Net profit

Company had net profit from operating for 2015 of 20.58 Million Baht, decreasing from previous year which had net profit 28.20 Million Baht, by 7.62 Million Baht or 27.02%. Earnings per share are 0.0166 Baht/share.

➤ Return on Equity

For 2015, return on equity's company and its subsidiaries is 2.26%, decreasing from 2014 which is 3.32%

3. Financial Position

➤ Assets

Total Assets in the year 2015 amounting to 1,017.32 Million Baht, increasing from previous year by 84.80 Million Baht, due to the following factors:

-	Cash	Increase	25.62	Million Baht
-	Current investments	Increase	104.31	Million Baht
-	Trade account receivables, net	Increase	4.20	Million Baht
-	Inventories, net	Decrease	(50.85)	Million Baht
-	Property, plant, equipment, net	Decrease	(7.82)	Million Baht

Cash and current investment increased mainly from short-term investment in open-ended fund with cash in-flow received from sales and the exercises of Warrants. For trade accounts receivable and inventory, they decreased due to normal sales.

➤ Liabilities and Shareholders' equity

Total amount Liabilities in the year 2015 was 64.45 Million Baht, which increased from previous year by 0.20 Million Baht with the main factor being a increase in accrued corporate tax and employee benefit obligations 3.99 and 0.52 Million Baht, respectively. However, trade account payables decreased 4.27 Million Baht which was majorly coal suppliers. In term of payment period, the company paid suppliers faster than that of previous year.

Shareholders' Equity as at 31 December 2015 was 952.87 Million Baht, which increased from previous year by Baht 84.60 Million mainly due to the net offset of cash received from exercises of Warrants during the year which resulted in an increase in shareholders' equity 63.51 Million Baht, net profit for the year which increase shareholders' equity by 20.58 Million Baht, and exchange differences on translating financial statements which resulted in a increase in shareholders' equity by 0.44 Million Baht.

➤ Liquidity

Company had high liquidity as the mentioned in the part of Financial Ratio Analysis.

➤ Sources of Capital

As at 31 December 2015, the capital structure comprised total liabilities amounting to 64.45 Million Baht and shareholders' equity amounting to 952.87 Million Baht or calculated as debt to equity ratio of 0.06 times.

5. Financial ratio analysis

➤ Significant Liquidity ratio

○ Current ratio

In 2015, Company's current ratio was 12.17 times, increasing from previous year which of 10.63 times due to a increase in cash and cash equivalents and current investments as at 31 December 2014 when compared with previous year.

○ Collection period

In 2015, Company's collection period equaling to 50.55 days, slower than previous year 14 days due to adjustments in Company's collection strategies. The collection period was in line with normal credit term which was 30-60 days.

○ Average number of days sales

In 2015, Company's average number of days sales equaling to 39.80 days, faster than previous year 4 days due to the inventory management process.

○ Payment period

In 2015, Company's payment period equaling to 21.38 days, faster than previous year by 1 day.

➤ Significant Profitability ratio

○ Gross profit margin

In 2015, Company had gross profit margin of 12.54%, increasing from previous year of 12.45% due to continuous reduce cost as mentioned in profit and cost of sales analysis.

○ Net profit margin

In 2015, Company had net profit margin of 1.77% equal to previous year.

- Return on Equity

In 2015, Company had return on equity of 2.26%, decreasing from previous year of 3.32% due to operating results as above mentioned.

➤ **Significant Efficiency ratio**

- Return on Assets

In 2015, Company had return on assets of 2.11%, decreasing from previous year of 2.96% due to operating results as above mentioned.

➤ **Significant Financial ratio**

- Debt to Equity ratio

In 2015, Company had debt to equity of 0.06 times similar to previous year.

Factor or situation possibly affecting significantly on the Company financial position or business operation in the future.

Coal price fluctuations

World oil price is one of significant factors which may affect to coal price and it tends to continue to fluctuation which can affect coal purchasing price and selling price in the future.

Exercises of Warrants

If warrant holders exercise TCC-W2, TCC-W3 and TCC-W4 result in increasing in capital for investment and normal operation.

The Audit Committee's Report for the year 2015

The Audit Committee of Thai Capital Corporation Public Company Limited comprise 3 Independent Directors. For the meeting No. 1-3/2015, Mr. Chalit Limpanavech acted as Chairman of the Audit Committee, Ms. Nataya Ouivirach and Mr. Chaipat Sahasakul, as Member of the Audit Committee. For the meeting No. 4-6/2015, remaining the directors 2 person are Mr. Chaipat Sahasakul, Chairman of the Audit Committee (representatives) and Ms. Nataya Ouivirach. For the meeting No. 7/2015, Mr. Songyos Noppaprach was added as a new Member of the Audit Committee, making of totaling 3 persons. The Member of the Audit Committee has knowledge, professions, and experience in accounting, finance, marketing, legal, organizational management, as well as coal business.

Audit Committee conducted duties and responsibilities assigned by Board of Directors. During the year 2015, the audit committees held 7 meetings which were attended by all members. In addition, Audit Committee had meetings with top managements, internal auditors and external auditors with the significant reviews as follows:-

	Name – Surname		Position	Times
1	Mr. Chalit	Limpanavech	Independent Director and Chairman of the Audit Committee	3/3
2	Ms. Nattaya	Ouivirach	Independent Director and Member of the Audit Committee	7/7
3	Mr. Chaipayat	Sahasakul	Independent Director and Member of the Audit Committee	7/7
4	Mr. Songyos	Noppaprach	Independent Director and Member of the Audit Committee	1/1

* **Remark** : During the year has been changed the independent director and member of the audit committee as follow;

- Mr. Chalit Limpanavech resigned as independent director and chairman of the audit committee on May 1, 2015
- Mr. Songyos Noppaprach appointed to be independent director and member of the audit committee on August 14, 2015
- Ms. Nataya Ouivirach and Mr. Chaipat Sahasakul resigned as the independent director and member of the audit committee on December 9, 2015
- Mr. Chirdsak Kukiattinun appointed to be independent director and chairman of the audit committee on January 7, 2016

The Audit Committee has been meeting with senior executives involved, internal auditor and auditors. The results of the review of the Audit Committee are significant as follows:

Reviewed financial statements: the committee reviewed the reliability of financial statements and suitability of accounting principles for quarterly and annual financial statements for the year 2014 with the auditor and management to ensure that the quality evaluation results in its financial report is appropriately prepared and complied with generally accepted accounting standard. Financial information and statements are accurately reliable and disclosed properly and accurately on timely basis as per related regulations. This includes the consideration on adoption of new Thai Accounting Standards (“TAS”), new Thai Financial Reporting Standards

("TFRS"), new Thai Standard Interpretations ("TSIC") and new Thai Financial Reporting Interpretations ("TFRIC") which may have an impact on the Company's Accounting's policy. Additionally, the Audit Committee had a separated private meeting with external auditor without the presence of executive management to ensure that external auditor performed an independent process.

Reviewed related transactions: the committee reviewed the disclosure of the Company's and its subordinated company's related transactions which might cause the conflict of interest among stakeholders. The result was that the related transactions were complied with ordinary business practices and good governance regulation of SET.

Reviewed the internal control operation: the committee reviewed the suitability of the internal control in 2014 and considered the reports of the Internal Audit and the external auditor. The auditor expressed an opinion of similar fashion that no significant deficiencies were identified in 2015. In conclusion, the internal control of the Company was reasonable adequate. However, the Audit Committee will ensure that the Company will continue to improve its internal control.

Monitored the internal audit: The committee considered and approved scope and plan of the internal audit for 2015, and considered results thereon. The internal auditor directly reported to the Audit Committee for the independency of the Internal Auditor.

Review of risk management: The committee revisited with the management on risk management process of the Company, follow up on the process, propose the Company on the efficient way of the risk management process to ensure that the Company continuously maintains the risk management and consider preventive method and manage significant risks of the business both current and in the future as well as determine the way to improve the process.

Ensure the Company complies with the rules and regulations of SET and other related regulations: Additionally, the committee reviewed the Company to follow the regulations of SEC and SET and the other regulation related to its business regularly for the maximum of the effectiveness and the efficiency. It also included the business conduct to stakeholders with the purpose of fairness, transparency and good governance to create the reliability to all investors and stakeholders.

Consider the elections of the auditors of the Company: The committee considered the elections of the auditors for year 2016 by reviewing the qualification, professional experiences, and the appropriateness of audit fee and has a resolution to propose to Board of Directors to ask for the approval of AGM 2016 to appoint Mr. Prawit Viwanthananut, CPA License no. 4917 or Mr. Bunjong Pichayaprasat, CPA License no. 7147 or Mr. Kraisit Silapamongkonkul, CPA License no. 9429 or Miss Khaymanundt Chaichuen, CPA License no. 8260 of PV Audit Co., Ltd. as the auditor for 2016 of the Company and its subsidiary

February 18, 2016

On behalf of the Audit Committee

A handwritten signature in black ink, appearing to be 'Chirdsak Kukiattinun', written in a cursive style.

Mr. Chirdsak Kukiattinun

Chairman of the Audit Committee

Report on the Board of Director's Responsibilities for Financial Statements

The Board of Directors of Thai Capital Corporation Public Company Limited has provided The financial statements showing the Company's financial position and business Operation result for the year 2014 under the Public Limited Companies Act B.E.2535 (A.D. 1992) and Rules and Regulations of SET. The Board of Directors is responsible for the company financial statements presented in this annual report. The Board of Directors confirms that the aforementioned financial statements are in accordance with Thai Generally Accepted Accounting Principles, Using appropriate accounting policy consistently employed by the Company as well as applying careful judgment and best estimation. Important information is adequately disclosed in the notes to financial statements.

The Board of Directors has provided and maintained an efficient internal control system to ensure that accounting records are accurate, complete and adequate to protect its assets and uncover weaknesses in order to prevent fraud or materially irregular operations.

The Company's financial statement was audited by external auditor of PV Audit Co., Ltd. In auditing process, managements provided the information and documents to support auditor for reviewing and express an opinion in accordance with Thai Standards on Auditing, whose comments are readily included in the Auditor's Report in this annual report.

The Board of Directors has appointed an Audit Committee, which consists of non-Executive Directors responsible for the quality of financial statements, internal control system and law compliance, whose comments are readily included in the Audit Committee Report in this annual report

From the above procedures, The Board of Directors is of the opinion that the financial statements presented fairly, in all material respects, the consolidated and separate financial statements for the year ended December 31, 2015 in accordance with Thai Financial Reporting Standards.



(Mr. Munsin Chaivikrai)
Chairman



(Mr. Charoenchai Chaivikrai)
Chief Executive Director

Auditor's Report

To the Board of Directors and Shareholders of Thai Capital Corporation Public Company Limited

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

A handwritten signature in blue ink, reading "Kraisit S.", is centered on the page.

Kraisit Silapamongkonkul
Certified Public Accountant
Registration Number 9429

PV Audit Co., Ltd.
Bangkok, February 18, 2016

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Assets	3				
Current assets					
Cash and cash equivalents	5	70,554,929.72	44,930,488.35	58,536,836.31	32,009,132.76
Current investments	6, 27	426,665,525.83	322,360,028.11	426,665,525.83	322,360,028.11
Trade and other receivables	4, 7	167,841,295.85	153,642,798.70	167,849,758.51	154,019,244.81
Other short-term loan	8	-	2,000,000.00	-	2,000,000.00
Inventories	9	85,277,165.72	136,126,303.22	85,277,165.72	136,126,303.22
Other current assets		262,275.83	191,742.34	257,507.11	188,550.58
Total current assets		750,601,192.95	659,251,360.72	738,586,793.48	646,703,259.48
Non-current assets					
Restricted investments	10	135,840,150.00	135,840,150.00	135,840,150.00	135,840,150.00
Investments in subsidiaries	4, 11	-	-	24,226,736.36	23,377,107.31
Property, plant and equipment	12	115,568,746.17	123,393,955.94	115,466,417.96	123,257,383.59
Intangible asset	13	8,501,691.04	5,808,177.33	8,501,691.04	5,808,177.33
Deferred tax assets	14	5,752,029.19	6,953,691.12	5,752,029.19	6,953,691.12
Other non-current assets		1,058,465.06	1,280,177.00	1,058,465.06	1,280,177.00
Total non-current assets		266,721,081.46	273,276,151.39	290,845,489.61	296,516,686.35
Total assets		1,017,322,274.41	932,527,512.11	1,029,432,283.09	943,219,945.83

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Liabilities and shareholders' equity	3				
Current liabilities					
Trade and other payables	4, 16	57,314,755.81	61,580,148.74	71,495,067.49	73,441,536.49
Accrued income tax		3,990,583.17	-	3,990,583.17	-
Other current liabilities		380,779.16	422,024.10	380,779.16	422,024.10
Total current liabilities		61,686,118.14	62,002,172.84	75,866,429.82	73,863,560.59
Non-current liabilities					
Employee benefit obligations	17	2,769,174.03	2,253,037.71	2,769,174.03	2,253,037.71
Total non-current liabilities		2,769,174.03	2,253,037.71	2,769,174.03	2,253,037.71
Total liabilities		64,455,292.17	64,255,210.55	78,635,603.85	76,116,598.30
Shareholders' equity					
Share capital					
Authorized share capital					
1,762,973,267 ordinary shares, Baht 0.50 par value		881,486,633.50	881,486,633.50	881,486,633.50	881,486,633.50
Issued and paid-up share capital					
1,279,398,753 ordinary shares					
(Year 2014: 1,202,048,478 ordinary shares),					
fully paid-up	18	639,699,376.50	601,024,239.00	639,699,376.50	601,024,239.00
Premium on ordinary shares	18, 19	197,487,044.50	172,657,609.00	197,487,044.50	172,657,609.00
Retained earnings					
Appropriated to legal reserve	20	9,126,201.82	8,116,763.88	9,126,201.82	8,116,763.88
Unappropriated		110,411,997.38	90,769,361.56	104,484,056.42	85,304,735.65
Other component of shareholders' equity		(3,857,637.96)	(4,295,671.88)	-	-
Total shareholders' equity		952,866,982.24	868,272,301.56	950,796,679.24	867,103,347.53
Total liabilities and shareholders' equity		1,017,322,274.41	932,527,512.11	1,029,432,283.09	943,219,945.83

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2015

		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2015	2014	2015	2014
	3		(Restated)		(Restated)
Revenue from sales	4	1,160,150,310.23	1,593,208,986.12	1,160,150,310.23	1,593,208,986.12
Cost of sales	2, 21	(1,014,654,777.89)	(1,394,855,087.93)	(1,014,654,777.89)	(1,394,855,087.93)
Gross profit		145,495,532.34	198,353,898.19	145,495,532.34	198,353,898.19
Other income	4	12,209,886.19	11,274,721.23	10,816,933.66	10,793,735.65
Selling expenses	2, 21	(89,328,993.33)	(131,348,677.80)	(89,328,993.33)	(131,348,677.80)
Administrative expenses	2, 4, 21	(40,311,995.86)	(40,364,995.65)	(39,382,358.38)	(47,268,712.18)
Finance costs		-	(14,021.18)	-	(477.97)
Profit before income tax		28,064,429.34	37,900,924.79	27,601,114.29	30,529,765.89
Tax expense	2, 23	(7,483,058.94)	(9,705,545.21)	(7,483,058.94)	(9,705,545.21)
Profit for the year		20,581,370.40	28,195,379.58	20,118,055.35	20,824,220.68
Earnings per share	2, 3				
Basic earnings per share					
Profit for the year		0.0166	0.0237	0.0162	0.0175
Weighted average number of ordinary shares (Thousands shares)		1,242,258	1,190,710	1,242,258	1,190,710
Diluted earnings per share					
Profit for the year		0.0137	0.0205	0.0134	0.0151
Weighted average number of ordinary shares (Thousands shares)		1,502,957	1,374,798	1,502,957	1,374,798

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED DECEMBER 31, 2015

		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2015	2014	2015	2014
			(Restated)		(Restated)
	Profit for the year	20,581,370.40	28,195,379.58	20,118,055.35	20,824,220.68
	Other comprehensive income (loss):				
	Items that will never be reclassified to profit or loss				
	Defined benefit plan actuarial gains (losses)	88,379.20	(535,059.00)	88,379.20	(535,059.00)
	Income tax relating to defined benefit plan				
	actuarial gains (losses)	(17,675.84)	107,011.80	(17,675.84)	107,011.80
		70,703.36	(428,047.20)	70,703.36	(428,047.20)
	Items that are or may be reclassified to profit or loss				
	Foreign currency translation differences for foreign operations	438,033.92	(3,661,847.22)	-	-
		438,033.92	(3,661,847.22)	-	-
	Other comprehensive income (loss) for the year - net of tax	508,737.28	(4,089,894.42)	70,703.36	(428,047.20)
	Total comprehensive income for the year	21,090,107.68	24,105,485.16	20,188,758.71	20,396,173.48

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2015

Baht								
Consolidated financial statements								
	Note	Issued and paid-up share capital	Premium on ordinary shares	Advanced receipts for share subscription	Retained earnings		Other component of shareholders' equity	Total
					Appropriated	Unappropriated	Other comprehensive income (loss)	
							Translating financial statements	
Beginning balance as at January 1, 2014		592,008,362.00	168,589,185.00	1,989,012.00	7,096,955.21	64,021,837.85	(633,824.66)	833,071,527.40
(Restated)								
Changes in shareholders' equity								
Advanced receipts for share subscription	18	-	-	11,095,289.00	-	-	-	11,095,289.00
Increase in ordinary shares	18, 19	9,015,877.00	4,068,424.00	(13,084,301.00)	-	-	-	-
Profit for the year		-	-	-	-	28,195,379.58	-	28,195,379.58
Other comprehensive loss for the year	2	-	-	-	-	(428,047.20)	(3,661,847.22)	(4,089,894.42)
Legal reserve	20	-	-	-	1,019,808.67	(1,019,808.67)	-	-
Ending balance as at December 31, 2014		601,024,239.00	172,657,609.00	-	8,116,763.88	90,769,361.56	(4,295,671.88)	868,272,301.56
Changes in shareholders' equity								
Advanced receipts for share subscription	18	-	-	63,504,573.00	-	-	-	63,504,573.00
Increase in ordinary shares	18, 19	38,675,137.50	24,829,435.50	(63,504,573.00)	-	-	-	-
Profit for the year		-	-	-	-	20,581,370.40	-	20,581,370.40
Other comprehensive income for the year	2	-	-	-	-	70,703.36	438,033.92	508,737.28
Legal reserve	20	-	-	-	1,009,437.94	(1,009,437.94)	-	-
Ending balance as at December 31, 2015		639,699,376.50	197,487,044.50	-	9,126,201.82	110,411,997.38	(3,857,637.96)	952,866,982.24

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

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2015

		Baht						
		Separate financial statements						
Note		Issued and paid-up share capital	Premium on ordinary shares	Advanced receipts for share subscription	Retained earnings		Total	
					Appropriated	Unappropriated		
						(Restated)		
	Beginning balance as at January 1, 2014	592,008,362.00	168,589,185.00	1,989,012.00	7,096,955.21	65,928,370.84	835,611,885.05	
	Changes in shareholders' equity							
	Advanced receipts for share subscription	18	-	-	11,095,289.00	-	-	11,095,289.00
	Increase in ordinary shares	18, 19	9,015,877.00	4,068,424.00	(13,084,301.00)	-	-	-
	Profit for the year		-	-	-	-	20,824,220.68	20,824,220.68
	Other comprehensive loss for the year	2	-	-	-	-	(428,047.20)	(428,047.20)
	Legal reserve	20	-	-	-	1,019,808.67	(1,019,808.67)	-
	Ending balance as at December 31, 2014	601,024,239.00	172,657,609.00	-	8,116,763.88	85,304,735.65	867,103,347.53	
	Changes in shareholders' equity							
	Advanced receipts for share subscription	18	-	-	63,504,573.00	-	-	63,504,573.00
	Increase in ordinary shares	18, 19	38,675,137.50	24,829,435.50	(63,504,573.00)	-	-	-
	Profit for the year		-	-	-	-	20,118,055.35	20,118,055.35
	Other comprehensive income for the year	2	-	-	-	-	70,703.36	70,703.36
	Legal reserve	20	-	-	-	1,009,437.94	(1,009,437.94)	-
	Ending balance as at December 31, 2015	639,699,376.50	197,487,044.50	-	9,126,201.82	104,484,056.42	950,796,679.24	

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

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		(Restated)
Cash flows from operating activities				
Profit before income tax	28,064,429.34	37,900,924.79	27,601,114.29	30,529,765.89
Adjustments to reconcile profit before income tax to net cash provided by (used in) operating activities				
Depreciation and amortization	10,604,088.89	12,026,047.60	10,564,458.67	11,995,123.89
Doubtful accounts (reversal)	(1,469,016.06)	1,494,184.70	(857,354.55)	1,494,184.70
Loss from impairment of assets and written-off of assets (reversal)	208,832.96	86,376.42	(640,796.09)	9,259,577.43
Interest income	(4,360,471.28)	(5,240,718.88)	(4,043,903.36)	(4,787,335.51)
Interest expense	-	14,021.18	-	477.97
Employee benefit obligations	604,515.52	883,008.96	604,515.52	883,008.96
(Gain) loss on sales of assets	90,149.18	(292,462.00)	90,149.18	(291,907.77)
Unrealized (gain) loss on exchange rate	1,447.61	3,659.64	285,692.67	(272,993.06)
Gain on sales and revaluation of investments	(5,836,264.49)	(5,321,870.11)	(5,836,264.49)	(5,321,870.11)
Profit from operating activities before change in operating assets and liabilities	27,907,711.67	41,553,172.30	27,767,611.84	43,488,032.39
Change in operating assets (increase) decrease				
Trade and other receivables	(12,580,084.61)	8,467,087.88	(12,812,795.81)	15,794,412.72
Inventories	50,849,137.50	60,158,043.34	50,849,137.50	60,158,043.34
Other current assets	(70,533.49)	89,207.17	(68,956.53)	90,787.77
Other non-current assets	14,990.00	181,247.90	14,990.00	181,247.90
Change in operating liabilities increase (decrease)				
Trade and other payables	(3,707,537.64)	(47,094,635.19)	(1,678,439.55)	(57,644,199.52)
Other current liabilities	(41,244.94)	(218,112.14)	(41,244.94)	(217,944.70)
Employee benefit obligations paid	-	(289,196.25)	-	(289,196.25)
Cash received from operations	62,372,438.49	62,846,815.01	64,030,302.51	61,561,183.65
Interest received	-	(14,021.18)	-	(477.97)
Cash receipt from income tax refund	-	28,511.78	-	28,511.78
Income tax paid	(2,308,489.68)	(55,012.45)	(2,308,489.68)	(55,012.45)
Net cash provided by operating activities	60,063,948.81	62,806,293.16	61,721,812.83	61,534,205.01

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		(Restated)
Cash flows from investing activities				
Increase in current investments	(98,469,233.23)	(186,989,648.52)	(98,469,233.23)	(186,989,648.52)
(Increase) decrease in other short-term loan	2,000,000.00	(2,000,000.00)	2,000,000.00	(2,000,000.00)
Purchases of plant and equipment	(2,561,105.46)	(7,013,720.78)	(2,561,105.46)	(6,931,092.06)
Purchases of intangible asset	(3,675,000.00)	(4,500,000.00)	(3,675,000.00)	(4,500,000.00)
Cash receipt from sales of assets	112,149.53	3,375,270.65	112,149.53	3,350,000.00
Interest receipt	4,211,074.80	5,957,716.85	3,894,506.88	5,504,333.48
Net cash used in investing activities	(98,382,114.36)	(191,170,381.80)	(98,698,682.28)	(191,566,407.10)
Cash flows from financing activities				
Decrease in short-term loans from related person	-	(43,599.79)	-	-
Cash receipt from increase in share capital	63,504,573.00	11,095,289.00	63,504,573.00	11,095,289.00
Net cash provided by financing activities	63,504,573.00	11,051,689.21	63,504,573.00	11,095,289.00
Net increase (decrease) in cash and cash equivalents	25,186,407.45	(117,312,399.43)	26,527,703.55	(118,936,913.09)
Cash and cash equivalents at beginning of the year	44,930,488.35	165,904,735.00	32,009,132.76	150,946,045.85
Exchange differences on translating financial statements	438,033.92	(3,661,847.22)	-	-
Cash and cash equivalents at end of the year	70,554,929.72	44,930,488.35	58,536,836.31	32,009,132.76

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

1. GENERAL INFORMATION

Thai Capital Corporation Public Company Limited, “the Company” was incorporated in Thailand under the Public Company Act on April 25, 1994 and the Company was listed on the Stock Exchange of Thailand. The Company’s office is at 87/2 CRC Tower, 45th Floor, All Seasons Place, Wireless Road, Lumpini, Phatumwan, Bangkok, and the Company’s branch is at 88/8, 89, Moo 6, Nongchumpon, Khaoyoi, Phetchaburi.

The principal activity of the Company is to sale and transportation services of coal.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) in accordance with generally accepted accounting principles in Thailand.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

The preparation of financial statements in accordance with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements consisted of the financial statements of Thai Capital Corporation Public Company Limited, and subsidiaries (together referred to as “the Group”) as follows:

Subsidiaries	Located in	Business type	Percentage of holding	
			2015	2014
Theco Sales Co., Ltd.	Thailand	Ceased operations	99.99%	99.99%
Thai Capital Corporation (Guangzhou) Co., Ltd.	People's Republic of China	Consultant on coal business	100.00%	100.00%
P.T. Thai Capital Indo Mining Co., Ltd.	Republic of Indonesia	Sale of solid fuel, liquid fuel and gas	99.83%	99.83%

All significant intercompany transactions and accounts are eliminated in preparing the consolidated financial statements.

The preparations of the consolidated financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

Subsidiaries are an entity controlled by the Company. The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that significantly affect the amount of its returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Adoption of New Thai Financial Reporting Standards

FAP has issued Notifications, mandating the use of new and revised Conceptual Framework for Financial Reporting (revised 2015), Thai Accounting Standards (“TAS”), TFRS, Thai Standard Interpretations (“TSIC”) and Thai Financial Reporting Interpretations (“TFRIC”) as follows:

- Conceptual Framework for Financial Reporting (revised 2015) which is immediately effective for the year 2015.
- TAS, TFRS, TSIC and TFRIC which are effective for the financial statements for the period beginning on or after January 1, 2015 as follows:

TAS/TFRS/TSIC/TFRIC	Topic
TAS 1 (revised 2014)	Presentation of Financial Statements
TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of Cash Flows

TAS/TFRS/TSIC/IFRIC	Topic
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2014)	Events after the Reporting Period
TAS 11 (revised 2014)	Construction Contracts
TAS 12 (revised 2014)	Income Taxes
TAS 16 (revised 2014)	Property, Plant and Equipment
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 19 (revised 2014)	Employee Benefits
TAS 20 (revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2014)	Borrowing Costs
TAS 24 (revised 2014)	Related Party Disclosures
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2014)	Separate Financial Statements
TAS 28 (revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2014)	Earnings per Share
TAS 34 (revised 2014)	Interim Financial Reporting
TAS 36 (revised 2014)	Impairment of Assets
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2014)	Intangible Assets
TAS 40 (revised 2014)	Investment Property

TAS/TFRS/TSIC/TFRIC	Topic
TFRS 2 (revised 2014)	Share-based Payment
TFRS 3 (revised 2014)	Business Combinations
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement
TSIC 10 (revised 2014)	Government Assistance - No specific Relation to Operating Activities
TSIC 15 (revised 2014)	Operating Leases - Incentives
TSIC 25 (revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2014)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2014)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2014)	Rights to Interests arising from Decommissioning,

TAS/TFRS/TSIC/TFRIC	Topic
	Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS 29 (revised 2014) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2014)	Service Concession Arrangements
TFRIC 13 (revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2014)	Distributions of Non - cash Assets to Owners
TFRIC 18 (revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

During the year, the Group has adopted Conceptual Framework for Financial Reporting (revised 2015), new and revised TFRS which are effective for the accounting period beginning on or after January 1, 2015. These Conceptual Framework for Financial Reporting (revised 2015) and TFRS were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these Conceptual Framework for Financial Reporting (revised 2015) and TFRS does not have any significant impact on the financial statements of the Group, except TFRS as follows:

TAS 1 (revised 2014) Presentation of financial statements

The key change is that the Group is required to group items presented in “Other Comprehensive Income” on the basis of whether they are potentially reclassifiable to profit or loss subsequently. This standard will only impact the Group presentation of other comprehensive income items in the statement of comprehensive income of the Group.

TAS 19 (revised 2014) Employee benefits

This revised standard requires that the Group recognises actuarial gains and losses immediately in other comprehensive income while the existing standard allows the Group to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

The Group's management has assessed the effects of such changes which adjusted retrospectively in the financial statements and presented in the statements of comprehensive income for the years ended December 31, 2015 and 2014 as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		(Restated)
Statements of income				
(Increase) decrease in cost of sales	(37,770.22)	137,427.00	(37,770.22)	137,427.00
Decrease in selling expenses	12,720.12	321,238.00	12,720.12	321,238.00
(Increase) decrease in administrative expenses	(63,329.10)	76,394.00	(63,329.10)	76,394.00
(Increase) decrease in tax expense	17,675.84	(107,011.80)	17,675.84	(107,011.80)
Increase (decrease) in profit for the year	(70,703.36)	428,047.20	(70,703.36)	428,047.20
Increase (decrease) in basic earnings per share	(0.0001)	0.0004	(0.0001)	0.0004
Increase in diluted earnings per share	-	0.0003	-	0.0003
Statements of comprehensive income				
Other comprehensive income (loss)				
Items that will never be reclassified to profit or loss				
Defined benefit plan actuarial gains (losses)	88,379.20	(535,059.00)	88,379.20	(535,059.00)
Income tax relating to defined benefit plan actuarial gains (losses)	(17,675.84)	107,011.80	(17,675.84)	107,011.80

TFRS 13 Fair value measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. The Group is to apply the guidance under this standard if it is required by other TFRS to measure its assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

The Group disclosed information in accordance with this standard as described in Note 27.

New and revised Thai Financial Reporting Standards not yet effective

During the year 2015, FAP has issued Notifications, mandating the use of new and revised TAS, TFRS, TSIC, TFRIC and accounting guidance (“AG”) as follows:

TAS, TFRS, TSIC, TFRIC and AG which are effective for the financial statements for the period beginning on or after January 1, 2016 as follows:

TAS/TFRS/TSIC/TFRIC/AG	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events after the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies

TAS/TFRS/TSIC/TFRIC/AG	Topic
TAS 33 (revised 2015)	Earnings per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Asset
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture
TFRS 2 (revised 2015)	Share - based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 10 (revised 2015)	Government Assistance - No specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases - Incentives
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2015)	Service Concession Arrangements : Disclosures
TSIC 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services

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

Accounting guidance for the measurement and recognition of bearer plants

The management of the Group is assessing the impacts of these TFRS on the financial statements for the year in which they are initially applied.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The measurement bases used in preparing the financial statements

Other than those disclosed elsewhere in the summary of significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

Revenues

Sales of goods and service

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

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

Revenue from services is recognized when services are rendered.

Revenue from rental

Revenue from rental is recognized to the statement of comprehensive income by the straight-line method over the term of the agreement.

Interest income

Interest income is recognized as interest accrues, based on the effective rate method.

Other income

Other income is recognized on an accrual basis.

Expenses

Operating leases

Payments made under operating leases are recognized in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognized in the statement of comprehensive income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of comprehensive income in the accounting period in which they are incurred.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

Expenses are recognized on an accrual basis.

Employee benefits

Short-term benefits

The Group recognizes salaries, wages, bonus and social security contribution as expenses when incurred.

Post-employment benefits – defined contribution plan

The Group operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and the relevant companies. Contributions to the provident fund are charged to the statement of comprehensive income in the period to which they relate.

Post-employment benefits – defined benefit plan

The employee benefits liabilities for severance payment as the labor law is recognized as a charge to results of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Group in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

When the employee benefits are improved, the portion of the increased benefit relating to past service by employees is recognized in the statement of comprehensive income on a straight-line basis over the average year until the benefits become vested.

When the actuarial assumptions are changed, the Group recognizes all actuarial gains (losses) immediately in other comprehensive income.

Termination benefits

The Group recognizes termination benefits as a liability and expense when the Group terminates the employment of an employee or group of employees before the normal retirement date.

Fair value measurement

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

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

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

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

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

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

Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

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

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

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

Cash and cash equivalents

Cash and cash equivalents are cash on hand, current deposits and savings deposits, cash at bank with an original maturity of 3 months and short-term investments with high liquidity excluded deposits at bank on obligation.

Current investments

Current investments those are investments in marketable securities are stated at fair value as at the end of reporting period. Any changes in value are recognized in the statement of comprehensive income.

The fair value of investment units is determined from their net asset values.

Gains and losses on disposals of investments are recorded upon disposals. The cost of securities on disposal is average cost method.

Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts.

The Group records allowance for doubtful accounts that is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debtor aging.

In determined an allowance for doubtful accounts, the management needs to make judgment for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of analysis of debt aging, collection experience, and taking into account change in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

Inventories

Inventories are valued at the lower of the first-in, first-out cost method or net realizable value.

Cost comprises of all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

The Group records allowance for devaluation of inventories is made for all deteriorated, damaged, obsolete and slow-moving inventories.

Investments in subsidiaries

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

Property, plant and equipment

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

Depreciation

Depreciation is computed by the straight-line method based on the estimated useful lives of assets as follows:

Type of assets	Years
Buildings and buildings improvements	5 and 20
Machinery and factory equipment	5 and 10
Furniture and office equipment	3 and 5
Vehicles	5

Depreciation is included in determining operation and no depreciation is provided on land, land improvements and machinery and equipment under installation.

Repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits to be used during more than one period. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposals are determined by comparing the proceeds with carrying amount and are included in the statement of comprehensive income.

Intangible asset

Intangible asset is stated at cost less accumulated amortization and allowance for impairment (if any).

Amortization

Amortization is recorded to expense in the statement of comprehensive income and computed by the straight-line method based on the estimated useful lives of the assets for 5 years.

Impairment of assets

The carrying amounts of the Group's assets are reviewed at the end of reporting period date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

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

Calculation of recoverable amount

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

Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Provisions

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

Foreign currencies

Functional and presentation currency

The financial statements of each entity within the Group are presented in the functional currency which is the currency of the primary economic environment in which the entity operates. The financial statements of the Group are presented in the presentation currency as Thai Baht in accordance with the regulatory requirements in Thailand. The functional currency of the Company and its subsidiaries in

Thailand is Thai Baht, whereas the functional currencies of foreign operations are Renminbi and Rupiah.

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies using the exchange rate at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of reporting period date are translated into the functional currency using the exchange rate at the end of reporting period date. Gain or loss on translating is recognized in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies at the end of reporting period date are translating into the functional currency using the exchange rate at the date of transaction.

Translation of the Group's financial statements

The financial statements of the Group are translated into the presentation currency using the following exchange rate:

- The Group's assets and liabilities are translated at the closing rate as at the end of reporting period date.
- The Group's revenues and expenses are translated at the average exchange rates during the years which are approximate the exchange rates at the dates of transactions; and
- Share capital is translated at historical rates.

Exchange differences on translating financial statements are recognized in the other comprehensive income and presented in the exchange differences as a separate component of shareholders' equity until the disposal of the foreign operations.

Basic earnings per share

Basic earnings per share is calculated by dividing profit for the years by the weighted average number of ordinary shares issued and paid-up during the years.

For the years ended December 31, 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		(Restated)
Profit for the years (Baht)	20,581,370.40	28,195,379.58	20,118,055.35	20,824,220.68
Weighted average number of ordinary shares (Thousands shares)				
Issued ordinary shares as at January 1,	1,202,048	1,184,017	1,202,048	1,184,017
(Included advanced receipts for share subscription)				
Effect of shares issued during the years	40,210	6,693	40,210	6,693
Weighted average number of ordinary shares (Thousands shares)	1,242,258	1,190,710	1,242,258	1,190,710
Basic earnings per share (Baht)	0.0166	0.0237	0.0162	0.0175

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit of ordinary shareholders by the sum of the weighted average number of ordinary shares outstanding during the years plus the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into ordinary shares, without any consideration. The calculation assumes that the holders will exercise dilutive potential ordinary shares into ordinary shares when the exercise price is lower than fair value of ordinary shares.

The basic earnings per share and the diluted earnings per share for the years ended December 31, 2015 and 2014 were as follows:

Consolidated financial statements						
2015			2014			
Baht	Thousands shares	Baht per share	Baht	Thousands shares	Baht per share	
Profit	Weighted average number of ordinary shares	Earnings per share	Profit	Weighted average number of ordinary shares	Earnings per share	
			(Restated)			
Earnings per share						
Basic earnings per share	20,581,370.40	1,242,258	0.0166	28,195,379.58	1,190,710	0.0237
Effect of dilutive potential ordinary shares	-	260,699	-	-	184,088	-
Diluted earnings per share	20,581,370.40	1,502,957	0.0137	28,195,379.58	1,374,798	0.0205

Separate financial statements						
2015			2014			
Baht	Thousands shares	Baht per share	Baht	Thousands shares	Baht per share	
Profit	Weighted average number of ordinary shares	Earnings per share	Profit	Weighted average number of ordinary shares	Earnings per share	
			(Restated)			
Earnings per share						
Basic earnings per share	20,118,055.35	1,242,258	0.0162	20,824,220.68	1,190,710	0.0175
Effect of dilutive potential ordinary shares	-	260,699	-	-	184,088	-
Diluted earnings per share	20,118,055.35	1,502,957	0.0134	20,824,220.68	1,374,798	0.0151

4. TRANSACTIONS WITH RELATED PARTIES

The Company had transactions with related parties. These parties are related through common shareholders and/or directorships or close members of the family of an individual. The significant transactions with related parties as included in the financial statements were determined at prices in line occurring in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists.

The significant balances of assets, liabilities and other transactions occurred with those related parties were as follows:

Significant transactions with related parties for the years ended December 31, 2015 and 2014 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Subsidiaries				
Theco Sales Co., Ltd.				
Other income	-	-	22,429.92	22,429.91
P.T. Thai Capital Indo Mining Co., Ltd.				
Administrative expenses	-	-	2,074,391.50	1,959,577.00
Related company				
Far East Knitting & Spining Co., Ltd.				
Revenue from sales	36,250,999.30	35,649,101.10	36,250,999.30	35,649,101.10

The significant balances of assets and liabilities with related parties as at December 31, 2015 and 2014 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade receivables				
Theco Sales Co., Ltd.				
	-	-	15,504,439.11	15,504,439.11
Far East Knitting & Spining Co., Ltd.				
	27,509,726.26	18,444,162.71	27,509,726.26	18,444,162.71
Total	27,509,726.26	18,444,162.71	43,014,165.37	33,948,601.82
Less: Allowance for doubtful accounts	-	-	(15,504,439.11)	(15,504,439.11)
Trade receivables - net	27,509,726.26	18,444,162.71	27,509,726.26	18,444,162.71

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Other receivables				
Theco Sales Co., Ltd.	-	-	1,282,983.20	1,255,813.70
Thai Capital Corporation (Guangzhou) Co., Ltd.	-	-	468,682.05	253,478.88
Total	-	-	1,751,665.25	1,509,292.58
Less: Allowance for doubtful accounts	-	-	(1,631,661.50)	(1,020,000.00)
Other receivables - net	-	-	120,003.75	489,292.58
Investments in subsidiaries (see Note 11)	-	-	24,226,736.36	23,377,107.31
Other payables				
Thai Capital Corporation (Guangzhou) Co., Ltd.	-	-	196,836.50	187,316.50
P.T. Thai Capital Indo Mining Co., Ltd.	-	-	14,219,089.24	11,864,391.85
Total	-	-	14,415,925.74	12,051,708.35

Key management personnel compensation

Key management personnel compensation for the years ended December 31, 2015 and 2014 consisted of:

	Baht	
	Consolidated and separate financial statements	
	2015	2014
Short-term benefits	11,492,372.00	9,929,877.00
Post-employment benefits	200,077.50	693,939.00
Total	11,692,449.50	10,623,816.00

Nature of relationship

Name	Country	Relation	Type of relation
Theco Sales Co., Ltd.	Thailand	Subsidiary	Direct holding
Thai Capital Corporation (Guangzhou) Co., Ltd.	People's Republic of China	Subsidiary	Direct holding
P.T. Thai Capital Indo Mining Co., Ltd.	Republic of Indonesia	Subsidiary	Direct holding
Far East Knitting & Spining Co., Ltd.	Thailand	Related company	Management and/or shareholders are related

Bases of measurement for intercompany revenues and expenses

	Pricing policies
Sale of goods	Stipulate in the agreement
Other income	Stipulate in the agreement
Administrative expenses	Stipulate in the agreement

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2015 and 2014 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash	1,574,031.30	1,446,079.72	1,397,665.56	1,276,241.27
Cash at banks	68,980,898.42	43,484,408.63	57,139,170.75	30,732,891.49
Total	70,554,929.72	44,930,488.35	58,536,836.31	32,009,132.76

6. CURRENT INVESTMENTS

Current investments as at December 31, 2015 and 2014 consisted of:

	Baht	
	Consolidated and separate financial statements	
	2015	2014
Fixed deposits	19,994.23	19,688.21
Investments in trading securities		
Fixed income fund - cost	423,186,112.77	320,819,825.93
Add: Unrealized gain on revaluation of investments	3,459,418.83	1,520,513.97
Fixed income fund - fair value	426,645,531.60	322,340,339.90
Total	426,665,525.83	322,360,028.11

7. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at December 31, 2015 and 2014 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade receivables	182,201,570.30	177,644,732.73	197,706,009.41	193,149,171.84
Less: Allowance for doubtful accounts	(17,487,891.48)	(27,380,075.80)	(32,992,330.59)	(42,884,514.91)
Trade receivables - net	164,713,678.82	150,264,656.93	164,713,678.82	150,264,656.93
Other receivables				
Accrued income	1,483,229.01	1,333,832.45	2,755,229.01	2,581,832.49
Advance payments	638,803.84	15,450,209.24	638,803.84	15,444,413.77
Prepaid expenses	1,015,107.59	22,641,620.27	1,015,107.59	22,641,620.27
Others	1,298,316.74	1,358,016.83	1,666,440.91	1,512,258.37
Total	4,435,457.18	40,783,678.79	6,075,581.35	42,180,124.90
Less: Allowance for doubtful accounts	(1,307,840.15)	(37,405,537.02)	(2,939,501.66)	(38,425,537.02)
Other receivables - net	3,127,617.03	3,378,141.77	3,136,079.69	3,754,587.88
Trade and other receivables - net	167,841,295.85	153,642,798.70	167,849,758.51	154,019,244.81

Movements of allowance for doubtful accounts for the years ended December 31, 2015 and 2014 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance	64,785,612.82	63,291,428.12	81,310,051.93	79,815,867.23
Add (Less): Doubtful accounts (reversal)	(1,469,016.06)	1,494,184.70	(857,354.55)	1,494,184.70
Less: Written-off bad debts	(44,520,865.13)	-	(44,520,865.13)	-
Ending balance	18,795,731.63	64,785,612.82	35,931,832.25	81,310,051.93

As at December 31, 2015 and 2014, the Group had outstanding balances of trade receivables aged by number of months as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current	66,105,036.39	101,066,678.80	66,105,036.39	101,066,678.80
Overdue				
Not over 3 months	88,981,013.58	45,852,531.67	88,981,013.58	45,852,531.67
Over 3 months up to 6 months	9,519,659.43	3,332,299.60	9,519,659.43	3,332,299.60
Over 6 months up to 12 months	107,969.42	-	107,969.42	-
Over 12 months	17,487,891.48	27,393,222.66	32,992,330.59	42,897,661.77
Total	182,201,570.30	177,644,732.73	197,706,009.41	193,149,171.84

8. OTHER SHORT-TERM LOAN

As at December 31, 2014, the Company had short-term loan to other company for support transportation in the form of short-term agreement, the principal and interest are payable monthly, interest rate of 15 percent per annum and unsecured.

9. INVENTORIES

Inventories as at December 31, 2015 and 2014 consisted of:

	Baht	
	Consolidated and separate financial statements	
	2015	2014
Coal	93,780,246.19	144,629,383.69
Less: Allowance for devaluation of inventories	(8,503,080.47)	(8,503,080.47)
Inventories - net	<u>85,277,165.72</u>	<u>136,126,303.22</u>

10. RESTRICTED INVESTMENTS

Restricted investments as at December 31, 2015 and 2014 consisted of:

	Baht		Note	Guarantee / Commitments
	Consolidated and separate financial statements			
	2015	2014		
Fixed deposits	135,000,150.00	135,000,150.00	15	Credit lines for bank overdrafts and short-term loans from financial institutions
Government bonds	840,000.00	840,000.00		Letters of guarantee for electricity
Total	<u>135,840,150.00</u>	<u>135,840,150.00</u>		

11. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at December 31, 2015 and 2014 consisted of:

(Guangzhou) Co., Ltd.	100.00	100.00	2,440,178.40	2,440,178.40	2,440,178.40	2,440,178.40	(2,252,448.22)	(1,994,062.17)	187,730.18	446,116.23
P.T. Thai Capital Indo										
Mining Co., Ltd.	99.83	99.83	30,162,915.02	30,162,915.02	30,110,129.92	30,110,129.92	(6,071,123.74)	(7,179,138.84)	24,039,006.18	22,930,991.08
Total					42,549,608.32	42,549,608.32	(18,322,871.96)	(19,172,501.01)	24,226,736.36	23,377,107.31

Movements of allowance for impairment of investments in subsidiaries in separate financial statements for the years ended December 31, 2015 and 2014 were as follows:

	Baht	
	2015	2014
Beginning balance	19,172,501.01	9,999,300.00
Add (Less): Loss on impairment (reversed)	(849,629.05)	9,173,201.01
Ending balance	18,322,871.96	19,172,501.01

The Company provided an allowance for impairment of investments in subsidiaries based on the net book value in the financial statements of such subsidiaries.

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, 2015 and 2014 consisted of:

	Baht						Total
	Consolidated financial statements						
	Land and land improvements	Buildings and buildings improvements	Machinery and factory equipment	Furniture and office equipment	Vehicles	Machinery and equipment under installation	
Cost							
At January 1, 2014	27,083,641.00	103,816,586.32	32,610,994.57	10,024,831.26	4,979,506.18	4,788,587.79	183,304,147.12
Purchases / transfer in	7,975.00	25,465.00	5,465,053.31	483,791.48	2,870,724.30	3,417,839.00	12,270,848.09
Transfer / adjust	-	-	-	-	-	-	-
Disposals / transfer out	-	(3,535,671.02)	-	(126,018.69)	-	(4,811,876.79)	(8,473,566.50)
Exchange differences	-	-	-	(4,059.13)	-	-	(4,059.13)
At December 31, 2014	27,091,616.00	100,306,380.30	38,076,047.88	10,378,544.92	7,850,230.48	3,394,550.00	187,097,369.58
Purchases / transfer in	-	-	15,000.00	392,934.90	665,420.56	1,462,750.00	2,536,105.46
Transfer / adjust	-	-	3,538,374.95	1,317,125.05	-	(4,855,500.00)	-
Disposals / transfer out	-	-	-	-	(712,106.18)	(1,800.00)	(713,906.18)
Exchange differences	-	-	-	7,694.92	-	-	7,694.92
At December 31, 2015	27,091,616.00	100,306,380.30	41,629,422.83	12,096,299.79	7,803,544.86	-	188,927,263.78

Baht

Consolidated financial statements

	Land and land improvements	Buildings and buildings improvements	Machinery and factory equipment	Furniture and office equipment	Vehicles	Machinery and equipment under installation	Total
Accumulated depreciation							
At January 1, 2014	-	23,301,764.65	19,200,380.57	7,201,413.93	2,971,516.26	-	52,675,075.41
Depreciation	-	5,446,303.74	4,789,093.92	1,025,413.93	260,751.83	-	11,521,563.42
Transfer / adjust	-	-	-	-	-	-	-
Disposals / transfer out	-	(477,578.79)	-	(14,925.85)	-	-	(492,504.64)
Exchange differences	-	-	-	(720.55)	-	-	(720.55)
At December 31, 2014	-	28,270,489.60	23,989,474.49	8,211,181.46	3,232,268.09	-	63,703,413.64
Depreciation	-	4,950,787.23	3,676,576.65	1,148,256.36	386,982.36	-	10,162,602.60
Transfer / adjust	-	-	2,103,043.38	(2,103,043.38)	-	-	-
Disposals / transfer out	-	-	-	-	(509,807.47)	-	(509,807.47)
Exchange differences	-	-	-	2,308.84	-	-	2,308.84
At December 31, 2015	-	33,221,276.83	29,769,094.52	7,258,703.28	3,109,442.98	-	73,358,517.61
Net book value							
At December 31, 2014	27,091,616.00	72,035,890.70	14,086,573.39	2,167,363.46	4,617,962.39	3,394,550.00	123,393,955.94
At December 31, 2015	27,091,616.00	67,085,103.47	11,860,328.31	4,837,596.51	4,694,101.88	-	115,568,746.17

Baht

	Separate financial statements						
	Land and land improvements	Buildings and buildings improvements	Machinery and factory equipment	Furniture and office equipment	Vehicles	Machinery and equipment under installation	Total
Cost							
At January 1, 2014	27,083,641.00	103,816,586.32	32,610,994.57	9,883,447.21	4,979,506.18	4,788,587.79	183,162,763.07
Purchases / transfer in	7,975.00	25,465.00	5,465,053.31	401,162.76	2,870,724.30	3,417,839.00	12,188,219.37
Transfer / adjust	-	-	-	-	-	-	-
Disposals / transfer out	-	(3,535,671.02)	-	(100,776.39)	-	(4,811,876.79)	(8,448,324.20)
At December 31, 2014	27,091,616.00	100,306,380.30	38,076,047.88	10,183,833.58	7,850,230.48	3,394,550.00	186,902,658.24
Purchases / transfer in	-	-	15,000.00	392,934.90	665,420.56	1,462,750.00	2,536,105.46
Transfer / adjust	-	-	3,538,374.95	1,317,125.05	-	(4,855,500.00)	-
Disposals / transfer out	-	-	-	-	(712,106.18)	(1,800.00)	(713,906.18)
At December 31, 2015	27,091,616.00	100,306,380.30	41,629,422.83	11,893,893.53	7,803,544.86	-	188,724,857.52

Baht

Separate financial statements

	Land and land improvements	Buildings and buildings improvements	Machinery and factory equipment	Furniture and office equipment	Vehicles	Machinery and equipment under installation	Total
Accumulated depreciation							
At January 1, 2014	-	23,301,764.65	19,200,380.57	7,172,952.22	2,971,516.26	-	52,646,613.70
Depreciation	-	5,446,303.74	4,789,093.92	994,490.22	260,751.83	-	11,490,639.71
Transfer / adjust	-	-	-	-	-	-	-
Disposals / transfer out	-	(477,578.79)	-	(14,399.97)	-	-	(491,978.76)
At December 31, 2014	-	28,270,489.60	23,989,474.49	8,153,042.47	3,232,268.09	-	63,645,274.65
Depreciation	-	4,950,787.23	3,676,576.65	1,108,626.14	386,982.36	-	10,122,972.38
Transfer / adjust	-	-	2,103,043.38	(2,103,043.38)	-	-	-
Disposals / transfer out	-	-	-	-	(509,807.47)	-	(509,807.47)
At December 31, 2015	-	33,221,276.83	29,769,094.52	7,158,625.23	3,109,442.98	-	73,258,439.56
Net book value							
At December 31, 2014	27,091,616.00	72,035,890.70	14,086,573.39	2,030,791.11	4,617,962.39	3,394,550.00	123,257,383.59
At December 31, 2015	27,091,616.00	67,085,103.47	11,860,328.31	4,735,268.30	4,694,101.88	-	115,466,417.96

	Millions Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Depreciation for the years ended December 31, were included in				
- Cost of services	8.91	9.91	8.91	9.91
- Administrative expenses	1.25	1.61	1.21	1.58
Total	<u>10.16</u>	<u>11.52</u>	<u>10.12</u>	<u>11.49</u>
As at December 31, Book value of buildings and equipment before less accumulated depreciation which have been fully depreciated and still in use.				
	<u>26.16</u>	<u>24.22</u>	<u>26.16</u>	<u>24.22</u>

As at December 31, 2015 and 2014, the Company has pledged land including existing construction and to be constructed for guarantee to bank overdrafts and short term loans from financial institutions (see Note 15).

	As at December 31, 2015		
	Parties	Period	The rate of
			lease per month (Millions Baht)
Property lease agreement (lessee)			
The Company	Other company	3 years	0.08
The Company	Other company	Until termination contract	0.10

13. INTANGIBLE ASSET

Intangible asset as at December 31, 2015 and 2014 consisted of:

	Baht		
	Consolidated and separate financial statements		
	Software under		Total
Software	development		
Cost			
At January 1, 2014	3,018,915.00	60,000.00	3,078,915.00
Additions / transfer in	-	5,040,000.00	5,040,000.00
Transfer / adjust	-	-	-
Disposals / transfer out	-	-	-
At December 31, 2014	3,018,915.00	5,100,000.00	8,118,915.00
Additions / transfer in	-	3,135,000.00	3,135,000.00
Transfer / adjust	8,175,000.00	(8,175,000.00)	-
Disposals / transfer out	-	-	-
At December 31, 2015	11,193,915.00	60,000.00	11,253,915.00
Accumulated amortization			
At January 1, 2014	1,806,253.49	-	1,806,253.49
Amortization	504,484.18	-	504,484.18
Disposals / transfer out	-	-	-
At December 31, 2014	2,310,737.67	-	2,310,737.67
Amortization	441,486.29	-	441,486.29
Disposals / transfer out	-	-	-
At December 31, 2015	2,752,223.96	-	2,752,223.96
Net book value			
At December 31, 2014	708,177.33	5,100,000.00	5,808,177.33
At December 31, 2015	8,441,691.04	60,000.00	8,501,691.04

	Millions Baht	
	Consolidated and separate financial statements	
	2015	2014
Amortization for the years ended December 31, were included in administrative expenses	0.44	0.50

14. DEFERRED TAX

Deferred tax as at December 31, 2015 and 2014 consisted of:

	Baht	
	Consolidated and separate financial statements	
	2015	2014
Deferred tax assets	5,752,029.19	6,953,691.12

Movements in deferred tax assets during the years were as follows:

	Baht						
	Consolidated and separate financial statements						
	January 1, 2014	Profit (loss)	Other comprehensive income	December 31, 2014	Profit (loss)	Other comprehensive loss	December 31, 2015
Deferred tax assets							
Trade and other receivables	3,811,659.20	64,668.90	-	3,876,328.10	(378,749.80)	-	3,497,578.30
Inventories	1,700,616.09	-	-	1,700,616.09	-	-	1,700,616.09
Provisions	224,833.20	118,762.54	107,011.80	450,607.54	120,903.10	(17,675.84)	553,834.80
Tax loss carry forward	10,815,116.04	(9,888,976.65)	-	926,139.39	(926,139.39)	-	-
Total	16,552,224.53	(9,705,545.21)	107,011.80	6,953,691.12	(1,183,986.09)	(17,675.84)	5,752,029.19

15. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Credit lines of bank overdrafts and short-term loans from financial institutions as at December 31, 2015 and 2014 consisted of:

Lender	Type of credit	Credit lines	Referred
		(Millions Baht)	interest rate
Bank	Bank overdrafts	10.00	MOR
Bank	Promissory notes / Trust receipt / Letter of credit / Other short -term loans	595.00	MLR
	Total	<u>605.00</u>	

The Company had credit lines for forward exchange contracts in the amount of USD 10 million (year 2014: USD 10 million).

The Company's cash at bank (see Note 10) and land including existing construction and to be constructed (see Note 12) were pledged as collateral for bank overdrafts and short-term loans from financial institutions.

16. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, 2015 and 2014 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade payables	45,636,521.42	44,591,907.83	45,636,521.42	44,591,907.83
Accrued expenses	9,072,169.33	12,616,193.93	8,836,555.27	12,425,873.29
Undue value added tax	1,207,772.73	2,328,893.56	1,207,772.73	2,328,893.56
Others	1,398,292.33	2,043,153.42	15,814,218.07	14,094,861.81
Total	<u>11,678,234.39</u>	<u>16,988,240.91</u>	<u>25,858,546.07</u>	<u>28,849,628.66</u>
Grand total	<u>57,314,755.81</u>	<u>61,580,148.74</u>	<u>71,495,067.49</u>	<u>73,441,536.49</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit obligations in the statements of financial position as at December 31, 2015 and 2014 consisted of:

	Baht	
	Post-employment benefit plan	
	Consolidated and separate financial statements	
	2015	2014
Present value of obligations	2,769,174.03	2,253,037.71
Employee benefit obligations	2,769,174.03	2,253,037.71

Movements of the present value of employee benefit obligations for the years ended December 31, 2015 and 2014 were as follows:

	Baht	
	Post-employment benefit plan	
	Consolidated and separate financial statements	
	2015	2014
Employee benefit obligations as at January 1,	2,253,037.71	1,124,166.00
Included in profit or loss:		
Current service cost	514,394.00	838,041.96
Interest cost	90,121.52	44,967.00
Included in other comprehensive income (loss):		
Defined benefit plan actuarial (gain) losses	(88,379.20)	535,059.00
Benefits paid during the year	-	(289,196.25)
Employee benefit obligations as at December 31,	2,769,174.03	2,253,037.71

The Group made defined benefit plan in accordance with severance payment as the labor law which entitled retired employee within work service period in various rates, such as more than 10 years to receive severance payment not less than 300 days or 10 months of the last month salary.

Principal actuarial assumptions as at December 31, 2015 and 2014 (expressed as weighted averages) as follows:

	Percent	
	Consolidated and separate financial statements	
	2015	2014
Discount rate	4	4
Salary increase rate	5	5
Turnover rate	1.5	1.5

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table in year 2008.

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at December 31, 2015 are summarised below:

	Baht	
	Consolidated and separate financial statements	
	Increase	Decrease
Discount rate		
Increase 1%	-	(479,956.00)
Decrease 1%	590,310.00	-
Salary increase rate		
Increase 1%	600,942.00	-
Decrease 1%	-	(497,330.00)
Turnover rate		
Increase 1%	-	(847,690.00)
Decrease 1%	1,052,121.00	-

18. WARRANTS

Warrants have detail as follows:

The first warrants to be exercised to the new ordinary share (TCC-W1)

Type of warrant	:	The Warrant to be exercised to the new ordinary share of Thai Capital Corporation Public Company Limited No.1 (“the first warrants” or “TCC-W1”)
Category	:	Registered and transferable
The offering price	:	Baht 0.00
Terms of the warrant	:	7 years from the date of issuance and offering
Issuing and offering date	:	October 31, 2007
Exercise ratio	:	1 warrant per 1.39010 ordinary shares (right adjusted)
Exercise price	:	Baht 0.719 per share
Exercise period	:	The last business day of March, June, September and December each year until the date of expiration of the warrants.
The last exercise date	:	October 30, 2014
Expiration date	:	October 30, 2014

The second warrants to be exercised to the new ordinary share (TCC-W2)

Type of warrant	:	The Warrant to be exercised to the new ordinary share of Thai Capital Corporation Public Company Limited No.2 (“the second warrants” or “TCC-W2”)
Category	:	Registered and transferable
The offering price	:	Baht 0.00
Terms of the warrant	:	7 years from the date of issuance and offering
Issuing and offering date	:	May 4, 2011
Exercise ratio	:	1 warrant per 1.21782 ordinary shares (right adjusted)
Exercise price	:	Baht 0.821 per share
Exercise period	:	The last business day of March, June, September and December each year until the date of expiration of the warrants.
The last exercise date	:	May 3, 2018
Expiration date	:	May 3, 2018

The third warrants to be exercised to the new ordinary share (TCC-W3)

Type of warrant	:	The Warrant to be exercised to the new ordinary share of Thai Capital Corporation Public Company Limited No.3 (“the third warrants” or “TCC-W3”)
Category	:	Registered and transferable
The offering price	:	Baht 0.00
Terms of the warrant	:	10 years from the date of issuance and offering
Issuing and offering date	:	April 2, 2012
Exercise ratio	:	1 warrant per 1.14249 ordinary shares (right adjusted)
Exercise price	:	Baht 0.875 per share
Exercise period	:	The last business day of March, June, September and December each year until the date of expiration of the warrants.
The last exercise date	:	April 1, 2022
Expiration date	:	April 1, 2022

The fourth warrants to be exercised to the new ordinary share (TCC-W4)

Type of warrant	:	The Warrant to be exercised to the new ordinary share of Thai Capital Corporation Public Company Limited No.4 (“the fourth warrants” or “TCC-W4”)
Category	:	Registered and transferable
The offering price	:	Baht 0.00
Terms of the warrant	:	10 years from the date of issuance and offering
Issuing and offering date	:	May 15, 2013
Exercise ratio	:	1 warrant per 1 ordinary share
Exercise price	:	Baht 1 per share
Exercise period	:	The last business day of March, June, September and December each year until the date of expiration of the warrants.
The last exercise date	:	May 14, 2023
Expiration date	:	May 14, 2023

Changes of the warrants during the year were as follows:

Type of warrants	Units			
	Outstanding	Exercised during	Expired during	Outstanding
	December 31, 2014	the year	the year	December 31, 2015
TCC-W2	68,330,901	(63,515,361)	-	4,815,540
TCC-W3	92,202,364	-	-	92,202,364
TCC-W4	369,354,367	-	-	369,354,367
	<u>529,887,632</u>	<u>(63,515,361)</u>	<u>-</u>	<u>466,372,271</u>

In June and September 2015, the holders of the second warrants (TCC-W2) exercised their warrants to be ordinary shares amounting to Baht 63.50 million. Later, the Company issued ordinary shares to the warrant holders and registered its share capital with the Ministry of Commerce on July 7, 2015 and October 5, 2015

In June, September and October 2014, the holders of the first warrants (TCC-W1) and the fourth warrants (TCC-W4) exercised their warrants to be ordinary shares amounting to Baht 11.10 million. Later, the Company issued ordinary shares to the warrant holders and registered its share capital with the Ministry of Commerce on July 4, 2014, October 3, 2014 and November 4, 2014.

19. SHARE PREMIUM

According to the Section 51 of the Public Limited Companies Act B.E. 2535 requires companies to set aside share subscriptions received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

20. LEGAL RESERVE

According to the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve could not be used for dividend payment.

21. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2015 and 2014 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Changes in inventories	50,849,137.50	60,158,043.34	50,849,137.50	60,158,043.34
Purchases of goods	938,545,908.24	1,278,534,334.30	938,545,908.24	1,278,534,334.30
Cost of importing	3,534,513.31	29,208,156.61	3,534,513.31	29,208,156.61
Salaries, wages and other related benefits	33,000,451.63	32,790,786.17	32,120,983.09	31,774,469.48
Depreciation and amortization	10,604,088.89	12,026,047.60	10,564,458.67	11,995,123.89
Commission and sales promotion expenses	15,216,326.56	16,498,104.63	15,216,326.56	16,498,104.63
Other rental and service expenses	8,640,273.23	13,044,541.81	8,291,524.05	12,497,349.34
Consulting and service expenses	7,312,499.23	6,863,049.28	8,924,028.83	8,160,451.40
Transportation expenses	61,154,772.90	101,096,217.07	61,154,772.90	101,096,217.07
Loss from impairment of assets and written-off assets (reversal)	208,832.96	86,376.42	(640,796.09)	9,259,577.43
Doubtful accounts	-	1,494,184.70	-	1,494,184.70

22. PROVIDENT FUND

The Company and its employees jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The Fund is contributed to by both the employees and the Company. The Fund is managed by TISCO Asset Management Company Limited and will be paid to the employees upon termination in accordance with the rules of the Fund. In the year 2015, Baht 0.39 million (year 2014: Baht 0.36 million) were paid by the Company.

23. INCOME TAX

Tax expense for the years ended December 31, 2015 and 2014 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(Restated)		(Restated)
Current tax expense				
Current year	6,299,072.85	-	6,299,072.85	-
Deferred tax expense				
Movements in temporary differences	1,183,986.09	9,705,545.21	1,183,986.09	9,705,545.21
Tax expense	7,483,058.94	9,705,545.21	7,483,058.94	9,705,545.21

Reconciliation of effective tax rate

	Consolidated financial statements			
	2015		2014	
	Tax rate (%)	Baht	Tax rate (%)	Baht
				(Restated)
Profit before income tax		28,064,429.34		37,900,924.79
Income tax using the corporate tax rate	20	5,612,885.87	20	7,580,184.96
Revenues treated as exemption for tax purposes		(171,470.91)		-
Expenses not deductible for tax purposes		1,942,667.31		4,143,691.78
Addition expenses deductible for tax purposes		(66,204.33)		(2,471.78)
Loss carry forward		(1,085,326.14)		(9,931,275.26)
Effects of elimination entries on consolidation		66,521.05		(1,790,129.70)
Current tax	22	6,299,072.85	-	-
Movement in temporary differences		1,183,986.09		9,705,545.21
Tax expense	27	7,483,058.94	26	9,705,545.21

Separate financial statements					
		2015		2014	
		Tax rate		Tax rate	
		(%)	Baht	(%)	Baht
				(Restated)	
Profit before income tax			27,601,114.29		30,529,765.89
Income tax using the corporate tax rate	20		5,520,222.86	20	6,105,953.18
Revenues treated as exemption for tax purposes			(171,470.91)		-
Expenses not deductible for tax purposes			1,942,664.61		4,143,691.78
Addition expenses deductible for tax purposes			(66,204.33)		(2,471.78)
Loss carry forward			(926,139.38)		(10,247,173.18)
Current tax	23		6,299,072.85	-	-
Movement in temporary differences			1,183,986.09		9,705,545.21
Tax expense	27		7,483,058.94	32	9,705,545.21

The Company and its subsidiary in Thailand

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated December 14, 2011 grants a reduction in the corporate income tax rate from 30% to 23% on net profit for the accounting period beginning on or after January 1, 2012, and will be reduced to 20% on net profit for the two consecutive accounting periods beginning on or after January 1, 2013 onwards.

Royal Decree No. 577 B.E. 2557 dated November 3, 2014 extends the reduction to 20% on net profit for the accounting period which begins on or after January 1, 2015, but not later than December 31, 2015.

The Company and its subsidiary in Thailand has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at December 31, 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

Foreign Subsidiaries

Thai Capital Corporation (Guangzhou) Co., Ltd.

Current income tax is calculated based on statutory income tax of the People's Republic of China at the rate of 25%. There was no tax effect in other comprehensive income.

P.T. Thai Capital Indo Mining Co., Ltd.

Current income tax is calculated based on statutory income tax of the Republic of Indonesia at the rate of 25%. There was no tax effect in other comprehensive income.

24. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the directors of the Company.

The Group operates the business related to sale of coal. Therefore, management considers that the Group operates in a single line of business. The Group operates in both domestic and foreign. However, during the years ended December 31, 2015 and 2014, the Group has only revenues from domestic.

25. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2015, the Group had commitments and contingent liabilities as follows:

The Company

25.1 Commitments for payment under agreement as follows:

25.1.1 The office rental and service agreement in the amount of Baht 0.25 million per month.

25.1.2 The advisory agreement with other parties in the amount of Baht 0.08 million per month, and with related party in amount of USD 5,000 per month.

25.1.3 The service agreement in the amount of Baht 0.30 million per month.

Subsidiaries

25.2 Commitments for payment under the office rental and services agreement in the amount of Rupiah 13 million per month.

26. DISCLOSURE OF FINANCIAL INSTRUMENTS

26.1 Capital Management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity and also monitors the level of dividends to ordinary shareholders.

26.2 Accounting policies

The details of significant accounting policies and methods used for classification of financial assets and financial liabilities including valuation, basis of recognition of income and expenses are disclosed in Note 3.

26.3 Financial risk management policies

The Group is exposed to fluctuations in interest rates and foreign exchange rates in the market and the risks from default of the agreements by counterparties. The Group had risk management policies as follows:

26.3.1 Interest rate risk

Interest rate risk is the fluctuation of the market interest rate in the future that will affect the Group's operations and cash flows. The Group has interest rate risk from cash and deposits at banks, the financial assets fluctuate based on the market rate. In addition, the Group has not engaged in any hedging contracts related to interest rates.

26.3.2 Foreign currency risk

The Group's exchange rate risk primarily involves the purchases and sales of goods in foreign currencies. As at December 31, 2015 and 2014, the Group had assets and liabilities in foreign currencies as follows:

Currencies	Millions							
	Consolidated financial statements				Separate financial statements			
	2015		2014		2015		2014	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
US Dollars	0.22	-	0.24	-	0.06	0.17	0.06	0.11
Rupiah	1.48	-	0.66	-	1.48	2.92	0.66	2.89
Renminbi	-	-	-	-	-	0.04	-	0.04

26.3.3 Credit risk – trade receivables

The Group has a policy to hedge credit risk from trade receivables by forming a conservative credit policy and by determining the receipt from the sales of goods and service. Therefore, the Group expects that the loss from the collection of those trade receivables should not exceed the allowance for doubtful accounts.

26.4 Fair value

Most of the financial assets are cash and cash equivalent, current investments, trade and other receivables. Most of the financial liabilities are trade and other payables. The carrying amount of the financial assets and financial liabilities are not significantly different from their fair value.

27. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

As at December 31, 2015, the Group had the following financial assets that were measured at fair value separately presenting fair value hierarchy as follows:

	Baht			
	Consolidated and separate financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in investment units	-	426,645,531.60	-	426,645,531.60

Valuation techniques and inputs to Level 2 valuation

The fair value of investments in investment units that are not listed on the Stock Exchange of Thailand is determined by using the net asset value per unit as announced by the fund managers.

During the year, there were no transfers within the fair value hierarchy.

28. RECLASSIFICATION

The Group has reclassified and adjusted retrospectively certain accounts in the statement of income and statement of comprehensive income for the year ended December 31, 2014 to conform with the presentation of the financial statements of this year consisted of:

Baht

	Consolidated financial statements			Separate financial statements		
	Before	Reclassification/	After	Before	Reclassification/	After
	reclassification/ adjusting	adjusting	reclassification/ adjusting	reclassification/ adjusting	adjusting	reclassification/ adjusting
Statements of income						
Cost of sales	(1,392,165,740.46)	(2,689,347.47)	(1,394,855,087.93)	(1,392,165,740.46)	(2,689,347.47)	(1,394,855,087.93)
Selling expenses	(131,438,365.12)	89,687.32	(131,348,677.80)	(131,438,365.12)	89,687.32	(131,348,677.80)
Administrative expenses	(43,499,714.80)	3,134,719.15	(40,364,995.65)	(50,403,431.33)	3,134,719.15	(47,268,712.18)
Tax expense	(9,598,533.41)	(107,011.80)	(9,705,545.21)	(9,598,533.41)	(107,011.80)	(9,705,545.21)
Statements of comprehensive income						
Other comprehensive loss						
Items that will never be reclassified to profit or loss						
Defined benefit plan actuarial losses	-	(535,059.00)	(535,059.00)	-	(535,059.00)	(535,059.00)
Income tax relating to defined benefit plan actuarial losses	-	107,011.80	107,011.80	-	107,011.80	107,011.80

29. EVENTS AFTER THE REPORTING PERIOD

At the Board of Directors' Meeting held on February 18, 2016, the resolutions were passed as follows:

1. Dividend payment at the rate of Baht 0.08 per share in the totaling amount of Baht 102.35 million.
2. The reduction of registered share capital from Baht 881,486,633.50 to Baht 880,758,554.50 by eliminating the unissued shares of 1,456,158 shares, with the par value of Baht 0.50 each.
3. The increase of registered share capital from Baht 880,758,554.50 to Baht 905,146,410.50 by issuing new ordinary shares of 48,775,712 shares, with the par value of Baht 0.50 each to reserve for the right adjustment of the dividend payment and allot new ordinary shares as follows:
 - The allotment of new ordinary shares, not over 7,470,310 shares with the par value of Baht 0.50 each to reserve for the right adjustment of the holders of the third warrants (TCC-W3).
 - The allotment of new ordinary shares, not over 41,305,402 shares with the par value of Baht 0.50 each to reserve for the right adjustment of the holders of the fourth warrants (TCC-W4).

30. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the Company's Board of Directors on February 18, 2016.

TCC

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