



## **The Annual General Meeting of Shareholders (2017)**

**Thursday, 20 April 2017 at 13.30 hours**

Magic Room 3, 2nd Floor, The Miracle Grand Convention

99 Vibhavadi-Rangsit, Laksi, Donmuang, Bangkok 10210

---

## CONTENTS

### **Appointment Letter for the Annual General Meeting of Shareholders for the Year 2017**

#### **Attachment**

##### ***Documents for Agenda***

- |   |          |
|---|----------|
| 1. Minutes of the Annual General Meeting of Shareholders for the Year 2016  | Agenda 1 |
| 2. Annual Report 2016 (CD Rom)  | Agenda 2 |
| 3. Annual Financial Statements Ended 31 December 2016   | Agenda 3 |
| 4. Documentation of agenda for consider and approve the appointment of directors replacing those retired by rotation                      | Agenda 5 |
| 4.1 Definition of the Independent director of the company   |          |
| 4.2 The information on the nominated persons being proposed for director appointment  |          |
| 5. Documentation of agenda for consider and approve the appointment of auditors and to determine auditors' remuneration for the year 2017 | Agenda 7 |
| 6. Documentation of agenda for consider and approve the EJIP: Employee Joint Investment Program No. 2 for the Executive Directors         | Agenda 8 |

##### ***Documents for the Annual General Meeting of Shareholders for the Year 2017***

7. Proxy Form B and Proxy Form C
  8. Registration Form
  9. Articles of Association in Part Related to the Meeting of Shareholders
  10. Clarification on Documents and Evidences Indicating Being Shareholder or Representative of the Shareholder, and Criteria of Voting in the Meeting of Shareholders.
  11. Map of the Place Holding the Meeting
-



**Appointment Letter for the Annual General Meeting of Shareholders for the Year 2017**  
**Masterkool International Public Company Limited**

Ref. IM1-LE-CS-17-03-02

14 March 2017

**Subject** Invitation for the Annual General Meeting of Shareholders for the Year 2017

**Attention** The Shareholders of **Masterkool International Public Company Limited**

**Attachment**

1. Minutes of the Annual General Meeting of Shareholders for the Year 2016
2. Annual Report 2016 (CD Rom)
3. Annual Financial Statements Ended 31 December 2016
4. Documentation of agenda for consider and approve the appointment of directors replacing those retired by rotation.
  - 4.1 Definition of the Independent director of the company.
  - 4.2 The information on the nominated persons being proposed for director appointment.
5. Documentation of agenda for consider and approve the appointment of auditors and to determine auditors' remuneration for the year 2017
6. Documentation of agenda for consider and approve the EJIP: Employee Joint Investment Program No. 2 for the Executive Directors.
7. Proxy Form B and Proxy Form C
8. Registration Form.
9. Articles of Association in Part Related to the Meeting of Shareholders.
10. Clarification on Documents and Evidences Indicating Being Shareholder or Representative of the Shareholder and Criteria of Voting in the Meeting of Shareholders.
11. Map of the Place Holding the Meeting

On Tuesday 23 February 2017, the Board of Directors' Meeting of Masterkool International Public Company Limited ("KOOL") ("The Company") resolved to call The Annual General Meeting of Shareholders for the Year 2017 on Thursday 20 April 2017 at 13.30 hrs. at Magic Room 3, **Miracle Grand Convention Hotel**, No. 99 Vibhavadi Rangsit Road, Laksi Sub-district, Don Mueang District, Bangkok 10210 under below meeting agenda.

**Agenda 1 To certify the minutes of the Annual General Meeting of Shareholders for the year 2016**

**Fact and Reason** Masterkool International Public Company Limited held The Annual General Meeting of Shareholders for the Year 2016 on 21 April 2016 at 13.30 hrs. at Magic Room 2, Miracle Grand Convention Hotel, No. 99 Vibhavadi Rangsit Road, Laksi Sub-district, Don Mueang District, Bangkok 10210. The Minutes were prepared and such Minutes were publicized via the Company's website at [www.masterkool.com](http://www.masterkool.com) so that the shareholders can acknowledge and check the accuracy (*in Attachment no.1*).

**The Board's Opinion** It deemed as proper for the General Meeting of Shareholders to approve the Minutes of The Annual General Meeting of Shareholders for the Year 2016 actually and accurately recorded.

**Resolution** This agenda shall pass the approval resolution with majority votes of the shareholders with voting rights who attended the Meeting.

**Agenda 2 To consider and approve the results of the company's operation for the year 2016**

**Fact and Reason** The Company summarized overall operation and significant change occurred in the year of 2016 appeared in Annual Report 2016 (*in Attachment no.2*).

**The Board's Opinion** It deemed as proper for the General Meeting of Shareholders to acknowledge the said overall operation and significant change in the year of 2016.

**Resolution** This agenda was the issue reported for acknowledgement. Therefore, resolution was not required.

**Agenda 3 To consider and approve the Financial Statements for the year ended 31 December 2016**

**Fact and Reason** The Company's financial position and income statement for the year ended 31 December 2016 have already been passed for audit from CPA of the Company and passed for consideration from the Audit Committee and the Board of Directors (*in Attachment no. 3*).

**The Audit Committee's Opinion** The Audit Committee considered and verified Annual Financial Statements Ended 31 December 2016 which has already been passed for audit and signed by Mrs. Nattaporn Phan-Udom C.P.A. (Thailand) No. 3430, PricewaterhouseCoopers ABAS Company Limited. Therefore, it deemed as proper to propose the Board of Directors to propose the Meeting of Shareholders to consider Annual Financial Statements Ended 31 December 2016.

**The Board's Opinion** It deemed as proper to propose the Meeting of Shareholders to approve Annual Financial Report Ended 31 December 2016 which has been passed for consideration and consent from the Audit Committee and has indicated the financial position and overall operation of the Company in last 2016 under below summary of the materiality.

**Comparative Information of Financial Statements (Partly) of the Company**

Unit : Million Baht

Items	For the Year Ended 31 December			
	2016	2015	Increase (Decrease)	ร้อยละ
Net Product Sales	853.25	560.72	292.53	52.17
Net Service Sales	28.26	30.30	(2.04)	(6.73)
Other Revenue *	8.08	3.46	4.62	133.53
Total Revenues	889.59	594.48	295.11	49.64
Cost of Goods Sold	562.67	363.12	199.55	54.95
Cost of Service	7.84	11.12	(3.28)	(29.50)
Selling and Administrative Expenses	210.48	204.06	6.42	3.15
Financial Cost	1.60	7.77	(6.17)	(79.41)
Net Profit	87.00	8.03	78.97	983.44
EPS (Baht/Share)	0.180	0.021	0.159	757.14



\*Other revenue such as interest income, foreign exchange gains, government grants, etc.

The details of financial statements have been delivered to the shareholders included with the appointment letter to this Meeting (*in Attachment no.3*).

**Resolution** This agenda required the pass of approval resolution with majority votes of the shareholders with voting rights who attended the Meeting.

#### **Agenda 4** **To consider and approve dividend payment for overall operation for the year 2016**

**Fact and Reason** The Company's policy of dividend payment is to pay dividend to its shareholders in the rate of not less than 40% of net profit of separate financial statements of the Company after deduction of tax and legal reserve and other reserves (if any). However, the said dividend payment may be varied depending upon overall operation, financial position, liquidity, necessity to use working capital in operation, investment plan and business expansion in the future, market condition, appropriateness and other factors related to operation, and the Company's management subject to the condition that the Company shall have adequate cash for business operation. The said operation shall produce maximum benefit to its shareholders as deemed as proper by the Board of Directors and/or the Company's shareholders. According to annual net profit allocation, the Company shall allocate annual net profit as legal reserve for not less than 5% of annual net profit until the amount of reserve fund is not less than 10% of the authorized capital.

**The Board's Opinion** The Board of Directors deemed as proper to propose the Annual General Meeting of Shareholders for the year 2017 for consideration and approval on dividend payment for 2016 overall operation under below details.

The dividend payment is in cash from net profit in the rate of 0.0754 Baht per share or the amount of not more than 36,192,000.00 Baht. Furthermore, The Company had paid dividend at 0.0300 Baht per share, in amount of not exceeding 14,400,000.00 Baht for the six-month period of the fiscal year 2016 which was paid on 7 September 2016.

The remaining dividend for 2016 is 0.0454 Baht per share, in the amount of not exceeding 21,792,000.00 Baht; whereby 0.0031 Baht per share from the BOI based profit and 0.0423 Baht per share from the Non-BOI based profit.

This dividend payment is in accordance with the Company's Policy.

Dividend	Operating results	
	2016	2015
Net profit (Separate financial statements)	90,272,247.07	11,936,781.19
Number of shares	480,000,000	480,000,000
Dividend per share (baht/share)	0.0754	0.0200
Divided to - Interim dividend (baht/share)	0.0300	-
- The remaining dividend (baht/share)	0.0454	-
Total dividend (baht)	36,192,000.00	9,600,000.00
Payment ratio (as a percentage)	40.09	80.42

The Company set the determine the list of shareholders who are entitled to receive cash dividend on 2 May 2017 (Record Date); and the date to compile the list of shareholders according to Section 225 of the Securities and Exchange Act by closing the share registration book on 3 May 2017. The dividend payment shall be made on 19 May 2017.

However, the rights of receiving dividend still uncertainly until the Shareholders' meeting of 2017 grants the approval.

**Resolution** This agenda required the pass of approval resolution with majority votes of the shareholders with voting rights who attended the Meeting.

**Agenda 5**    **To consider and approve the appointment of the Company's director in replacement of the director who retired by rotation**

**Fact and Reason**    Public Limited Companies Act B.E. 2535 (1992) stipulates that the director shall retire by rotation in Annual General Meeting of Shareholders in the rate of one-third of total number of directors. In this 2017 Annual General Meeting of Shareholders, three directors who required for retiring by rotation have been as follows.

1. Mr. Kittisak Sriprasert                      Director / Independent Director
2. Mr. Fung Meng Hoi                          Director
3. Mr. Noppachai Veeraman                  Director / Chairman of Executive Committee / Managing Director

The Company gave the shareholders an opportunity to propose the agenda and nominate candidates to be elected as directors on 3 November 2016 through 15 January 2017. However, there were no proposed items in the agenda and list of nominated candidates.

For the criteria and methods of recruiting candidates for the election of directors, the Board of Directors has adopted the following rules and procedures:

- 1) Correct qualification is required and must be not be prohibited by public limited company law, or any other Security Acts, including relevant guidelines.
- 2) In possession of knowledge which can be of great benefit to the company's business.

However, if the Directors who retired in the term, there will be impact on the composition of the Auditing Committee according to the announced charter, such as, in the case that there is at least one person who is knowledgeable or experienced with the account, the board must recruit qualified individuals who meet the criteria.

For this shareholders meeting, there are nominees to serve as independent directors, with the Board of Directors having determined that the persons nominated will be able to express their opinion independently, according to the relevant guidelines. They will also fully satisfy the definition of independent directors as defined by the company. *(in Attachment no. 4.1)*

**The Board's Opinion**    The Board of Directors, excluding the members who are also stakeholders, has resolved that the election process of directors through the Nominating and

Compensation Committee must be done after the consideration of various qualifications. All of the Directors who will retire must fully meet the Public Companies Limited Act of 1992, are qualified, knowledgeable, capable, and experienced in the business related to the company's operations, and has a transparent working history that helped develop the company. This makes it appropriate for them to propose and approve of the appointment of the three directors who are retired by rotation as directors for another term at the Annual General Meeting of Shareholders, by details on age, shareholding, educational qualification, and work experience of each individual Director. *(in Attachment no.4.2)*

**Resolution** This agenda required the pass of approval resolution with majority votes of the shareholders with voting rights who attended the Meeting.

**Agenda 6** **To consider and approve remuneration for director for the year 2017**

**Fact and Reason** For compliance with Public Limited Companies Act B.E. 1992 and Articles of Company, they stipulate that the General Meeting of Shareholders shall consider and approve the determination of remuneration for director. The Management of the Company, led by Mr.Noppachai Veeraman, the Managing Director, presented to the Nomination and Remuneration Committee for the review of the compensation guidelines for Directors in the Board of Directors in accordance with their duties and responsibilities, so that it would be in line with the company's performance and market conditions. This has also been submitted to the Board of Directors for approval.

Both the Nomination and Remuneration Committee and the Board of Directors carefully considered the suitability of factors such as, the company's performance and assigned responsibilities, wherein remuneration is comparable to that of the average of listed companies in the SET.

According to the remuneration information of directors and executives of the listed companies in the SET's latest issue of the year 2015, the remuneration of directors of the listed companies has been briefly summarized from 602 listed companies are as follows:

Position	Number of Listed Companies Evaluated in 2015	Average Remuneration of Directors per Person per Year (in Million Baht)				
		2554	2555	2556	2557	2558
Committee Member	593	0.67	0.66	0.69	0.63	0.66
Non-Executive Directors	567	0.80	0.73	0.73	0.54	0.57
Chairman of the Board	525	1.05	1.02	1.07	1.13	1.46

From the overview of the remuneration of directors of listed companies as described above, in combination with business suitability, in the previous year, committees have dedicated time and effort until the results were satisfactory and in accordance to the business plan for 2017. The

business will be expanded in every direction, with a business growth target of 40% compared to 2016. The company needs the expertise and experience of all the directors, to provide advice, advice, supervision, and close follow up in order to achieve the goals set.

It is proposed that the meeting set the remuneration of directors for the year 2017 at a new rate, with the budget for the remuneration in 2016 at 1,760,000 Baht adjusted to 2,600,000 Baht in the year 2017 for more frequent meetings of the Board of Directors and Sub-committees, include meetings with management to monitor progress. This includes the meetings with management to monitor operational progress, with the Directors' remuneration being the meeting allowing and no other compensation (such as monthly payments, bonuses, bonuses, etc.).

(Unit: Baht)

Listing	2017 (Proposed Year)	2016	
		Approved Budget	Actual Meeting Allowance
Director Remuneration (Baht)	2,600,000	1,760,000	1,340,000

**Opinion of the Board** The Board of Directors has considered the Nomination and Remuneration Committee's suggestions by taking into account the suitability of various factors. It is therefore appropriate to propose to the Annual General Meeting of Shareholders to approve the remuneration of the Board of Directors for the year 2017 as follows:

1. Board of Directors	Meeting Allowance per Person per Meeting	
	2017	2016
Chairman of the Board (No regular salary)	40,000 Baht	30,000 Baht
Non-Executive Directors (No regular salary)	30,000 Baht	20,000 Baht
Executive Directors and Employees (With a salary and bonus depending on work performance)	No Meeting Allowance	No Meeting Allowance

2. Audit Committee	Meeting Allowance per Person per Meeting	
	2017	2016
Chairman of the Audit Committee(No regular salary)	40,000 Baht	30,000 Baht
Member of the Audit Committee (No regular salary)	30,000 Baht	20,000 Baht

3. Nomination and Remuneration Committee	Meeting Allowance per Person per Meeting	
	2017	2016
Chairman of the Nomination and Remuneration Committee (No regular salary)	40,000 Baht	30,000 Baht
Member of the Nomination and Remuneration Committee (No regular salary)	30,000 Baht	20,000 Baht

The average remuneration for the directors is approximately 433,000 Baht per person annually, which is not higher than the average of the directors' remuneration from the 2012 Annual General Meeting of the Shareholders of the Stock Exchange of Thailand as specified above.

**Resolution** This agenda must be approved by a vote of no less than two-thirds of the total number shareholders attending the meeting who have the right to vote.

**Agenda 7** **To consider and approve the appointment of auditors and to determine auditors' remuneration for the year 2017**

**Facts and Reason** To comply with the Public Companies Limited Act of 1992 and the Articles of Association of the company, it is required that the shareholders appoint auditors and determine the company's auditing fee.

The company appointed auditor from PricewaterhouseCoopers ABAS (PWC) for reviewing and auditing the financial statements for the fiscal year ending 31 December, 2016, in accordance with the resolution of the Annual General Meeting of Shareholders. According to the resolution of the Annual General Meeting of Shareholders for the year 2016, the auditing period of the company is 1 year, and the annual audit fee is 2,300,000 Baht.

The management then presented another auditing firm, SP Audit Limited, to the Auditing Committee as an alternative to be considered. The office was supervised by a certified public accountant and was approved by the Securities and Exchange Commission to be the auditor of the Capital Market Business. The auditing fee was in line with the size of the business, the limit of which should not be more than 1,770,000 Baht, excluding other expenses.

**Opinion of the Audit Committee** The Audit Committee has discussed and approved of the presentation of the auditors of SP Audit Company Limited as the company's auditors, with the remuneration amount not exceeding 1,770,000 Baht (excluding other expenses) to the Board of Directors.

The Audit Committee determined this choice from knowledge, competency, qualifications, and experience by auditing standards for many listed companies in the Stock Exchange of Thailand, as well as a reasonable the auditing fee. Both the auditing company and the auditor both proposed independence, without any equity interest in the company, its subsidiaries, management, major shareholders, or any other related persons to the aforementioned.

**Opinion of the Board** The Board of Directors approved the proposal of the Audit Committee and the presentation at the Annual General Meeting of Shareholders for approval of the appointment of the auditor and the remuneration of the auditor for the year 2017 with historical information and the experience of each auditor. *(In Attachment No. 5)*

Auditor Firm: SP Audit Company Limited

List of Auditor: 1. Ms.Susan Eiamvanicha C.P.A. (Thailand) No. 4306 or

2. Mr.Suchart Panitcharoen C.P.A. (Thailand) No. 4475 or
3. Ms.Chuenta Chommern C.P.A. (Thailand) No. 7570 or
4. Ms.Wandee Eiamvanicha C.P.A. (Thailand) No. 8210 or
5. Ms.Yuphin Chumjai C.P.A. (Thailand) No. 8622

Any one of the aforementioned auditors are to inspect and certify the financial statements of the company and its subsidiaries for the period ended 31 December 2017 and review of quarterly financial statements of the company and subsidiaries, including the auditing of the financial statements of the Company's BOI, the amount of credit limit not more than 1,770,000 Baht. (Non-audit services)

**Auditing Fee of the Company and its Subsidiaries**

Listing	2017 (Proposed Year)	2016	Note
Auditing Fee (Baht)	1,770,000.00	2,300,000.00	<ul style="list-style-type: none"> <li>The proposed rate is the rate that includes the examination fee of the promotional voucher of 50,000 Baht per card.</li> <li>The proposed rate does not include other expenses. The office will reimburse the actual expenses, the same as other auditing offices, such as IT auditing fees, overtime, travel expenses, etc.</li> <li>The proposed rate in 2017 is lower than the audit fee in 2016, which was 530,000 Baht.</li> </ul>

**Resolution** This agenda required the pass of approval resolution with majority votes of the shareholders with voting rights who attended the Meeting.

**Agenda 8 To consider and approve the EJIP: Employee Joint Investment Program No. 2 for the Executive Directors**

**Facts and Reason** This project is a project for Executive Directors and volunteers to join and accumulate shares in the company by gradually investing in the company's shares, by jointly investing with the company on a regular basis within a specified period of time.

**Opinion of the Board** The Board has already considered recommending that the Employee Joint Investment Program (EJIP) No.2 be proposed in the Annual General Meeting of

Shareholders for approval in order to motivate the employees and management of the company and participating subsidiaries, enhancing the feeling of engagement in participation in the organization, leading to continued better performance in projects. *(In Attachment No. 6)*

The Company has already started a joint investment project between the Company and Employees previously, which is the first joint venture for Employees and the Non-Executive Directors called Employee Joint Investment Program (EJIP) No.1, which commenced on 1 February 2017. The resolution was approved in the Board of Directors' meeting on 11 November 2016 and was considered approved by the Securities and Exchange Commission on 23 January 2017.

**Resolution** This agenda must be approved by a vote of no less than two-thirds of the total number shareholders attending the meeting who have the right to vote.

**Agenda 9** **To consider and approve the amendment of the Objectives of Company and the amendment of the Memorandum of Association**

**Facts and Reason** To clarify the existing objectives of the rental business, the company has added 2 objectives, Articles 35 and 36, to the currently existing 34 items, as follows:

- (35) Manufacturing, selling, and renting tents, booths, tables, chairs, and accessories for all types of events.
  - (36) Operate as a consultant and design service for exhibition, expos, and other types of events.
- And to be consistent with adding the aforementioned objectives, amendments to the Memorandum of Association should be made accordingly.

**Amendment of Memorandum of Association**

Article	Original Text	Edited As	Purpose of the Edit
3	The company has 34 objectives.	The company has 36 objectives.	To be consistent with the alteration in company objectives.

**Opinion of the Board** The Board has already considered proposing the consideration and approval of the alteration in the company's objectives by adding Article 35 and Article 36, and the amendment of the Memorandum of Association from 34 clauses to 36 clauses, in the Annual General Meeting of Shareholders for the year 2017, to clarify the existing objectives of the rental business of the company.

**Resolution** This agenda considers the special resolution, which must be approved with the total votes being no less than three-fourths of the total number of shareholders who attend the meeting and have the right to vote.

**Agenda 10** **To consider other issues (if any)**

The Shareholders are invited to attend the Meeting in the aforesaid date, time and place.

Furthermore, the Company has determined Book-Closing Date to determine the right of the shareholders in attending The Annual General Meeting of Shareholders for the Year 2017 on 13 March 2017 henceforth until completion of the Meeting of Shareholders.

Therefore, the shareholders are invited to attend the Meeting in date, time and place as specified above. For convenient and rapid registration of the meeting attendance, the Company will arrange the registration of the meeting attendant from 12.30 hrs. If any shareholder intends to appoint other person to attend the Meeting and vote in lieu of him or her in this Meeting, you can give the proxy by filling the statement and signing in the Proxy and also enclosing evidential document indicating the meeting attendance right of the shareholders. However, the shareholder can give a proxy to other person or independent director proposed by the Company as the proxy to attend the Meeting in lieu of such shareholder.

Sincerely yours,



(Assoc.Prof.Dr. Prakrit Tangtisanon)

The Chairman of the Board



**Minutes of the Annual General Meeting of Shareholders**  
**Of the year 2016**  
**Masterkool International Public Company Limited**

---

**Time and venue**

The meeting convened on 21 April 2016 at 13:30 hrs, Magic Room 2, 2<sup>nd</sup> Floor, Miracle Grand Convention Hotel, located at 99 Vibhavadi-Rangsit Road, Laksi, Donmuang, Bangkok to consider according to the agenda.

**Before the meeting**

Associate Professor Prakrit Tantisanon, the Chairman of the Board of Directors, acting as the Chairman of the meeting assigned Miss Mallika Trakoolthai, the Executive Director and the Company Secretary to duties as the secretary of the meeting and the master of ceremonies to introduce the board of directors, the management and the auditor who attended the meeting; along with clarifying regulation for the shareholders as follows:

**Directors' attendance**

- |                                       |   |
|---------------------------------------|---|
| 1. Assoc. Prof. Prakrit Tantisanon    | Chairman of the Board, Independent Director |
| 2. Mr. Sanpat Sapon                   | Director, Independent Director              |
| 3. Mr. Mongkol Kasaemsun Na Ayudthaya | Director, Independent Director              |
| 4. Mr. Kittisak Sriprasert            | Director, Independent Director              |
| 5. Mr. Kritsana Thaidumrong           | Director                                    |
| 6. Mr. Fung Meng Hoi                  | Director                                    |
| 7. Mr. Noppachai Veeraman             | Director                                    |
| 8. Mr. Nuntawat Kham-em               | Director                                    |
| 9. Ms. Sunanta Wanwat                 | Director                                    |

**Management's attendance**

- |                            |   |
|----------------------------|---|
| 1. Ms. Phornphan Nilprasit | Assistant Managing Director, Logistics          |
| 2. Mr. Komin Krodmee       | Assistant Managing Director, Factory Management |

**External Auditor's attendance**

- |                               |                                  |
|-------------------------------|----------------------------------|
| 1. Ms. Rungtawan Bunsakchalem | BPR Audit and Advisory Co., Ltd. |
|-------------------------------|----------------------------------|

**Secretary of the meeting and the minutes taker**

- |                              |  |
|------------------------------|--|
| 1. Ms. Mallika Trakoolthai   | Executive Director and Company Secretary |
| 2. Ms. Jariyaporn Akkarawong | Assistant Company Secretary              |

Then, the secretary of the meeting introduced the observer in the meeting, Ms. Nipaporn Netkham of Nipaporn Netkham Law Office.

The secretary of the meeting reported to the meeting that a quorum of shareholders attending the meeting in person and by proxy as follows:-

Total numbers of shares	480,000,000	shares
Shareholders and proxies attending the meeting	61	persons
Representing numbers of shares	325,523,863	shares
Equal to	67.8175	% of total shares

There were:-

Shareholders attending in person	26	persons
Representing numbers of shares	245,484,982	shares
Equal to	51.1427	% of total shares

Proxies attending in the meeting	35	persons
Representing numbers of shares	80,038,881	shares
Equal to	16.6748	% of total shares

The number presenting at the time constituted a quorum according to the Articles of Association and Section 103 of the Companies Act B.E. 2535, which requires participants of the meeting in person and by proxy amounting to not less than 25 persons, or not less than one-half of the total number of shareholders; and in either case such shareholders shall hold shares amounting to not less than one-third of the total number of shares sold.

The number of shareholders as at the book closing date of 15 March 2016 for the Annual General Meeting of Shareholders for the year 2016 presented in total of 2,403 shareholders.

The rules and regulations of the Shareholders meeting were clarified as below:-

1. The meeting will be conducted in accordance with the agenda item 1 to 8 as specified in the invitation.
2. The Chairman will allow time for shareholders to ask questions concerning to the agenda before voting on each agenda.
3. For voting rights on each agenda, each shareholder shall have one vote for each share.
4. A resolution of the meeting will require the majority vote of the voting rights represented by the attending shareholders; except for agenda on Director's remuneration, a resolution will be passed by a two-thirds majority vote of the shareholders who attend the meeting.
5. Voting by open-ballots

6. The Chairman will ask if any shareholders object, disagree and abstain from voting in each agenda. For the purpose of passing a resolution, only ballot disagreeing and abstaining from voting will be counted. The remainder will all be deemed to constitute votes in agreement
7. In case where the shareholder or proxy arrives for meeting registration after the meeting has already commenced, said shareholder or proxy would be allowed to cast vote only for the remaining agenda which not yet entering consideration.
8. The Chairman will announce vote counting results to the meeting by specifying the number of votes, which are in favor or disagree or abstain

To comply with good corporate governance of shareholder's meeting in vote counting, the Chairman invited the representative of Nipaporn Netkham Law Office to act as the inspector and one volunteer from the shareholders to act as the witness of the vote counting process.

### **Opening**

Assoc. Prof. Prakit Tantisanon, The Chairman of the Board of Directors as the Chairman of the meeting welcomed all shareholders presented at the meeting and declared the meeting opened.

### **Agenda 1 To approve the Minutes of Extraordinary Meeting of Shareholders No. 1/2015**

The minutes of the Company's Extraordinary General Meeting of Shareholders No. 1/2015 on September 11, 2015 had been prepared and published as the enclosure of the meeting invitation as shown in the attachment of Agenda 1.

The Board of Directors considered and proposed to the meeting to approve the minutes of the Extraordinary General Meeting of Shareholders No. 1/2015 which captured and recorded in enough of the essential facts.

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. As there were no questions raised, the Chairman requested the meeting to vote.

**Resolution The meeting considered and approved the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2015 held on September 11, 2015 as proposed by unanimous vote of the total votes of the shareholders present at the meeting and entitled to vote.**

Approved by	325,843,863	votes,	equivalent to	100.00 %
Disapproved by	0	votes,	equivalent to	0 %
Abstained by	0	votes,	equivalent to	0 %

### **Agenda 2 To acknowledge the Report of Overall Operation in the Year 2015**

The company results of operations and significant changes which occurred in the year 2015 had shown in the Annual Report 2015 which attached with the meeting invitation letter. The Committee is prepared to provide its shareholders informed of its operations and changes in the past year. The Chairman informed that this agenda was for acknowledgement, therefore no vote required.

The Chairman then invited Mr. Noppachai Veeraman, CEO, to report the operating results for the year 2015 to the meeting.

Mr. Noppachai Veeraman reported that the revenue totaled 640.78 million baht, an increase from the same period of last year by 117.29 million baht, representing 38.25 of its revenue. The major revenue came from evaporative air cooling products. The main sales channels were modern trade channel and export channel. The important factors of the growth of evaporative air cooling product were its quality and design which match the customers' needs.

However, cost of sales and services increased in proportion than the growth rate of revenue, mainly from the increase in the exchange rate of the US dollar. Moreover, the growth of the export channel which less margin compared to other channels. The selling and administration expenses increased due to affected from the foreign exchange as prior stated; including the marketing expenses and other expenses of the modern trade channel such as GP charging, PC hiring during the peak season. The Company's operating results, net profit of 9.63 billion baht from operations in the year 2015.

Mr. Noppachai Veeraman also stated on risk issue regarding foreign exchange loss; the company had already identified it as the corporate risk and provided management guideline for serious action on the matter.

For the related person transactions which occurred during the year 2015, the transactions were normal operation and beneficial to the business operations of the Company which necessary and reasonable. Shareholders can obtain details from the Annual Report 2015.

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. Shareholders asked and commented as follows:-

**Mr. Pongsathorn Wanichsathien**, a proxy, asked and commented as follows:-

1. What is suitable net profit in the business?

Mr. Noppachai Veeraman clarified that the gross margin at around 40% was satisfactory by the net profits of more than 5% which is the company's goal; but in the previous year, the company faced foreign-exchange losses due to mis-estimation of weakness of Thai baht. Anyhow, the company had already managed all risk of fluctuations in currency exchange rates.

Regarding the selling and marketing expense issue, the company focused on increasing market share for gaining competitive advantage. Anyhow, the company has been issues and brought into the present year plan.

2. Does the company have business with the members of AEC? Whether the existing product lines of the company meets this target's needs? What are the company's strengths over competitors?

Mr. Noppachai Veeraman explained that the proportion of sales were divided to 3 groups of products: the misting fan about 12%, the evaporative air cooler about 73% and service and other group had around 14-15% of total sales.

For the proportion of sales by segments; there were the retail customers 50%, the corporate customers 20%, export 20% and service 10%.

MASTERKOOL strengths were the Alternative Cooling Solution that comes from the limitations of both air conditioners and fans. The company had continuously developed the products over 14 years; our team has specialized in the field of cooling technology. Moreover, the company in cooperation with NSTD for product design and plastic injection mold development. The company had been awarded one of 5 Thailand's innovative companies 2015.

In the last few years, the market was wide open. The sales through online channel were growing; for those who bought products online basically knew this kind of product. Including factsheet informed by the modern-trades to all vendors of the industry disclosed that the product was grown up; resulting the competition increased. However, the Masterkool Brand has been recognized in the market as the leading brand. With reference to the import data of the Customs Department, Masterkool imported around 50% of total import value of this product.

**Mr. Pawarit Surakittidumrong**, a proxy, asked and commented as follows:-

1. Controlling of selling, general and administrative expenses (SG & A) could be achieved in 30% or not? If there was any solution to manage this risk, please clarify.

Mr. Noppachai Veeraman clarified that the Management had already done the business plan for 2016 with the clear view of projection. The company cannot able to provide data in details; however, this year weather is very hot; it seems to be good for our business.

When there were no further questions raised, the Chairman closed the item.

**Resolution** Since this agenda was for acknowledgement, therefore there was no vote casting.

**Agenda 3 To consider and approve Annual Financial Statements Ended December 31, 2015**

The Chairman informed that the Company's statement of financial position and statement of comprehensive income for the year ended 31 December 2015 had already been audited by the auditor of BPR Audit and Advisory Co., Ltd. and reviewed by the Audit Committee and the Board of Directors. The Chairman therefore invited Mr. Nuntawat Kham-em, the Deputy Managing Director and the Assistant Managing Director of the Financial and Accounting to report to the meeting for consideration.

Mr. Nuntawat Kham-em informed that the financial statements ended December 31, 2015 had already been audited by the auditor of BPR Audit and Advisory Co., Ltd. and reviewed by the Audit Committee and the Board of Directors orderly according to the enclosure 1 in the Annual Report 2015 which was mailed to all shareholders in advance with the invitation. Mr. Nuntawat Kham-em thus described the P&L and balance sheet to the meeting in brief.

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. There was no question raised, and then the Chairman requested the meeting to vote.

**Resolution** The meeting considered and approved the financial reports for year ended December 31, 2015 as proposed by unanimous vote of the total votes of the shareholders present at the meeting and entitled to vote.

Approved by	325,876,863	votes,	equivalent to	100.00 %
Disapproved by	0	votes,	equivalent to	0 %
Abstained by	0	votes,	equivalent to	0 %

**Agenda 4 To consider and approve dividend payment for overall operation for the year 2015**

The Chairman informed that The Company's policy of dividend payment is to pay dividend to its shareholders in the rate of not less than 40% of net profit of separate financial statements of the Company after deduction of tax and legal reserve and other reserves (if any). However, the said dividend payment may be varied depending upon overall operation, financial position, liquidity, necessity to use working capital in operation, investment plan and business expansion in the future, market condition, appropriateness and other factors related to operation, and the Company's management subject to the condition that the Company shall have adequate cash for business operation. The said operation shall produce maximum benefit to its shareholders as deemed as proper by the Board of Directors and/or the Company's shareholders. According to annual net profit allocation, the Company shall allocate annual net profit as legal reserve for not less than 5% of annual net profit until the amount of reserve fund is not less than 10% of the authorized capital.

Then, the Chairman invited Mr. Noppachai Veeraman, CEO and Managing Director, to clarify regarding the dividend payment to the meeting.

Mr. Noppachai Veeraman clarified that the company has already reserved 596,839.06 Baht for the legal reserved at 5% of the net profit. The dividend payment for the fiscal year ended December 31, 2015 at

the rate of 0.02 Baht per share which derived from profit under BOI at 0.0019 Baht per share and non-BOI at 0.0181 Baht per share; total 480,000,000 shares, in the amount of not exceeding 9,600,000 Baht.

The record date for the rights to receive the dividends: May 9, 2016, the book closing date for collecting shareholder names under Section 225 of the Securities and Exchange Act: May 10, 2016 and the payment date: May 18, 2016. Therefore, the meeting was requested to consider and approve the dividend payment as proposed.

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. There was no question raised, and then the Chairman requested the meeting to vote.

**Resolution** The meeting considered and approved the dividend payment for the fiscal year ended December 31, 2015 at the rate of 0.02 Baht per share which derived from profit under BOI at 0.0019 Baht per share and non-BOI at 0.0181 Baht per share; total 480,000,000 shares, in the amount of not exceeding 9,600,000 Baht. The record date for the rights to receive the dividends: May 9, 2016, the book closing date for collecting shareholder names under Section 225 of the Securities and Exchange Act: May 10, 2016 and the payment date: May 18, 2016.

Approved by	325,676,863	votes,	equivalent to	99.9386%
Disapproved by	200,000	votes,	equivalent to	0.0614%
Abstained by	0	votes,	equivalent to	0 %

**Agenda 5** To consider and approve the appointment of the Company's director in replacement of the director who retired by rotation

The Chairman explained that in this 2016 Annual General Meeting of Shareholders, three directors who would retire by rotation namely:-

- 1) Mr. Mongkol Kasaemsun Na Ayudthaya Director, Independent Director, Audit Committee Member, Chairman of the Nomination and Remuneration Committee
- 2) Mr. Kritsana Thaidumrong Director
- 3) Mr. Nuntawat Kham-em Director, Executive Director, Deputy Managing Director, and Assistant Managing Director of Finance and Accounting

These three persons who were regarded as the interested parties left the meeting room during the election.

The Chairman clarified that the Nomination and Remuneration Committee has considered, selected, and nominated all three persons to be continued their directorship for another term as the persons have acquired knowledge, experience and expertise which required for the business; furthermore have all the

persons have qualifications and not possess any of the prohibited characteristics according to the Securities and Exchange Act, B.E. 2535.

The Chairman continued to individual agenda as following:-

**5.1) the retiring Mr. Mongkol Kasaemsun Na Ayudthaya, Director, Independent Director, Audit Committee, and the Chairman of the Nomination and Remuneration**

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. There was no question raised, and then the Chairman requested the meeting to vote.

**Resolution 5.1) the meeting considered and approved Mr. Mongkol Kasaemsun Na Ayudthaya to continue his directorship for another term.**

Approved by	325,676,863	votes,	equivalent to	99.9386%
Disapproved by	0	votes,	equivalent to	0%
Abstained by	200,000	votes,	equivalent to	0.0614%

**5.2) the retiring Mr. Kritsana Thaidumrong, Director**

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. There was no question raised, and then the Chairman requested the meeting to vote.

**Resolution 5.2) the meeting considered and approved Mr. Kritsana Thaidumrong to continue his directorship for another term.**

Approved by	325,676,863	votes,	equivalent to	99.9386%
Disapproved by	0	votes,	equivalent to	0%
Abstained by	200,000	votes,	equivalent to	0.0614%

**5.3) the retiring Mr. Nuntawat Kham-em, Director, Executive Director, Deputy Managing Director, and Assistant Managing Director of Finance and Accounting**

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. There was no question raised, and then the Chairman requested the meeting to vote.

**Resolution 5.3) the meeting considered and approved Mr. Nuntawat Kham-em to continue his directorship for another term.**

Approved by	325,676,863	votes,	equivalent to	99.9386%
Disapproved by	0	votes,	equivalent to	0%
Abstained by	200,000	votes,	equivalent to	0.0614%



Besides, the meeting also acknowledged the appointment of Mr. Kittisak Sriprasert in replacement of Ms. Phornphan Nilprasit who resigned since March 1, 2016 due to other responsibilities on the Executive Director and Assistant Managing Director of Logistics which needed her dedication to supervise closely to meet the Company's goals and objectives.

The Board of Directors has approved the appointment. Mr. Kittisak Sriprasert as the Director of the company in replacement, and agreed to propose to the General Meeting of Shareholders to acknowledge of such appointment.

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. There was no question raised, and then the Chairman closed the item.

**Resolution Since this agenda was for acknowledgement, therefore there was no vote casting.**

**Agenda 6 To consider and approve the remuneration for the Directors for year 2016**

The Chairman informed the meeting that in order to comply with the Companies Act B.E. 2535 and Articles of Association which require the Annual General Meeting of Shareholders to consider and approve the Directors' remuneration. The Nomination and Remuneration Committee has considered it appropriate to maintain the remuneration of the Board of Directors and other committees for 2016 at the same rate as the amount approved in 2015.

The remuneration of Directors and committees is in form of meeting fee; no monthly payment. In the year 2015, the total of the meeting fee was 880,000 Baht. The details are as below:-

- Meeting fee for Chairman of the Board and Chairman of Committees 30,000 Baht/Meeting/Person
- Meeting fee for the Board and Committee Members 20,000 Baht/Meeting/Person
- No meeting fee for Directors who are the executive and employee due to receiving of fixed salary and the bonuses based on performance

For 2016, the same rate of meeting fee under the total amount of 1,760,000 Baht was proposed.

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. There was no question raised, and then the Chairman requested the meeting to vote.

**Resolution The meeting considered and approved the Directors' remuneration for the year 2016 as proposed with a majority of at least two third of the votes cast.**

Approved by	323,475,763	votes,	equivalent to	99.1761%
Disapproved by	0	votes,	equivalent to	0%
Abstained by	2,687,100	votes,	equivalent to	0.8239%

**Agenda 7 To consider appointing the auditor and determine audit fee for the year 2016**

The Chairman invited Mr. Sanpat Sapon to further clarify to the meeting.

Mr. Sanpat Sapon proposed to the meeting the external auditors from PricewaterhouseCoopers to be the auditors of the company with the auditing fee of 2,300,000 Baht for the year 2016 (excluding disbursements) for annual financial statements of the Company and its subsidiary and quarterly financial statements of the Company and its subsidiary; including auditing for financial statements to present the Board of Investment (BOI).

The external auditors namely;

- |                                 |                            |
|---------------------------------|----------------------------|
| 1. Ms. Nattaporn Phan-Udom      | C.P.A. (Thailand) No. 3430 |
| 2. Mr. Kajornkiet Aroonpirodkul | C.P.A. (Thailand) No. 3445 |
| 3. Mr. Pisit Thangtanagul       | C.P.A. (Thailand) No. 4095 |

One of the proposed auditors approves the financial statements of the Company and its subsidiary. The proposed remuneration of the auditors for the period ended December 31, 2016 and the review of quarterly financial statements of the Company and its subsidiary; including audited financial statements for the Company under the BOI regulations in the total amount of 2.3 million baht, excluding other expenses. The increase of 1 million in the year 2016 is due to the expansion of business and also improving of Thai accounting standards in accordance with IFRS.

The company's auditor and auditors presented for approval have no relationship or interest with the Company and its subsidiary, executives, major shareholders, or associated with such individuals.

The Chairman then asked the meeting if shareholders had any questions; or a comment about this matter. Summary of question and answer are as follow:-

**Mr. Surapol In-kham**, a shareholder, asked whether the auditing fee can be lower by considering other lower-cost firm.

Mr. Nuntawat Kham-em clarified that the auditing fee from other audit firms were brought to comparison and found that the audit fees were not much different. The company also intentionally chose one of the top tier audit firms.

There was no question raised, and then the Chairman requested the meeting to vote.

**Resolution** The Meeting considered and approved the appointment of auditor and determined the audit fees for the year 2016 as proposed with the votes of the shareholders who attended the meeting and have the right to vote as follow.

Approved by	323,182,163	votes,	equivalent to	99.0861%
Disapproved by	280,600	votes,	equivalent to	0.0860%
Abstained by	2,700,100	votes,	equivalent to	0.8278%

**Agenda 8 Other business**

The Chairman informed that under the Section 105 of the Companies Act B.E. 2535 requires that shareholders are able to offer any other business to consider in the shareholders' meeting must be held not less than one third of the total number of shares sold, therefore no other business was consider in this meeting.

Then, the Chairman asked the meeting if shareholders had any questions; or a comment further to the above, the shareholders asked questions as detailed below:-

**Mr. Surapol In-kham**, a shareholder asked what the company reacted in case of the cash balance used in share purchase.

Mr. Noppachai Veeraman clarified that the cash balance condition announced by SET therefore the Company does nothing regarding the cash balance announcement. The Company only focuses on business.

**Mr. Pongsathorn Wanichsathien**, a proxy, asked whether the company plans to reduce dependency on a single vendor and reduce its capacity risks. In the past period, have the company faced with quality problem and claimed the manufacturer? How the products shipped to foreign agents?

Mr. Noppachai Veeraman described that the company has three manufacturers and the company owns product molds. In case of the top manufacturer fails on production, then the molds will be moved to others for manufacturing. In the past, the company rejected products and claimed on discount to this manufacturer. Anyhow, after such claim, the company in cooperation with the manufacturer improved the manufacturer's productions as business partners. For export of products, the company also has the alternative of directing third-party / third-country shipping.

**Mr. Pongsathorn Wanichsathien**, further asked how the company avoid a negative impact on business results for the quarter 3/2016 and 4/2016. Does the company have planned to propose any project to housing development or condominium?

Mr. Noppachai Veeraman described that the management has a major challenge on cost controls and managing on sales and marketing expenses to be in line with the revenue. For project proposals, the companies continuously propose to several of target customers; taking quite some time. Regarding the market expansion to other countries that has different time of seasonality, the company also is looking for suitable agents in Africa, for example.

**Mr. Pongsathorn Wanichsathien**, further asked on the new model of products in the year 2016; and inventory management to serve markets throughout the year. What are the Company's strategies?

Mr. Noppachai Veeraman informed that more than 10 new models are in R&D pipeline which will gradually launch to the market. All products have an inventory planning and can be served throughout the year. The strategy of the year is the strategic partner such as Singer Thailand Public Company Limited which has high potential to penetrate grassroots-customers.

**Ms. Chonwana Parapasu**, a shareholder asked whether oil-price changes have a significant effect on product pricing or costing of the company. How was the margin of exporting comparing to other sales channels?

Mr. Noppachai Veeraman informed that the company has a clear agreement with the manufacturers including OEM pricing; therefore the manufacturers have never raised OEM prices affected by oil-price changes. Gross margin of export products were lower than others; however other expenses occurred by export operating were also low. Therefore, total in bottom line of export channel and others were not much different.

**Ms. Chonwana Parapasu** further asked regarding competitors of the company and how the company claimed for the leading brand. What may affect the 40% sales growth of the company?

Mr. Noppachai Veeraman informed that most of the competitors are trading companies that distribute electrical appliances, not only evaporative cooling products; so they may not have much expertise in cooling technologies. The potential competitor for the year is Hatari; anyhow its advertisement on evaporative cooling helps to boost overall cooling market. As informed prior, this year the company concerns on all expenses which need close monitoring and control.

**Ms. Chonwana Parapasu** asked how the stronger Thai baht during beginning period of the quarter 2/2016 benefits to the company.

Mr. Noppachai Veeraman informed that the company's business model works like a natural hedge by itself that offsetting export and import side. The company also booked cost-accounting at the exchange rate 37 THB per 1 USD.

Before meeting closed, there were 71 shareholders attending in person and by proxies, which represented 326,162,863 shares, equivalent to 67.95 of the total shares of the company.

When there was no further question or comment, the Chairman announced the meeting officially closed at 15:35 hrs.



---

(Assoc. Prof. Prakrit Tantisanon)

The Chairman



---

(Ms. Mallika Trakoolthai)

Company Secretary / Secretary of the Meeting

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2016**

A handwritten signature in blue ink, located in the bottom right corner of the page. The signature is stylized and appears to be a cursive or semi-cursive script.



## Independent Auditor's Report

To The Shareholders and Board of Directors of Masterkool International Public Company Limited

### My opinion

In my opinion, the consolidated financial statements of Masterkool International Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2016, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

### What I have audited

I have audited the accompanying consolidated and separate financial statements of the Group and the Company, which comprise the consolidated and separate statements of financial position as at 31 December 2016, and the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

### Basis for opinion

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

### Key audit matters

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

A handwritten signature in blue ink, appearing to be 'DM' or similar, located at the bottom right of the page.



Key audit matter	How my audit addressed the key audit matter
<p><b><i>Impairment of short-term borrowings to subsidiary</i></b></p> <p>Refer to note 33.2 "Related-party transactions" to the separate financial statements.</p> <p>The Group holds a 100% equity interest in Innov Green Solutions Co., Ltd. and accounts for this interest as a subsidiary. For the year ended 31 December 2016, the balance of short-term borrowings to the subsidiary was Baht 27,020,837.</p> <p>There was uncertainty about the business performance of the subsidiary previously, because the performance depends on a number of key projects under the save energy project by ozone, LED installation and water treatment installation. Because the subsidiary's operations haven't met the operational budget and have incurred losses over the year, management performed an impairment review of the short-term borrowings.</p> <p>I focused on this area due to magnitude of the amount and because the management has to assess the subsidiary's future profitability and cash flow projection which depends on a number of assumptions such as the revenue growth rate, the discount rate and the inflation rate. These assumptions involve significant judgements by management in assessing the possible of future business plan.</p>	<p>I evaluated the subsidiary budgeting procedures (on which the forecasts are based) and assessed the principles of the subsidiary's discounted cash flow model. I tested the mathematical accuracy of the calculation derived from each forecast model and assessed key assumptions in the forecasts such as;</p> <ul style="list-style-type: none"> <li>• Revenue growth, by referring to management's forecasts and external data used, I assessed that the projects that were included in management's forecasted revenue were probable as they have a signed agreement or official confirmation from customers, and the revenue growth rate was in line with the reasonable future plan.</li> <li>• Discount rate, I challenged management regarding the reasonableness of the discount rate used and found that it was consistent with the subsidiary's cost of capital.</li> </ul> <p>I also considered the historic and forecasted macro-economic and business performance, and compared them to other comparable companies operating in the same sector in Thailand.</p> <p>I found that the key assumptions were supported by the available evidences and was within an acceptable range. In assessing the subsidiary's future profitability and cash flow projection, the short-term borrowings do not require any impairment to be recorded in these financial statements as at 31 December 2016.</p>

## Other information

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

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

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

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





### **Responsibilities of the directors for the consolidated and separate financial statements**

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

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

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

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

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

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

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

A handwritten signature in blue ink, appearing to be 'D. M.', located at the bottom right of the page.





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

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

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

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, appearing to read "Nattaporn", with a horizontal line underneath.

**Nattaporn Phan-Udom**  
Certified Public Accountant (Thailand) No. 3430  
Bangkok  
23 February 2017

A handwritten signature in blue ink, appearing to be a stylized "Om" or similar, with a horizontal line underneath.

**Masterkool International Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2016**

	Notes	Consolidated financial statements		Separate financial statements	
		Restated		Restated	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4, 8	47,440,840	53,884,430	46,754,434	53,716,082
Short-term investments	4, 9	55,571,265	50,243,246	55,571,265	50,243,246
Trade and other receivables	10, 33.2				
- Related parties		884,314	3,972,556	1,950,734	4,186,225
- Other parties		126,467,676	80,196,177	122,410,808	79,322,581
Current portion of receivables of finance lease	11	8,257,378	530,110	440,030	530,110
Inventories	12	183,624,020	230,920,152	184,761,985	231,753,872
Short-term borrowings to related parties	22	-	-	27,020,837	9,159,551
Other current assets		22,542,273	13,308,895	19,878,371	12,451,753
<b>Total current assets</b>		<b>444,787,766</b>	<b>433,055,566</b>	<b>458,788,464</b>	<b>441,363,420</b>
<b>Non-current assets</b>					
Deposits at financial institutions pledged as collateral	13	50,029,913	48,242,992	49,029,913	47,230,121
Receivables of finance lease - net	11	8,950,907	963,156	523,126	963,156
Investment in subsidiary	14	-	-	1,261,210	1,261,210
Property, plant and equipment	15	49,987,591	54,576,185	45,602,394	48,669,511
Intangible assets	16	5,016,443	3,200,958	3,800,086	3,191,566
Deferred tax assets	26	7,695,625	5,437,202	7,148,087	5,437,202
Other non-current assets		1,583,734	1,556,534	1,583,734	1,556,534
<b>Total non-current assets</b>		<b>123,264,213</b>	<b>113,977,027</b>	<b>108,948,550</b>	<b>108,309,300</b>
<b>Total assets</b>		<b>568,051,979</b>	<b>547,032,593</b>	<b>567,737,014</b>	<b>549,672,720</b>

Director \_\_\_\_\_

The accompanying notes on pages 13 to 61 form part of this interim financial information.

**Masterkool International Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2016**

	Notes	Consolidated financial statements		Separate financial statements	
		Restated		Restated	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term borrowings					
from financial institutions	17	1,536,844	84,894,899	1,536,844	84,894,899
Trade and other payables	18, 33.2				
- Related parties		-	-	18,320	18,320
- Other parties		153,272,846	126,247,018	145,818,342	124,920,177
Current portion of long-term borrowings					
from financial institutions	19	102,202	426,195	102,202	426,195
Current portion of finance lease liabilities	20	1,867,633	985,406	1,867,633	985,406
Income tax payable		10,478,976	-	10,478,976	-
Other current liabilities		6,553,006	4,501,255	6,401,941	4,442,059
<b>Total current liabilities</b>		<b>173,811,507</b>	<b>217,054,773</b>	<b>166,224,258</b>	<b>215,687,056</b>
<b>Non-current liabilities</b>					
Long-term borrowings from financial institutions	19	25,030	239,973	25,030	239,973
Finance lease liabilities	20	3,066,349	1,898,850	3,066,349	1,898,850
Deferred tax liabilities		-	-	-	-
Employee benefit obligations	21	1,889,945	1,575,034	1,873,261	1,570,972
<b>Total non-current liabilities</b>		<b>4,981,324</b>	<b>3,713,857</b>	<b>4,964,640</b>	<b>3,709,795</b>
<b>Total liabilities</b>		<b>178,792,831</b>	<b>220,768,630</b>	<b>171,188,898</b>	<b>219,396,851</b>

The accompanying notes on pages 13 to 61 form part of this interim financial information.

**Masterkool International Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2016**

	Notes	Consolidated financial statements		Separate financial statements	
		Restated		Restated	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
<b>Liabilities and equity (Cont'd)</b>					
<b>Equity</b>					
Share capital	24				
Authorised share capital					
480,000,000 ordinary shares					
of Baht 0.25 each		120,000,000	120,000,000	120,000,000	120,000,000
Issued and paid-up share capital					
480,000,000 ordinary shares					
of Baht 0.25 each		120,000,000	120,000,000	120,000,000	120,000,000
Share premium	22, 24	183,030,333	183,030,333	183,030,333	183,030,333
Surplus on share-based payment transactions		3,063,937	3,063,937	3,063,937	3,063,937
Retained earnings					
Appropriated - legal reserve	22	3,743,166	3,743,166	3,743,166	3,743,166
Unappropriated		77,818,318	14,823,133	85,107,286	18,835,039
Other components of equity		1,603,394	1,603,394	1,603,394	1,603,394
Equity attribute to owners of the parent		389,259,148	326,263,963	396,548,116	330,275,869
Non-controlling interests		-	-	-	-
<b>Total equity</b>		<b>389,259,148</b>	<b>326,263,963</b>	<b>396,548,116</b>	<b>330,275,869</b>
<b>Total liabilities and equity</b>		<b>568,051,979</b>	<b>547,032,593</b>	<b>567,737,014</b>	<b>549,672,720</b>



**Masterkool International Public Company Limited**  
**Statement of comprehensive income**  
**For the year ended 31 December 2016**

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	Restated 2015 Baht	2016 Baht	Restated 2015 Baht
<b>Revenues</b>					
Revenues from sales		853,246,230	560,718,026	831,647,863	559,027,307
Revenues from services		28,258,565	30,299,475	26,479,718	29,031,624
Other income		8,083,830	3,457,654	8,599,889	3,836,491
<b>Total revenues</b>		<u>889,588,625</u>	<u>594,475,155</u>	<u>866,727,470</u>	<u>591,895,422</u>
<b>Expenses</b>					
Costs of sales		562,670,397	363,117,875	544,595,396	362,017,401
Costs of services		7,838,137	11,115,654	6,530,655	10,014,896
Selling expenses		139,311,432	133,550,556	139,237,569	133,209,237
Administrative expenses		71,170,485	70,507,413	63,941,615	66,561,677
Finance costs		1,599,745	7,765,612	1,599,206	7,762,557
<b>Total expenses</b>		<u>782,590,196</u>	<u>586,057,110</u>	<u>755,904,441</u>	<u>579,565,768</u>
<b>Profit before income tax</b>		106,998,429	8,418,045	110,823,029	12,329,654
Income tax expense	26	(20,003,244)	(392,873)	(20,550,782)	(392,873)
<b>Profit for the year</b>		<u>86,995,185</u>	<u>8,025,172</u>	<u>90,272,247</u>	<u>11,936,781</u>
<b>Other comprehensive income (expense)</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Actuarial gain (loss) on defined employee benefit plans		-	2,004,242	-	2,004,242
Income tax relating to components of other of other comprehensive income		-	(400,848)	-	(400,848)
<b>Other comprehensive income for the year, net of tax</b>		<u>-</u>	<u>1,603,394</u>	<u>-</u>	<u>1,603,394</u>
<b>Total comprehensive income for the year</b>		<u>86,995,185</u>	<u>9,628,566</u>	<u>90,272,247</u>	<u>13,540,175</u>
<b>Profit attributable to:</b>					
Owners of the parent		86,995,185	8,025,172	90,272,247	11,936,781
Non-controlling interests		-	-	-	-
		<u>86,995,185</u>	<u>8,025,172</u>	<u>90,272,247</u>	<u>11,936,781</u>
<b>Total comprehensive income for the year attributable to:</b>					
Owners of the parent		86,995,185	9,628,566	90,272,247	13,540,175
Non-controlling interests		-	-	-	-
		<u>86,995,185</u>	<u>9,628,566</u>	<u>90,272,247</u>	<u>13,540,175</u>
<b>Earnings per share for profit (loss) attribute to the equity holders of the parent</b>	27				
Basic earnings (loss) per share		0.18	0.02	0.19	0.03

The accompanying notes on pages 13 to 61 form part of this interim financial information.

## Consolidated financial statements

Attributable to owners of the parent											
Other components of equity											
Other comprehensive income											
Gains (losses) on											
remeasurements of											
defined employee											
benefit plans											
Total other comprehensive income for the year											
Total parent's shareholders' equity											
Non-controlling interests											
Total equity											
Notes	Issued and paid-up share capital	Share premium	Surplus on share-based payment transactions	Legal reserve	Retained earnings	Baht	Baht	Baht	Baht	Baht	Baht
Beginning balance 1 January 2015	90,000,000	4,900,000	3,063,937	3,146,327	7,394,800	-	-	-	108,505,064	-	108,505,064
Change in equity for period											
24 Proceeds from shares issued	30,000,000	178,130,333	-	-	-	-	-	-	208,130,333	-	208,130,333
23 Appropriated for legal reserve	-	-	-	596,839	(596,839)	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	8,025,172	1,603,394	1,603,394	1,603,394	9,628,566	-	9,628,566
Ending balance 31 December 2015	120,000,000	183,030,333	3,063,937	3,743,166	14,823,133	1,603,394	1,603,394	1,603,394	326,263,963	-	326,263,963
Beginning balance 1 January 2016	120,000,000	183,030,333	3,063,937	3,743,166	14,823,133	1,603,394	1,603,394	1,603,394	326,263,963	-	326,263,963
Change in equity for period											
Dividends paid	-	-	-	-	(24,000,000)	-	-	-	(24,000,000)	-	(24,000,000)
Total comprehensive income for the year	-	-	-	-	86,995,185	-	-	-	86,995,185	-	86,995,185
Ending balance 31 December 2016	120,000,000	183,030,333	3,063,937	3,743,166	77,818,318	1,603,394	1,603,394	1,603,394	389,259,148	-	389,259,148

The accompanying notes on pages 13 to 61 form part of this interim financial information.

**Masterkool International Public Company Limited**  
**Statement of Changes in Equity (Cont'd)**  
**For the year ended 31 December 2016**

Separate financial statements											
Other components of equity											
Other comprehensive income											
Gains (losses) on											
remeasurements of											
defined employee											
benefit plans											
Baht											
Total other											
comprehensive											
income											
for the year											
Baht											
Total											
equity											
Baht											
Notes											
Baht											
Share											
premium											
Baht											
Surplus											
on share-based											
payment											
transactions											
Baht											
Legal											
reserve											
Baht											
Retained											
earnings											
Baht											
Beginning balance 1 January 2015											
90,000,000 4,900,000 3,063,937 3,146,327 7,495,097 - - 108,605,361											
Change in equity for period											
24 30,000,000 178,130,333 - - - - 208,130,333											
23 - - - 596,839 (596,839) - - -											
Total comprehensive income for the year - - - - 11,936,781 1,603,394 1,603,394 13,540,175											
Ending balance 31 December 2015											
120,000,000 183,030,333 3,063,937 3,743,166 18,835,039 1,603,394 1,603,394 330,275,869											
Beginning balance 1 January 2016											
120,000,000 183,030,333 3,063,937 3,743,166 18,835,039 1,603,394 1,603,394 330,275,869											
Change in equity for period											
23 - - - - (24,000,000) - - (24,000,000)											
Total comprehensive income for the year - - - - 90,272,247 - - 90,272,247											
Ending balance 31 December 2016											
120,000,000 183,030,333 3,063,937 3,743,166 85,107,286 1,603,394 1,603,394 396,548,116											

The accompanying notes on pages 13 to 61 form part of this interim financial information.

**Masterkool International Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2016**

		Consolidated financial statements		Separate financial statements	
			Restated		Restated
		2016	2015	2016	2015
Notes		Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		106,998,429	8,418,045	110,823,029	12,329,654
Adjustments for:					
Depreciation and amortisation	15, 16	9,733,537	9,099,955	9,498,716	8,942,043
Allowance for impairment		3,590,041	-	358,232	-
Loss on write-off of property, plant and equipment		370,480	40,341	370,480	40,341
Gain on disposal of property, plant and equipment		(379,818)	(28,644)	(384,938)	(28,644)
Loss on impairment	15	-	418,830	-	418,830
Unrealised gain from short-term investment		(668,019)	-	(668,019)	-
Unrealised (gain) loss on foreign exchange rate		(836,391)	5,481,922	(836,391)	5,481,922
Allowance of obsolete inventories	12	4,586,436	6,006,200	4,586,436	5,970,554
Allowance (Reversal) for doubtful accounts	10	781,934	1,536,111	781,934	1,536,111
Finance costs		1,599,745	7,669,024	1,599,206	7,665,969
Interest income		(792,667)	(1,108,459)	(792,667)	(1,473,543)
Employee benefit obligations	21	261,225	624,737	249,141	620,676
Provision expense after sale		1,377,909	753,671	1,377,909	753,671
<b>Profit from operating activities before changes in assets and liabilities</b>					
		126,622,841	38,911,733	126,963,068	42,257,584
Changes in operating assets:					
- trade and other receivables		(43,249,227)	(31,675,983)	(40,918,706)	(30,703,278)
- receivable of finance lease		(15,620,525)	(829,074)	624,604	(829,074)
- inventories		42,709,696	(68,289,431)	42,405,452	(67,711,615)
- other current assets		(11,231,889)	(7,256,071)	(9,425,128)	(6,928,659)
- other non-current assets		(27,200)	-	(27,200)	-
Changes in operating liabilities:					
- trade and other payables		27,833,191	56,248,223	21,705,528	54,482,015
- other current liabilities		673,843	214,426	581,972	380,942
<b>Cash flows from operations</b>		127,710,730	(12,676,177)	141,909,590	(9,052,085)
Interest paid		(1,317,478)	(7,290,177)	(1,317,478)	(7,287,122)
Income tax paid		(9,696,351)	(4,759,207)	(9,696,351)	(4,759,207)
<b>Net cash generated from (used in) operating activities</b>		116,696,901	(24,725,561)	130,895,761	(21,098,414)

The accompanying notes on pages 13 to 61 form part of this interim financial information.



**Masterkool International Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2016**

		Consolidated financial statements		Separate financial statements	
		2016	Restated 2015	2016	Restated 2015
	Notes	Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
Deposits at financial institutions pledged as collateral increase	13	(1,786,922)	(7,575,687)	(1,799,792)	(7,562,817)
Cash paid from loans to related parties		-	-	(17,871,719)	(3,850,000)
Proceeds from disposals of property, plant and equipment	15	3,837,038	287,062	3,803,786	287,062
Investment in short-term investment		(4,660,000)	(50,243,246)	(4,660,000)	(50,243,246)
Purchases of property, plant and equipment	15	(6,856,284)	(19,297,095)	(4,877,296)	(19,227,097)
Purchases of intangible assets	16	(2,653,250)	(854,523)	(1,441,750)	(854,523)
Interest received		470,426	1,019,250	480,861	1,006,808
<b>Net cash from/ (used in) investing activities</b>		<b>(11,648,992)</b>	<b>(76,664,239)</b>	<b>(26,365,910)</b>	<b>(80,443,813)</b>
<b>Cash flows from financing activities</b>					
Increase in overdraft and short-term borrowings from financial institutions	17	(83,817,245)	(52,202,512)	(83,817,245)	(51,722,370)
Additions of long-term borrowings from financial institutions	19	-	298,792	-	298,792
Repayment of long-term borrowings from financial institutions	19	(538,936)	(389,636)	(538,936)	(389,636)
Repayments of finance lease liabilities	20	(3,135,318)	(1,726,858)	(3,135,318)	(1,726,858)
Proceed from issue of ordinary shares	24	-	30,000,000	-	30,000,000
Share premium	24	-	186,000,000	-	186,000,000
Direct cost from issue of ordinary shares	24	-	(7,869,667)	-	(7,869,667)
Dividends paid	23	(24,000,000)	-	(24,000,000)	-
<b>Net cash from / (used in) financing activities</b>		<b>(111,491,499)</b>	<b>154,110,119</b>	<b>(111,491,499)</b>	<b>154,590,261</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(6,443,590)</b>	<b>52,720,319</b>	<b>(6,961,648)</b>	<b>53,048,034</b>
Cash and cash equivalents, beginning balance		53,884,430	1,164,111	53,716,082	668,048
<b>Cash and cash equivalents, ending balance</b>		<b>47,440,840</b>	<b>53,884,430</b>	<b>46,754,434</b>	<b>53,716,082</b>
<b>Non-cash transaction</b>					
Acquired vehicles under finance lease	15	4,868,634	4,239,087	4,868,634	4,239,087

The accompanying notes on pages 13 to 61 form part of this interim financial information.

## **1 General information**

Masterkool International Public Company Limited ("the Company") is a public limited company, incorporated and resident in Thailand. The address of its registered office is as follows:

Head office: 22, Soi 2, Tessaban Rangsan-Nua Road, Ladyao, Jatujak, Bangkok, 10900, Thailand.

Factory: 184 Moo 10, Na Wang Hin, Phanat Nikhom, Chonburi 20240, Thailand.

For reporting purposes, the Company and its subsidiary are referred to as the Group.

The principal business operations of the Group are summarised as follows:

- (1) Supply and sale of cooling products such as evaporative air cooler, misting fans industrial fans and ozone generator;
- (2) Provide service of cooling products and it has a subsidiary which operates in sale and service for ozone system.

These Group consolidated and separate financial statements were authorised for issue by the board of directors on 23 February 2016.

## **2 Accounting policies**

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

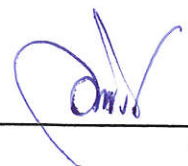
### **2.1 Basis for preparation**

The consolidated and Separate financial statements have been prepared in accordance with Thai generally accepted accounting principles under the accounting Act B.E. 2543, being those Thai financial reporting standards issued under the accounting profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and Separate financial statements have been prepared under the historical cost convention except short-term investments as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated financial statements are disclosed in note 5.

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





## 2 Accounting policies (Cont'd)

### 2.2 New/revised financial reporting standards, and related interpretations

2.2.1 New/revised financial reporting standards and interpretations are effective on 1 January 2016.

- a) New/revised financial reporting standards and interpretation which are relevant and have a significant impact to the Group:

TAS 16 (revised 2015)	Property, plant and equipment
TAS 19 (revised 2015)	Employee benefits
TAS 24 (revised 2015)	Related party disclosures
TAS 27 (revised 2015)	Separate financial statements
TAS 36 (revised 2015)	Impairment of assets
TAS 38 (revised 2015)	Intangible assets
TFRS 8 (revised 2015)	Operating segments
TFRS 10 (revised 2015)	Consolidated financial statements
TFRS 13 (revised 2015)	Fair value measurement

TAS 16 (revised 2015), 'Property, plant and equipment' clarifies how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model. This standard has no impact to the Group.

TAS 19 (revised 2015), 'Employee benefits' is amended to apply to contributions from employees or third parties to defined benefit plans and to clarify the accounting treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. This standard has no impact to the Group.

TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required. This standard has no impact to the Group.

TAS 27 (revised 2015) allows an investment entity that is exempted from consolidating its subsidiaries presenting Company as its only financial statements. It requires the investment entity to measure its investment in subsidiaries at fair value through profit or loss. This standard has no impact to the Group.

TAS 36 (revised 2015), 'Impairment of assets' is amended to provide additional disclosure requirement when the recoverable amount of the assets is measured at fair value less costs of disposal. The disclosures include 1) the level of fair value hierarchy and 2) when fair value measurement categorised within level 2 and level 3, disclosures is required for valuation technique and key assumption. This standard has no impact to the Group.

TAS 38 (revised 2015), 'Intangible assets' is amended to clarify how the gross carrying amount and the accumulated amortisation are treated where an entity uses the revaluation model. This standard has no impact to the Group.

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker. This standard has no impact to the Group.

TFRS10 (revised 2015) 'Consolidated' is amended to define an investment entity and introduce an exception from consolidation. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. This standard has no impact to the Group.

TFRS 13 (revised 2015), 'Fair value measurement' is amended to clarify that the portfolio exception in TFRS 13 applies to all contracts (including non-financial contracts) within the scope of TAS 39 (when announced) or TFRS 9 (when announced). This standard has no impact to the Group.

## **2 Accounting policies (Cont'd)**

### **2.2 New/revised financial reporting standards, and related interpretations (Cont'd)**

2.2.1 New/revised financial reporting standards and interpretations are effective on 1 January 2016. (Cont'd)

b) Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows:

TAS 1 (revised 2015)	Presentation of financial statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of cash flows
TAS 8 (revised 2015)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2015)	Events after the reporting period
TAS 11 (revised 2015)	Construction contracts
TAS 12 (revised 2015)	Income taxes
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 20 (revised 2015)	Accounting for government grants and disclosure of government assistance
TAS 21 (revised 2015)	The effects of changes in foreign exchange rates
TAS 23 (revised 2015)	Borrowing costs
TAS 26 (revised 2015)	Accounting and reporting by retirement benefit plans
TAS 28 (revised 2015)	Investments in associates and joint ventures
TAS 29 (revised 2015)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2015)	Earnings per share
TAS 34 (revised 2015)	Interim financial reporting
TAS 37 (revised 2015)	Provisions, contingent liabilities and contingent assets
TFRS 5 (revised 2015)	Non-current assets held for sale and discontinued operations
TFRS 6 (revised 2015)	Exploration for and evaluation of mineral resources
TFRS 11 (revised 2015)	Joint arrangements
TSIC 10 (revised 2015)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2015)	Operating leases - Incentives
TSIC 25 (revised 2015)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2015)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2015)	Service concession arrangements: Disclosures
TSIC 31 (revised 2015)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2015)	Intangible assets - Web site costs
TFRIC 1 (revised 2015)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2015)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2015)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2015)	Applying the restatement approach under TAS29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2015)	Interim financial reporting and impairment
TFRIC 12 (revised 2015)	Service concession arrangements
TFRIC 13 (revised 2015)	Customer loyalty programmes
TFRIC 14 (revised 2015)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 15 (revised 2015)	Agreements for the construction of real estate
TFRIC 17 (revised 2015)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2015)	Transfers of assets from customers
TFRIC 20 (revised 2015)	Stripping costs in the production phase of a surface mine



## 2 Accounting policies (Cont'd)

### 2.2 New/revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards.

a) Financial reporting standards, which have significant changes and are relevant to the Group:

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TFRS 5 (revised 2016)	Non-current assets held for sale and discontinued operations
TFRS 10 (revised 2016)	Consolidated financial statements

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.



## 2 Accounting policies (Cont'd)

### 2.2 New/revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards. (Cont'd)

- a) Financial reporting standards, which have significant changes and are relevant to the Group: (Cont'd)

TAS 16 (revised 2016), key amendments are 1) The amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and 2) The amendments include bearer plants in scope of TAS 16.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its Separate financial statements using the equity method as described in TAS 28. While current TAS 27 allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

TAS 28 (revised 2016), the significant changes are 1) the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture and 2) the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its Separate financial statements using the equity method.

TAS 34 (revised 2016), the amendments clarify that what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'; entities taking advantage of the relief must provide a cross-reference from the interim financial statements to the location of that information and make the information available to users on the same terms and at the same time as the interim financial statements.

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

TFRS 5 (revised 2016), the amendments clarify that when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution' or vice versa, this does not constitute a change to a plan of sale or distribution and does not have to be accounted for as such.

TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing Consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entities and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities.

The management has assessed and considered that the above revised standards will not have a material impact on the Group.





## 2 Accounting policies (Cont'd)

### 2.2 New/revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards. (Cont'd)

b) Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows:

TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of cash flows
TAS 8 (revised 2016)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2016)	Events after the reporting period
TAS 11 (revised 2016)	Construction contracts
TAS 12 (revised 2016)	Income taxes
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 20 (revised 2016)	Accounting for government grants and disclosure of government assistance
TAS 21 (revised 2016)	The effects of changes in foreign exchange rates
TAS 23 (revised 2016)	Borrowing costs
TAS 24 (revised 2016)	Related party disclosures
TAS 26 (revised 2016)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2016)	Financial reporting in hyper-inflationary economies
TAS 33 (revised 2016)	Earnings per share
TAS 36 (revised 2016)	Impairment of assets
TAS 37 (revised 2016)	Provisions, contingent liabilities and contingent assets
TAS 40 (revised 2016)	Investment property
TFRS 2 (revised 2016)	Share-based payment
TFRS 3 (revised 2016)	Business combinations
TFRS 4 (revised 2016)	Insurance contracts
TFRS 6 (revised 2016)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2016)	Operating segments
TFRS 13 (revised 2016)	Fair value measurement
TSIC 10 (revised 2016)	Government Assistance - No specific relation to operating activities
TSIC 15 (revised 2016)	Operating leases - Incentives
TSIC 25 (revised 2016)	Income taxes - Changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2016)	Evaluating the substance of transactions in the legal form of a lease
TSIC 29 (revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2016)	Revenue - Barter transactions involving advertising services
TSIC 32 (revised 2016)	Intangible assets - Web site costs
TFRIC 1 (revised 2016)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2016)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2016)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2016)	Applying the restatement approach under TAS 29
	Financial reporting in hyper-inflationary economies
TFRIC 10 (revised 2016)	Interim financial reporting and impairment
TFRIC 12 (revised 2016)	Service concession arrangements
TFRIC 13 (revised 2016)	Customer loyalty programmes
TFRIC 14 (revised 2016)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 15 (revised 2016)	Agreements for the construction of real estate
TFRIC 17 (revised 2016)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2016)	Transfers of assets from customers
TFRIC 20 (revised 2016)	Stripping costs in the production phase of a surface mine
TFRIC 21 (revised 2016)	Levies
TAS 104 (revised 2016)	Accounting for Troubled Debt Restructurings
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation

## 2 Accounting policies (Cont'd)

### 2.3 Group accounting - investments in subsidiaries and associates and interests in joint ventures

#### (1) Subsidiaries

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

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

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

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

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

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

#### (2) Transactions with non-controlling interests

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

#### (3) Disposal of subsidiaries

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



## 2 Accounting policies (Cont'd)

### 2.4 Foreign currency translation

#### (a) Functional and presentation currency

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

#### (b) Transactions and balances

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

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

#### (c) Group companies

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

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each [statement of comprehensive income or income statement] are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

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

### 2.5 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

### 2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within selling expenses.

## 2 Accounting policies (Cont'd)

### 2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

### 2.8 Investments

Investments other than investments in subsidiaries, associates and joint ventures are classified into the following four categories: (1) trading investments; (2) held-to-maturity investments; (3) available-for-sale investments; and (4) general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- (1) Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
- (2) Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
- (3) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- (4) Investments in non-marketable equity securities are classified as general investments.

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


Trading investments and available for sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand [and the Thai Bond Dealing Centre]. The unrealised gains and losses of trading investments are recognised in income statement. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

General investments are carried at cost less impairment loss.

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

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.





## 2 Accounting policies (Cont'd)

### 2.9 Property, plant and equipment

Land and buildings comprise mainly factories and offices and are shown at fair value, based on [frequency, e.g., triennial] valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Increases in the carrying amount arising on revaluation of land and building are credited to other comprehensive income and shown as gain on asset revaluation in equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against gain on asset revaluation directly in equity; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost is transferred from 'gain on asset revaluation' to retained earnings.

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

Buildings	10 years and 20 years
Leasehold improvements	Upon Contract
Equipment	5 years
Machinery	Unit of production
Assets for rent	5 years
Furniture, fixtures and office equipment	3 - 5 years
Vehicles	5 years

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

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.11).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other (losses)/gains - net' in profit or loss.

---



## 2 Accounting policies (Cont'd)

### 2.10 Intangible assets

#### 2.10.1 Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditure is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

#### 2.10.2 Computer software

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

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

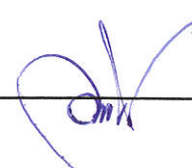
Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

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

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 5 years.

### 2.11 Impairment of assets

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





## 2 Accounting policies (Cont'd)

### 2.12 Leases

#### Leases - where the Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

#### Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

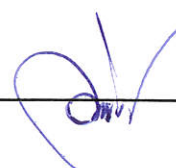
### 2.13 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

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

Preference shares that are mandatorily redeemable on a specific date are classified as liabilities. The dividends on these preference shares are recognised in the statement of comprehensive income as interest expense.

When convertible bonds are issued, the fair value of the liability portion is determined using a market interest rate for an equivalent non-convertible bond; this amount is recorded as a non-current liability on the amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion, which is recognised and included in equity; the value of the conversion option is not changed in subsequent periods.



## 2 Accounting policies (Cont'd)

### 2.13 Borrowings (Cont'd)

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

#### (a) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.14 Current and deferred income taxes

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

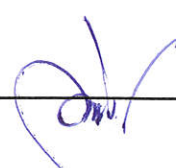
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect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

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

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

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

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





## 2 Accounting policies (Cont'd)

### 2.15 Employee benefits

The Group has both defined contribution and defined benefit plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

#### Post-employment benefits

##### - **Defined contribution plans**

The Group has set up a provident fund, being a defined contribution plan, of which the assets are held in a separate trust fund. The provident fund is funded by payments from employees and by the Group. The Group's contributions to the provident fund are charged to profit and loss in the years to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

##### - **Defined benefit plans**

Under the Labour Law applicable in Thailand and the Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement at age 55. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at rate of 300 days of final salary and may be supplemented based on management's judgement.

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

Actuarial gains and losses arising from experience adjustments and changed in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

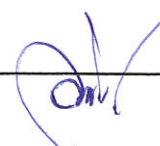
Past - service costs are recognised immediately in profit or loss.

### 2.16 Provisions

Provisions for environmental restoration, restructuring costs and legal claims [*tailor as appropriate*] are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

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

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





**2 Accounting policies (Cont'd)**

**2.17 Share capital**

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares including mandatory redeemable preference shares are classified as liabilities (see accounting policy note 2.13 - borrowings).

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any companies within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

**2.18 Revenue recognition**

Revenue comprises the fair value for consideration received or receivable for the sale of goods and service net of output tax, rebates and discounts, not including intercompany transaction for consolidated. Revenue from sale of goods are recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue from services is recognised as revenue in the period in which they are rendered.

Interest income is recognised on a time proportion basis taking account of the principal outstanding and the effective rate over the period to maturity when it is determined that such income will accrue to the Group.

Dividend income is recognised when the right to receive payment is established.

**2.19 Dividend distribution**


Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

**2.20 Segment reporting**

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

**2.21 Non-current assets (or disposal groups) held-for-sale**

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of the carrying amount and fair value less cost to sell.



### **3 Financial risk management**

#### **3.1 Financial risk factors**

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

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment excess liquidity.

##### **3.1.1 Foreign exchange risk**

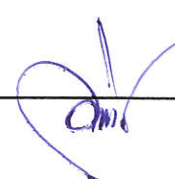
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Thai Baht. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Entities in the Group use forward contracts to hedge their exposure to foreign currency risk in connection with measurement currency. The Group treasury is responsible for hedging the net position in each currency by using currency borrowings and external forward currency contracts.

##### **3.1.2 Interest rate risk**

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by the finance director before execution.

Interest rate risk arises from the changing of interest rates in the market which effects net interest expense. The Company and its subsidiary manages interest rate risk relates primarily to its cash at financial institutions, receivables for financial lease contracts, loan to, bank overdrafts and short-term loan, liabilities under financial lease contracts and long-term loan by using both fixed interest rates and floating interest rates, depending on the market circumstances.



### 3 Financial risk management (Cont'd)

#### 3.1 Financial risk factors (Cont'd)

##### 3.1.2 Interest rate risk (Cont'd)

As at 31 December 2016 and 2015, financial assets and liabilities are classified by type of interest rates. Financial assets and liabilities with fixed interest rates by the due date or the date on which the new interest rate (If the date of the new interest rate to it) are as follows:

	Consolidated financial statements				
	As at 31 December 2016				Effective
	Within 1 year Baht	1 - 5 years Baht	After 5 years Baht	Total Baht	Rate (% p.a)
<b>Financial assets</b>					
Cash and cash equivalents	47,440,840	-	-	47,440,840	0.125 - 0.375
Receivables of finance lease	8,257,378	8,950,907	-	17,208,285	2.7827 - 33.8484
Deposits at financial institutions pledged as collateral	50,029,913	-	-	50,029,913	0.37 - 2.43
Total	105,728,131	8,950,907	-	114,679,038	
<b>Financial liabilities</b>					
Bank overdrafts and short-term borrowings from financial institutions	1,536,844	-	-	1,536,844	
Finance lease liabilities	1,867,633	3,066,349	-	4,933,982	2.70 - 5.4284
Total	3,404,477	3,066,349	-	6,470,826	

	Consolidated financial statements				
	As at 31 December 2015				Effective
	Within 1 year Baht	1 - 5 years Baht	After 5 years Baht	Total Baht	Rate (% p.a)
<b>Financial assets</b>					
Cash and cash equivalents	53,884,430	-	-	53,884,430	0.125 - 0.375
Receivables of finance lease	530,110	963,156	-	1,493,266	2.7827, 9.9411
Deposits at financial institutions pledged as collateral	48,242,992	-	-	48,242,992	0.37 - 2.43
Total	102,657,532	963,156	-	103,620,688	
<b>Financial liabilities</b>					
Bank overdrafts and short-term borrowings form financial institutions	84,894,899	-	-	84,894,899	MLR, LLR-0.25%, MOR, MOR-1.50%, MRR, SIBOR+2.50%
Finance lease liabilities	985,406	1,898,850	-	2,884,256	2.70 - 5.4284
Total	85,880,305	1,898,850	-	87,779,155	



### 3 Financial risk management (Cont'd)

#### 3.1 Financial risk factors (Cont'd)

##### 3.1.2 Interest rate risk (Cont'd)

Separate financial statements					Effective Rate (% p.a)
As at 31 December 2016					
Within 1 year Baht	1 - 5 years Baht	After 5 years Baht	Total Baht		
<b>Financial assets</b>					
Cash and cash equivalents	46,754,434	-	-	46,754,434	0.125 - 0.375
Receivables of finance lease contracts	440,030	523,126	-	963,156	2.7827, 9.9411
Short-term loan to related party	27,020,837	-	-	27,020,837	3.79, 8.40
Deposits as financial institution pledged as collaterals	49,029,913	-	-	49,029,913	0.37 - 2.43
<b>Total</b>	<b>123,245,214</b>	<b>523,126</b>	<b>-</b>	<b>123,768,340</b>	
<b>Financial liabilities</b>					
Bank overdrafts and short-term borrowings from financial institutions	1,536,844	-	-	1,536,844	
Finance lease liabilities	1,867,633	3,066,349	-	4,933,982	
<b>Total</b>	<b>3,404,477</b>	<b>3,066,349</b>	<b>-</b>	<b>6,470,826</b>	
<b>Separate financial statements</b>					
As at 31 December 2015				Effective Rate (% p.a)	
Within 1 year Baht	1 - 5 years Baht	After 5 years Baht	Total Baht		
<b>Financial assets</b>					
Cash and cash equivalents	53,716,082	-	-	53,716,082	0.125 - 0.375
Receivables of finance lease contracts	530,110	963,156	-	1,493,266	2.7827, 9.9411
Short-term loan to related party	9,159,551	-	-	9,159,551	3.79, 8.40
Deposits as financial institution pledged as collaterals	47,230,121	-	-	47,230,121	0.37 - 2.43
<b>Total</b>	<b>110,635,864</b>	<b>963,156</b>	<b>-</b>	<b>111,599,020</b>	
<b>Financial liabilities</b>					
Bank overdrafts and short-term borrowings from loans form financial institutions	84,894,899	-	-	84,894,899	MLR, MLR- 0.25%, MOR, MOR-1.50%, MRR, SIBOR+2.50%
Finance lease liabilities	985,406	1,898,850	-	2,884,256	
<b>Total</b>	<b>85,880,305</b>	<b>1,898,850</b>	<b>-</b>	<b>87,779,155</b>	

##### 3.1.3 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

##### 3.1.4 Liquidity risk

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

### 3 Financial risk management (Cont'd)

#### 3.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward exchange contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes and are not recognised in the financial statements. The fee incurred in establishing each agreement is amortised over the contract period, if any.

Disclosures about derivative financial instruments to which the Group is a party are provided in note 31.

#### 3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2016. See note 9 for disclosures of the short-term investment that are measured at fair value.

Consolidated and separate financial statements			
	Level 1 Baht	Level 2 Baht	Level 3 Baht
Asset			
Trading investments	55,571,265	-	-
			55,571,265

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2015.

Consolidated and separate financial statements			
	Level 1 Baht	Level 2 Baht	Level 3 Baht
Asset			
Trading investments	50,243,246	-	-
			50,243,246

### 3 Financial risk management (Cont'd)

#### 3.3 Fair value estimation (Cont'd)

There were no transfers between levels 1 and 2 during the year.

##### (a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

### 4 Reclassification of accounts

Certain accounts in 2015, were reclassified to conform with those in the 2016 financial statements as follows:

- Reclassification "Short-term investment" (Note 9) out of "Cash and cash equivalents"
- Reclassification of "Cost of sales" to net "Revenue from sales"
- Reclassification of "Management benefit" to expenses by function

However, this reclassification does not affect the balance as at 1 January 2015. Therefore, the Group has not reported reclassification in the Consolidated Statement of financial position as at 1 January 2015.

Consolidated financial statements			
	As previously reported Baht	Reclassification Baht	After reclassification Baht
<b>Asset</b>			
<b>Current asset</b>			
Cash and cash equivalents	104,127,676	(50,243,246)	53,884,430
Short-term investments	-	50,243,246	50,243,246
<b>Revenues</b>			
Revenues from sales	(606,107,625)	45,389,599	(560,718,026)
Other income	(4,368,655)	911,001	(3,457,654)
<b>Expenses</b>			
Cost of sales	361,893,490	1,224,385	363,117,875
Selling expenses	180,872,270	(47,321,714)	133,550,556
Administrative expenses	57,388,258	13,119,155	70,507,413
Management benefit expenses	13,419,014	(13,419,014)	-
Finance costs	7,669,024	96,588	7,765,612
<b>Separate financial statements</b>			
	As previously Reported Baht	Reclassification Baht	After reclassification Baht
<b>Asset</b>			
<b>Current Asset</b>			
Cash and cash equivalents	103,959,328	(50,243,246)	53,716,082
Short-term investments	-	50,243,246	50,243,246
<b>Revenues</b>			
Revenues from sales	(604,416,906)	45,389,599	(559,027,307)
Other income	(4,747,492)	911,001	(3,836,491)
<b>Expenses</b>			
Cost of sales	360,793,016	1,224,385	362,017,401
Selling expenses	180,530,951	(47,321,714)	133,209,237
Administrative expenses	55,538,522	11,023,155	66,561,677
Management benefit expenses	11,323,014	(11,323,014)	-
Finance costs	7,665,969	96,588	7,762,557



## **5 Critical accounting estimates assumptions and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

### **(a) Deferred tax**

Deferred tax assets and liabilities are recognized for temporary difference arising between tax bases of assets and liabilities and their carrying amount for accounting purposes as at the end of reporting date. Significant management judgment is used in considering whether it is highly probable that the group will generate sufficient taxable profits from its future operations to minimize these deferred tax assets. The group's assumptions regarding the future taxable profits and the anticipated timing of minimize of deductible temporary differences and significant changes in these assumptions from period to period may have a material impact on financial position and results of operations.

### **(b) Retirement benefits**

The present value of the retirement benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for retirement benefits include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligation.

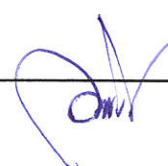
The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Group considers the [market yield of high-quality corporate bonds/market yield of government bonds] that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits liability.

Additional information of other key assumptions for retirement benefits obligations other is disclosed in note 21.

### **(c) Impairment of short-term borrowings to subsidiary**

The management has to assess the subsidiary's future profitability and cash flow projection which depends on a number of assumptions such as the revenue growth rate, the discount rate and the inflation rate. These assumptions involve significant judgements by management in assessing the possible of future business plan. If the budgeting principles of the subsidiary's discounted cash flow model is more than short-term borrowings, the impairment of short-term borrowings to subsidiary may be not required.

---





## **6 Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The objectives of the Company and its subsidiary's capital management are arrangement of appropriated financial structure and maintenance of ability in continuously business operation.

As at 31 December 2016 and 2015, the Company and its subsidiary's debt-to-equity ratio was 0.68:1 and 1.951: 1, respectively. (Separate financial statements: debt-to-equity ratio was 0.66:1 and 1.94:1 respectively)

## **7 Segment information**

Segment information is presented in respect of the Company and its subsidiary business segments.

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

Segment results and operating assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly other income, selling expense, administrative expenses finance costs and income tax expenses and corporate common assets and liabilities.

### **Business segments**

The Company and its subsidiary comprise 2 main business segments as follows:

Segment 1 : Sale of products

Segment 2 : Service of products

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit from operation, as included in the internal management reports that are reviewed by the Company's and its subsidiary. Segment profit from operation is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.



**7 Segment information (Cont'd)**

**Major customers**

For the year ended 31 December 2016 Revenues from 2 customers of sale of products Baht 252.82 million of total revenues of the Company and its subsidiary. (2015: Revenues from 2 customers of sale of products Baht 238.2 million of total revenues of the Company and its subsidiary) Financial information by business segments of the Company and its subsidiaries for the year ended 31 December 2016 and 2015 as follows:

	Sale of products		Service of products		Elimination		Consolidated financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Revenues from external customers	853,246,230	560,718,026	28,258,565	30,299,475	-	-	881,504,795	591,017,501
Inter-segment revenues	-	-	196,300	9,000	(196,300)	(9,000)	-	-
Less: Cost of sales and service	(562,538,604)	(363,348,943)	(8,105,777)	(11,115,654)	135,847	231,068	(570,508,534)	(374,233,529)
Profit from operation of Segment	290,707,626	197,369,083	20,349,088	19,192,821	(60,453)	222,068	310,996,261	216,783,972
Unallocated income and expenses::								
Other income							8,083,830	3,457,654
Selling expenses							(139,311,432)	(133,550,556)
Administrative expenses							(71,170,485)	(70,507,413)
Management remuneration								
Finance costs							(1,599,745)	(7,765,612)
Profit before income tax expense							106,998,429	8,418,045
Income tax expense							(20,003,244)	(392,873)
Profit for the year							86,995,185	8,025,172
Other comprehensive income (loss)- net of tax							-	1,603,394
Total Comprehensive income for the year							86,995,185	9,628,566

The segment assets and liabilities of Company and its subsidiary as at 31 December 2016 and 2015 are as follow:

	Sale of products		Service of products		Elimination		Consolidated financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Assets by segment	263,016,678	284,513,459	5,150,209	7,369,069	(29,205,358)	(10,369,915)	238,961,529	281,512,613
Less: Provision for impairment	(4,008,871)	(414,830)					(4,008,871)	(414,830)
Asset by segment, net	259,007,807	284,098,629					234,952,658	281,097,783
Unallocated assets							333,099,321	265,934,810
Total							568,051,979	547,032,593
Liabilities by segment	28,030,677	9,038,576	-	53,500	(28,030,677)	(9,092,076)	-	-
Unallocated liabilities							178,792,831	220,768,630
Total							178,792,831	220,768,630

**Geographic segments**

In presenting information on the basis of geographic segment, segment revenue is based on the geographic location of customers and segment non-current assets are based on the geographical location of the assets.

**Geographical segment information**

	Sale of products		Service of products		Consolidated financial statements		Non-current assets	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Thailand	616,130,552	442,968,403	48,718,074	30,299,475	664,848,626	473,267,877	994,217	1,001,854
China	-	-	-	-	-	-	25,279,564	29,961,241
Other	216,656,169	117,749,624	-	-	216,656,169	117,749,624	-	-
Total	832,786,721	560,718,026	48,718,074	30,299,475	881,504,795	591,017,501	26,273,781	30,963,095

**8 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash on hand	343,546	400,857	330,867	384,098
Cash at banks	47,097,294	53,483,573	46,423,567	53,331,984
Total	47,440,840	53,884,430	46,754,434	53,716,082

Short-term deposits at banks real interest rates are between 0.125% to 0.375% (2015: 0.125% to 0.375%).

**9 Short-term investments**

As at 31 December 2016 and 2015, short-term investments which are trading investments and present in fair value are invested in low-risk mutual funds.

Fair value per unit is net asset value per unit which will be calculated from asset management company (AMC) which is governed by the Securities and Exchange Commission of Thailand (SEC).

**10 Trade and other receivables**

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Trade and other receivables - related parties</b>				
Trade receivables	884,314	3,972,556	1,950,734	4,165,360
Less: Allowance for doubtful accounts	-	-	-	-
Trade receivables - net	884,314	3,972,556	1,950,734	4,165,360
Accrued income	-	-	-	20,865
Advance payment	-	-	-	-
Total	884,314	3,972,556	1,950,734	4,186,225
<b>Trade and other receivables - other parties</b>				
Trade receivables	135,118,173	89,167,766	132,105,358	88,475,285
Less: Allowance for doubtful accounts	(13,149,710)	(12,367,776)	(13,149,710)	(12,367,776)
Trade receivables - net	121,968,463	76,799,990	118,955,648	76,107,509
Accrued income	692,718	393,509	343,606	318,000
Prepaid expense	1,371,900	1,779,460	1,371,900	1,760,857
Advance payment	1,332,262	507,316	1,282,512	507,316
Other receivables	1,102,333	715,902	457,142	628,899
Total	126,467,676	80,196,177	122,410,808	79,322,581



10 Trade and other receivables (Cont'd)

As at 31 December 2016 and 2015 trade account receivables are classified by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Trade receivables - related parties</b>				
Not yet due	5,062	2,738,286	1,071,482	2,750,720
Overdue :				
Under 3 months	196,440	1,234,270	196,440	1,390,030
3 months to 6 months	682,812	-	682,812	24,610
6 months to 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total	884,314	3,972,556	1,950,734	4,165,360
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
Net	884,314	3,972,556	1,950,734	4,165,360

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Trade receivables - other parties</b>				
Not yet due	64,023,871	39,532,114	61,011,056	39,292,134
Overdue :				
Under 3 months	35,495,061	30,804,090	35,495,061	30,351,590
3 months to 6 months	17,129,198	4,387,240	17,129,198	4,387,240
6 months to 12 months	7,852,607	4,363,757	7,852,607	4,363,757
Over 12 months	10,617,436	10,080,564	10,617,436	10,080,564
Total	135,118,173	89,167,765	132,105,358	88,475,285
<u>Less</u> Allowance for doubtful accounts	(13,149,710)	(12,367,776)	(13,149,710)	(12,367,776)
Net	121,968,463	76,799,989	118,955,648	76,107,509

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Doubtful accounts (Reversal)	583,934	1,394,111	583,934	1,394,111
Bad debt	30,870	142,000	30,870	142,000
Total	614,804	1,536,111	614,804	1,536,111

11 Receivables of finance lease contracts

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Receivables of financial lease contracts	21,149,854	1,991,256	1,290,532	1,991,256
<u>Less</u> Unearned interest income	(3,694,179)	(174,480)	(79,986)	(174,480)
Deferred service income	(247,390)	(323,510)	(247,390)	(323,510)
Net	17,208,285	1,493,266	963,156	1,493,266
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
Net	17,208,285	1,493,266	963,156	1,493,266
<u>Less</u> Current portion	(8,257,378)	(530,110)	(440,030)	(530,110)
Net	8,950,907	963,156	523,126	963,156

**11 Receivables of finance lease contracts (Cont'd)**

As at 31 December 2016 and 2015 ,the Company has receivables for financial lease contracts with the period of receipt as follows:

	Separate financial statements				2015			
	2016				2015			
	Principal Baht	Unearned interest income Baht	Deferred Service income Baht	Total Baht	Principal Baht	Unearned interest income Baht	Deferred Service income Baht	Total Baht
Under 1 year	440,030	58,504	76,120	574,654	530,110	94,494	76,120	700,724
1 year to 5 years	523,126	21,482	171,270	715,878	963,156	79,986	247,390	1,290,532
Over 5 years	-	-	-	-	-	-	-	-
Total	963,156	79,986	247,390	1,290,532	1,493,266	174,480	323,510	1,991,256

	Separate financial statements				2015			
	Receivables of finance lease		Percentage of allowance For doubtful accounts		Allowance for doubtful accounts		Net	
	2016 Baht	2015 Baht	2016 %	2015 %	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Not yet due	963,156	1,394,455	-	-	-	-	963,156	1,394,455
Past due:								
Less than 3 months	-	98,811	-	-	-	-	-	98,811
More than 3 - 6 months	-	-	50	50	-	-	-	-
Over 6 months	-	-	100	100	-	-	-	-
Total	963,156	1,493,266			-	-	963,156	1,493,266

As at 31 December 2016 and 2015 ,the Group has receivables for financial lease contracts with the period of receipt as follows:

	Consolidated financial statements				2015			
	2016				2015			
	Principal Baht	Unearned interest income Baht	Deferred Service income Baht	Total Baht	Principal Baht	Unearned interest income Baht	Deferred Service income Baht	Total Baht
Under 1 year	8,257,378	2,554,447	76,120	10,887,945	530,110	94,494	76,120	700,724
1 year to 5 years	8,950,907	1,139,732	171,270	10,261,909	963,156	79,986	247,390	1,290,532
Over 5 years	-	-	-	-	-	-	-	-
Total	17,208,285	3,694,179	247,390	21,149,854	1,493,266	174,480	323,510	1,991,256

	Consolidated financial statements				2015			
	Receivables of finance Lease		Percentage of allowance For doubtful accounts		Allowance for doubtful accounts		Net	
	2016 Baht	2015 Baht	2016 %	2015 %	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Not yet due	15,423,663	1,394,455	-	-	-	-	15,423,663	1,394,455
Past due:								
Less than 3 months	1,784,622	98,811	-	-	-	-	1,784,622	98,811
More than 3 - 6 months	-	-	50	50	-	-	-	-
Over 6 month	-	-	100	100	-	-	-	-
Total	17,208,285	1,493,266			-	-	17,208,285	1,493,266

## 12 Inventories

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Finished goods	146,980,324	178,023,387	148,118,288	178,785,818
Raw materials and spare parts	26,599,123	34,498,680	26,599,124	34,498,680
Good in transit	25,289,272	26,306,864	25,289,272	26,306,863
Work in process	-	2,820,774	-	2,820,774
Total	198,868,719	241,649,705	200,006,684	242,412,135
<u>Less</u> Allowance for decline in value of inventories	(15,244,699)	(10,729,553)	(15,244,699)	(10,658,263)
Net	183,624,020	230,920,152	184,761,985	231,753,872

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
The cost of inventories recognised as expense and included in cost of goods sold for the year ended 31 December				
- Cost of goods sold	558,155,251	357,111,676	540,008,960	356,046,847
- Loss on decline in value of inventories	4,515,146	6,006,199	4,586,436	5,970,554
Total	562,670,397	363,117,875	544,595,396	362,017,401

Movement of allowance for decline in value of inventories as at 31 December 2016 and 2015 are summarized below

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Balance as at 1 January	10,729,553	4,723,354	10,658,263	4,687,709
<u>Add</u> Loss on decline in value of inventories	4,515,146	6,006,199	4,586,436	5,970,554
Balance as at 31 December	15,244,699	10,729,553	15,244,699	10,658,263

## 13 Deposits at financial institutions pledged as collateral

As at 31 December 2016 and 2015 the Group has pledged deposits at financial institutions of Baht 50.03 million and 48.24 million, respectively (Separate financial statements has Baht 49.02 million and 47.23 million, respectively) as as collateral.

## 14 Investment in subsidiary

	Percentage of direct and indirect holding		Paid-up capital		At cost method	
	2016 %	2015 %	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Innov Green Solution Co.,Ltd	100	100	1,000,000	1,000,000	1,261,210	1,261,210



Masterkool International Public Company Limited  
Notes to the Consolidated and separate financial statements  
For the year ended 31 December 2016

15 Property, plant and equipment

Consolidated financial statements									
	Land Baht	Buildings Baht	Leasehold improvements Baht	Equipment Baht	Assets for rent Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht
At 1 January 2015									
Cost	900,000	16,710,493	4,236,395	24,098,449	6,326,579	7,338,733	5,131,702	696,600	65,438,951
Less Accumulated depreciation	-	(10,753,205)	(2,495,227)	(8,679,384)	(1,875,574)	(4,301,619)	(3,086,689)	-	(31,191,698)
Net book amount	900,000	5,957,288	1,741,168	15,419,065	4,451,005	3,037,114	2,045,013	696,600	34,247,253
Year ended 31 December 2015									
Opening net book amount	900,000	5,957,288	1,741,168	15,419,065	4,451,005	3,037,114	2,045,013	696,600	34,247,253
Additions	-	-	33,484	17,028,989	1,313,746	920,877	4,239,087	-	23,536,183
Disposal/write-offs	-	-	-	(47,675)	(95,651)	(353,629)	(489,000)	-	(985,955)
Transfer in/(out)	-	-	-	2,602,322	3,370,943	-	-	(306,100)	5,667,165
Impairment charge	-	-	-	(418,830)	-	-	-	-	(418,830)
Depreciation charge	-	(1,018,184)	(808,444)	(2,254,573)	(1,724,473)	(828,033)	(835,924)	-	(7,469,631)
Closing net book amount	900,000	4,939,104	966,208	32,329,298	7,315,570	2,776,329	4,959,176	390,500	54,576,185
At 31 December 2015									
Cost	900,000	16,710,493	4,269,879	43,682,085	10,915,617	7,905,981	8,881,789	390,500	93,656,344
Less Accumulated depreciation	-	(11,771,389)	(3,303,671)	(10,933,957)	(3,600,047)	(5,129,652)	(3,922,613)	-	(38,661,329)
Provision for impairment	-	-	-	(418,830)	-	-	-	-	(418,830)
Net book amount	900,000	4,939,104	966,208	32,329,298	7,315,570	2,776,329	4,959,176	390,500	54,576,185

Masterkool International Public Company Limited  
Notes to the Consolidated and separate financial statements  
For the year ended 31 December 2016

15 Property, plant and equipment (Cont'd)

	Consolidated financial statements								
	Land Baht	Buildings Baht	Leasehold improvements Baht	Equipment Baht	Assets for rent Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht
Year ended 31 December 2016									
Opening net book amount	900,000	4,939,104	966,208	32,329,298	7,315,570	2,776,329	4,959,176	390,500	54,576,185
Additions	-	-	1,865,394	375,937	347,684	2,609,177	4,868,649	1,658,078	11,724,919
Disposal/write-offs	-	-	(6,400)	(211,904)	(1,608,645)	(732,163)	(1,268,588)	-	(3,827,700)
Transfer in/(out)	-	-	-	-	(25,638)	25,638	-	-	-
Impairment charge	-	-	-	(3,590,041)	-	-	-	-	(3,590,041)
Depreciation charge	-	(1,018,184)	(571,609)	(5,116,024)	(884,833)	(572,576)	(732,546)	-	(8,895,772)
Closing net book amount	900,000	3,920,920	2,253,593	23,787,266	5,144,138	4,106,405	7,826,691	2,048,578	49,987,591
At 31 December 2016									
Cost	900,000	16,710,493	6,128,873	43,846,118	9,614,594	9,823,057	12,481,850	2,048,578	101,553,563
Less Accumulated depreciation	-	(12,789,573)	(3,875,280)	(16,049,981)	(4,470,456)	(5,716,652)	(4,655,159)	-	(47,557,101)
Provision for impairment	-	-	-	(4,008,871)	-	-	-	-	(4,008,871)
Net book amount	900,000	3,920,920	2,253,593	23,787,266	5,144,138	4,106,405	7,826,691	2,048,578	49,987,591

Masterkool International Public Company Limited  
Notes to the Consolidated and separate financial statements  
For the year ended 31 December 2016

15 Property, plant and equipment (Cont'd)

Separate financial statements										
	Land Baht	Buildings Baht	Leasehold improvements Baht	Equipment Baht	Assets for rent Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht	
At 1 January 2015										
Cost	900,000	16,710,493	4,236,395	18,743,544	5,295,079	7,338,733	5,131,702	696,600	59,052,546	
Less Accumulated depreciation	-	(10,753,205)	(2,495,227)	(8,478,203)	(1,681,573)	(4,301,619)	(3,086,689)	-	(30,796,516)	
Provision for impairment	-	-	-	-	-	-	-	-	-	
Net book amount	900,000	5,957,288	1,741,168	10,265,341	3,613,506	3,037,114	2,045,013	696,600	28,256,030	
Year ended 31 December 2015										
Opening net book amount	900,000	5,957,288	1,741,168	10,265,341	3,613,506	3,037,114	2,045,013	696,600	28,256,030	
Additions	-	-	33,484	16,990,617	1,313,746	889,250	4,239,087	-	23,466,184	
Disposal/write-offs	-	-	-	(47,675)	(95,651)	(353,629)	(489,000)	-	(985,955)	
Transfer in/(out)	-	-	-	2,602,322	3,370,943	-	-	(306,100)	5,667,165	
Impairment charge	-	-	-	(418,830)	-	-	-	-	(418,830)	
Depreciation charge	-	(1,018,184)	(808,444)	(2,208,130)	(1,621,324)	(823,077)	(835,924)	-	(7,315,083)	
Closing net book amount	900,000	4,939,104	966,208	27,183,645	6,581,220	2,749,658	4,959,176	390,500	48,669,511	
At 31 December 2015										
Cost	900,000	16,710,493	4,269,879	38,288,808	9,884,117	7,874,354	8,881,789	390,500	87,199,940	
Less Accumulated depreciation	-	(11,771,389)	(3,303,671)	(10,686,333)	(3,302,897)	(5,124,696)	(3,922,613)	-	(38,111,599)	
Provision for impairment	-	-	-	(418,830)	-	-	-	-	(418,830)	
Net book amount	900,000	4,939,104	966,208	27,183,645	6,581,220	2,749,658	4,959,176	390,500	48,669,511	



Masterkool International Public Company Limited  
Notes to the Consolidated and separate financial statements  
For the year ended 31 December 2016

15 Property, plant and equipment (Cont'd)

	Separate financial statements								
	Land Baht	Buildings Baht	Leasehold improvements Baht	Equipment Baht	Assets for rent Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht
Year ended 31 December 2016									
Opening net book amount	900,000	4,939,104	966,208	27,183,645	6,581,220	2,749,658	4,959,176	390,500	48,669,511
Additions	-	-	699,410	314,857	347,684	2,152,394	4,868,650	1,362,936	9,745,931
Disposal/write-offs	-	-	(6,400)	(173,533)	(1,608,645)	(732,163)	(1,268,588)	-	(3,789,329)
Transfer in/(out)	-	-	-	-	(25,638)	25,638	-	-	-
Impairment charge	-	-	-	(358,232)	-	-	-	-	(358,232)
Depreciation charge	-	(1,018,185)	(515,334)	(5,067,556)	(767,260)	(564,606)	(732,546)	-	(8,665,487)
Closing net book amount	900,000	3,920,919	1,143,884	21,899,181	4,527,361	3,630,921	7,826,692	1,753,436	45,602,394
At 31 December 2016									
Cost	900,000	16,710,493	4,962,889	38,430,133	8,597,517	9,320,224	12,481,850	1,753,436	93,156,542
Less Accumulated depreciation	-	(12,789,574)	(3,819,005)	(15,753,890)	(4,070,156)	(5,689,303)	(4,655,158)	-	(46,777,086)
Provision for impairment	-	-	-	(777,062)	-	-	-	-	(777,062)
Net book amount	900,000	3,920,919	1,143,884	21,899,181	4,527,361	3,630,921	7,826,692	1,753,436	45,602,394

As at 31 December 2016 and 2015, the Company's land and buildings are mortgaged with net book value amounting to approximately Baht 5.03 million and Baht 5.8 million, respectively such as collateral for credit line from financial institutions.

As at 31 December 2016 and 2015, net book value of assets under financial lease contracts amounting to approximately Baht 7.8 million and Baht 4.4 million, respectively.



**15 Property, plant and equipment (Cont'd)**

The impairment charge in the Consolidated and Separate financial statements of Baht 3,590,041 and Baht 358,232, respectively, in 2016 for moulds was made during the year. This is a result of there has been no the production order or purchase order continuously for 3 years or there has been no distribution the product from that mould which the group shall recognise the provision for impairment fully.

The recoverable amount (the higher of the value in use or fair value less costs of disposal) was determined at the cash-generating unit level being the mould will produce the goods for sale in the product line. The recoverable amount represents the value in use was determined with reference to market prices for equivalent assets.

The value in use was determined by the discount rate using the Weighted Average Cost of Capital (WACC) at 5.47%

Leased assets included above, where the Group is a lessee under a finance lease, comprise vehicles:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cost-capitalised finance leases	9,107,722	4,770,966	9,107,722	4,770,966
<u>Less</u> Accumulated depreciation	(1,776,747)	(700,238)	(1,776,747)	(700,238)
Net book amount	<u>7,330,975</u>	<u>4,070,728</u>	<u>7,330,975</u>	<u>4,070,728</u>

**16 Intangible assets**

	Consolidated financial statements		
	Computer Program Baht	Software under installation Baht	Total Baht
<b>At 1 January 2015</b>			
Cost	9,675,980	-	9,675,980
<u>Less</u> Accumulated amortisation	(6,386,418)	-	(6,386,418)
Net book amount	<u>3,289,562</u>	<u>-</u>	<u>3,289,562</u>
<b>Year ended 31 December 2015</b>			
Opening net book amount	3,289,562	-	3,289,562
Additions	374,523	480,000	854,523
Amortisation charge	(943,127)	-	(943,127)
<b>Closing net book amount</b>	<u>2,720,958</u>	<u>480,000</u>	<u>3,200,958</u>
<b>At 31 December 2015</b>			
Cost	10,050,503	480,000	10,530,503
<u>Less</u> Accumulated amortisation	(7,329,545)	-	(7,329,545)
Net book amount	<u>2,720,958</u>	<u>480,000</u>	<u>3,200,958</u>
<b>Year ended 31 December 2016</b>			
Opening net book amount	2,720,958	480,000	3,200,958
Increased investment	1,396,250	132,000	1,528,250
Development costs recognized as assets	-	1,125,000	1,125,000
Amortisation charge	(887,765)	-	(887,765)
<b>Closing net book amount</b>	<u>3,279,443</u>	<u>1,737,000</u>	<u>5,016,443</u>
<b>At 31 December 2016</b>			
Cost	11,446,753	1,737,000	13,183,753
<u>Less</u> Accumulated amortisation	(8,167,310)	-	(8,167,310)
Net book amount	<u>3,279,443</u>	<u>1,737,000</u>	<u>5,016,443</u>

16 Intangible assets (Cont'd)

	Separate financial statements		
	Computer Program Baht	Software under Installation Baht	Total Baht
<b>At 1 January 2015</b>			
Cost	9,659,158	-	9,659,158
<u>Less</u> Accumulated amortisation	(6,382,353)	-	(6,382,353)
Net book amount	3,276,805	-	3,276,805
<b>Year ended 31 December 2015</b>			
Opening net book amount	3,276,805	-	3,276,805
Additions	374,523	480,000	854,523
Amortisation charge	(939,762)	-	(939,762)
<b>Closing net book amount</b>	<b>2,711,566</b>	<b>480,000</b>	<b>3,191,566</b>
<b>At 31 December 2015</b>			
Cost	10,033,681	480,000	10,513,681
<u>Less</u> Accumulated amortisation	(7,322,115)	-	(7,322,115)
Net book amount	2,711,566	480,000	3,191,566
<b>Year ended 31 December 2016</b>			
Opening net book amount	2,711,566	480,000	3,191,566
Increased investment	1,309,748	132,000	1,441,748
Development costs recognized as assets	(833,228)	-	(833,228)
Amortisation charge			
	3,188,086	612,000	3,800,086
<b>Closing net book amount</b>			
<b>At 31 December 2016</b>	<b>11,343,429</b>	<b>612,000</b>	<b>11,955,429</b>
Cost	(8,155,343)	-	(8,155,343)
<u>Less</u> Accumulated amortisation			
	3,188,086	612,000	3,800,086
Net book amount			

17 Bank overdrafts and short-term borrowings from financial institutions

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Bank overdrafts	-	9,307,458	-	9,307,458
Short-term borrowings	-	-	-	-
Liabilities under trust receipts	1,536,844	75,587,441	1,536,844	75,587,441
<b>Total</b>	<b>1,536,844</b>	<b>84,894,899</b>	<b>1,536,844</b>	<b>84,894,899</b>

As at 31 December 2016 and 2015, the Group has bank overdrafts and short-term borrowings line from financial institutions of Baht 328.50 million and Baht 358 million, respectively (Separate financial statements: Baht 323.50 million and Baht 353 million, respectively) with interest at the rate of MLR, MLR-0.25%, MOR, MOR-1.50%, MRR and SIBOR+2.50% p.a.

As at 31 December 2016, the Company entered into buying forward contracts for hedging its liabilities denominated in US Dollar with the outstanding notional amount of USD 500,000 and there were the foreign currency-dominated liabilities remaining unhedged in the amount of USD 3,526,805.

Such the line of bank overdrafts and short-term borrowings from financial institutions are secured by bank deposits described in Note 10 to the financial statements, mortgaged land and buildings described in Note 15 to the financial statements, director's land and buildings and apartment, and directors of the Company guarantees the full amount.

18 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Trade and other payables</b>				
- related parties (note 33.2)				
Advance received income	-	-	18,320	18,320
Total	-	-	18,320	18,320
	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Trade and other payables</b>				
- Other parties				
Trade payables	134,108,944	96,394,343	133,601,198	95,328,896
Accrued expense	14,840,993	10,928,661	8,262,573	10,712,749
Advanced received income	3,303,493	17,407,242	3,011,933	17,385,682
Other payables	1,019,416	1,516,772	942,638	1,492,850
Total	153,272,846	126,247,018	145,818,342	124,920,177

19 Long-term borrowings from financial institutions

	Consolidated and separate financial statements	
	2016 Baht	2016 Baht
Long-term loans	127,232	666,168
<u>Less</u> Current portion	(102,202)	(426,195)
Net of current portion	25,030	239,973

In April 2014, the Company entered into a loan agreement with a local financial institution amount of Baht 1.0 million. Such loan is repayable in monthly installments commencing from May 2014 and fully repayment will be paid within 36 months from the first drawdown period with interest at the rate MLR-1% (KBANK) p.a., such loan is mortgaged land and buildings described in Note 15 to the financial statement

And in January 2015, the Company entered into a loan agreement with a local financial institution amount of Baht 0.3 million. Such loan is repayable in monthly installments commencing from March 2015 and fully repayment will be paid within 36 months from the first drawdown period with interest at the rate MLR (TMB) p.a., such loan is secured by the personal guarantee of Company's directors.



## 20 Finance lease liabilities

	Consolidated and Separate financial statements	
	2016 Baht	2015 Baht
Finance lease liabilities	5,408,881	3,203,906
<u>Less</u> Deferred interest	<u>(474,899)</u>	<u>(319,650)</u>
Net	4,933,982	2,884,256
<u>Less</u> Current portion	<u>(1,867,633)</u>	<u>(985,406)</u>
Net	<u>3,066,349</u>	<u>1,898,850</u>

As at 31 December 2016 and 2015, the Company has liabilities under financial lease contracts with the details of payment as follows:

	Consolidated and Separate financial statements					
	2016			2015		
	Future minimum lease payment Baht	Deferred Interest Baht	Present value of minimum Lease payment Baht	Future minimum Lease payment Baht	Deferred Interest Baht	Present value of minimum Lease payment Baht
Not later than one year	2,135,613	267,980	1,867,633	1,161,833	176,427	985,406
Later than 1 year but not later than 5 years	3,273,268	206,919	3,066,349	2,042,073	143,223	1,898,850
Total	<u>5,408,881</u>	<u>474,899</u>	<u>4,933,982</u>	<u>3,203,906</u>	<u>319,650</u>	<u>2,884,256</u>

## 21 Employee benefit obligation

The Company paid retirement benefits and pension in accordance with the regulation of Labor Protection Act B.E. 2541 for the retirement benefit and other long-term benefit entitled to the employees based on their right and length of services.

Employee benefit obligations in statements of financial position as at 31 December 2016 and 2015 are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Post-employment benefits				
Legal severance payment plan	<u>1,889,945</u>	<u>1,575,034</u>	<u>1,873,261</u>	<u>1,570,972</u>

Movement in the present value of the defined benefit obligations for the years ended 31 December 2016 and 2015 are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Defined benefit obligations as at 1 January	1,575,034	2,815,048	1,570,972	2,815,048
Current service cost and interest	314,911	764,228	302,289	760,166
Actuarial gains (loss) in the statement of Comprehensive income	-	(2,004,242)	-	(2,004,242)
Defined benefit obligations as at 31 December	<u>1,889,945</u>	<u>1,575,034</u>	<u>1,873,261</u>	<u>1,570,972</u>



21 Employee benefit obligation (Cont'd)

Expenses recognized in statement of comprehensive income for the years ended 31 December 2016 and 2015 are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current service costs	261,225	624,738	249,141	620,676
Interest on obligation	53,686	139,490	53,148	139,490
Total	314,911	764,228	302,289	760,166

The above expense recognised in statement of comprehensive income for the years ended 31 December 2016 and 2015 and as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cost of manufacturing	13,633	36,611	13,633	36,611
Selling expenses	57,983	126,188	57,983	126,188
Administrative expenses	189,609	461,939	177,525	457,877
Total	261,225	624,738	249,141	620,676

Principal actuarial assumptions at the reporting dates as at 31 December 2016 and 2015 are as follows:

	Consolidated financial statements	
	2016 (Percentage)	2015 (Percentage)
Discount rate	2.92, 3.34	2.92, 3.34
Salary increase rate	7.54	7.54
Employee turnover rate	0 - 53	0 - 53
Mortality rate	(Depend on age of employees) Thai Mortality Ordinary Table 2008 Divided by gender	
	Separate financial statements	
	2016 (Percentage)	2015 (Percentage)
Discount rate	2.92	2.92
Salary increase rate	7.54	7.54
Employee turnover rate	0 - 53	0 - 53
Mortality rate	(Depend on age of employees) Thai Mortality Ordinary Table 2008 Divided by gender	

## 21 Employee benefit obligation (Cont'd)

The sensitivity analysis for each significant assumption are as follows;

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	Decrease 4.66%	Increase 4.97%
Salary growth rate	0.50%	Increase 5.16%	Decrease 4.88%
Pension growth rate	0.50%	Decrease 6.17%	Increase 6.62%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 13 years (2015: 13 years).

Expected maturity analysis of undiscounted retirement benefits:

	Consolidated and Separate financial statements				
	Less than 2 years Baht	Between 2-5 years Baht	Between 5-10 years Baht	Between 10-15 years Baht	Total Baht
As at 31 December 2016					
Retirement benefits	-	115,952	2,311,808	1,072,387	3,500,147
Total	-	115,952	2,311,808	1,072,387	3,500,147

	Consolidated and Separate financial statements				
	Less than 2 years Baht	Between 2-5 years Baht	Between 5-10 years Baht	Between 10-15 years Baht	Total Baht
As at 31 December 2015					
Retirement benefits	98,060	115,952	2,500,263	1,247,210	3,961,485
Total	98,060	115,952	2,500,263	1,247,210	3,961,485

## 22 Premium on share capital and legal reserve

### Premium on share capital

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

### Legal reserve

Under the provisions of the Limited Public Company Act B.E 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as reserve fund until the reserve equal to 10% of authorized share capital. The reserve is not available for dividend distribution.

## 23 Dividends paid and appropriated for legal reserve.

A dividend that relates to the period to 2015 and that amounts to Baht 9.6 million was paid on 18 May 2016, at Baht 0.02 per share.

An interim dividend that relates to the period to 2016 and that amounts to Baht 14.4 million was paid on 7 September 2016, at Baht 0.03 per share.

## 24 Share capital

	Consolidated financial statements				Separate financial statements			
	Number of share Baht	Common share Baht	Excess share value Baht	Total Baht	Number of share Baht	Common share Baht	Excess share value Baht	Total Baht
As at 1 January 2015	360,000,000	90,000,000	4,900,000	94,900,000	360,000,000	90,000,000	4,900,000	94,900,000
Issue of shares	120,000,000	30,000,000	178,130,333	208,130,333	120,000,000	30,000,000	178,130,333	208,130,333
As at 31 December 2015	480,000,000	120,000,000	183,030,333	303,030,333	480,000,000	120,000,000	183,030,333	303,030,333
As at 1 January 2016	480,000,000	120,000,000	183,030,333	303,030,333	480,000,000	120,000,000	183,030,333	303,030,333
Issue of shares	-	-	-	-	-	-	-	-
As at 31 December 2016	480,000,000	120,000,000	183,030,333	303,030,333	480,000,000	120,000,000	183,030,333	303,030,333

On 21 September 2015, the Company offered 120 million common shares, with a par value of Baht 0.25 each, at an offering price of Baht 1.80 each through Initial Public Offering. The net amount received from share subscription was Baht 208.4 million (less the subscription expenses of Baht 7.6 million.) The Company recognized premium on share capital of Baht 178.4 million. The Market for Alternative Investment (MAI) approved the 480.0 million common shares with a par value of Baht 0.25 each as listed securities to be traded, effective from 23 September 2015.

## 25 Expense by nature

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Changes in inventories	41,959,442	(63,062,832)	42,655,431	(64,340,672)
Purchase of goods	470,437,407	387,321,318	451,727,317	387,525,209
Employee expenses	109,852,632	97,237,347	107,782,978	95,713,631
Transportation expenses	19,291,315	17,185,972	19,291,315	17,184,122
Management remuneration (note 33.4)	11,181,063	13,419,014	10,638,063	11,323,014
Depreciation and amortisation	12,465,002	9,099,955	12,224,965	8,942,043
Loss on decline in value of inventories	4,515,145	6,006,199	4,586,436	5,970,554
Unrealized loss on exchange rate	-	5,481,922	-	5,481,922
Realized loss on exchange rate	-	5,538,439	-	5,536,377
Bad debt and doubtful accounts (Reversal)	812,804	1,536,111	812,804	1,536,111
Finance costs	1,564,173	7,669,024	1,564,173	7,665,969
Other expenses	110,511,212	98,624,641	104,620,959	97,027,488
Total	782,590,196	586,057,110	755,904,441	579,565,768



**26 Current and deferred income taxes**

Income tax income (expenses) for the years ended 31 December 2016 and 2015 as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current income tax expenses:				
Income tax expenses for the year	(22,261,667)	(2,275,252)	(22,261,667)	(2,275,252)
Deferred tax:				
Relating to origination and reversal of temporary differences	2,258,423	1,882,379	1,710,885	1,882,379
Income tax expenses reported in the Statement of comprehensive income	<u>(20,003,244)</u>	<u>(392,873)</u>	<u>(20,550,782)</u>	<u>(392,873)</u>
			Consolidated financial statement	
			2016 Baht	2015 Baht
Accounting profit before income tax			106,998,429	8,418,045
Tax calculated at a tax rate of 20% (2015: 20%)			(21,399,686)	(1,683,609)
Tax effects of:				
Income not subject to tax			1,518,991	264,587
Expenses not deductible for tax purpose			(122,549)	(1,026,149)
			<u>(20,003,244)</u>	<u>(392,873)</u>
			Separate financial statement	
			2016 Baht	2015 Baht
Accounting profit before income tax			110,823,029	12,329,654
Tax Calculated at a tax rate of 20% (2015: 20%)			(22,164,606)	(2,465,931)
Tax effects of:				
Income not subject to tax			1,518,991	264,587
Expenses not deductible for tax purpose			(94,833)	1,808,471
			<u>(20,550,782)</u>	<u>(392,873)</u>



26 Current and deferred income taxes (Cont'd)

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

	Consolidated and Separate financial statements	
	2016 Baht	2015 Baht
Deferred tax relating to		
Actuarial loss from employee benefit plan	-	(400,848)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Deferred tax assets:</b>				
Deferred tax asset to be recovered within 12 months	6,561,398	5,212,142	6,561,398	5,212,142
Deferred tax asset to be recovered after more than 12 months	1,242,928	798,809	593,230	798,809
<b>Deferred tax liabilities:</b>				
Deferred tax liabilities to be settled within 12 months	(1,651,476)	(506,870)	(88,006)	(506,870)
Deferred tax liability to be settled after more than 12 months	1,542,775	(66,879)	81,465	(66,879)
<b>Deferred tax asset (net)</b>	<u>7,695,625</u>	<u>5,437,202</u>	<u>7,148,087</u>	<u>5,437,202</u>

The movement in deferred tax assets and liabilities during the year is as follows:

	Separate financial statements		
	1 January 2016 Baht	Credited/ (charged) to profit or loss Baht	31 December 2016 Baht
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	2,473,555	156,387	2,629,942
Provision for inventory obsolescence	2,131,653	917,287	3,048,940
Impairment	83,766	718,008	801,774
Provision expenses for after sale services	606,934	275,582	882,516
Employee benefit obligations	314,194	63,795	377,989
<b>Total</b>	<u>5,610,102</u>	<u>2,131,059</u>	<u>7,741,161</u>
<b>Deferred tax liabilities</b>			
Receivables of financial lease	(29,316)	(79,385)	(108,701)
Depreciation	(143,584)	206,749	63,165
<b>Total</b>	<u>(172,900)</u>	<u>127,364</u>	<u>(45,536)</u>
<b>Deferred tax asset (net)</b>	<u>5,437,202</u>	<u>2,258,423</u>	<u>7,695,625</u>

26 Current and deferred income taxes (Cont'd)

The movement in deferred tax assets and liabilities during the year is as follows: (Cont'd)

	Separate financial statements		
	1 January 2015 Baht	Credited/ (charged) to profit or loss Baht	Credited/ (charged) to comprehensive income Baht
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	2,194,733	278,822	-
Provision for inventory obsolescence	937,542	1,194,111	-
Impairment	-	83,766	-
Provision expenses for after sale services	456,200	150,734	-
Employee benefit obligations	563,009	152,033	(400,848)
<b>Total</b>	<b>4,151,484</b>	<b>1,859,466</b>	<b>(400,848)</b>
<b>Deferred tax liabilities</b>			
Receivables of financial lease	(2,062)	(27,254)	-
Depreciation	(193,750)	50,166	-
<b>Total</b>	<b>(195,812)</b>	<b>22,912</b>	<b>-</b>
<b>Deferred tax asset (net)</b>	<b>3,955,672</b>	<b>1,882,378</b>	<b>(400,848)</b>
<b>Consolidated financial statements</b>			
	1 January 2016 Baht	Credited/ (charged) to profit or loss Baht	31 December 2016 Baht
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	2,473,555	156,387	2,629,942
Provision for inventory obsolescence	2,131,653	917,287	3,048,940
Impairment	83,766	71,646	155,412
Provision expenses for after sale services	606,934	275,582	882,516
Employee benefit obligations	314,194	60,458	374,652
<b>Total</b>	<b>5,610,102</b>	<b>1,481,360</b>	<b>7,091,462</b>
<b>Deferred tax liabilities</b>			
Receivables of financial lease	(29,316)	22,776	(6,540)
Depreciation	(143,584)	206,749	63,165
<b>Total</b>	<b>(172,900)</b>	<b>229,525</b>	<b>56,625</b>
<b>Deferred tax asset (net)</b>	<b>5,437,202</b>	<b>1,710,885</b>	<b>7,148,087</b>

26 Current and deferred income taxes (Cont'd)

The movement in deferred tax assets and liabilities during the year is as follows: (Cont'd)

	Consolidated financial statements			
	1 January 2015 Baht	Credited/ (charged) to profit or loss Baht	Credited/ (charged) to comprehensive income Baht	31 December 2015 Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	2,194,733	278,822	-	2,473,555
Provision for inventory obsolescence	937,542	1,194,111	-	2,131,653
Impairment	-	83,766	-	83,766
Provision expenses for after sale services	456,200	150,734	-	606,934
Employee benefit obligations	563,009	152,033	(400,848)	314,194
<b>Total</b>	<b>4,151,484</b>	<b>1,859,466</b>	<b>(400,848)</b>	<b>5,610,102</b>
<b>Deferred tax liabilities</b>				
Receivables of financial lease	(2,062)	(27,254)	-	(29,316)
Depreciation	(193,750)	50,166	-	(143,584)
<b>Total</b>	<b>(195,812)</b>	<b>22,912</b>	<b>-</b>	<b>(172,900)</b>
<b>Deferred tax asset (net)</b>	<b>3,955,672</b>	<b>1,882,378</b>	<b>(400,848)</b>	<b>5,437,202</b>

27 Earnings per share

The calculation of earnings per share for the years ended 31 December 2016 and 2015, were based on the profit for the period attributable to equity holders of the Company and the number of common shares outstanding during the period as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the period attributable to equity holders of the parent company (Baht)	86,995,185	8,025,172	90,272,247	11,936,781
Weighted average number of common shares outstanding (shares)				
Issued common shares at 1 January	480,000,000	360,000,000	480,000,000	360,000,000
Effects of common shares issued	-	33,534,246	-	33,534,246
<b>Total</b>	<b>480,000,000</b>	<b>393,534,246</b>	<b>480,000,000</b>	<b>393,534,246</b>
Basic earnings per share (Baht per share)	0.18	0.02	0.19	0.03



## **28 Promotional privileges**

The Company was granted certain promotional privilege under the Investment Promotion Act. B.E 2520 in accordance with certificate No.1811 (5) /2554 on its business segment of evaporative cooling system. The privilege granted can be summarized as follows:

- a) Corporate income tax exemption on profit for a period of eight years from the date of the income occurred from the certified products (March 15 ,2012). The company can carry forward any net loss incurred during the tax-exempt period to be deducted as expenditure from net profit incurred during the five year period commencing from expiry of the tax-exempt period.
- b) Any dividends distributed by the Company are exempt from income tax if the dividend is distributed by the Company and received by the recipient during the exempt period.
- c) Exemption of import duty on raw or essential materials used in export products for a period of one year commencing from the first import.
- d) Exemption of import duty on re-exports items for one year commencing from the first import
- e) The Company exempt from any duty on import of machinery approved by the BOI.

Revenue from sale of goods for the years ended 31 December 2016 and 2015 classified by promoted and non-promoted business as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
Promoted business	45,542,125	53,184,684	45,542,125	53,184,684
Non - Promoted business	807,704,105	507,533,342	786,105,738	505,842,623
<b>Total</b>	<b>853,246,230</b>	<b>560,718,026</b>	<b>831,647,863</b>	<b>559,027,307</b>

## **29 Agreement**

- 1) In January 2012 the Company entered into a distributor agreement with a foreign company for a period of 11 years expiring in December 2022. The Company is authorized to sell the products of cooling machines business in the country around the world save except some country as specified in the agreement. Under the agreement, the Company is committed to achieve certain distributor's sales goals as specified in the agreements.
- 2) In January 2013 , the Company entered into a distributor agreement with a foreign company as the same as 1) for 2 contracts for a period of 11 years expiring in December 2023. The Company is authorized to sell the products of cooling machines business in the country around the world save except some country as specified in the agreement. Under the agreement, the Company is committed to achieve certain distributor's sales goals as specified in the agreements.
- 3) In January 2013 , the Company entered into a distributor agreement with a foreign company for a period of 3 years expiring in December 2015. The Company is authorized to sell the products of cooling machines business in Thailand. Under the agreements, the Company is committed to achieve certain distributor's sales goals as specified in the agreements.
- 4) In October 2013, the Company and its subsidiary entered into a joint investment and share benefit agreement with a local company . The Condition of joint operation and share of benefit as specified in the agreement.
- 5) In July 2015, the Company entered into the MOU trading energy saving project with a foreign company. Such foreign company provides sale and marketing and the company provides management project. The MOU is for 3 years and will be renewed for periods of 3 years when that both sides make an addendum for renewal.



### 30 Provident fund

The Company has established a provident fund in accordance with the Provident Fund Act.B.E.2530, and registered on 1 April 2007. Employees contribute as 2% of salary of each month and the Company contributes as 2% of employee' salary. The company appointed a fund manager to manage the fund in accordance with the ministerial regulation 2<sup>nd</sup> issuance (B.E 2532) based on the Provident Fund Act B.E. 2530

The Company contributed net of the refund amount to the fund for the years ended 31 December 2016 and 2015 amounting to Baht 0.9 million and Baht 0.8 million, respectively.

### 31 Financial instruments

#### Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases, which are denominated in foreign currencies insignificant, since the Company mainly entered into forward exchange contracts to hedge such foreign currency risk.

As at 31 December 2016 and 2015 the balance of trade payables in foreign currencies and most are repayable within one year, which are not hedged against exchange rate risk are as follows

Currency	Liabilities Baht	Average exchange rate as at 31 December 2016 Baht per foreign currency
USD	3,526,805	35.73

Forward exchange contracts balance as at 31 December 2016 are as the follows;

Currency	Liabilities Baht	Exchange rate per forward exchange contracts
USD	500,000	36.00

As at 31 December 2016 and 2015 the balance of trade payables in foreign currencies and most are repayable within one year, which are not hedged against exchange rate risk are as follows

Currency	Unit :Currency				Average of exchange rate	
	Consolidated financial statements		Separate financial statements		(Baht/currency)	
	2016	2015	2016	2015	2016	2015
USD	3,526,805	2,688,855	3,526,805	2,689	35.73	36.06
EURO	-	14,173	-	14,173	-	41.01

#### Fair value

Accounting policies and disclosure of the Company and its subsidiary require that the fair value of financial assets and liabilities and non-financial. Fair value is the amount the buyer and seller agree to exchange an asset or a liability settled while both sides have a knowledgeable and willing to reciprocate and the market price independently of the characteristics of those who are not related. The purpose of the measurement and / or disclosure of fair value is determined by the following method. More information about the assumptions in determining fair values is disclosed in the notes associated with the assets and liabilities.

The fair value of cash equivalents, trade and other receivables and accrued income, current portion of receivable for financial lease contracts, short-term loans to related parties, other current assets, bank overdrafts and short - term loan, short - term loan from related parties, trade and other payables, current portion of long-term loans, current portion of liabilities under financial leases contracts, income tax payable and other current liabilities approximates their carrying values due to its maturity is short-term.

The fair value of receivables of finance lease, finance lease liabilities and long-term borrowings are not material different from their carrying value..

### 31 Financial instruments (Cont'd)

#### Foreign currency risk (Cont'd)

The fair values of the forward foreign exchange contracts bought and sold outstanding which are measured based on inputs that are observable for the types of instruments such as foreign exchange rates observable at commonly quoted in publicly available sources on the statement of financial position date as at 31 December are as follows:

	Level 2	
	2016 Million Baht	2015 Million Baht
Net favourable (unfavorable) of fair values of:		
- Forward exchange contract bought	17.83	75.83

### 32 Commitments and contingent liabilities

As at 31 December 2016 and 2015 the Group has:

- 1) Commitments in respect of lease agreement of office buildings, warehouse and office equipments with the annual payments as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Less than 1 year	9,312,083	5,806,720	8,940,083	5,806,720
1 to 5 years	14,189,868	1,948,431	13,529,867	1,948,431
Over 5 years	-	-	-	-
	<u>23,501,951</u>	<u>7,755,151</u>	<u>22,469,950</u>	<u>7,755,151</u>

- 2) Commitments for letter of guarantee which issued by bank for guarantee to pay electricity expenses, goods, and services to customers amounting to Baht 5 million and 1.5 million, respectively.
- 3) Contingent liabilities for unused letter of credit amounting to Baht 4.2 million and Baht 5.3 million, respectively.

### 33 Related-party transactions

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

The relationship with related parties are as follows:

The Company's/Individual's name	Type of business	Type of relationship
Innov Green Solutions Co., Ltd.	Manufacturing, sale, design, installation and service of ozone systems	Subsidiary (since 1 October 2013, formerly is jointly-controlled entity)
Bangkok Equipments Suppliers Limited Partnership	Sale of construction materials	Relative of Shareholder & Executive
Let Co.,Ltd.	Constructor for installation systems inside and outside buildings and sale construction products	Relative of Shareholder & Executive
Site Preparation Management Co., Ltd.	Distribution of all of air and electricity systems and service for design, repair of air and electricity systems	Co-Shareholder & Co-director
Actdee Co., Ltd.	Sale and rental for cooling equipments for out of building	Relative of Shareholder & Director
Mr.Noppachai Weeraman	-	Shareholder & director
Mr. Fung Meng Hoi	-	Shareholder & director

Pricing policies for each transaction are described as follows:

Type of transactions	Pricing policies
Revenues from sales and services	Price approximate price charge to third party
Interest income	Contract price (rate at 3.69%, 3.79% p.a. and 8.38-8.43% p.a.)
Other income	Contract price
Purchases of goods	Cost plus margin
Purchase of fixed assets	Price approximate price charge to third party
Cost of services and rentals	Price approximate price charge to third party
Management fees	Cost plus margin
Advertising and sale promotion expenses	Price approximate price charge to third party
Supplies	Price approximate price charge to third party
Finance costs	Contract price (8.50% p.a.)



33 Related-party transactions (Cont'd)

33.1 The following material transactions were carried out with related parties for the year ended 31 December 2016 and 2015

	Consolidated financial statements		Separate Financial Statement	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Revenues from sales and service</b>				
Innov Green Solutions Co.,Ltd.	-	-	1,032,690	103,090
Site Preparation Management Co.,Ltd.	-	17,977	32,595	17,977
Actdee Co.,Ltd.	12,841,845	15,768,446	12,841,845	15,768,446
	<u>12,841,845</u>	<u>15,786,423</u>	<u>13,907,130</u>	<u>15,889,513</u>
<b>Intersect income</b>				
Innov Green Solutions Co.,Ltd.	-	-	1,361,286	379,663
	<u>-</u>	<u>-</u>	<u>1,361,286</u>	<u>379,663</u>
<b>Other income</b>				
Innov Green Solutions Co.,Ltd.	-	-	5,250	106,500
	<u>-</u>	<u>-</u>	<u>5,250</u>	<u>106,500</u>
<b>Purchase of fixed assets</b>				
Let Co.,Ltd.	-	978	-	978,300
	<u>-</u>	<u>978</u>	<u>-</u>	<u>978,300</u>
<b>Cost of services and rentals</b>				
Let Co.,Ltd.	-	264	-	264,000
	<u>-</u>	<u>264</u>	<u>-</u>	<u>264,000</u>
<b>Management income</b>				
Innov Green Solutions Co.,Ltd.	-	-	-	25,632,098
	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,632,098</u>
<b>Advertising and sale promotion</b>				
Actdee Co.,Ltd.	-	13,470	-	13,740
	<u>-</u>	<u>13,470</u>	<u>-</u>	<u>13,740</u>
<b>Finance Costs</b>				
Mr.Noppachai Weeraman	-	16,384	-	16,384
	<u>-</u>	<u>16,384</u>	<u>-</u>	<u>16,384</u>

**33 Related-party transactions (Cont'd)**

33.2 The balances of receivables from and payables to related parties as at 31 December 2016 and 2015 are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Trade other receivable</b>				
Innov Green Solutions Co.,Ltd.	-	-	1,066,420	213,669
Site Preparation Management Co.,Ltd.	-	-	-	-
Actdee Co., Ltd.	884,314	3,972,556	884,314	3,972,556
	<u>884,314</u>	<u>3,972,556</u>	<u>1,950,734</u>	<u>4,186,225</u>
<b>Short - term loans and interest receivable</b>				
<b>Short - term loans to</b>				
Innov Green Solutions Co., Ltd.	-	-	25,279,888	8,779,888
(note 33.3)	-	-	25,279,888	8,779,888
	<u>-</u>	<u>-</u>	<u>25,279,888</u>	<u>8,779,888</u>
<b>Interaset receivable</b>				
Innov Green Solutions Co., Ltd.	-	-	1,740,949	379,663
	<u>-</u>	<u>-</u>	<u>1,740,949</u>	<u>379,663</u>
<b>Trade and other payables</b>				
Innov Green Solutions Co., Ltd.	-	-	18,320	18,320
	<u>-</u>	<u>-</u>	<u>18,320</u>	<u>18,320</u>

33.3 The significant movements of loans to related party during the year are as follows:

	Separate financial statements			
	1 January 2016 Baht	Increase Baht	Decrease Baht	31 December 2016 Baht
<b>Short-term loans to</b>				
Innov Green Solutions Co., Ltd.	8,779,888	16,500,000	-	25,279,888
	<u>8,779,888</u>	<u>16,500,000</u>	<u>-</u>	<u>25,279,888</u>
	Separate financial statements			
	1 January 2015 Baht	Increase Baht	Decrease Baht	31 December 2015 Baht
<b>Short-term loans to</b>				
Innov Green Solutions Co., Ltd.	4,929,888	3,850,000	-	8,779,888
	<u>4,929,888</u>	<u>3,850,000</u>	<u>-</u>	<u>8,779,888</u>

**33 Related-party transactions (Cont'd)**

33.4 Key management compensation for the year ended 31 December 2016 and 2015 are as follows;

The compensation paid or payable to key management for employee services is shown below:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Management benefit (Note 25)</b>				
Salaries and other short-term employee benefits	11,006,150	12,938,750	10,463,150	10,842,750
Post-employment benefits	174,913	480,264	174,913	480,264
<b>Total</b>	<b>11,181,063</b>	<b>13,419,014</b>	<b>10,638,063</b>	<b>11,323,014</b>

Key management compensation divide into expenses by nature as follows;

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Management benefit (Note 25)</b>				
Costs of sales	1,205,942	1,224,385	1,205,942	1,224,385
Administrative expenses	9,940,088	12,098,041	9,397,088	10,002,041
Finance costs	35,033	96,588	35,033	96,588
	<b>11,181,063</b>	<b>13,419,014</b>	<b>10,638,063</b>	<b>11,323,014</b>

**34 Events after the reporting period**

At Board of Directors' Meeting of the Company no.1/2017 on 23 February 2017, the meeting passed a resolution to approve an increase in authorized share capital of subsidiary from Baht 1,000,000 to Baht 30,000,000 by issuing new 290,000 ordinary shares with a par value of Baht 100, totaling Baht 29,000,000. The process of registration the increased share capital with the Ministry of Commerce will be not more than 30 days from the Board of Directors' approval date.



**Definition of the Independent Director of the Company**

- (a) Hold shares for not more than one percent of number of shares with total voting rights of the Company, holding company, subsidiary, associated company, major shareholder, or regulator of the Company. However, it is counted in shareholding of the related person of such independent director under strictness equaling to the minimum requirement of the Stock Exchange of Thailand.
- (b) Not to be or ever been the director who participates in management, employee, officer, and consultant who earns permanent salary or regulator of the Company, holding company, subsidiary in the same order, major shareholder, or regulator of the Company unless it is free from the said characteristic for not less than two years before submission date of application to the Office of SEC. However, the said prohibited characteristics exclude the event that the independent director has ever been the government officer or the consultant of the administrative agency as the major shareholder or the regulator of the Company.
- (c) Not to be the person who has the blood relationship or by legal registration in the nature of being father, mother, spouse, brothers and sisters, and child including spouse of the child of other director, executive, major shareholder, regulator or candidate who is nominated to be the director, executive or regulator of the company or its subsidiaries.
- (d) Not have or ever had business relationship with the Company, holding company, subsidiary, associated company, major shareholder, or regulator of the Company in the way that may obstruct the use of his or her own free discretion, including not to be or ever been the implied shareholder or regulator of the person having business relationship with the Company, holding company, subsidiary, associated company, major shareholder or regulator of the Company, unless he or she is free from availability of the said characteristic for not less than two years before submission date of application to the Office of SEC. The aforesaid business relationship includes doing the trade transaction usually performed for business engagement in renting or leasing real estate, transaction related to asset or service, or giving or receiving financial aid by receipt or lending, guaranteeing, giving asset as debt security, including other circumstances in the same vein, resulting in obligation incurred with the Company or the contractual party and payable to the other party from three percent of net tangible assets of the Company or from twenty million Baht and over depending on whichever amount is lower. However, the calculation of the said obligation shall be in line with the calculation method of value of the connected transaction pursuant to the Proclamation of Capital Market Supervisory Board on the Criteria of Doing Connected Transaction by analogy. However, in consideration on the said obligation, it is counted in incurred obligation during one year before the date that he or she has business relationship with the same person.
- (e) Not to be or ever been the auditor of the Company, holding company, subsidiary, associated company, major shareholder, or regulator of the Company; not to be the implied shareholder, regulator or partner of the auditing office that the auditor of the Company, holding company, subsidiary, associated company, major shareholder, or regulator of the company is in service unless he or she is free from availability of the said characteristic for not less than two years before submission date of application to the Office of SEC.
- (f) Not to be or ever been any professional service provider including service provision as legal consultant or financial advisor whereas service charge exceeding two million Baht per year is received from the Company,

holding company, subsidiary, associated company, major shareholder or regulator of the Company; and not be the implied shareholder, regulator or partner of that professional service provider, unless he or she is free from availability of the said characteristics for not less than two years before the submission date of application to the Office of SEC.

- (g) Not to engage in the same condition of business as the implied competition to the business of the Company or subsidiary; or not to be the implied partner in partnership; or to be the director who participates in management, employee, officer and consultant who receives permanent salary or holds shares exceeding one percent of the number of shares with total voting right of other company that engages in the same condition of business as the implied competition to the business of the Company or its subsidiary.
- (h) Not to be the appointed director to be the representative of the director of the major shareholder, or shareholder who is related to the major shareholder.
- (i) Not engage the business that has the same nature and is competitive to be implied with the business of the Company or its subsidiaries; not to be the implied partner in the partnership or to be the director that is participative in management, employee, officer, consultant who earns permanent salary or holds the shares exceeding one percent of the number of shares with total voting rights of other companies that engage the business having the same condition and being implied competition with the business of the Company or its subsidiaries.
- (j) Not have any other characteristics causing inability to freely express opinion on the Company's operation.

After being appointed as the independent director with characteristics according to (a) to (i), the independent director may be assigned from the Board to make decision on the business operation of the Company, holding company, subsidiary, associated company, major shareholder, or regulator of the Company. Hence, the collective decision can be decided.

In the event that the person who is appointed by the Company to take the post of independent director is the person who has and ever had business relationship or professional service exceeding the specified value in Paragraph one (e) or (f), the Company shall be relaxed for the prohibition to have or have ever had business relationship or profession service exceeding the said value only if the Company arranges to have opinion of the Board of Directors indicating that it has considered based on the principle in Section 89/7 of Securities and Exchange Act B.E. 2535 (1992) (including revised edition) that the said appointment has no impact on free function and opinion expression. The following information is disclosed in Invitation to the Meeting of Shareholders in the agenda of consideration on appointment of the independent director.

- (a) Nature of business relationship or professional service, resulting in non-compliance of the said person with the determined criteria.
- (b) Reason and necessity that has still appointed or appoints the said person to be the independent director.
- (c) Opinion of the Board of Directors in proposing to appoint the said person to be the independent director

For benefit according to (e) and (f), the word of "partner" means the person who is assigned from the auditing firm or the professional service provider to be the signatory in audit report or professional service report (as the case may be) in the name of that juristic person.

**Mr. Kittisak Sriprasert**

*The nominated persons being proposed for director appointment*



**nationality** Thai

**Age** 50 Years

**Educational Qualification**

- Master of Business Administration Program, Finance and Entrepreneurial Management  
The Wharton School, University of Pennsylvania Philadelphia, Pennsylvania, USA
- Master of Science, Industrial Engineering (MSIE), The University of Texas at Arlington, USA
- Bachelor of Engineering, Electronics (BE) Program, King Mongkut's Institute of Technology Ladkrabang

**Director Training**

- Certificate Course for Director Certification Program (DCP) 156, Thai Institute of Directors (IOD)

**Last 5 Years of Experience**

- Present Director, Independent Director, Masterkool International Public Company Limited
- 2012 - 2014 President/Director and Secretary of Board of Directors  
CAT Telecom Public Company Limited
- 2010 Investment Director Thai Prosperity Advisory Co.,Ltd.

**The Existing Director** Director, Independent Director **Appointed on 1 March 2016**

**The total of year** 1 Years

**Position** Director, Independent Director, Masterkool International Public Company Limited

**Proportion of shareholding in the company** None

**Number of meeting attended/ total numbers of meeting in the meeting of the board of directors /**

**Sub committees in 2016**

- The Meeting of the Board of Directors 5/7 times (Appointed on 1 March 2016)
- The Meeting of Non-Executive Director 1/1 times

**The tenure as directors / executives in other listed companies**

Not being a director / executives in other listed companies

**The tenure as directors / executives in other non-listed companies**

Not being a director / executives in other listed companies

**The tenure as directors / executives in other business which may cause a conflict of interest with the company**

Not being a director / executives in the business as mentioned



**Mr. Fung Meng Hoi**

*The nominated persons being proposed for director appointment*



**nationality** Malaysia

**Age** 56 Years

**Educational Qualification**

- Bachelor of Business Administration Program, Ottawa University, United States of America

**Director Training**

- Certificate Course for Director Accreditation Program (DAP 189/2014), Thai Institute of Directors (IOD)

**Last 5 Years of Experience**

- 2002 - Present Director, Masterkool International Public Company Limited
- 2016 - Present Director, Dionysus Asia Sdn Bhd, Malaysia
- 2016 - Present Director, The Wine Poetry Sdn Bhd, Malaysia
- 2016 - Present Director, Sensetech Properties Sdn Bhd, Malaysia
- 2016 - Present Director, Leisure Range Sdn Bhd, Malaysia
- 2003 - Present Director, SenseTech Sdn Bhd, Malaysia

**The Existing Director** Director **Appointed on 3 June 2002**

**The total of year** 14 Years

**Position** Director, Masterkool International Public Company Limited

**Proportion of shareholding in the company** Total 70,372,200 Shares, Percentage 14.66

**Number of meeting attended/ total numbers of meeting in the meeting of the board of directors /**

**Sub committees in 2016**

- The Meeting of the Board of Directors 6/7 times
- The Meeting of Non-Executive Director 0/1 times

**The tenure as directors / executives in other listed companies**

Not being a director / executives in other listed companies

**The tenure as directors / executives in other non-listed companies** Total 5 Companies

- Director, Dionysus Asia Sdn Bhd, Malaysia
- Director, The Wine Poetry Sdn Bhd, Malaysia
- Director, Sensetech Properties Sdn Bhd, Malaysia
- Director, Leisure Range Sdn Bhd, Malaysia
- Director, SenseTech Sdn Bhd, Malaysia

**The tenure as directors / executives in other business which may cause a conflict of interest with the company**

Not being a director / executives in the business as mentioned

**Mr. Noppachai Veeraman**

*The nominated persons being proposed for director appointment*



**nationality** Thai

**Age** 53 Years

**Educational Qualification**

- Bachelor of Electronics and Electrical Engineering Program  
King Mongkut's Institute of Technology Ladkrabang

**Director Training**

- Certificate Course for Director Accreditation Program (DAP 185/2014), Thai Institute of Directors (IOD)
- Certificate Course for Director Accreditation Program (DAP 82/2010), Thai Institute of Directors (IOD)

**Last 5 Years of Experience**

- 2002 – Present Director, Chairman of Executive Committee and Managing Director,  
Masterkool International Public Company Limited
- 2011 – Present Director, Innov Green Solutions Company Limited

**The Existing Director** Director **Appointed on 3 June 2002**

**The total of year** 14 Years

**Position** Director, Chairman of Executive Committee and Managing Director  
Masterkool International Public Company Limited

**Proportion of shareholding in the company** Total 122,932,260 Shares, Percentage 25.61

**Number of meeting attended/ total numbers of meeting in the meeting of the board of directors /**

**Sub committees in 2016**

- The Meeting of the Board of Directors 7/7 times
- The Meeting of the Executive Committee 11/11 times

**The tenure as directors / executives in other listed companies**

Not being a director / executives in other listed companies

**The tenure as directors / executives in other non-listed companies** Total 1 Company

- Director, Innov Green Solutions Company Limited

**The tenure as directors / executives in other business which may cause a conflict of interest with the company**

Not being a director / executives in the business as mentioned

**MISS SUSAN EIAMVANICHA**

C.P.A. (Thailand) No.4306



**Position**

Audit Partner

**Educational Qualification**

- Master of Accounting, Thammasat University
- Bachelor of Accountancy, Rajamangala University of Technology Krungthep

**Professional assiliations**

- Auditors Approved by SEC
- Auditors Approved by FAP
- Diploma in Auditing, Thammasat University

**ประสบการณ์การทำงาน**

- 2005 – Present      Audit Partner, SP Audit Company Limited
- 1990 - 2005      Senior Audit Manager, Sam Nak - Ngan A.M.C. Company Limited

**MR. SUCHART PANITCHAROEN**

C.P.A. (Thailand) 4475



**Position**

Audit Partner

**Educational Qualification**

- Master of Accounting, Thammasat University
- Bachelor of Accountancy, University of the Thai Chamber of Commerce

**Professional assiliations**

- Auditors Approved by SEC
- Auditors Approved by FAP
- Diploma in Auditing, Thammasat University

**Work experience**

- 2007 – Present      Audit Partner, SP Audit Company Limited, Audit Partner
- 1991 – 1995      Audit Supervisor, Sam Nak - Ngan A.M.C. Company Limited

**MISS WANDEE EIAMVANICHA** C.P.A. (Thailand) 8210

---

**Position** Audit Partner

**Educational Qualification**

- Master of Accounting, Chulalongkorn University
- Bachelor of Accountancy, University of the Thai Chamber of Commerce

**Professional assiliations**

- Auditors Approved by SEC
- Auditors Approved by FAP

**Work experience**

- 2006 – Present Audit Partner, SP Audit Company Limited
- 1998 - 2003 Audit Supervisor, Sam Nak - Ngan A.M.C. Company Limited



**MISS CHUENTA CHOMMERN** C.P.A. (Thailand) 7570

---

**Position** Audit Partner

**Educational Qualification**

- Bachelor of Accountancy, Rajamangala University of Technology Rattankosin  
Borpitpimuk Chakkawad\_Campus

**Professional assiliations**

- Auditors Approved by SEC
- Auditors Approved by FAP

**Work experience**

- 2006 – Present Audit Partner, SP Audit Company Limited
- 2001 - 2005 Audit Supervisor, Sam Nak - Ngan A.M.C. Company Limited





**MISS YUPHIN CHUMJAI**

C.P.A. (Thailand) 8622



**Position**                      Audit Partner

**Educational Qualification**

- Master of Accounting, Thammasat University
- Bachelor of Accountancy, Rajamangala University of Technology Phar Nakhon

**Professional assiliations**

- Auditors Approved by SEC
- Auditors Approved by FAP

**Work experience**

- 2015 – Present              Audit Partner, SP Audit Company Limited
- 2012 - 2015                Audit Manager, Sam Nak - Ngan A.M.C. Company Limited
- 2010 - 2012                Audit Manager, ANS Audit Company Limited
- 2003 - 2010                Audit Supervisor, Sam Nak - Ngan A.M.C. Company Limited

**The Employee Joint Investment Program of Masterkool International Public Company Limited**  
**No.2 for the Executive Directors (EJIP: Employee Joint Investment Program No.2)**

The Employee Joint Investment Program of Masterkool International Public Company Limited ("KOOL") - No. 2 for the Executive Directors (EJIP: Employee Joint Investment Program No.2) in accordance with the Notification of the Office of the Securities and Exchange Commission (SEC) No. Sor Jor. 12/2009, dated 10 June 2009, Re: the Preparation and Disclosure of Report on Securities Holding of Directors, Executives, and Auditors, is an investment program on accumulative buying of the Company's shares on a periodic basis, serving as a compensation given to the employees and management of the Company and its subsidiaries. The details of EJIP are as follows:

- Objective of the Program:
1. serve as another mean of compensation to employees and executives
  2. to promote a sense of ownership
  3. serve as a tool for incentive in working, and retaining personnel for a long term employment with the Company
- Participating companies:
- Masterkool International Public Company Limited and its subsidiaries (the "Company"), as follows:
- Innov Green Solution Company Limited
- The EJIP Contribution period:
- Starting from 1 May 2017 to 31 January 2020, the total duration of 3 years.
- The Program period:  
(include the Silent period)
- Starting from 1 February 2017 to 31 January 2021, the total duration of 4 years.
- Participants who have:  
the right of applying
1. The Executive Directors of KOOL and its subsidiary. The project is based on willingness of those who are eligible to participate.
- Program arrangement:
- In each month, on the salary payment date, the Company will deduct money from payroll of participants who join EJIP at the rate from 3% of the basic salary of the participant and the year of service of participant with the company, and put into the fund till the end of the EJIP Contribution period. The amount deducted will be adjusted in according to the increased salary of participants, in all cases.
  - In each month, on the salary payment date, the Company will contribute 100% of such deducted amount from participants who join EJIP.
  - During the request of participants. The participants also expressed their intention to participate in the EJIP since 15 May 2017.

Securities company and: The Company assigned the TISCO Securities Company Limited ("TISCO") as a manager of the EJIP, and being the broker for buying/selling the shares under the EJIP (Masterkool International Public Company Limited's ordinary shares "KOOL") in the Stock Exchange Market, on the salary payment date (money transfer) the broker will be buying KOOL shares within the working day after the date of money transfer for each month. (Date of acquisition) under the criteria, procedures and conditions as stipulated in the terms and conditions of EJIP to be approved by the SEC, and including the allocation of shares purchased each month to each employee's account.

Buying date

Conditions for security holding: EJIP participant must strictly comply to the silent period, from the start date till (Silent Period) the end of the EJIP program, as detailed below:

Each EJIP participant has the right to sell KOOL shares accumulated under EJIP program each year as follows:

The year shares accumulated	Participant cannot sell any shares.
1st subsequent year	Participant can sell 50% of shares.
2nd subsequent year	Participant can sell 50% of shares

Project year	Dates and the Number of Shares that can be sold or transfer from EJIP account			
	7 Feb. 2018	7 Feb. 2019	7 Feb. 2020	1 Feb. 2021
1st subsequent year	50%	50%		
2nd subsequent year		50%	50%	
3rd subsequent year			50%	50%

**\* In case the date indicated above on the securities company holiday, the date will be postponed to the next working day.**

#### Condition for participant who exit from the EJIP

Condition for participant who exit from the EJIP	The year of participants and regulation	
	Less than 1 year	More than 1 year
In case that the participant exits from EJIP, but remain as an employee of the Company.	<ul style="list-style-type: none"> <li>The Silent Period is not applicable</li> <li>The Participants should be reimbursed to the Company based on the amount of contributions within 30 days</li> </ul>	The Silent Period is Applicable
in case that the participant resign from the Company	<ul style="list-style-type: none"> <li>The Silent Period is not applicable</li> <li>The Participants should be reimbursed to the Company based on the amount of contributions within 30 days</li> </ul>	The Silent Period is Applicable

in case that the participant retire, disable or die	<ul style="list-style-type: none"> <li>The Silent Period is not applicable</li> </ul>	The Silent Period is not applicable
in case that the participant is terminated	<ul style="list-style-type: none"> <li>The Silent Period is not applicable</li> <li>The Participants should be reimbursed to the Company based on the amount of contributions within 30 days</li> </ul>	The Silent Period is applicable

The company should be informed all amounts in the Company's contributions within 7 days from the date of such conditions.

The above conditions are in accordance with the agreement between the Company, EJIP participants and the Securities company.

The Board of Directors delegated the authority to the Company's CEO in setting the terms and conditions of the Agreement between the Company, EJIP participants and the Securities company, in order to achieve the objectives of KOOL's EJIP, while comply with the laws, the Securities' regulations, as well as the SEC's notifications.

The Company will propose the terms and conditions of EJIP to the SEC for the approval in a later date.



.....  
(Mr.Noppachai Veeraman)  
Managing Director



หนังสือมอบฉันทะ แบบ ข.  
(แบบมอบฉันทะที่กำหนดรายการต่างๆ ละเอียดชัดเจนตายตัว)  
Proxy Form B (Specific Details Form)

เขียนที่.....

Written at

วันที่ ..... เดือน ..... พ.ศ. ....  
Date Month Year

(1) ข้าพเจ้า..... สัญชาติ.....  
I/We nationality  
อยู่บ้านเลขที่..... ถนน..... ตำบล/แขวง.....  
Residing at No. Road Tambol/Sub-district  
อำเภอ/เขต..... จังหวัด..... รหัสไปรษณีย์.....  
Amphur/District Province Postal Code

(2) เป็นผู้ถือหุ้นของ บริษัท มาสเตอร์คูล อินเทอร์เน็ตชั่นแนล จำกัด (มหาชน)  
Being a shareholder of Masterkool International Public Company Limited

โดยถือหุ้นจำนวนทั้งสิ้นรวม.....หุ้น และออกเสียงลงคะแนนได้เท่ากับ.....เสียง ดังนี้  
holding a total of shares and having the right to vote equal to votes,as follows  
☐ หุ้นสามัญ .....หุ้น ออกเสียงลงคะแนนได้เท่ากับ .....เสียง  
Common share shares and having the right to vote equal to votes  
☐ หุ้นบุริมสิทธิ.....-.....หุ้น ออกเสียงลงคะแนนได้เท่ากับ .....-.....เสียง  
Preference share shares and having the right to vote equal to votes

(3) ขอมอบฉันทะให้  
hereby appoint

☐ 1.....อายุ.....ปี  
Age

อยู่บ้านเลขที่..... ถนน..... ตำบล/แขวง.....  
Residing at No. Road Tambol/Sub-district  
อำเภอ/เขต..... จังหวัด..... รหัสไปรษณีย์.....  
Amphur/District Province Postal Code

☐ 2. รศ.ดร. ประกิจ ตั้งติสานนท์ ประธานกรรมการ กรรมการอิสระ กรรมการตรวจสอบ อายุ 74 ปี  
กรรมการสรรหาและกำหนดค่าตอบแทน

Assoc.Prof.Dr. Prakit Tangtisanon Chairman of the Board, Independent Director, Age 74  
Audit Committee Member, Audit Committee Member  
and Nomination and Remuneration Committee Member

อยู่บ้านเลขที่ 54/115 หมู่ที่ 13 แขวงคลองกุ่ม เขตบึงกุ่ม กรุงเทพมหานคร 10240

Residing at no. 54/115 Moo 13, Klongkum, BuengKum, Bangkok, 10240

เป็นกรรมการอิสระซึ่งไม่มีส่วนได้เสียในวาระที่เสนอในการประชุมสามัญผู้ถือหุ้นประจำปี 2560 ในครั้งนี้

Independent directors who have no vested interest in the proposed agenda for the Annual General Meeting of Shareholders for the year 2017 at this time

- ☐ 3. นายสรรพชัย โสภณ กรรมการ กรรมการอิสระ ประธานกรรมการตรวจสอบ อายุ 63 ปี  
กรรมการสรรหาและกำหนดค่าตอบแทน  
Mr. Sanpat Sapon Director, Independent Director, Chairman of Audit Age 63  
Committee and Nomination and Remuneration Committee Member

อยู่บ้านเลขที่ 12/3 ซอยพหลโยธิน 14 ถนนพหลโยธิน แขวงสามเสนใน เขตพญาไท กรุงเทพมหานคร 10400

Residing at no. 12/3 Soi Phaholyothin 14, Phaholyothin Road, Samsennai, Phayathai, Bangkok, 10400

กรรมการอิสระซึ่งไม่มีส่วนได้เสียในวาระที่เสนอในการประชุมสามัญผู้ถือหุ้น ประจำปี 2560 ในครั้งนี้

Independent directors who have no vested interest in the proposed agenda for the Annual General Meeting of Shareholders for the year 2017 at this time

คนใดคนหนึ่งเป็นผู้แทนของข้าพเจ้าเพื่อเข้าร่วมประชุมและออกเสียงลงคะแนนในการประชุมสามัญผู้ถือหุ้น ประจำปี 2560 ในวันพฤหัสบดีที่ 20 เมษายน 2560 เวลา 13.30 น. ณ ห้องแมจิก 3 ชั้น 2 โรงแรมมิราเคิลแกรนด์ คอนเวนชั่น เลขที่ 99 ถนนวิภาวดีรังสิต แขวงหลักสี่ เขตดอนเมือง กรุงเทพฯ 10210 หรือจะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

Any and only one person to be my/our proxy to attend and vote on my/our behalf at The Annual General Meeting of Shareholders for the Year 2017 on Thursday, 20 April 2017 at 13.30 hours at Magic Room 3, 2nd Floor, The Miracle Grand Convention 99 Vibhavadi-Rangsit, Laksi, Donmuang, Bangkok 10210 or at any adjournment thereof to any other date, time and place

- (4) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ ดังนี้  
I/We hereby authorize the proxy holder to vote on my/our behalf in this meeting as follows:-

วาระที่ 1 รับรองรายงานการประชุมสามัญผู้ถือหุ้นประจำปี 2559

**Agenda 1 To certify the minutes of the Annual General Meeting of Shareholders for the year 2016**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                      |
|-----------------------------------|--------------------------------------|--------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> จงดออกเสียง |
| Approve                           | Disapprove                           | Abstain                              |

วาระที่ 2 รับทราบรายงานผลการดำเนินงานในรอบปี 2559

**Agenda 2 To consider and approve the results of the company's operation for the year 2016**

**วาระที่ 3 พิจารณามติงบการเงินประจำปี สิ้นสุด ณ วันที่ 31 ธันวาคม 2559**

**Agenda 3 To consider and approve the Financial Statements for the year ended 31 December 2016**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**วาระที่ 4 พิจารณามติจ่ายเงินปันผลสำหรับผลการดำเนินงานปี 2559**

**Agenda 4 To consider and approve dividend payment for overall operation for the year 2016**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**วาระที่ 5 พิจารณามติการแต่งตั้งกรรมการบริษัทแทนกรรมการที่ออกตามวาระ**

**Agenda 5 To consider and approve the appointment of directors replacing those retired by rotation**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- ☐ การแต่งตั้งกรรมการเป็นรายบุคคล/ **appointment of certain directors**

**1. นายกิตติศักดิ์ ศรีประเสริฐ**

Mr. Kittisak Sriprasert

- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**2. นายฟังก์ เม้ง ฮอย**

Mr. Fung Meng Hoi

- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**3. นายนพชัย วีระมาน**

Mr. Noppachai Veeraman

- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**วาระที่ 6 พิจารณานุมัติค่าตอบแทนกรรมการ ประจำปี 2560**

**Agenda 6 To consider and approve remuneration for director for the year 2017**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**วาระที่ 7 พิจารณาแต่งตั้งผู้สอบบัญชี และกำหนดค่าสอบบัญชี ประจำปี 2560**

**Agenda 7 To consider and approve the appointment of auditors and to determine auditors' remuneration for the year 2017**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**วาระที่ 8 พิจารณานุมัติโครงการร่วมลงทุนระหว่างบริษัทและลูกจ้าง โครงการที่ 2 สำหรับกรรมการที่เป็นผู้บริหาร (EJIP: Employee Joint Investment Program No. 2)**

**Agenda 8 To consider and approve the EJIP: Employee Joint Investment Program No. 2 for the Executive Directors**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**วาระที่ 9 พิจารณานุมัติการเปลี่ยนแปลงวัตถุประสงค์ของบริษัท และการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิ**

**Agenda 9 To consider and approve the amendment of the Objectives of Company and the amendment of the Memorandum of Association**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |



## วาระที่ 10 พิจารณาเรื่องอื่น ๆ (ถ้ามี)

Agenda 10 To consider any other business (if any)

☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.

☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To have the proxy holder vote as per my/our intention as follows:-

☐ เห็นด้วย

Approve

☐ ไม่เห็นด้วย

Disapprove

☐ งดออกเสียง

Abstain

(5) การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนี้ให้ถือว่า การลงคะแนนเสียงนั้นไม่ถูกต้องและไม่ใช่เป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น

The proxy holder's vote on any agenda item, which is not in accordance with my/our intention as specified in this Proxy, shall be deemed invalid and shall not be treated as my/our vote, as a shareholder.

(6) ในกรณีที่ข้าพเจ้าไม่ได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้ หรือระบุไว้ไม่ชัดเจน หรือ ในกรณีที่ ที่ประชุมมีการพิจารณา หรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใดให้ผู้รับมอบฉันทะมีสิทธิพิจารณา และลงมติแทน ข้าพเจ้าได้ทุกประการตามที่เห็น สมควร

In case that I/we have not specified my/our voting intention for any agenda item or in case the meeting considers or passes resolutions on any matters other than those specified above, including any case for which there is any amendment or addition of any facts, the proxy holder shall have the right to consider and vote on my/our behalf as he/she deems appropriate in all respects.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำไปในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่าข้าพเจ้าได้กระทำเองทุกประการ

All acts undertaken by the proxy holder at the meeting, except where the proxy holder does not vote according to my/our intention as specified herein, shall be deemed as if they had been undertaken by myself/ourselves in all respects.

ลงชื่อ/Signed.....ผู้มอบฉันทะ/Proxy Grantor  
( )

ลงชื่อ/Signed.....ผู้รับมอบฉันทะ/Proxy Holder  
( )

ลงชื่อ/Signed.....ผู้รับมอบฉันทะ/Proxy Holder  
( )

ลงชื่อ/Signed.....ผู้รับมอบฉันทะ/Proxy Holder  
( )

**หมายเหตุ / Remarks**

1. ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าประชุม และออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

The shareholder appointing proxy holder must authorize only one proxy holder to attend and vote at the meeting as a whole or individually and may not split the number of shares to several proxy holders for splitting votes.

2. วาระเลือกตั้งกรรมการสามารถเลือกตั้งกรรมการทั้งชุดหรือเลือกตั้งกรรมการเป็นรายบุคคล

In the agenda for election of directors, directors may be elected as a whole or individually.

3. ในกรณีที่มีวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข. ตามแนบ

If there is any other agenda to be considered in the meeting other than to those specified above, the attached Supplement to Proxy Form B. shall be used.

ใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข.

Supplement to Proxy Form B

การมอบฉันทะในฐานะเป็นผู้ถือหุ้นของบริษัท มาสเตอร์คูล อินเตอร์เนชั่นแนล จำกัด (มหาชน)

The appointment of proxy holder by the shareholder of Masterkool International Public Company Limited

ในการประชุมสามัญผู้ถือหุ้น ประจำปี 2560 ในวันพฤหัสบดีที่ 20 เมษายน 2560 เวลา 13.30 น. ณ ห้องแมจิก 3 ชั้น 2 โรงแรมมิราเคิล แกรนด์ คอนเวนชั่น เลขที่ 99 ถนนวิภาวดีรังสิต แขวงหลักสี่ เขตดอนเมือง กรุงเทพฯ 10210 หรือจะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

The Annual General Meeting of Shareholders for the Year 2017 on Thursday, 21 April 2016 at 13.30 hours at Magic Room 3, 2nd Floor, The Miracle Grand Convention 99 Vibhavadi-Rangsit, Laksi, Donmuang, Bangkok 10210 or at any adjournment thereof to any other date, time and place.

วาระที่.....เรื่อง.....

**Agenda Item      Subject :**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

วาระที่.....เรื่อง.....

**Agenda Item      Subject :**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

วาระที่.....เรื่อง.....

**Agenda Item      Subject :**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

วาระที่.....เรื่อง.....

**Agenda Item      Subject :**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

วาระที่ .....เรื่อง.....เลือกตั้งกรรมการ (ต่อ).....

**Agenda Item      Subject :** To consider electing directors (continued)

ชื่อกรรมการ.....

Name of director

- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

ชื่อกรรมการ.....

Name of director

- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

ชื่อกรรมการ.....

Name of director

- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

ชื่อกรรมการ.....

Name of director

- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

ชื่อกรรมการ.....

Name of director

- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |



หนังสือมอบฉันทะ (แบบ ค.)

Proxy (Form C.)

(แบบที่ใช้เฉพาะกรณีผู้ถือหุ้นเป็นผู้ลงทุนต่างประเทศและแต่งตั้งให้ Custodian ในประเทศไทยเป็นผู้รับฝากและดูแลหุ้น)  
(For foreign shareholders who have custodian in Thailand only)

เขียนที่.....

Written at

วันที่ .....เดือน.....พ.ศ.....

Date Month Year

(1) ข้าพเจ้า.....สัญชาติ.....

I/We

nationality

สำนักงานตั้งอยู่เลขที่.....

Reside at

ในฐานะผู้ประกอบธุรกิจเป็นผู้รับฝากและดูแลหุ้น (Custodian) ให้กับ.....

As being the Custodian of

ซึ่งเป็นผู้ถือหุ้นของ บริษัท มาสเตอร์คูล อินเตอร์เนชั่นแนล จำกัด (มหาชน)

Who is a shareholder of **Masterkool International Public Company Limited**

โดยถือหุ้นจำนวนทั้งสิ้นรวม.....หุ้น และออกเสียงลงคะแนนได้เท่ากับ.....เสียง ดังนี้  
holding a total of shares and having the right to vote equal to votes, as follows

☐ หุ้นสามัญ .....หุ้น ออกเสียงลงคะแนนได้เท่ากับ .....เสียง

Common share

shares and having the right to vote equal to

votes

☐ หุ้นบุริมสิทธิ.....หุ้น ออกเสียงลงคะแนนได้เท่ากับ .....เสียง

Preference share

shares and having the right to vote equal to

votes

(2) ขอมอบฉันทะให้

hereby appoint

☐ 1.ชื่อ.....อายุ.....ปี

Name

Age

อยู่บ้านเลขที่.....ถนน.....ตำบล/แขวง.....

Residing at No.

Road

Tambol/Sub-district

อำเภอ/เขต.....จังหวัด.....รหัสไปรษณีย์.....หรือ

Amphur/District

Province

Postal Code

or

☐ 2.ชื่อ.....อายุ.....ปี

Name

Age

อยู่บ้านเลขที่.....ถนน.....ตำบล/แขวง.....

Residing at No.

Road

Tambol/Sub-district

อำเภอ/เขต.....จังหวัด.....รหัสไปรษณีย์.....หรือ

Amphur/District

Province

Postal Code

or

☐ 3. ชื่อ..... อายุ..... ปี

Name Age

อยู่บ้านเลขที่..... ถนน..... ตำบล/แขวง.....

Residing at No. Road Tambol/Sub-district

อำเภอ/เขต..... จังหวัด..... รหัสไปรษณีย์.....

Amphur/District Province Postal Code

คนใดคนหนึ่งเป็นผู้แทนของข้าพเจ้าเพื่อเข้าร่วมประชุมและออกเสียงลงคะแนนในการประชุมสามัญผู้ถือหุ้นประจำปี 2560 ในวันพฤหัสบดีที่ 20 เมษายน 2560 เวลา 13.30 น. ณ ห้องแมจิก 3 ชั้น 2 โรงแรมมิราเคิลแกรนด์ คอนเวนชั่น เลขที่ 99 ถนนวิภาวดีรังสิต แขวงหลักสี่ เขตดอนเมือง กรุงเทพฯ 10210 หรือจะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

Any and only one person to be my/our proxy to attend and vote on my/our behalf at The Annual General Meeting of Shareholders for the Year 2017 on Thursday, 20 April 2017 at 13.30 hours at Magic Room 3, 2nd Floor, The Miracle Grand Convention 99 Vibhavadi-Rangsit, Laksi, Donmuang, Bangkok 10210 or at any adjournment thereof to any other date, time and place

(3) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนในครั้งนี้ ดังนี้

I/We authorize the proxy holder to attend the meeting and vote are as follows:

☐ มอบฉันทะตามจำนวนหุ้นทั้งหมดที่ถือและมีสิทธิออกเสียงลงคะแนนได้

Grant proxy the total amount of shares held and entitled to vote.

☐ มอบฉันทะบางส่วน คือ

Grant partial shares of

<input type="checkbox"/> หุ้นสามัญ .....	หุ้น และมีสิทธิออกเสียงลงคะแนนได้เท่ากับ.....	เสียง
Common share	shares, entitled to voting right of	votes
<input type="checkbox"/> หุ้นบุริมสิทธิ.....	หุ้น และมีสิทธิออกเสียงลงคะแนนได้เท่ากับ.....	เสียง
Preference share	shares, entitled to voting right of	votes
รวมสิทธิออกเสียงลงคะแนนทั้งหมด.....		เสียง
Total voting right		votes

(4) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ ดังนี้

I/We hereby authorize the proxy holder to vote on my/our behalf in this meeting as follows:-

วาระที่ 1 รับรองรายงานการประชุมสามัญผู้ถือหุ้นประจำปี 2559

Agenda 1 To certify the minutes of the Annual General Meeting of Shareholders for the year 2016

☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.

☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To have the proxy holder vote as per my/our intention as follows:-

☐ เห็นด้วย.....เสียง ☐ ไม่เห็นด้วย.....เสียง ☐ งดออกเสียง.....เสียง

Approve

Votes

Disapprove

Votes

Abstain

Votes

วาระที่ 2 รับทราบรายงานผลการดำเนินงานในรอบปี 2559

Agenda 2 To consider and approve the results of the company's operation for the year 2016

**วาระที่ 3 พิจารณานุมัติงบการเงินประจำปี สิ้นสุด ณ วันที่ 31 ธันวาคม 2559**

**Agenda 3 To consider and approve the Financial Statements for the year ended 31 December 2016**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

**วาระที่ 4 พิจารณานุมัติจ่ายเงินปันผลสำหรับผลการดำเนินงานปี 2559**

**Agenda 4 To consider and approve dividend payment for overall operation for the year 2016**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

**วาระที่ 5 พิจารณานุมัติการแต่งตั้งกรรมการบริษัทแทนกรรมการที่ออกตามวาระ**

**Agenda 5 To consider and approve the appointment of directors replacing those retired by rotation**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-

☐ **การแต่งตั้งกรรมการเป็นรายบุคคล/ appointment of certain directors**

1. นายกิตติศักดิ์ ศรีประเสริฐ

Mr. Kittisak Sriprasert

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

2. นายฟ้ง เม้ง ฮอย

Mr. Fung Meng Hoi

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

3. นายนพชัย วีระมาน

Mr. Noppachai Veeraman

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

**วาระที่ 6 พิจารณานุมัติค่าตอบแทนกรรมการ ประจำปี 2560**

**Agenda 6 To consider and approve remuneration for director for the year 2017**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

**วาระที่ 7 พิจารณาแต่งตั้งผู้สอบบัญชี และกำหนดค่าสอบบัญชี ประจำปี 2560**

**Agenda 7 To consider and approve the appointment of auditors and to determine auditors' remuneration for the year 2017**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

**วาระที่ 8 พิจารณานุมัติโครงการร่วมลงทุนระหว่างบริษัทและลูกจ้าง โครงการที่ 2 สำหรับกรรมการ ที่เป็นผู้บริหาร (EJIP: Employee Joint Investment Program No. 2)**

**Agenda 8 To consider and approve the EJIP: Employee Joint Investment Program No. 2 for the Executive Directors**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

**วาระที่ 9 พิจารณานุมัติการเปลี่ยนแปลงวัตถุประสงค์ของบริษัท และการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิ**

**Agenda 9 To consider and approve the amendment of the Objectives of Company and the amendment of the Memorandum of Association**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |



วาระที่ 10 พิจารณาเรื่องอื่นๆ (ถ้ามี)

**Agenda 10 To consider any other business (if any)**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.

- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-  
☐ เห็นด้วย.....เสียง ☐ ไม่เห็นด้วย.....เสียง ☐ งดออกเสียง.....เสียง  
Approve Votes Disapprove Votes Abstain Votes

- (5) การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนี้ให้ถือว่าการลงคะแนนเสียงนั้นไม่ถูกต้องและไม่ใช่เป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น

The proxy holder's vote on any agenda item, which is not in accordance with my/our intention as specified in this Proxy, shall be deemed invalid and shall not be treated as my/our vote, as a shareholder.

- (6) ในกรณีที่ข้าพเจ้าไม่ได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้ หรือระบุไว้ไม่ชัดเจน หรือในกรณีที่ที่ประชุมมีการพิจารณา หรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใดให้ผู้รับมอบฉันทะมีสิทธิพิจารณา และลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็น สมควร

In case that I/we have not specified my/our voting intention for any agenda item or in case the meeting considers or passes resolutions on any matters other than those specified above, including any case for which there is any amendment or addition of any facts, the proxy holder shall have the right to consider and vote on my/our behalf as he/she deems appropriate in all respects.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำให้ในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่าข้าพเจ้าได้กระทำเองทุกประการ

All acts undertaken by the proxy holder at the meeting, except where the proxy holder does not vote according to my/our intention as specified herein, shall be deemed as if they had been undertaken by myself/ourselves in all respects.

ลงชื่อ/Signed.....ผู้มอบฉันทะ/Proxy Grantor  
( )

ลงชื่อ/Signed.....ผู้รับมอบฉันทะ/Proxy Holder  
( )

ลงชื่อ/Signed.....ผู้รับมอบฉันทะ/Proxy Holder  
( )

ลงชื่อ/Signed.....ผู้รับมอบฉันทะ/Proxy Holder  
( )

**หมายเหตุ / Remarks**

1. ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าประชุม และออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

The shareholder appointing proxy holder must authorize only one proxy holder to attend and vote at the meeting as a whole or individually and may not split the number of shares to several proxy holders for splitting votes.

2. วาระเลือกตั้งกรรมการสามารถเลือกตั้งกรรมการทั้งชุดหรือเลือกตั้งกรรมการเป็นรายบุคคล

In the agenda for election of directors, directors may be elected as a whole or individually.

3. ในกรณีที่มิมีวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบประจำต่อแบบหนังสือมอบฉันทะแบบ ก. ตามแนบ

If there is any other agenda to be considered in the meeting other than to those specified above, the attached Supplement to Proxy Form C. shall be used.

ใบประจำต่อแบบหนังสือมอบฉันทะแบบ ค.

Supplement to Proxy Form C.

การมอบฉันทะในฐานะเป็นผู้ถือหุ้นของบริษัท มาสเตอร์คูล อินเตอร์เนชั่นแนล จำกัด (มหาชน)

The appointment of proxy holder by the shareholder of **Masterkool International Public Company Limited**

ในการประชุมสามัญผู้ถือหุ้น ประจำปี 2560 ในวันพฤหัสบดีที่ 20 เมษายน 2560 เวลา 13.30 น. ณ ห้องแมจิก 3 ชั้น 2 โรงแรมมิราเคิล แกรนด์ คอนเวนชั่น เลขที่ 99 ถนนวิภาวดีรังสิต แขวงหลักสี่ เขตดอนเมือง กรุงเทพฯ 10210 หรือจะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

The Annual General Meeting of Shareholders for the Year 2017 on Thursday, 21 April 2016 at 13.30 hours at Magic Room 3, 2nd Floor, The Miracle Grand Convention 99 Vibhavadi-Rangsit, Laksi, Donmuang, Bangkok 10210 or at any adjournment thereof to any other date, time and place.

วาระที่.....เรื่อง.....

**Agenda Item Subject :**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

วาระที่.....เรื่อง.....

**Agenda Item Subject :**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

วาระที่.....เรื่อง.....

**Agenda Item Subject :**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

วาระที่.....เรื่อง.....

**Agenda Item Subject :**

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) To have the proxy holder consider and vote on my/our behalf as appropriate in all respects.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To have the proxy holder vote as per my/our intention as follows:-
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

วาระที่.....เรื่อง.....เลือกตั้งกรรมการ (ต่อ).....

**Agenda Item Subject :** To consider electing directors (continued)

ชื่อกรรมการ.....

Name of director

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

ชื่อกรรมการ.....

Name of director

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

ชื่อกรรมการ.....

Name of director

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |

ชื่อกรรมการ.....

Name of director

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> เห็นด้วย.....เสียง | <input type="checkbox"/> ไม่เห็นด้วย.....เสียง | <input type="checkbox"/> งดออกเสียง.....เสียง |
| Approve                                     | Votes  | Disapprove                                    |
|   |  | Votes   |
|   |  | Abstain                                       |
|   |  | Votes   |



## **Articles of Association of the Company in Part Related to the Meeting of Shareholders**

### **The Right of Shareholders**

The Company emphasizes on the basic rights of its shareholder such as right of purchase, sales, transfer of shares held by him or her, right of receipt of the Company's profit sharing, right of adequate receipt of the Company's news information, right of shareholder meeting, opinion expression, appointment or demotion of director, appointment of auditor, and the matters affecting the Company such as allocation of dividend, determination or revision of Articles of Association and Memorandum of Association, and regulation of reduction. Any acts shall not be performed in the way of infringement or depriving the right of shareholders, and the shareholder shall be encouraged to exercise its own right.

Apart from the above basic rights, the Company's policy is to execute the matters which are the promotion and facilitation for exercise of the right of shareholders as follows.

1. Annual General Meeting of Shareholders shall be held every year within 4 months from the ending date of the accounting year in each year. The information provision, date, time, place and meeting agenda shall be overseen. In addition, the meeting supportive information according to each agenda shall be delivered to shareholders for prior-acknowledgement at least 7 days before meeting date and the meeting appointment date shall be published in newspaper for 3 consecutive days in advance at least 3 days before meeting date. The opinion of the Board in each meeting agenda is determined to be supplemented under complete and accurate minutes recording for accountability of the shareholders.
2. The Company shall publicize the supportive information for the agenda of the Meeting of Shareholders in advance in the Company's website as well as clarify the rights and rules used in the Meeting including resolution voting procedure of the shareholders in attending the meeting so that the opportunity is given to shareholders to have enough time for study of meeting supportive information in advance.
3. In the event that the shareholder cannot attend the meeting by himself or herself, the Company shall open the opportunity for the shareholders to enable to authorize the independent director or any person to attend the meeting in lieu of him or her for support of the exercise of voting right of the shareholder using any Proxy Form which is delivered by the Company along with meeting appointment letter.
4. Before meeting, the opportunity is given to the shareholder to enable to send opinion, suggestion and interrogation prior-meeting date in advance via E-mail: [comsec@masterkool.com](mailto:comsec@masterkool.com).
5. In the Meeting, the Company shall allocate suitable time and encourage the shareholders to have the opportunity to express their opinions, suggestions, or raise queries in various agenda in the issues related to the Company.

**Clarification on Documents and Evidences Indicating of Being the Shareholder or Representative of the Shareholder with Right of Meeting Attendance for Registration and Voting in the Meeting of Shareholders**

As the Company will hold 2017 Annual General Meeting of Shareholders on [Thursday 20 April 2017 at 13.30 hrs. at Magic 3 Room, Miracle Grand Convention Hotel, No. 99, Vibhavadi Rangsit Road, Laksi Sub-district, Don Mueang District, Bangkok 10210](#), the Company will execute registration with Barcode System. Therefore, for transparency, fairness, shareholder benefit of the Company's Meeting of Shareholders, the Company has deemed as proper to determine the audit of document and evidence indicating being shareholder or representative of the shareholder with right of meeting attendance so that the shareholder shall adhere to further practice. The Company therefore would like clarify the following for acknowledgement of the shareholder.

**1. In Event of the Self-Meeting Attendance**

**1.1 The shareholder is the natural person with Thai nationality or alien nationality**

**1.1.1 Registration Form with Barcode**

**1.1.2 Declaration of document which is issued by government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc.**

In the event that the shareholder is the natural person whose name-surname is amended, the evidence of the said amendment certificate shall be declared.

**1.2 The shareholder is the juristic person registered in Thailand**

**1.2.1 Registration Form with Barcode**

**1.2.2 Copy of the Certificate of Ministry of Commerce or agency in authority for certifying the issuance for not more than 1 year under correctness certification by the authorized signatory director on behalf of that juristic person and seal affixation (if any)**

**1.2.3 Declaration of the document which is which is issued by government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc., of the authorized director who comes to attend the Meeting.**

**1.3 The shareholder is the juristic person registered in foreign country**

**1.3.1 Registration Form with Barcode**

**1.3.2 Copy of Juristic Person Registration Certificate or other documents which are issued by the government sector for not more than 1 year, indicates the name of the authorized director and the power of the director, and is certified by Notary Public or the agency with similar legal power of each country.**

**1.3.3 Declaration of the document which is issued by government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc., of the authorized director who comes to attend the Meeting.**

**2. In the event of authorization**

**2.1 In the event that the principal is the natural person with Thai nationality or alien nationality**

**2.1.1 Registration Form with Barcode**

**2.1.2 Proxy Form B which is completely filled with statement**

**2.1.3 Copy of the document which is issued by government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc., of the principal under correctness certification by the said principal.**

- 2.1.4 The proxy shall declare the document which is issued by government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc.

**2.2 In the event that the principal is the registered juristic person in Thailand**

- 2.2.1 Registration Form with Barcode
- 2.2.2 Proxy Form B which is completely filled with statement
- 2.2.3 Copy of the Certificate of Ministry of Commerce or agency in authority for certifying the issuance for not more than 1 year under correctness certification by the authorized signatory director on behalf of that juristic person and seal affixation (if any)
- 2.2.4 Copy of the document which is issued by government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc., of the authorized signatory director on behalf of that juristic person under correctness certification by the said director.
- 2.2.5 The proxy shall declare the document which is issued by government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc., for registration of meeting attendance.

**2.3 In the event that the principal is the registered juristic person in foreign country**

- 2.3.1 Registration Form with Barcode
- 2.3.2 Proxy Form B which is completely filled with statement
- 2.3.3 Copy of Juristic Person Registration Certificate or other documents which are issued by the government sector for not more than 1 year, indicates the name of the authorized director and the power of the director, and is certified by Notary Public or the agency with similar legal power of each country.
- 2.2.4 Copy of the document which is issued by government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc., of the authorized signatory director on behalf of that juristic person under correctness certification by the said director.
- 2.2.5 The proxy shall declare the document which is issued by government office, and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc., for registration of meeting attendance.

**3. In the event of authorization of the shareholder who is the foreign investor and appoints the Custodian in Thailand to be the depositary and overseer of share.**

- 3.1 Registration Form with Barcode
- 3.2 Proxy Form C which is completely filled with statement.
- 3.3 Copy of the document of the shareholder who is the foreign investor in Clause 1 as the case may be.
- 3.4 Copy of the Power of Attorney from the shareholder who is the foreign investor and authorizes the Custodian to sign in Power of Attorney in lieu of him or her.
- 3.5 Copy of Confirmation Letter or Copy of Custodian Business Engagement License
- 3.6 Copy of the Power of Attorney that the Custodian authorizes the director or the executive or the officer authorized by the Custodian, under correct copy certification by the principal.
- 3.7 Copy of document in 1.1.2 of the principal under correct copy certification by the principal.
- 3.8 The proxy shall declare the document that is issued by the government office and has photograph without expiry such as citizen identification card, official identification card, driving license and passport, etc. for registration of meeting attendance.

**\*\*Proxy Form [in Attachment 7](#)**

\*\*In each Proxy, stamp duty for 20 Baht shall be fixed and crossed out.

\*\*Thai translation shall be prepared for the original document in English to be enclosed herewith and the correctness of the translation shall be certified by the principal.

#### 4. In the event of authorization as the independent director

The shareholder can give the proxy to any independent director as follows.

##### 1. Assoc. Prof. Dr. Prakit Tangtisanon, 74 years old

Chairman of the Board, Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member

Residing at no. 54/115 Moo 13, Klongkum, BuengKum, Bangkok, 10240

➤ Independent directors who have no vested interest in the proposed agenda for the Annual General Meeting of Shareholders for the year 2017 at this time.

##### 2. Mr. Sanpat Sopon, 63 years old

Director, Independent Director, Chairman of Audit Committee and Nomination and Remuneration Committee Member

Residing at address no. 12/3 Phahonyothin 14 Alley, Phahonyothin Road, Samsen Nai Sub-district, Phaya Thai District, Bangkok Metropolis 10400.

➤ Independent directors who have no vested interest in the proposed agenda for the Annual General Meeting of Shareholders for the year 2017 at this time.

However, in the event that the principal determines that the independent director is the person who resolves in lieu of him or her as deemed as proper, the independent director who is given a proxy will not vote in Agenda 6 for consideration on approval of director remuneration for the year 2017 to avoid stake holding in the said event.

It will be highly thankful for the shareholder who intends that the independent director of the Company is his or her proxy to kindly send the Proxy prepared and completely signed along with related documents by sending to Office of the Company Secretary, Masterkool International Public Company Limited, No. 12/16-17, 20, Thetsaban Songkhro Road, Latyao Sub-district, Chatuchak District, Bangkok Metropolis 10900 within 19 April 2016.

#### 5. Registration of Meeting Attendance

The Company will start to open for registration of attendance of 2017 Annual General Meeting of Shareholders from 12.30 hrs. henceforth of Thursday 20 April 2017 at the meeting place according to the map of the place holding for the Meeting of Shareholders in Attachment 11.

#### 6. Criteria of Voting in the Meeting of Shareholders

##### General Agenda

1) Voting in each agenda is done by counting votes from the Proxy when registering and/or from delivery of ballots from the shareholders in the Meeting of Shareholders whereas one vote per one share is counted. The shareholder or the proxy shall vote just any of the following: agree, disagree or abstain. A certain part of the voting cannot be separated.

2) In the event of authorization

2.1 The proxy shall vote as specified by the proxy in the Proxy only. Voting of the proxy in any agenda that is not in accordance with what is specified in the Proxy is regarded as improper voting and is not regarded as voting of the shareholder.



2.2 If the principal does not specify the intention of voting in any agenda in the Proxy or unclearly specifies; or in the event that the Meeting considers or resolves in any issue apart from what is specified in the Proxy, including the event of change or addition of fact in any respect, the proxy is entitled to consider and vote as deemed as proper.

#### Agenda for Director Election

For agenda for director election, the Meeting of Shareholders elects the director based on the following criteria and method.

- 1) A shareholder or proxy has vote equal to number of holding shares.
- 2) Each shareholder or proxy can use all of his or her existing votes in Clause 1 for election of a person or several persons to be the director(s) without ability to use the election format by separating votes to several persons.
- 3) The person who gets highest respective votes is the person who is elected as the director equal to the number of directors that is supposed to have or supposed to elect in that time. In event that the person who is elected in the second order has equal votes exceeding the number of directors that is supposed to have or is supposed to elect in that time, the Chairman is the voting casting person for compliance of the Company with Guideline of Quality Assessment of Good Shareholder Meeting Holding. Therefore, for [agenda 5](#) which is the agenda for consideration on approving the election of director in replacement of the director who retires by rotation for the year 2017, the Company shall collect ballots from the shareholders who attend the Meeting including the event that the shareholder intends to vote for agreement, disagreement or abstention.

#### **6. Vote Count and Counting Notification**

The Chairman of the Meeting or the Company's officer will clarify vote count method for the Meeting's acknowledgement prior-commencement of meeting agenda. The officer of the Company will count votes in each agenda from votes in the Proxy when registering for attendance of the Meeting of Shareholders, and/or from the votes in ballots sent from the shareholders in the Meeting of Shareholders. The vote count result will be informed to the Meeting for acknowledgement in each agenda prior-completion of that agenda. However, the number of shareholders in each agenda may not be equal since some shareholders may enter to attend the Meeting more or early return.

