

## **AUDITOR'S REPORT**

To The Shareholders of

DCON PRODUCTS PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated and separate financial statements of DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of DCON PRODUCTS PUBLIC COMPANY LIMITED, which comprise consolidated and separate statements of financial position as at December 31, 2015, consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the year then ended, including notes of 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 the 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 standards on auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of DCON PRODUCTS PUBLIC COMPANY LIMITED as at December 31, 2015, and the consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with the financial reporting standards.

D I A International Audit Co., Ltd.

(Mrs. Suvimol Chrityakiern)

C.P.A. (Thailand)

Registration No. 2982

February 25, 2016

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2015	2014	2015	2014
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	101,531,620.00	144,533,660.52	48,048,904.51	43,953,790.69
Trade and other receivables	6	135,235,887.73	135,022,675.30	127,046,652.00	274,836,478.10
Short-term loans		3,570,350.00	3,570,350.00	3,570,350.00	3,570,350.00
Inventories	7	448,086,936.83	454,665,419.09	57,962,267.07	58,933,711.68
<b>Total current assets</b>		<b>688,424,794.56</b>	<b>737,792,104.91</b>	<b>236,628,173.58</b>	<b>381,294,330.47</b>
<b>Non-current assets</b>					
Land held for development	8	19,933,323.78	19,933,323.78	0.00	0.00
Investment in subsidiaries	9	0.00	0.00	441,663,520.71	341,663,520.71
Investment properties	10	41,724,091.33	23,743,031.03	0.00	0.00
Property, plant and equipment	11	511,839,031.91	533,776,337.45	461,307,413.59	483,907,507.59
Intangible assets	12	2,037,984.65	2,693,979.05	2,037,984.65	2,693,979.05
Deferred tax assets	13	4,378,170.80	5,049,104.65	4,117,216.53	4,805,053.71
Non-operating assets	14	71,016,166.90	79,493,904.50	71,016,166.90	79,493,904.50
Other non-current assets		3,014,309.27	1,763,656.02	3,014,309.27	1,763,656.02
<b>Total non-current assets</b>		<b>653,943,078.64</b>	<b>666,453,336.48</b>	<b>983,156,611.65</b>	<b>914,327,621.58</b>
<b>Total assets</b>		<b>1,342,367,873.20</b>	<b>1,404,245,441.39</b>	<b>1,219,784,785.23</b>	<b>1,295,621,952.05</b>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2015	2014	2015	2014
Sales and services		1,152,203,059.87	1,862,856,919.65	944,468,774.11	1,022,890,865.25
Cost of sales and services		(708,613,619.99)	(1,207,396,543.75)	(587,802,659.45)	(627,661,184.50)
<b>Gross profit</b>		<b>443,589,439.88</b>	<b>655,460,375.90</b>	<b>356,666,114.66</b>	<b>395,229,680.75</b>
Other income					
Dividend received		0.00	0.00	15,049,135.70	151,149,388.90
Others		14,398,538.25	16,684,594.43	14,759,483.78	22,578,685.08
Selling expenses		(134,960,587.09)	(156,720,325.56)	(117,218,543.31)	(126,712,718.86)
Administrative expenses		(92,640,410.23)	(94,829,745.35)	(70,269,257.38)	(71,817,190.20)
Finance costs		(8,781,591.79)	(9,619,190.55)	(8,918,475.81)	(9,697,171.87)
<b>Profit before income tax</b>		<b>221,605,389.02</b>	<b>410,975,708.87</b>	<b>190,068,457.64</b>	<b>360,730,673.80</b>
Income tax expenses	23	(45,415,224.55)	(82,237,742.39)	(35,564,928.79)	(42,042,537.34)
Profit for the year		176,190,164.47	328,737,966.48	154,503,528.85	318,688,136.46
Other comprehensive income (expense)		0.00	0.00	0.00	0.00
<b>Total comprehensive income for the year</b>		<b>176,190,164.47</b>	<b>328,737,966.48</b>	<b>154,503,528.85</b>	<b>318,688,136.46</b>
Total comprehensive income attributable to :					
Owners of the Company		176,194,093.30	328,753,983.93	154,503,528.85	318,688,136.46
Non-controlling interests		(3,928.83)	(16,017.45)	0.00	0.00
		<u>176,190,164.47</u>	<u>328,737,966.48</u>	<u>154,503,528.85</u>	<u>318,688,136.46</u>
Earnings per share					
Basic earnings per share	24	0.08	0.15	0.07	0.15
Weighted average number of					
common shares	24	2,139,331,785	2,134,376,590	2,139,331,785	2,134,376,590
Diluted earnings per share					
Diluted earnings per share	24	0.06	0.14	0.05	0.14
Weighted average number of					
common shares	24	3,044,270,932	2,288,181,340	3,044,270,932	2,288,181,340

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Continued)

AS AT DECEMBER 31, 2015

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2015	2014	2015	2014
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	15	173,432,990.37	1,573,035.31	173,432,990.37	1,073,035.31
Trade and other payables	16	109,903,581.71	131,434,168.71	92,801,591.13	115,689,978.63
Current portion of long-term debt	17, 18	41,908,956.13	52,845,237.45	41,908,956.13	52,845,237.45
Short-term loans		0.00	0.00	0.00	20,000,000.00
Accrued income tax		22,672,211.89	52,818,691.15	17,486,966.22	18,580,183.29
<b>Total current liabilities</b>		<b>347,917,740.10</b>	<b>238,671,132.62</b>	<b>325,630,503.85</b>	<b>208,188,434.68</b>
<b>Non-current liabilities</b>					
Long-term loans	17	46,250,000.00	73,750,000.00	46,250,000.00	73,750,000.00
Financial lease liabilities	18	416,027.56	12,949,133.19	416,027.56	12,949,133.19
Deferred tax liabilities	13	3,899,703.65	2,797,775.25	3,899,703.65	2,797,775.25
Employee benefit obligations	19	6,453,454.88	6,933,234.00	5,233,064.88	5,837,133.00
Other non-current liabilities		1,425,000.00	1,080,000.00	0.00	0.00
<b>Total non-current liabilities</b>		<b>58,444,186.09</b>	<b>97,510,142.44</b>	<b>55,798,796.09</b>	<b>95,334,041.44</b>
<b>Total liabilities</b>		<b>406,361,926.19</b>	<b>336,181,275.06</b>	<b>381,429,299.94</b>	<b>303,522,476.12</b>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Continued)

AS AT DECEMBER 31, 2015

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
<b>Liabilities and shareholders' equity (Cont'd) Note</b>				
<b>Shareholders' equity</b>				
Share capital				
Authorized share capital				
5,463,161,080 common shares				
of Baht 0.10 each	20	546,316,108.00	546,316,108.00	
246,876,000 common shares				
of Baht 1 each		246,876,000.00		246,876,000.00
Issued and paid-up share capital				
2,139,578,118 common shares				
of Baht 0.10 each	20	213,957,811.80	213,957,811.80	
205,434,400 common shares				
of Baht 1 each		205,434,400.00		205,434,400.00
Premium on common share capital		319,825,000.00	319,825,000.00	319,825,000.00
Retained earnings				
Appropriated				
Legal reserve	21	32,412,776.44	24,687,600.00	32,412,776.44
Unappropriated	22	375,822,337.22	524,124,351.65	272,159,897.05
Other components of equity		(5,992,404.63)	(5,992,404.63)	0.00
<b>Total owners of the Company</b>		936,025,520.83	1,068,078,947.02	838,355,485.29
Non-controlling interests		(19,573.82)	(14,780.69)	0.00
<b>Total shareholders' equity</b>		936,005,947.01	1,068,064,166.33	838,355,485.29
<b>Total liabilities and shareholders' equity</b>		1,342,367,873.20	1,404,245,441.39	1,219,784,785.23

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2015

Consolidated financial statements (Baht)

	Equity holders of the Company						Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components	Total equity			
			Appropriated	Unappropriated	of equity	holders of the parent			
									Different of change in percentage of investment in subsidiary
Balance as at December 31, 2013	202,865,000.00	319,825,000.00	20,600,000.00	413,109,743.72	(5,992,404.63)	950,407,339.09	1,847.86	950,409,186.95	
Changes in shareholders' equity for the year 2014:									
Common shares from exercise									
of warrants	20	2,569,400.00	0.00	0.00	0.00	0.00	2,569,400.00	0.00	2,569,400.00
Legal reserve	21	0.00	0.00	4,087,600.00	(4,087,600.00)	0.00	0.00	0.00	0.00
Dividend paid	22	0.00	0.00	0.00	(213,651,776.00)	0.00	(213,651,776.00)	(611.10)	(213,652,387.10)
Total comprehensive income for the year		0.00	0.00	0.00	328,753,983.93	0.00	328,753,983.93	(16,017.45)	328,737,966.48
Balance as at December 31, 2014	205,434,400.00	319,825,000.00	24,687,600.00	524,124,351.65	(5,992,404.63)	1,068,078,947.02	(14,780.69)	1,068,064,166.33	
Changes in shareholders' equity for the year 2015:									
Common shares from exercise									
of warrants	20	295,600.00	0.00	0.00	0.00	0.00	295,600.00	0.00	295,600.00
Shares dividend paid	22	8,227,811.80	0.00	0.00	(8,227,811.80)	0.00	0.00	0.00	0.00
Dividend paid	22	0.00	0.00	0.00	(308,543,119.49)	0.00	(308,543,119.49)	(864.30)	(308,543,983.79)
Legal reserve	21	0.00	0.00	7,725,176.44	(7,725,176.44)	0.00	0.00	0.00	0.00
Total comprehensive income for the year		0.00	0.00	0.00	176,194,093.30	0.00	176,194,093.30	(3,928.83)	176,190,164.47
Balance as at December 31, 2015	213,957,811.80	319,825,000.00	32,412,776.44	375,822,337.22	(5,992,404.63)	936,025,520.83	(19,573.82)	936,005,947.01	

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)**

FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	Separate financial statements (Baht)				Total shareholders' equity
		Issued and paid-up share capital	Premium on share capital	Retained earnings		
				Appropriated	Unappropriated	
Balance as at December 31, 2013		202,865,000.00	319,825,000.00	20,600,000.00	341,203,715.47	884,493,715.47
Changes in shareholders' equity						
for the year 2014:						
Common shares from exercise						
of warrants	20	2,569,400.00	0.00	0.00	0.00	2,569,400.00
Legal reserve	21	0.00	0.00	4,087,600.00	(4,087,600.00)	0.00
Dividend paid	22	0.00	0.00	0.00	(213,651,776.00)	(213,651,776.00)
Total comprehensive income						
for the year		0.00	0.00	0.00	318,688,136.46	318,688,136.46
Balance as at December 31, 2014		205,434,400.00	319,825,000.00	24,687,600.00	442,152,475.93	992,099,475.93
Changes in shareholders' equity						
for the year 2015:						
Common shares from exercise						
of warrants	20	295,600.00	0.00	0.00	0.00	295,600.00
Shares dividend paid	22	8,227,811.80	0.00	0.00	(8,227,811.80)	0.00
Dividend paid	22	0.00	0.00	0.00	(308,543,119.49)	(308,543,119.49)
Legal reserve	21	0.00	0.00	7,725,176.44	(7,725,176.44)	0.00
Total comprehensive income						
for the year		0.00	0.00	0.00	154,503,528.85	154,503,528.85
Balance as at December 31, 2015		213,957,811.80	319,825,000.00	32,412,776.44	272,159,897.05	838,355,485.29

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before income tax	221,605,389.02	410,975,708.87	190,068,457.64	360,730,673.80
Adjustment				
Doubtful debt	0.00	144,537.08	0.00	0.00
Depreciation	60,171,176.77	55,039,268.54	53,843,234.74	49,234,465.23
Gain on disposal of fixed assets	(167,117.68)	(1,504,700.84)	(182,955.52)	(749,189.41)
Amortized intangible assets	655,994.40	601,328.20	655,994.40	601,328.20
Employee benefit provisions	569,756.88	1,601,379.43	492,162.88	1,129,345.43
Dividend received	0.00	0.00	(15,049,135.70)	(151,149,388.90)
Interest expenses	8,781,591.79	9,619,190.55	8,918,475.81	9,697,171.87
	<u>291,616,791.18</u>	<u>476,476,711.83</u>	<u>238,746,234.25</u>	<u>269,494,406.22</u>
(Increase) Decrease in portion of operating assets				
Trade and other receivables	(284,066.90)	23,622,836.46	6,718,999.83	(126,623,595.49)
Inventories	(12,712,951.61)	(30,625,569.55)	971,444.61	(5,383,637.98)
Land held for development	0.00	7,221,042.33	0.00	0.00
Other non-current assets	(815,705.47)	268,037.34	(815,705.47)	268,037.34
Increase (Decrease) in portion of operating liabilities				
Trade and other payables	(21,965,534.78)	(49,778,117.62)	(23,323,335.28)	(27,418,720.20)
Employee benefit obligations	(1,348,770.00)	0.00	(1,348,770.00)	0.00
Other non-current liabilities	<u>345,000.00</u>	<u>150,000.00</u>	<u>0.00</u>	<u>0.00</u>

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2015

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Cash generated (paid) from operation	254,834,762.42	427,334,940.79	220,948,867.94	110,336,489.89
Interest paid	(8,482,357.79)	(9,619,190.55)	(8,665,936.81)	(9,697,171.87)
Income tax paid	(73,717,987.09)	(58,146,311.80)	(34,797,525.81)	(47,483,776.96)
Net cash provided by (used in) operating activities	172,634,417.54	359,569,438.44	177,485,405.32	53,155,541.06
Cash flows from investing activities				
Proceeds from sales of current investment	0.00	271,487.80	0.00	271,487.80
(Increase) decrease in short-term loans	0.00	0.00	(86,000,000.00)	20,000,000.00
Payments for share capital increase in subsidiary	0.00	0.00	(14,000,000.00)	0.00
Dividend received from subsidiary	0.00	0.00	156,049,107.50	151,149,388.90
Payments for fixed assets acquisition	(28,204,361.07)	(63,767,847.85)	(22,446,166.31)	(60,201,863.02)
Proceeds from sales of equipment	692,518.69	4,691,588.78	630,518.69	3,644,859.81
Net cash provided by (used in) investing activities	(27,511,842.38)	(58,804,771.27)	34,233,459.88	114,863,873.49
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	171,859,955.06	(24,132,006.15)	172,359,955.06	(23,632,006.15)
Increase (decrease) in short-term loans	0.00	0.00	(20,000,000.00)	20,000,000.00
Increase (decrease) in long-term loans	(27,500,000.00)	62,725,966.09	(27,500,000.00)	84,141,970.56
Payments for financial lease liabilities	(24,236,186.95)	(21,820,901.95)	(24,236,186.95)	(23,192,307.17)
Proceeds from share capital increase	295,600.00	2,569,400.00	295,600.00	2,569,400.00
Dividend paid	(308,543,983.79)	(213,652,387.10)	(308,543,119.49)	(213,651,776.00)
Net cash provided by (used in) financing activities	(188,124,615.68)	(194,309,929.11)	(207,623,751.38)	(153,764,718.76)
Net increase (decrease) in cash and cash equivalents	(43,002,040.52)	106,454,738.06	4,095,113.82	14,254,695.79
Cash and cash equivalents as at January 1	144,533,660.52	38,078,922.46	43,953,790.69	29,699,094.90
Cash and cash equivalents as at December 31	101,531,620.00	144,533,660.52	48,048,904.51	43,953,790.69

Notes to financial statements are parts of these financial statements.

DCON PRODUCTS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

1. GENERAL INFORMATION

1.1 The Company was registered as a company limited on August 6, 1996 with registration No. (1) 1955/2539.

On March 24, 2004, the Company has changed its status to public company limited with registration No.0107547000303.

1.2 The Company's office is located at 3300/57 Chang Tower B Building, 8<sup>th</sup> floor, Phaholyothin Road, Ladyao, Bangkok and the factories are located as follows :

1st factory : 33 Moo 8, Phaholyothin Road, Tambon Chong Sarika, Amphur Pattananikom, Lopburi.

2nd factory : 280 Moo 1, Leing Mueng Road, Tambon Chong Sarika, Amphur Pattananikom, Lopburi.

3rd factory : 39/3 Moo 7, Tambon Natai, Amphur Ban Naduam, Suratthani.

4th factory : 236 Moo 11, Tambon Phang, Amphur Kosumpisai, Mahasarakham.

5th factory : 567 Moo 1, Tambon Makhanku, Amphur Nihompattana, Rayong.

1.3 Business engagement

1.3.1 The Company engaged in business of manufacturing and selling of construction supplies (precast floor, concrete post and others).

1.3.2 The subsidiaries engaged in business of manufacturing and selling of construction supplies (precast floor and other), and sales of land and lease of real estate. The real estate project in progress as follows :

1) The project which had sales volume

	2015	2014
<u>Bann Orrada Project</u>		
Contract value (Baht)	219,029,496.00	215,731,496.00
% of total sales value	86.49	85.19
<u>Orrada Ratchapruak Project</u>		
Contract value (Baht)	234,442,000.00	187,822,000.00
% of total sales value	68.61	54.96
<u>Dcon Prime Condominium Project</u>		
Contract value (Baht)	43,112,685.00	0.00
% of total sales value	2.73	0.00

2) "Orrada Land Project" starts to operate in 2009 but had no sales volume.

## 2. PREPARATION OF FINANCIAL STATEMENTS BASIS

2.1 The financial statements have been prepared in conformity with Financial Reporting Standards, enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development by Ministry of Commerce dated September 28, 2011 regarding the condensed form should be included in the financial statements B.E. 2554 and in accordance with the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

### Measurement of fair values

A number of the Company and subsidiaries' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company and subsidiaries have an established control framework with respect to the measurement of fair values. This includes a valuation that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

When measuring the fair value of an asset or a liability, the Company and subsidiaries use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. observable prices).
- Level 3 : inputs are unobservable for the asset or liability.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company and subsidiaries recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 2.2 New financial reporting standards

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

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

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, some of these standards involve changes to key principles, which are summarized below:

#### TAS 19 (revised 2014) Employee Benefits

This revised accounting standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the former accounting standard allows the entity to recognize such gains and losses immediately in either profit or loss or other comprehensive income, or to recognize them gradually in profit or loss.

This revised accounting standard does not have any significantly impact on the financial statements of the Company and its subsidiaries.

### TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this financial reporting standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This financial reporting standard does not have any impact on the Company and its subsidiaries' financial statements.

### TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This financial reporting standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the Company is to recognize its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This financial reporting standard does not have any impact on the Company and its subsidiaries' financial statements.

#### TFRS 12 Disclosure of Interests in Other Entities

This financial reporting standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities.

This financial reporting standard does not have any impact on the Company and its subsidiaries' financial statements.

#### TFRS 13 Fair Value Measurement

This financial reporting standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this financial reporting standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value.

The effects of the adoption of this financial reporting standard are to be recognized prospectively.

#### (b) Thai Financial Reporting Standards that have been issued but are not yet effective

The Company and its subsidiaries have not adopted the revised financial reporting standards that have been issued but are not yet effective. The revised financial reporting standards will become effective for annual financial periods beginning on or after January 1, in the year indicated in the following table:

	<u>Contents</u>	<u>Effective year</u>
<u>Accounting Standards</u>		
TAS 1 (revised 2015)	Presentation of Financial Statements	2016
TAS 2 (revised 2015)	Inventories	2016
TAS 7 (revised 2015)	Statement of Cash Flows	2016
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors	2016
TAS 10 (revised 2015)	Events After the Reporting Period	2016
TAS 11 (revised 2015)	Construction Contracts	2016
TAS 12 (revised 2015)	Income Taxes	2016

	<u>Contents</u>	<u>Effective year</u>
<u>Accounting Standards</u>		
TAS 16 (revised 2015)	Property, Plant and Equipment	2016
TAS 17 (revised 2015)	Leases	2016
TAS 18 (revised 2015)	Revenue	2016
TAS 19 (revised 2015)	Employee Benefits	2016
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance	2016
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates	2016
TAS 23 (revised 2015)	Borrowing Costs	2016
TAS 24 (revised 2015)	Related Party Disclosures	2016
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans	2016
TAS 27 (revised 2015)	Separate Financial Statements	2016
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures	2016
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies	2016
TAS 33 (revised 2015)	Earnings Per Share	2016
TAS 34 (revised 2015)	Interim Financial Reporting	2016
TAS 36 (revised 2015)	Impairment of Assets	2016
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets	2016
TAS 38 (revised 2015)	Intangible Assets	2016
TAS 40 (revised 2015)	Investment Property	2016
TAS 41	Agriculture	2016

	<u>Contents</u>	<u>Effective year</u>
<u>Financial Reporting Standards</u>		
TFRS 2 (revised 2015)	Share-based Payment	2016
TFRS 3 (revised 2015)	Business Combinations	2016
TFRS 4 (revised 2015)	Insurance Contracts	2016
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations	2016
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets	2016
TFRS 8 (revised 2015)	Operating Segments	2016
TFRS 10 (revised 2015)	Consolidated Financial Statements	2016
TFRS 11 (revised 2015)	Joint Arrangements	2016
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities	2016
TFRS 13 (revised 2015)	Fair Value Measurement	2016
<u>Standing Interpretations Committee</u>		
TSIC 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities	2016
TSIC 15 (revised 2015)	Operating Leases - Incentives	2016
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders	2016
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease	2016
TSIC 29 (revised 2015)	Disclosure - Service Concession Arrangements	2016
TSIC 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services	2016
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs	2016

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

Management has preliminary assessed of the potential initial impact on the Company and its subsidiaries' financial statements of the revised financial reporting standards and expects that they will have no material impacts on the financial statements in the period of initial application.

### 3. CONSOLIDATED FINANCIAL STATEMENTS PREPARATION BASIS

The consolidated financial statements of Dcon Products Public Company Limited and its subsidiaries in which the Company has ability to control in making financial and operating decisions as follows:

	Percentage of shareholding		Type of business
	2015	2014	
Orrada Co., Ltd.	99.99	99.99	Sales and lease real estate
Rompo Products Co., Ltd.	99.99	99.99	Manufacturing and selling of precast floor

The consolidated financial statements have been prepared in conformity with the same accounting policy for the same accounts and accounting events of the Company and subsidiaries.

The balance of accounts and transactions between Dcon Products Public Company Limited and its subsidiaries unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the consolidated financial statements.

During the second quarter of 2015, the Company has invested in associate, Dcon Product (Cambodia) Co., Ltd. for the amount of Baht 8.90 million or shareholding proportion at 41%. Such company was incorporated and operated its business in Cambodia. Subsequently on September 23, 2015, the Company has cancelled investment in such associate since the remaining shareholders lack of liquidity and they have no completeness in additionally investment. The Company has sold such investment in the cost price to the other shareholders and already received the payment.

### 4. SUMMARY SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Revenues and expenses recognition

4.1.1 Revenues and expenses are recognized on an accrual basis.

4.1.2 Revenue from the sales of goods are recognized as income whenever the goods, the significant risks and rewards have been transferred to the buyer.

4.1.3 Revenue from assets for lease are recognized as income on a straight-line basis over the period of the lease.

#### 4.2 Cash and cash equivalents

Cash and cash equivalents included cash on hand and at banks of which the maturity is less than three months from the deposit date and without restriction on withdrawal.

#### 4.3 Trade and other Receivables

Trade and other receivables are stated at the rights to receive amount / invoice amount less allowance for doubtful accounts.

The Company and subsidiaries provided allowance for doubtful accounts by considering the overdue period of the accounts receivable from the abilities to repay the debts of each accounts receivable.

#### 4.4 Inventory

Inventories are valued at the lower of cost on a first-in first-out (FIFO) basis or net realizable value.

Cost of land development is stated at cost which consist of cost of land acquisition, land development and expenses directly related to the project including interest.

#### 4.5 Investment

Investments in securities for trading are stated at fair value. Gain or loss on changes in fair value is recognized as income or expenses in the statements of comprehensive income.

Investment in subsidiaries are stated at cost less provision for impairment (if any).

#### 4.6 Investment properties

4.6.1 Investment properties are properties held to earn rental or for capital appreciation or both.

4.6.2 Subsidiaries are stated land at cost, building at cost less accumulated depreciation and devaluation of assets (if any).

Cost is included initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the subsidiaries incur.

4.6.3 Subsidiaries calculated depreciation on a straight-line basis over the estimated useful lives of assets and the depreciation charge has to be determined separately for each significant parts of assets item with the cost that is significant in relation to the total cost of the assets item. In addition, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year-end.

The estimated useful lives of building is 20 years

Land and assets under construction were not depreciated.

#### 4.7 Property, plant and equipment

4.7.1 Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and provision for impairment of assets (if any). Cost is included initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs.

4.7.2 Building and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets and the depreciation charge has to be determined separately for each significant parts of assets with the cost that is significant in relation to the total cost of assets item. In addition, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year-end.

The estimated useful lives of the assets are follows :

	Number of years
Building and building improvement	5, 10 and 20
Machinery and equipment	5, 10 and 15
Underground well	5 and 10
Furniture, fixtures and office equipment	5
Vehicles	5 and 10

Land and assets under construction were not depreciated.

#### 4.8 Intangible assets

Intangible assets are valued at cost less accumulated amortization and provision for impairment of assets (if any).

Amortization is calculated on a straight-line basis as follows :

	Number of years
Computer software	10
Research and development costs	15

#### 4.9 Impairment of assets

The Company and subsidiaries have assessed the impairment of assets whenever events or changes indicated that the carrying amount of an assets exceeds its recoverable value (net selling price of the assets under current operation or its utilization value whichever is higher). The Company will consider the impairment for each asset item or each asset unit generating cash flows, whenever is practical. In case of the carrying amount of an asset exceeds its recoverable value, the Company will recognize an impairment in the statements of comprehensive income. The Company will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment.

#### 4.10 Financial instruments

Financial instruments are presented in statements of financial position, consist of cash and cash equivalents, current investment, trade and other receivables and short-term loans, bank overdrafts and short-term loans from financial institutions, trade and other payables, short-term loans, long-term loans and financial lease liabilities. The basis of recognition and measurement of each item is separately disclosed in the related transactions.

#### 4.11 Long-term lease

The Company and subsidiaries recorded vehicles under financial lease agreement/hire purchase agreement as assets and liabilities in an amount equal to the fair value at the leased assets or the present value of minimum payments under agreement. Interest expenses are recorded on over the term of agreement.

## 4.12 Employee Benefits

### 4.12.1 Provident Fund

The Company and subsidiaries have established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution payments to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

### 4.12.2 Post-Employee Benefits

The Company and subsidiaries provide for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method of which calculated by the Independent Actuary by using Actuarial Technique. The calculation was made from determining the present value of future cash flows expected to be required to settle and determines discount rate by reference to market yield of government bonds should have terms to maturity approximately equal to the terms of such obligations. In determine the future cash flows expected to be required to settle is used from employees' salaries, turnover, length of services and other factors. Changes in actuarial gains or losses are recognized in the period in which they are incurred in other comprehensive income. Expenses related to employee benefits shall be recorded in profit or loss for sharing such expenses throughout the period of services rendering.

## 4.13 Income tax and deferred tax

1. Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in 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 reporting date, and any adjustment to tax payable in respect of previous years.
  - Deferred tax is recognized 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 not recognized that it is probable that they will not utilize in the foreseeable future.
2. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.
  3. In determining the amount of current and deferred tax, the Company and subsidiaries take into account the impact of uncertain tax positions and whether additional taxes and interest may be settled. The Company and subsidiaries believe 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 judgments about future events. New information may become available that causes the Company and subsidiaries to change its judgment 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.
  4. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Company and subsidiaries intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.
  5. 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 utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### 4.14 Accounting estimates

Preparation of financial statements in conformity with the financial reporting standards required the management to make several estimation and assumption which affect the reported amounts in the financial statements and notes related thereto. Consequent actual results may differ from these estimates.

The Company and subsidiaries made estimates and assumptions concerning the future factors. The results of accounting estimates may be differ from the related actual results. The estimates and assumptions that may have a risk of causing an adjustment to the assets in the next financial year related to allowance for doubtful accounts, allowance for devaluation of inventories and provision for impairment of assets at the statements of financial position date. Other estimates are described in the corresponding disclosures.

#### 4.15 Provisions

The Company and subsidiaries recognize a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Company settles the obligation. The amount recognized should not exceed the amount of the provision.

#### 4.16 Earnings per share

Earnings (Loss) per share as presented in the statements of comprehensive income is the basic earnings per share which is determined by dividing the net profit for the year by the weighted average number of common shares issued and paid-up during the year.

Diluted earnings per share is calculated by dividing net profit for the year by the weighted average of common share issued during the year added by the number of common shares issued for offering to warrant holders of the Company.

## 5. SUPPLEMENT DISCLOSURE OF CASH FLOWS INFORMATION

### 5.1 Cash and cash equivalents comprise:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Cash	1,034,000.00	942,000.00	842,000.00	800,000.00
Cash at banks - current accounts	19,165,973.10	12,261,459.67	14,010,170.30	6,687,311.13
Cash at banks - savings deposit	81,330,634.08	131,329,198.04	33,196,734.21	36,466,479.56
Cash at banks - fixed deposit				
with 3 months	1,012.82	1,002.81	0.00	0.00
Total	101,531,620.00	144,533,660.52	48,048,904.51	43,953,790.69

### 5.2 Non-cash transaction

#### For the year ended December 31, 2015

##### Parent company

The Company made the dividend payment by common shares to the existing shareholders (Right offering) amount of Baht 8.23 million.

The Company has acquired the increase share capital based on proportion shareholding in subsidiary in the amount of Baht 100 million by making payment by cash amount of Baht 14 million, the remaining will be deducted with inter-company loans.

#### For the year ended December 31, 2014

##### Parents company

The Company entered into hire purchase 3 vehicles agreement of Baht 1.59 million which was already made the initial installment in the amount of Baht 0.40 million. The remaining is presented as financial lease liabilities.

##### Subsidiary

The subsidiary entered into hire purchase vehicles agreement of Baht 2.88 million which was already made the initial installment in the amount of Baht 2.49 million. The remaining is presented as other payables.

## 6. TRADE AND OTHER RECEIVABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Trade accounts receivable	137,652,749.73	140,806,630.52	124,373,230.92	128,827,666.53
Other receivables				
- Accrued dividend received	0.00	0.00	0.00	140,999,971.80
- Others	10,164,288.16	6,836,967.29	7,085,602.38	9,421,021.07
<b>Total</b>	<b>147,817,037.89</b>	<b>147,643,597.81</b>	<b>131,458,833.30</b>	<b>279,248,659.40</b>
Less Allowance for doubtful accounts				
- Trade accounts receivable	(11,163,638.16)	(11,203,410.51)	(4,412,181.30)	(4,412,181.30)
- Other receivables	(1,417,512.00)	(1,417,512.00)	0.00	0.00
<b>Net</b>	<b>135,235,887.73</b>	<b>135,022,675.30</b>	<b>127,046,652.00</b>	<b>274,836,478.10</b>

Billed trade accounts receivable separated on aging

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Undue trade accounts receivable	74,661,452.52	85,715,934.13	69,965,940.80	81,319,535.59
Overdue trade accounts receivable				
- Less than 3 months	49,882,600.67	42,768,641.80	48,089,288.29	42,064,932.56
- Over 3 months to 6 months	1,118,173.92	1,269,860.74	1,118,173.92	1,182,233.74
- Over 6 months to 12 months	908,813.56	42,024.19	908,813.56	42,024.19
- More than 12 months	11,081,709.06	11,010,169.66	4,291,014.35	4,218,940.45
<b>Total</b>	<b>137,652,749.73</b>	<b>140,806,630.52</b>	<b>124,373,230.92</b>	<b>128,827,666.53</b>

## 7. INVENTORIES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Finished goods	30,180,239.02	31,388,704.97	28,815,614.35	30,122,938.40
Work in process	413,259.06	0.00	0.00	0.00
Raw materials and supplies	31,620,716.12	31,054,980.97	29,636,047.23	29,300,167.79
Cost of land for development				
- Land	321,514,123.89	318,139,781.88	0.00	0.00
- Land for development	35,612,606.94	32,602,606.94	0.00	0.00
- Work in progress	402,950,008.29	337,212,543.49	0.00	0.00
Total	822,290,953.32	750,398,618.25	58,451,661.58	59,423,106.19
Less Cost of land for development				
transfer to cost of sales	(354,423,188.11)	(295,243,804.65)	0.00	0.00
Less Transfer to investment				
properties	(19,291,433.87)	0.00	0.00	0.00
Total	448,576,331.34	455,154,813.60	58,451,661.58	59,423,106.19
Less Allowance for obsolete				
goods	(489,394.51)	(489,394.51)	(489,394.51)	(489,394.51)
Net	448,086,936.83	454,665,419.09	57,962,267.07	58,933,711.68

## 8. LAND HELD FOR DEVELOPMENT

As at December 31, 2015 and 2014, subsidiaries' land held for development (including land, land improvement and utilities) in the amount of Baht 14.20 million are mortgaged as collateral against overdraft lines and short-term loans from financial institutions (note 15) and contingent liabilities from bank issuance of guarantee (note 32.2).

## 9. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Paid-up share capital (Baht)		Percentage of shareholding		Separate financial statements (Baht)			
			2015	2014	2015	2014	Cost method		Dividend income	
							2015	2014	2015	2014
Orrada Co., Ltd.	Sales and lease real estate	Shareholders and directorship	400,000,000.00	300,000,000.00	99.99	99.99	400,000,000.00	300,000,000.00	0.00	140,999,971.80
Rompo Products Co., Ltd.	Manufacturing and selling of precast floor	Shareholders and directorship	35,000,000.00	35,000,000.00	99.99	99.99	41,663,520.71	41,663,520.71	15,049,135.70	10,149,417.10
Total							441,663,520.71	341,663,520.71	15,049,135.70	151,149,388.90

### 9.1 Share capital - Orrada Co., Ltd.

According to the minutes of shareholders' extraordinary meeting No. 1/2015 held on August 13, 2015, passed the resolution to increase share capital amount of Baht 100 million totally Baht 400 million (40,000,000 common shares at par value of Baht 10 each) in the existing shareholders ratio that the subsidiary has registered the increase share capital with the Ministry of Commerce on September 7, 2015. The subsidiary has called for and received the payment of common shares in fully amount.

9.2 The financial statements for the year ended December 31, 2015 and 2014 of above subsidiaries have been taken for preparing the consolidated financial statements which were audited by the auditor.

## 10. INVESTMENT PROPERTIES

	<b>Consolidated financial statements (Baht)</b>		
	Land	Building	Total
Assets cost :			
As at December 31, 2013	16,185,521.24	19,765,818.05	35,951,339.29
As at December 31, 2014	16,185,521.24	19,765,818.05	35,951,339.29
Transfer from inventories	2,999,676.12	16,291,757.75	19,291,433.87
As at December 31, 2015	19,185,197.36	36,057,575.80	55,242,773.16
Accumulated depreciation :			
As at December 31, 2013	0.00	11,237,346.32	11,237,346.32
Depreciation for the year	0.00	970,961.94	970,961.94
As at December 31, 2014	0.00	12,208,308.26	12,208,308.26
Depreciation for the year	0.00	1,310,373.57	1,310,373.57
As at December 31, 2015	0.00	13,518,681.83	13,518,681.83
Net assets value			
As at December 31, 2014	16,185,521.24	7,557,509.79	23,743,031.03
As at December 31, 2015	19,185,197.36	22,538,893.97	41,724,091.33

As at December 31, 2015 and 2014, a subsidiary has investment properties in the form of land including 12 units and 8 units of factory buildings of subsidiary which had fair value amount of Baht 113.20 million and Baht 67.20 million respectively and another subsidiary has 4 plots of land which had fair value amount of Baht 10.71 million.

## 11. PROPERTY, PLANT AND EQUIPMENT

### Consolidated financial statements (Baht)

	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Underground well	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Assets - cost :								
As at December 31, 2013	122,679,184.22	192,500,290.41	247,052,029.82	3,972,629.50	32,362,806.84	301,936,351.38	87,470,376.76	987,973,668.93
Acquisition	8,727,630.57	8,661,055.04	27,829,337.41	321,306.22	3,796,731.80	16,232,524.29	132,896.00	65,701,481.33
Disposal	0.00	0.00	(44,874.66)	0.00	(436,281.64)	(6,815,827.77)	(178,174.34)	(7,475,158.41)
Transference	10,525,470.37	17,671,459.20	57,695,304.12	1,399,968.73	0.00	0.00	(87,292,202.42)	0.00
As at December 31, 2014	141,932,285.16	218,832,804.65	332,531,796.69	5,693,904.45	35,723,257.00	311,353,047.90	132,896.00	1,046,199,991.85
Acquisition	95,000.00	219,705.02	18,584,683.81	619,000.00	2,534,468.35	4,769,379.81	2,148,924.08	28,971,161.07
Disposal	0.00	0.00	(4,046,099.63)	0.00	(742,047.45)	(829,789.60)	0.00	(5,617,936.68)
Transference	0.00	0.00	9,300.00	0.00	0.00	0.00	(9,300.00)	0.00
As at December 31, 2015	142,027,285.16	219,052,509.67	347,079,680.87	6,312,904.45	37,515,677.90	315,292,638.11	2,272,520.08	1,069,553,216.24
Accumulated depreciation :								
As at December 31, 2013	0.00	95,098,724.33	195,634,989.25	3,734,072.87	24,798,874.68	151,498,346.06	0.00	470,765,007.19
Depreciation for the year	0.00	7,588,275.17	16,296,812.22	152,377.81	2,897,188.97	18,655,914.83	0.00	45,590,569.00
Depreciation - write off	0.00	0.00	(30,549.99)	0.00	(159,393.77)	(3,741,978.03)	0.00	(3,931,921.79)
As at December 31, 2014	0.00	102,686,999.50	211,901,251.48	3,886,450.68	27,536,669.88	166,412,282.86	0.00	512,423,654.40
Depreciation for the year	0.00	8,069,499.42	19,141,246.24	219,923.50	3,147,649.03	19,804,747.41	0.00	50,383,065.60
Depreciation - write off	0.00	0.00	(4,031,432.12)	0.00	(666,441.88)	(394,661.67)	0.00	(5,092,535.67)
As at December 31, 2015	0.00	110,756,498.92	227,011,065.60	4,106,374.18	30,017,877.03	185,822,368.60	0.00	557,714,184.33
Net assets value								
As at December 31, 2014	141,932,285.16	116,145,805.15	120,630,545.21	1,807,453.77	8,186,587.12	144,940,765.04	132,896.00	533,776,337.45
As at December 31, 2015	142,027,285.16	108,296,010.75	120,068,615.27	2,206,530.27	7,497,800.87	129,470,269.51	2,272,520.08	511,839,031.91

## 11. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Separate financial statements (Baht)							Total
	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Underground well	Furniture, fixtures and office equipment	Vehicles	Assets under construction	
Assets - cost :								
As at December 31, 2013	96,551,451.35	180,273,000.75	225,015,809.42	3,857,136.73	26,797,106.58	288,506,650.08	80,799,482.30	901,800,637.21
Acquisition	8,727,630.57	8,555,365.60	27,503,978.43	321,306.22	3,592,104.96	12,917,219.62	132,896.00	61,750,501.40
Disposal	0.00	0.00	0.00	0.00	0.00	(5,820,740.39)	(178,174.34)	(5,998,914.73)
Transference	10,525,470.37	14,929,797.71	53,766,071.15	1,399,968.73	0.00	0.00	(80,621,307.96)	0.00
As at December 31, 2014	115,804,552.29	203,758,164.06	306,285,859.00	5,578,411.68	30,389,211.54	295,603,129.31	132,896.00	957,552,223.88
Acquisition	95,000.00	219,705.02	15,426,652.06	619,000.00	1,338,685.15	3,365,000.00	2,148,924.08	23,212,966.31
Disposal	0.00	0.00	0.00	0.00	(664,581.00)	(829,789.60)	0.00	(1,494,370.60)
Transference	0.00	0.00	9,300.00	0.00	0.00	0.00	(9,300.00)	0.00
As at December 31, 2015	115,899,552.29	203,977,869.08	321,721,811.06	6,197,411.68	31,063,315.69	298,138,339.71	2,272,520.08	979,270,819.59
Accumulated depreciation :								
As at December 31, 2013	0.00	89,644,557.44	177,283,415.36	3,643,691.83	21,094,497.35	143,968,722.33	0.00	435,634,884.31
Depreciation for the year	0.00	6,844,929.69	14,579,336.81	141,745.85	2,253,026.83	16,937,688.45	0.00	40,756,727.63
Depreciation - write off	0.00	0.00	0.00	0.00	0.00	(2,746,895.65)	0.00	(2,746,895.65)
As at December 31, 2014	0.00	96,489,487.13	191,862,752.17	3,785,437.68	23,347,524.18	158,159,515.13	0.00	473,644,716.29
Depreciation for the year	0.00	7,315,768.49	17,394,273.28	209,291.48	2,536,849.06	17,909,314.83	0.00	45,365,497.14
Depreciation - write off	0.00	0.00	0.00	0.00	(652,145.76)	(394,661.67)	0.00	(1,046,807.43)
As at December 31, 2015	0.00	103,805,255.62	209,257,025.45	3,994,729.16	25,232,227.48	175,674,168.29	0.00	517,963,406.00
Net assets value								
As at December 31, 2014	115,804,552.29	107,268,676.93	114,423,106.83	1,792,974.00	7,041,687.36	137,443,614.18	132,896.00	483,907,507.59
As at December 31, 2015	115,899,552.29	100,172,613.46	112,464,785.61	2,202,682.52	5,831,088.21	122,464,171.42	2,272,520.08	461,307,413.59

As at December 31, 2015 and 2014, land, building, machinery and equipment at cost of Baht 209.23 million and Baht 174.35 million in the consolidated financial statements, and Baht 189.89 million and Baht 155.01 million in the separate financial statements respectively are mortgaged as collateral against overdrafts line and short-term loans from financial institutions (note 15), long-term loans (note 17) and contingent liabilities from bank issuance of letter of guarantee (note 32.2).

## 12. INTANGIBLE ASSETS

	Consolidated and Separate financial statements (Baht)					
	Computer software		Products research and development		Total	
	2015	2014	2015	2014	2015	2014
Intangible assets - cost :						
Beginning balance	6,649,420.09	6,649,420.09	12,715,569.38	12,715,569.38	19,364,989.47	19,364,989.47
Ending balance	6,649,420.09	6,649,420.09	12,715,569.38	12,715,569.38	19,364,989.47	19,364,989.47
Accumulated amortization :						
Beginning balance	3,955,441.04	3,354,112.84	2,168,347.36	2,168,347.36	6,123,788.40	5,522,460.20
Amortization for the year	655,994.40	601,328.20	0.00	0.00	655,994.40	601,328.20
Ending balance	4,611,435.44	3,955,441.04	2,168,347.36	2,168,347.36	6,779,782.80	6,123,788.40
Provision for impairment of assets :						
Beginning balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Ending balance	0.00	0.00	10,547,222.02	10,547,222.02	10,547,222.02	10,547,222.02
Net intangible assets value						
Beginning balance	2,693,979.05	3,295,307.25	0.00	0.00	2,693,979.05	3,295,307.25
Ending balance	2,037,984.65	2,693,979.05	0.00	0.00	2,037,984.65	2,693,979.05

### 13. DEFERRED TAX ASSETS / LIABILITIES

The increase and decrease of deferred tax assets / liabilities are as follows :

	<b>Consolidated financial statements (Baht)</b>				
	Recognize as (expenses)		Recognize as (expenses)		
	As at December	income in profit	As at December	income in profit	As at December
	31, 2013	or loss	31, 2014	or loss	31, 2015
	(Note 23.2)		(Note 23.2)		
<u>Deferred tax assets</u>					
Trade accounts receivable (allowance for doubtful accounts)	898,178.71	(2,746.40)	895,432.31	(7,954.47)	887,477.84
Inventories (allowance for devaluation of inventories)	70,161.02	0.00	70,161.02	0.00	70,161.02
Intangible assets (provision for impairment)	843,777.78	(210,944.44)	632,833.34	(210,944.42)	421,888.92
Non-operating assets (provision for impairment)	2,382,496.11	(337,244.94)	2,045,251.17	(337,299.13)	1,707,952.04
Employee benefit obligations	1,066,370.90	339,055.91	1,405,426.81	(114,735.83)	1,290,690.98
Total	5,260,984.52	(211,879.87)	5,049,104.65	(670,933.85)	4,378,170.80
<u>Deferred tax liabilities</u>					
Fixed assets (depreciation)	(1,822,883.00)	(974,892.25)	(2,797,775.25)	(1,101,928.40)	(3,899,703.65)
Net	3,438,101.52	(1,186,772.12)	2,251,329.40	(1,772,862.25)	478,467.15
<b>Separate financial statements (Baht)</b>					
	Recognize as (expenses)		Recognize as (expenses)		
	As at December	income in profit	As at December	income in profit	As at December
	31, 2013	or loss	31, 2014	or loss	31, 2015
		(Note 23.2)		(Note 23.2)	
<u>Deferred tax assets</u>					
Trade accounts receivable (allowance for doubtful accounts)	870,601.57	0.00	870,601.57	0.00	870,601.57
Inventories (allowance for devaluation of inventories)	70,161.02	0.00	70,161.02	0.00	70,161.02
Intangible assets (provision for impairment)	843,777.78	(210,944.44)	632,833.34	(210,944.42)	421,888.92
Non-operating assets (provision for impairment)	2,382,496.11	(337,244.94)	2,045,251.17	(337,299.13)	1,707,952.04
Employee benefit obligations	941,557.50	244,649.11	1,186,206.61	(139,593.63)	1,046,612.98
Total	5,108,593.98	(303,540.27)	4,805,053.71	(687,837.18)	4,117,216.53
<u>Deferred tax liabilities</u>					
Fixed assets (depreciation)	(1,822,883.00)	(974,892.25)	(2,797,775.25)	(1,101,928.40)	(3,899,703.65)
Net	3,285,710.98	(1,278,432.52)	2,007,278.46	(1,789,765.58)	217,512.88

#### 14. NON-OPERATING ASSETS

	<b>Consolidated and Separate financial statements (Baht)</b>			
	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Total
Assets - cost				
As at December 31, 2013	17,448,452.47	62,766,155.35	99,623,503.15	179,838,110.97
As at December 31, 2014	17,448,452.47	62,766,155.35	99,623,503.15	179,838,110.97
As at December 31, 2015	17,448,452.47	62,766,155.35	99,623,503.15	179,838,110.97
Accumulated depreciation :				
As at December 31, 2013	0.00	21,005,394.31	49,588,860.10	70,594,254.41
Depreciation for the year	0.00	2,953,094.55	5,524,643.05	8,477,737.60
As at December 31, 2014	0.00	23,958,488.86	55,113,503.15	79,071,992.01
Depreciation for the year	0.00	2,953,094.55	5,524,643.05	8,477,737.60
As at December 31, 2015	0.00	26,911,583.41	60,638,146.20	87,549,729.61
Provision for impairment of assets :				
As at December 31, 2013	0.00	3,339,102.98	17,933,111.48	21,272,214.46
As at December 31, 2014	0.00	3,339,102.98	17,933,111.48	21,272,214.46
As at December 31, 2015	0.00	3,339,102.98	17,933,111.48	21,272,214.46
Net non-operating assets value				
As at December 31, 2014	17,448,452.47	35,468,563.51	26,576,888.52	79,493,904.50
As at December 31, 2015	17,448,452.47	32,515,468.96	21,052,245.47	71,016,166.90

In the third quarter of 2009, the increasing of non-operating assets amount of Baht 136.87 million derived from transferring land, building and equipment because the factory was temporarily stopped for using in its manufacture. The Company led the independent appraiser to appraise the value of building by using the new replacement cost, machinery and equipment by using fair market value, the total appraisal value is lower than carrying value amount of Baht 21.27 million.

As at December 31, 2015 and 2014, land, building, machinery and equipment at cost amount of Baht 134.02 million in the consolidated and separate financial statements are mortgaged as collateral against overdraft line and short-term loans from financial institutions (note 15), long-term loan (note 17) and contingent liabilities from bank issuance of letter of guarantee (note 32.2).

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

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Bank overdrafts	3,432,990.37	1,073,035.31	3,432,990.37	1,073,035.31
Short-term loans	170,000,000.00	500,000.00	170,000,000.00	0.00
Total	173,432,990.37	1,573,035.31	173,432,990.37	1,073,035.31

As at December 31, 2015 and 2014, the Company and subsidiaries have overdrafts line for the amount of Baht 72 million (4 banks) in the consolidated financial statements, and Baht 60 million (4 banks) in the separate financial statements respectively at the interest rate of MOR to MOR+0.25% per annum and short-term loans from 5 banks for the credit line of Baht 316 million in the consolidated financial statements and Baht 31 million in the separate financial statements respectively at the interest rate of MLR - 2.75% to MLR - 0.5% per annum.

The above liabilities guaranteed by mortgaging land held for development (note 8), land with its building, and machinery and equipment (note 11 and 14).

#### 16. TRADE AND OTHER PAYABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Trade accounts payable	76,038,547.77	93,077,200.60	70,560,689.20	85,388,774.63
Other payables				
Amount received in				
advance for goods	7,593,708.62	6,743,870.98	5,365,377.62	5,877,469.38
Accrued expenses	15,540,317.32	21,475,859.22	12,199,046.91	18,562,011.52
Fixed assets acquisition payable				
Others	10,731,008.00	10,137,237.91	4,676,477.40	5,861,723.10
Total	109,903,581.71	131,434,168.71	92,801,591.13	115,689,978.63

## 17. LONG-TERM LOAN

	Consolidated and Separate financial statements (Baht)	
	2015	2014
Loan from bank	73,750,000.00	101,250,000.00
Less Current portion of long-term liabilities	<u>(27,500,000.00)</u>	<u>(27,500,000.00)</u>
Net	<u>46,250,000.00</u>	<u>73,750,000.00</u>

The Company has obtained the approval for long-term loans line from two banks.

The first line amount of Baht 70 million for using in factory construction. The interest is payable on a monthly basis at the rate of MLR-2% per annum. The principal is repayable within 60 months. The first installment will be made on August 2014 and the following installment will be made on a quarterly basis in the amount of Baht 4.38 million each.

The second line amount of Baht 40 million for using in factory construction. The interest is payable on a monthly basis at the rate of MLR-2.5% per annum. The principal is repayable within 48 months. The first installment will be made on March 2015 and the following installment will be made on a quarterly basis in the amount of Baht 2.50 million each.

Such loans are guaranteed by land with its construction of the Company (note 11 and 14).

## 18. FINANCIAL LEASE LIABILITIES

18.1 Financial lease liabilities exclude future interest are as follow:

	Consolidated and Separate financial statements (Baht)	
	2015	2014
Lease payable	14,824,983.69	38,294,370.64
Less Current portion of long-term liabilities	<u>(14,408,956.13)</u>	<u>(25,345,237.45)</u>
Net	<u>416,027.56</u>	<u>12,949,133.19</u>

18.2 As at December 31, 2015 and 2014, vehicles at cost of Baht 58.26 million and Baht 78.08 million respectively in the consolidated and separate financial statements which are under the payment as indicated in agreement.

18.3 The minimum to be paid for financial lease is as follows :

	<b>Consolidated and Separate financial statements (Baht)</b>	
	<b>2015</b>	<b>2014</b>
Within 1 year	14,703,222.91	25,541,244.98
Over 1 year to 3 years	438,011.04	14,400,380.56
Over 3 year to 5 years	0.00	109,502.71
Total	15,141,233.95	40,051,128.25
Less Future interest under financial lease	(316,250.26)	(1,756,757.61)
Present value of financial lease liabilities	14,824,983.69	38,294,370.64

#### 19. EMPLOYEE BENEFIT OBLIGATIONS

The Company and its subsidiaries had an employee benefit obligation based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service and long-term service awards.

The defined benefit plans expose the Company and subsidiaries to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The statement of financial position obligation was determined as follows:

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Present value of obligations	6,453,454.88	6,933,234.00	5,233,064.88	5,837,133.00

Movement in the present value of the employee benefit obligations

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
As at 1 January	6,933,234.00	5,331,855.00	5,837,133.00	4,707,788.00
Benefits paid	(1,348,770.00)	0.00	(1,348,770.00)	0.00
Current service costs and interest	868,990.88	1,354,400.00	744,701.88	1,126,800.00
Actuarial losses (gains)	0.00	246,979.00	0.00	2,545.00
As at 31 December	6,453,454.88	6,933,234.00	5,233,064.88	5,837,133.00

Expense recognized in profit or loss

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Current service costs	569,756.88	1,354,400.00	492,162.88	1,126,800.00
Interest on obligation	299,234.00	0.00	252,539.00	0.00
Actuarial losses (gains)	0.00	246,979.00	0.00	2,545.00
<b>Total</b>	<b>868,990.88</b>	<b>1,601,379.00</b>	<b>744,701.88</b>	<b>1,129,345.00</b>

The Company and its subsidiaries recognized the expenses in the following line items in the statement of income

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (Baht)</b>		<b>financial statements (Baht)</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Cost of services	222,617.50	429,800.00	222,617.50	429,800.00
Administrative expenses	347,139.38	1,171,579.00	269,545.38	699,545.00
Finance costs	299,234.00	0.00	252,539.00	0.00
<b>Total</b>	<b>868,990.88</b>	<b>1,601,379.00</b>	<b>744,701.88</b>	<b>1,129,345.00</b>

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements (%)</b>		<b>financial statements (%)</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Discount rate	3.99	3.99	3.99	3.99
Future salary increases	6.69	6.69	6.69	6.69

Assumptions regarding future mortality are based on published statistics and Thailand Mortality Ordinary Life table 2008 (“TMO08”).

## Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

	Consolidated		Separate	
	financial statements (%)		financial statements (%)	
Defined benefit obligation				
at 31 December 2015	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(193,374.00)	205,544.00	(152,839.00)	162,136.00
Future salary growth				
(0.5% movement)	192,260.00	(182,808.00)	150,419.00	(143,313.00)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## 20. SHARE CAPITAL

### 20.1 The resolution of shareholders' meeting

20.1.1 According to the annual general shareholders' meeting for the year 2014 held on April 24, 2014, the shareholders passed the resolution as follow :

- 1) Decrease the registered shares capital from Baht 206 million to Baht 205.73 million by deducting unissued 0.27 million shares at par value of Baht 1 each, the Company has registered the decrease share capital with the Ministry of Commerce on May 2, 2014.
- 2) Increase the registered share capital for support the exercise of warrants from Baht 205.73 million to Baht 246.88 million by issuing 41.15 million ordinary shares at par value of Baht 1 each, the Company has registered the increase share capital with the Ministry of Commerce on May 6, 2014.

20.1.2 According to the shareholders' extraordinary meeting No. 1/2015 held on January 8, 2015, the shareholders passed the resolution as follow :

- 1) Change the par value of share capital from Baht 1 each to Baht 0.10 each, as a result, the Company has registered share capital - ordinary shares for 2,468,760,000 shares at par value of Baht 0.10 each. The Company has registered the change in par value of share capital with the Ministry of Commerce on January 13, 2015.
- 2) Increase share capital of the Company for the amount of Baht 38.86 million (388,600,000 ordinary shares at par value of Baht 0.10 each) to support the exercise right of warrant - holders (DCON-W1 and DCON-W2). The Company has registered the increase share capital with the Ministry of Commerce on January 14, 2015.

20.1.3 Accounting to the minutes of the shareholders' General Meeting for the year 2015 held on April 23, 2015, passed the resolution as follow :

- 1) Decrease the registered share capital from Baht 285.74 million to Baht 285.63 million by deducting unissued 1.10 million shares at par value of Baht 0.10 each, the Company has registered the decrease share capital with the Ministry of Commerce on May 1, 2015.
- 2) Increase the registered share capital for shares dividend from Baht 285.63 million to Baht 297.38 million by issuing 117.51 million ordinary shares at par value of Baht 0.10 each, the Company has registered the increase share capital with the Ministry of Commerce on May 6, 2015.
- 3) Pay by shares dividend of the Company for amount not exceed Baht 8.22 million or at Baht 0.10 per shares in the ratio of 25 existing shares per 1 share dividend (in case the indivisible shares less than 25 shares, the dividend will be paid by cash at Baht 0.004 per share). During the period, the Company has paid such shares dividend for 82.28 million shares, as a result, the Company incurred the increase in paid-up share capital from Baht 205.73 million to Baht 213.96 million (2,139,578,118 common shares at par value of Baht 0.10 each). The Company has registered the increase share capital with the Ministry of Commerce of May 12, 2015.

20.1.4 According to the shareholders' extraordinary meeting No. 2/2015 held on December 21, 2015, the shareholders passed the resolution as follow :

- 1) Decrease the registered share capital from Baht 297,377,516.70 to Baht 297,376,128.50 by deducting unissued 13,882 shares at par value of Baht 0.10 each, the Company has registered the decrease share capital with the Ministry of Commerce on December 28, 2015.
- 2) Increase the registered share capital of the Company for amount not exceed Baht 248.94 million (2,489,399,795 common shares at par value of Baht 0.10 each). The allocation is detailed following :
  - Allocate the increase share capital for the amount not exceeding 2,139,598,118 ordinary shares offer to the existing shareholders based on shareholding proportion (Right offering) at the ratio of 1 existing share for 1 new share at the offering price amount of Baht 0.45 each.

- Allocate the increase share capital for the amount not exceeding 349,821,677 ordinary shares in order to correspond with the modification of warrant holders rights (DCON-W1 and DCON-W2) in respect of Right Offering at the par value less than 90% of market price per share.

The Company has registered the increase share capital from Baht 297.38 million to Baht 546.32 million (5,463,161,080 ordinary shares at par value of Baht 0.10 each) and also registered such increase share capital with the Ministry of Commerce on December 29, 2015.

After the reporting period, the Company has received the payment of such share capital increased, as at result, the Company has the additional share capital from amount of Baht 213.96 million to Baht 427.92 million (4,279,156,236 shares of Baht 0.10 each). The company has registered the paid-up share capital with the Ministry of Commerce on February 3, 2016.

20.2 The increase and decrease of share capital of share capital are as follow :

	<b>Authorized share capital</b>		<b>Issued and paid-up share capital</b>	
	<b>Number of shares</b>	<b>Amount (Baht)</b>	<b>Number of shares</b>	<b>Amount (Baht)</b>
Balance as at December 31, 2013	2,060,000,000	206,000,000.00	202,865,000	202,865,000.00
Common shares issued from				
exercise of warrants	0	0.00	2,569,400	2,569,400.00
Decrease the registered shares capital	(2,700,000)	(270,000.00)	0	0.00
Increase the registered share capital	411,460,000	41,146,000.00	0	0.00
Balance as at December 31, 2014	2,468,760,000	246,876,000	205,434,400	205,434,400
Common shares issued from				
exercise of warrants	0	0.00	2,956,000	295,600.00
Share dividend paid	0	0.00	82,278,118	8,227,811.80
Increase the registered share capital	2,995,512,737	299,551,273.70	0	0.00
Decrease the registered shares capital	(1,111,657)	(111,165.70)	0	0.00
Balance as at December 31, 2015	5,463,161,080.00	546,316,108.00	290,668,518.00	213,957,811.80

20.3 Warrant to purchase ordinary shares of the Company

1) On June 1, 2010, the Company has already issued 5.73 million units of warrants to purchase ordinary shares of the Company to employees of the Company and of subsidiary (ESOP-1). One unit of warrant can be exercised to purchase 1 ordinary share in the value of Baht 1 each. Term of warrants is 5 years from the issuance date of warrants (the first exercise date will be on January 31, 2013 and every 3 months thereafter, the warrant is exercisable during January 31, 2013 to November 30, 2013 at 50%).

On January 8, 2015, at the shareholders' extraordinary meeting No. 1/2015, passed the resolution to decrease par value of share capital from Baht 1 each to Baht 0.10 each which affected to the exercise right of warrant at 1 unit to 10 shares, at the exercise price of Baht 0.10 per share.

2) On June 12, 2014, the Company has allocated the warrants (DCON-W1) to the existing shareholders based on ROWarrant for 41.09 million units without offering price at the exercise ratio of 1 unit of warrant per 1 ordinary share at the price of Baht 5 each. The exercise period is 5 years from the date of issuance. The exercise date shall be on the last business day of every 6 months. The first date of exercise is on July 31, 2017 and the last exercise date is on May 8, 2019.

On January 8, 2015, at the shareholders' extraordinary meeting No. 1/2015, passed the resolution to decrease par value of share capital from Baht 1 each to Baht 0.10 each which affected to the exercise right of warrant at 1 unit to 11.2008 shares, at the exercise price of Baht 0.4464 per share.

On February 26, 2015, at the Board of directors' meeting No. 1/2015, passed the resolution to pay shares dividend in the ratio of 25 existing shares per 1 share dividend which affected to the exercise right of warrant at 1 unit to 11.649 shares, at the exercise price of Baht 0.429 per share.

On December 21, 2015, at the shareholders' extraordinary meeting No. 2/2015, passed the resolution to allot 2,139,578,118 common shares offer to the existing shareholders (Right offering) with the offering price of Baht 0.45 each which affected to the exercise right of warrant at 1 unit to 15.709 shares, at the exercise price of Baht 0.318 per share.

3) On January 29, 2015, the Company has allocated the warrants (DCON-W2) to the existing shareholders based on ROWarrant for 341.89 million units without offering price at the exercise ratio of 1 unit of warrant per 1 ordinary share at the price of Baht 0.50 each. The exercise period is 2 years from the date of issuance. The exercise date shall be on the last business day of every 3 months. The first date of exercise is on July 29, 2016 and the last exercise date is on January 27, 2020.

On February 26, 2015, at the Board of directors' meeting No. 1/2015, passed the resolution to pay shares

dividend in the ratio of 25 existing shares per 1 share dividend which affected to the exercise right of warrant at 1 unit to 1.040 shares, at the exercise price of Baht 0.481 per share.

On December 21, 2015, at the shareholders' extraordinary meeting No. 2/2015, passed the resolution to allot 2,139,578,118 common shares offer to the existing shareholders (Right offering) with the offering price of Baht 0.45 each which affected to the exercise right of warrant at 1 unit to 1.403 shares, at the exercise price of Baht 0.357 per share.

20.4 The increase and decrease of common shares issued from exercise of warrants are as follow :

	<b>Number of units</b>			
	ESOP-1	DCON-W1	DCON-W2	รวม
Balance as at December 31, 2013	2,865,000	0	0	2,865,000
Exercise of warrants	(2,569,400)	0	0	(2,569,400)
Issued warrants	0	41,086,819	0	41,086,819
Balance as at December 31, 2014	295,600	41,086,819	0	41,382,419
Exercise of warrants	(295,600)	0	0	(295,600)
Issued warrants	0	0	341,894,035	341,894,035
Balance as at December 31, 2015	0	41,086,819	341,894,035	382,980,854

## 21. LEGAL RESERVE

Under the Public Company Limited Act, the Company is required to set aside as reserve fund at least 5% of its annual net income after deduction of the deficit brought forward (if any) until the reserve is not less than 10% of authorized capital. The reserve is not available for dividend distribution.

## 22. RETAINED EARNINGS APPROPRIATION

Parent

According to the minutes of the shareholders' general meeting for the year 2015 held on April 23, 2015, passed the resolution to pay dividend from the results of operation for the year 2014 to the shareholders at Baht 0.154 per share, for 2,057.30 million shares amounting to Baht 316.77 million by dividing into:

- 1) Pay by cash dividend to the shareholders at Baht 0.15 per share, total amount of Baht 308.54 million.
- 2) Pay by shares dividend of the Company for amount not exceed Baht 8.22 million or at Baht 0.10 per share in the ratio of 25 existing shares per 1 share dividend (in case the indivisible shares less than 25 shares, the dividend will be paid by cash at Baht 0.004 per share).

During the year, the Company has already paid such dividend.

According to the minutes of the shareholders' general meeting for the year 2014 held on April 24, 2014, passed the resolution to pay dividend from the results of operation for the year 2013 to the shareholders at Baht 1.04 per share, for 205.43 million shares amounting to Baht 213.65 million. During the year, the Company has already paid such dividend.

#### Subsidiaries

According to the minutes of shareholders' general meeting for the year 2015 held on April 28, 2015, passed the resolution to pay dividend from the results of operation for the year 2014 to the shareholders at Baht 4.30 per share, for 3.50 million shares amounting to Baht 15.05 million. Subsidiary has already paid such dividend during the year.

According to the minutes of shareholders' general meeting for the year 2014 held on April 25, 2014, passed the resolution to pay dividend from the results of operation for the year 2013 to the shareholders at Baht 2.90 per share, for 3.50 million shares amounting to Baht 10.15 million. Subsidiary has already paid such dividend during the year.

According to the minutes of Board of directors' meeting No. 3/2014 held on December 22, 2014, passed the resolution to pay dividend from profit from the results of operation accumulated up to the year 2014 to the shareholders at Baht 4.70 per share, for 30 million shares amounting to Baht 141 million. After the reporting period on January 19, 2015 the subsidiary has already paid such dividend.

## **23. INCOME TAX**

### 23.1 The calculation of current income taxes

For the year 2015 and 2014, the corporate income tax is calculated at the rate of 20 per cent of profit (loss) before deducting with tax expenses and added back other expenses which shall not be allowed as expenses in tax calculation (if any) except the exempted taxable profit derived from promoted business by using the rate as stipulated in the promotion certificate (note 29).

23.2 Income tax recognized in profit or loss

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	2015	2014	2015	2014
<b>Current income tax</b>				
for the current year	43,642,362.30	81,050,970.27	33,775,163.21	40,764,104.82
<b>Deferred tax</b>				
Changes in temporary differences				
of deferred tax	1,772,862.25	1,186,772.12	1,789,765.58	1,278,432.52
Total income tax	<u>45,415,224.55</u>	<u>82,237,742.39</u>	<u>35,564,928.79</u>	<u>42,042,537.34</u>

23.3 Reconciliation for effective income tax rate

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	2015	2014	2015	2014
Profit before income tax	221,605,389.02	410,975,708.87	190,068,457.64	360,730,673.80
Income tax rate (%)	20	20	20	20
Income tax	44,321,077.80	82,195,141.77	38,013,691.53	72,146,134.76
Prohibited taxable expenses	616,633.84	263,285.85	561,064.40	126,280.46
Additional taxable expenses	(32,989.00)	(15,740.97)	0.00	0.00
Exempted income	0.00	0.00	(3,009,827.14)	(30,229,877.78)
Effects from elimination with				
subsidiary	510,501.91	(204,944.26)	0.00	0.00
Total income tax	<u>45,415,224.55</u>	<u>82,237,742.39</u>	<u>35,564,928.79</u>	<u>42,042,537.44</u>
Income tax rate (%)	<u>20</u>	<u>20</u>	<u>19</u>	<u>12</u>

## 24. EARNINGS PER SHARE

24.1 Basic earnings per share is determined by dividing the net profit (loss) for the period by the weighted average number of common shares issued and paid-up using the number of shares including the number of shares which increasing from devalue of par value and shares dividend payment (note 20) and made retroactively adjustment to earnings per share for the year ended December 31, 2014 as below :

		<b>Consolidated financial statements</b>			
		<b>Before number of shares</b>		<b>After number of shares</b>	
		<b>increased from reduction par value</b>		<b>increased from reduction par value</b>	
		<b>and shares dividend payment</b>		<b>and shares dividend payment</b>	
		<b>Earnings per share</b>	<b>Number of shares</b>	<b>Earnings per share</b>	<b>Number of shares</b>
2015		-	-	0.08	2,139,331,785
2014		1.60	205,220,283	0.15	2,134,376,590

  

		<b>Separate financial statements</b>			
		<b>Before number of shares</b>		<b>After number of shares</b>	
		<b>increased from reduction par value</b>		<b>increased from reduction par value</b>	
		<b>and shares dividend payment</b>		<b>and shares dividend payment</b>	
		<b>Earnings per share</b>	<b>Number of shares</b>	<b>Earnings per share</b>	<b>Number of shares</b>
2015		-	-	0.07	2,139,331,785
2014		1.55	205,220,283	0.15	2,134,376,590

24.2 Diluted earnings per share is calculated by dividing net profit for the period by the weighted average number of common share issued and paid-up using the number of shares including the number of shares which increasing from devalue of par value and shares dividend payment (note 20) and made retroactively adjustment to earnings per share for the year ended December 31, 2014 added by the number of common shares issued for offering to warrant holders of the Company (note 20.4).

<b>Consolidated financial statements</b>								
	<b>Net profit</b>			<b>Number of shares</b>			<b>Earnings / share</b>	
	<b>2015</b>	<b>Baht</b>	<b>2014</b>	<b>2015</b>	<b>shares</b>	<b>2014</b>	<b>2015</b>	<b>Baht 2014</b>
Basic earnings per share								
Net profit (loss) of common								
shareholders	176,194,093.30	328,753,983.93		2,139,331,785		2,134,376,590	0.08	0.15
Effects of potential common share								
(exercise rights)	-	-		904,939,147		153,804,750		
Diluted earnings per share								
Profit (Loss) of common								
shareholders assumed								
as conversion to								
common share	176,194,093.30	328,753,983.93		3,044,270,932		2,288,181,340	0.06	0.14

<b>Separate financial statements</b>								
	<b>Net profit</b>			<b>Number of shares</b>			<b>Earnings / share</b>	
	<b>2015</b>	<b>Baht</b>	<b>2014</b>	<b>2015</b>	<b>shares</b>	<b>2014</b>	<b>2015</b>	<b>Baht 2014</b>
Basic earnings per share								
Net profit (loss) of common								
shareholders	154,503,528.85	318,688,136.46		2,139,331,785		2,134,376,590	0.07	0.15
Effects of potential common share								
(exercise rights)	-	-		904,939,147		153,804,750		
Diluted earnings per share								
Profit (Loss) of common								
shareholders assumed								
as conversion to								
common share	154,503,528.85	318,688,136.46		3,044,270,932		2,288,181,340	0.05	0.14

## 25. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

Part of the Company and subsidiaries assets, liabilities, revenues and expenses arose from transaction with persons and related parties. These related transactions are determined on the conditions in the normal course of business and based on the Company concerned as follows :

### 25.1 General information

<u>Name</u>	<u>Type of business</u>	<u>Relationship</u>	<u>Description</u>	<u>Pricing policy</u>
<u>Subsidiaries</u>				
Orrada Co., Ltd.	Sales and lease of real estate	Shareholders and directorship	Revenues from sales of goods	At cost
			Interest income	At the interest rate of 4% per annum
			Management fee	At agreed price
			Interest paid	At the interest rate of 4% per annum
Rompo Products Co., Ltd.	Manufacturing and selling of precast floor	Shareholders and directorship	Management fee	At agreed price

25.2 Assets and liabilities transaction with related persons and parties consist of:

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Orrada Co., Ltd.				
Trade and other receivables	0.00	0.00	43,880.01	603,527.31
Other receivables - accrued dividend received	0.00	0.00	0.00	140,999,971.80
Other receivables - accrued management fee	0.00	0.00	0.00	5,000,000.00
Short-term loans	0.00	0.00	0.00	0.00

The increase and decrease of short-term loans are as follow :

	<u>Separate financial statements (Baht)</u>	
	<u>2015</u>	<u>2014</u>
Beginning balance	0.00	20,000,000.00
Increase during the period	95,000,000.00	140,500,000.00
Decrease during the period	(95,000,000.00)	(160,500,000.00)
Ending balance	0.00	0.00

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Orrada Co., Ltd.				
Short-term loans	0.00	0.00	0.00	20,000,000.00

The increase and decrease of short-term loans are as follow :

	<b>Separate financial statements (Baht)</b>	
	<b>2015</b>	<b>2014</b>
Beginning balance	20,000,000.00	0.00
Increase during the period	14,000,000.00	40,000,000.00
Decrease during the period	<u>(34,000,000.00)</u>	<u>(20,000,000.00)</u>
Ending balance	<u>0.00</u>	<u>20,000,000.00</u>

25.3 Revenues and expenses transaction with related persons and parties are as follows :

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Orrada Co., Ltd.				
Sales of goods	0.00	0.00	202,608.00	2,070,690.79
Other income (interest income)	0.00	0.00	1,508,137.20	2,705,187.47
Other income (management fee)	0.00	0.00	0.00	5,000,000.00
Other income (interest paid)	0.00	0.00	187,330.20	179,726.03
Rompo Products Co., Ltd.				
Other income (management fee)	0.00	0.00	0.00	550,000.00

## 26. DIRECTORS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, excluding salaries and related benefits payable to executive directors.

## 27. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses focuses expenses relating to salaries, remunerations and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels.

## 28. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2015	2014	2015	2014
Changes in inventories of finished goods and work in progress	4,999,401.36	(29,448,737.39)	1,307,324.05	(4,919,960.63)
Raw materials and consumables used	422,739,623.99	502,570,748.95	382,336,841.65	460,720,921.45
Directors' remuneration	1,412,500.00	2,425,000.00	1,412,500.00	2,425,000.00
Management benefit expenses	8,097,971.00	7,849,479.37	5,327,147.00	5,709,994.00
Employees benefit expenses	104,341,569.41	111,243,007.39	88,537,547.27	95,105,936.86
Depreciation	60,171,176.77	55,039,268.54	53,843,234.74	49,234,465.23

## 29. RIGHTS AND PRIVILEGES FROM PROMOTION CERTIFICATE

29.1 The Company are granted certain right and privileges as a promoted industry under the Promotion of Investment Act B.E. 2520 for the precast floor products by the approval of the Board of Investment in accordance with the certificate dated April 30, 2007. The significant privileges are as follows:

- 1) To exempt the customs duties for imported machinery as approved by the Board of Investment.
- 2) To exempt the corporate income tax from net profit for the period of 8 years from the date of income earnings and reduce the corporate income tax from net profit from investment at the rate of 50% of the normal rate for the next 5 years from the overdue of such duration.
- 3) The Company's shareholders will be exempt the corporate income tax for dividend received from the Company all duration of income tax exemption of the Company.

The Company must comply with the certain conditions and terms as stipulated in promotion certificate.

## 29. RIGHTS AND PRIVILEGES FROM PROMOTION CERTIFICATE

The results of operation of the Company and two subsidiaries separated into promoted business and non-promoted business as follow :

(Unit : Baht)

	Promoted business		Non-promoted business		Total	
	2015	2014	2015	2014	2015	2014
Sales and services	28,465,265.15	54,239,241.86	1,123,737,794.72	1,808,617,677.79	1,152,203,059.87	1,862,856,919.65
Cost of sales and services	(30,910,853.18)	(46,447,390.75)	(677,702,766.81)	(1,160,949,153.00)	(708,613,619.99)	(1,207,396,543.75)
Gross profit	(2,445,588.03)	7,791,851.11	446,035,027.91	647,668,524.79	443,589,439.88	655,460,375.90
Other income	674,839.81	1,052,271.30	13,723,698.44	15,632,323.13	14,398,538.25	16,684,594.43
Selling expenses	(4,176,486.81)	(4,228,736.41)	(130,784,100.28)	(152,491,589.15)	(134,960,587.09)	(156,720,325.56)
Administrative expenses	(13,369,759.53)	(13,255,611.83)	(79,270,650.70)	(81,574,133.52)	(92,640,410.23)	(94,829,745.35)
Finance costs	(42,146.88)	(349,300.45)	(8,739,444.91)	(9,269,890.10)	(8,781,591.79)	(9,619,190.55)
Profit (Loss) before income tax	(19,359,141.44)	(8,989,526.28)	240,964,530.46	419,965,235.15	221,605,389.02	410,975,708.87
Income tax expenses	0.00	0.00	(45,415,224.55)	(82,237,742.39)	(45,415,224.55)	(82,237,742.39)
Profit (Loss) for the year	(19,359,141.44)	(8,989,526.28)	195,549,305.91	337,727,492.76	176,190,164.47	328,737,966.48

Unidentifiable selling expenses, administrative expenses and finance costs were allocated to each related income segment.

### 30. OPERATING SEGMENTS

30.1 Operating segment information is reported in a manner consistent with the internal reports of the Company that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assess its performance. The chief operating decision maker of the Company has been identified as the President of executive directors.

30.2 The Company and subsidiaries' operations involve virtually in business of manufacturing and selling construction supplies (precast floor, concrete post and others), sales of land and lease of real estate in one geographical segment only in Thailand. Therefore, revenues and assets in financial statements are reported in geographical segment.

30.3 For the purpose of presentation the financial information in the consolidated financial statements, the core manufacturing and selling construction supplies (precast floor, concrete post and others), sales and lease of real estate that the financial information by segment are as follows:

	(Unit : Baht)							
	Sales of construction supplies		Sales of real estate		Real estate for lease		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
<u>Statement of comprehensive income</u>								
Revenues	1,044,697,159.87	1,113,915,841.34	96,924,500.00	740,059,678.31	10,581,400.00	8,881,400.00	1,152,203,059.87	1,862,856,919.65
Costs	(647,245,882.51)	(678,200,299.60)	(60,057,363.91)	(528,225,282.21)	(1,310,373.57)	(970,961.94)	(708,613,619.99)	(1,207,396,543.75)
Segment gross profit	397,451,277.36	435,715,541.74	36,867,136.09	211,834,396.10	9,271,026.43	7,910,438.06	443,589,439.88	655,460,375.90
Other income	13,487,453.28	15,358,318.97		1,313,007.50			14,398,538.25	16,684,594.43
Selling expenses	(118,985,184.45)	(128,089,389.04)	(15,975,402.64)	(28,630,936.52)			(134,960,587.09)	(156,720,325.56)
Administrative expenses	(77,787,124.26)	(78,899,316.55)					(92,640,410.23)	(94,829,745.35)
Finance costs	(8,781,591.79)	(9,592,959.60)					(8,781,591.79)	(9,619,190.55)
Profit before income tax	205,384,830.14	234,492,195.52					221,605,389.02	410,975,708.87
Income tax expenses	(41,888,193.42)	(47,121,527.75)					(45,415,224.55)	(82,237,742.39)
Profit for the year	163,496,636.72	187,370,667.77					176,190,164.47	328,737,966.48

Sales of real estate and real estate for lease can not be separated administrative expenses by segment for the year ended December 31, 2015 and 2014 amount of Baht 14.85 million and Baht 15.93 million respectively.

(Unit : Baht)

	Sales of construction supplies		Sales of real estate		Real estate for lease		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
<u>Statement of financial position</u>								
Segment assets	863,722,006.23	859,618,903.74	407,305,154.13	425,955,725.58	32,505,615.29	14,544,554.99	1,303,532,775.65	1,300,119,184.31
Unallocated assets							38,835,097.55	104,126,257.08
Total assets							<u>1,342,367,873.20</u>	<u>1,404,245,441.39</u>
Segment liabilities	394,062,298.03	313,123,223.18	6,359,435.89	8,287,954.61	1,890,000.00	1,320,000.00	402,311,733.92	322,731,177.79
Unallocated liabilities							4,050,192.27	13,450,097.27
Total liabilities							<u>406,361,926.19</u>	<u>336,181,275.06</u>

30.4 The Company did not present the operating segments for the separate financial statements since the Company's operation involve virtually a single construction materials business in one geographical segment in Thailand.

30.5 Information of majority customers of which had sales income more than 10% of total income, for the year 2015, there is no majority customers and for the year 2014, the Company has income from majority customers amount of Baht 604.75 million arose from sales of condominium to a buyer.

### **31. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS**

#### **1) Accounting policy**

The significant accounting policies and method adopted including the basis of recognition and measurement relating to each class of financial assets and liabilities have been disclosed in notes to financial statements No. 4.10.

#### **2) Credit risk**

Credit risk derives from failure by counterparties to discharge their obligations resulting in financial loss to the Company and subsidiaries. The Company and subsidiaries have policy to hedge this credit risk by reviewing the financial status of customers and collecting in advance before delivery of goods. Financial assets shown in statements of financial position at the book value deducted by allowance for doubtful accounts is maximum value of credit risk.

#### **3) Interest rate risk**

Interest rate risk from changes in market interest rate will affect the results of the Company and subsidiaries' operations and cash flows. The Company and subsidiaries exposed the interest rate risk due to its bank overdrafts, short-term loans from financial institutions, long-term loans and financial lease liabilities. The Company and subsidiaries do not use derivative financial instruments to hedge such risk.

#### **4) Fair value of financial instruments**

Financial assets shown in statements of financial position consist of cash and cash equivalents, current investment, trade and other receivables and short-term loans. Financial liabilities shown in statements of financial position consist of bank overdrafts and short-term loans from financial institutions, trade and other payables, short-term loans, long-term loans and financial lease liabilities.

Book value of financial assets and liabilities are closed to their fair value.

### **32. COMMITMENT AND CONTINGENT LIABILITIES**

32.1 The Company and subsidiaries have commitment under hire contractors agreement, purchase inventories agreement, lease land agreement and others as at December 31, 2015 and 2014, totally Baht 54.80 million and Baht 12.46 million in the consolidated financial statements and Baht 15.90 million and Baht 0.50 million in the separate financial statements respectively.

32.2 The Company and subsidiaries have contingent liabilities from a bank issuance of letter of guarantees for purchasing raw materials from several sellers for guarantee the work performance to the employer and guarantee central utilities usage to government agencies as at December 31, 2015 and 2014 amounting to Baht 129.43 million and Baht 130.33 million in the consolidated financial statements, and amounting to Baht 102.03 million and Baht 102.93 million in the separate financial statements respectively. Contingent liabilities are guaranteed by land held for development (note 8) and land, building, machinery and equipment (note 11) and non-operating assets (note 14).

### **33. PROVIDENT FUND**

On June 1, 2004, the Company has joined to be a member of provident fund named "Peum Kuan Mun King Registered Provident fund" which registered in accordance with the Provident Fund Act B.E. 2530 and the amendment by appointing the fund management to be fund manager. The fund is contributed to both by the employees and the Company at the same rate of 3% of employees wage. The accumulation and benefits will be paid to the members upon their retirement, death or resignation.

### **34. CAPITAL MANAGEMENT**

The objective of financial management of the Company is to preserve the ability to continue its operation as a going concern and capital structure to be properly appropriated.

### **35. EVENTS AFTER THE REPORTING PERIOD**

According to the minutes of Board of directors' meeting No. 1/2016 held on February 25, 2016, passed the resolution to propose the approval for dividend payment from the results of operation for the year 2015 at Baht 0.04 per share for 4,279.16 million shares totally Baht 171.17 million to the general meeting of the shareholders.

### **36. FINANCIAL STATEMENTS APPROVAL**

These financial statements were approved and authorized for issue by the Company's Board of directors on February 25, 2016.