



*THAI WACOAL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES*

Consolidated and Separate Financial Statements

Year ended December 31, 2016

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS THAI WACOAL PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Thai Wacoal Public Company Limited and its subsidiaries (“the Group”) and the separate financial statements of Thai Wacoal Public Company Limited (“the Company”) which comprise the consolidated and separate statements of financial position as at December 31, 2016, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants determined by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King (Code of Ethics) together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key Audit Matters	Key Audit Responses
<p>Provision for goods returned</p> <p>As described in Note 3.17 to the financial statements regarding accounting policy for use of management’s judgement.</p> <p>The Company has provision for goods returned which comprise the exercise of significant judgement by management. For assessment of the provision for goods returned, the Company considers it by analyzing historical information of goods returned and future expectations of the goods returned from customers who are allowed to return the goods within the period agreed between both parties. Therefore, there is a risk that the provision for goods returned may not be completely and accurately recorded.</p>	<p>Our key audit procedures included:</p> <ul style="list-style-type: none"> • Understanding consideration process and internal control procedures related to the provision for goods returned • Reviewing the design and implementation of the internal control procedures • Assessing the appropriateness of the methodology applied by the Company’s management in evaluating the provision for goods returned and the judgements applied in determining the provision • Assessing the completeness of the Company’s provision or reversals • Challenging the key assumptions utilized in the estimation of provision for goods returned with reference to historical information of goods returned • Assessing the methodology applied in determining the provision for goods returned and checking the integrity of the methodology utilized by the Company • Reviewing the adequacy of provision for goods returned and the appropriateness of significant input and assumptions used in calculation of provision for goods returned to determine if they are in compliance with the accounting standards and have been consistently applied and; • Performing analytical procedures of the historical information of goods returned to develop an expectation of provision for goods returned.
<p>Impairment of investments</p> <p>As described in Note 3.12 and Note 3.17 to the financial statements regarding accounting policies for impairment and use of management’s judgement, respectively.</p> <p>The Group and the Company held other long-term investments which contains a risk that the carrying value of investment may be higher than the recoverable amount.</p> <p>The consideration of impairment in other long-term investments is depended on the Group’s and the Company’s management judgements and significant assumptions.</p>	<p>Our key audit procedures included:</p> <ul style="list-style-type: none"> • Understanding consideration process and internal control procedures related to the impairment of investments • Reviewing the design and implementation of the internal control procedures • Examining the supporting documents in relation to the management consideration of impairment indicators for investments and; • Assessing the appropriateness of the methodology applied by the Group’s and the Company’s management in calculating the impairment charges, and the judgements applied in determining recoverable.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Group and the Company.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines 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, management is responsible for assessing the Group's 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 management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we 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. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Manoon Manusook

Certified Public Accountant (Thailand)

Registration No. 4292

BANGKOK

February 23, 2017

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2016	2015	2016	2015
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		61,775,361	62,476,803	40,670,692	45,454,469
Temporary investments	4	249,785,786	303,933,354	66,833,306	137,902,635
Trade and other receivables	5	623,812,293	662,295,699	730,190,097	750,795,294
Short-term loans to related parties	6	-	99,000,000	-	99,000,000
Other short-term loans	7	51,550,000	51,600,000	51,550,000	51,600,000
Inventories	8	1,225,288,629	1,164,495,252	1,105,421,793	1,053,499,004
Other current assets					
Refundable value added tax		1,202,682	237,090	1,202,598	-
Supplies		16,516,993	16,513,163	11,406,684	11,506,182
Others		3,227,103	4,929,537	2,087,631	4,088,085
		<u>20,946,778</u>	<u>21,679,790</u>	<u>14,696,913</u>	<u>15,594,267</u>
Total Current Assets		<u>2,233,158,847</u>	<u>2,365,480,898</u>	<u>2,009,362,801</u>	<u>2,153,845,669</u>
NON-CURRENT ASSETS					
Deposit at bank under obligation	9	6,842,550	6,900,450	6,842,550	6,900,450
Long-term deposits at financial institution		-	6,000,000	-	6,000,000
Available-for-sale investments	10	1,469,345,526	1,490,716,451	1,458,620,526	1,479,316,451
Investments in subsidiaries	11	-	-	132,032,600	132,032,600
Investments in associates	12	46,998,738	58,133,521	58,045,528	58,045,528
Other long-term investments	13	852,917,249	661,983,061	849,647,249	658,713,061
Investment property	14	676,993,520	681,653,601	681,874,092	686,707,942
Property, plant and equipment	15	1,350,326,669	1,274,393,543	1,178,006,944	1,068,292,249
Intangible assets	16	41,662,335	41,272,799	41,235,291	40,627,677
Leasehold rights	17	3,677,042	4,889,128	3,677,042	4,889,128
Other non-current assets	18	5,290,247	5,235,878	3,559,789	3,379,789
		<u>4,454,053,876</u>	<u>4,231,178,432</u>	<u>4,413,541,611</u>	<u>4,144,904,875</u>
Total Non-Current Assets		<u>4,454,053,876</u>	<u>4,231,178,432</u>	<u>4,413,541,611</u>	<u>4,144,904,875</u>
TOTAL ASSETS		<u><u>6,687,212,723</u></u>	<u><u>6,596,659,330</u></u>	<u><u>6,422,904,412</u></u>	<u><u>6,298,750,544</u></u>

Notes to the financial statements form an integral part of these statements

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2016

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2016	2015	2016	2015
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	19	18,000,000	263,000,000	18,000,000	263,000,000
Trade and other payables	20	576,416,481	542,207,846	614,117,161	570,898,979
Current portion of financial lease liabilities	21	435,737	377,926	255,123	214,657
Current income tax payable		13,946,068	13,268,062	13,231,522	12,338,422
Other current liabilities					
Provision for goods returned		30,000,000	30,000,000	30,000,000	30,000,000
Withholding tax payable		7,661,498	7,289,013	6,437,637	6,120,798
Others		5,149,908	5,212,875	1,599,792	1,176,659
		<u>42,811,406</u>	<u>42,501,888</u>	<u>38,037,429</u>	<u>37,297,457</u>
Total Current Liabilities		<u>651,609,692</u>	<u>861,355,722</u>	<u>683,641,235</u>	<u>883,749,515</u>
NON-CURRENT LIABILITIES					
Financial lease liabilities	21	648,427	1,084,164	567,584	822,707
Deferred tax liabilities	22	86,061,083	68,913,393	116,560,204	98,020,367
Employee benefit obligations	23	509,202,609	485,153,005	340,425,151	330,583,520
Total Non-Current Liabilities		<u>595,912,119</u>	<u>555,150,562</u>	<u>457,552,939</u>	<u>429,426,594</u>
TOTAL LIABILITIES		<u>1,247,521,811</u>	<u>1,416,506,284</u>	<u>1,141,194,174</u>	<u>1,313,176,109</u>

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2016

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2016	2015	2016	2015
LIABILITIES AND EQUITY (CONTINUED)					
EQUITY					
SHARE CAPITAL					
Authorized share capital					
120,000,000 ordinary shares of					
Baht 1.00 each		120,000,000	120,000,000	120,000,000	120,000,000
Issued and paid-up share capital					
120,000,000 ordinary shares of					
Baht 1.00 each, fully paid		120,000,000	120,000,000	120,000,000	120,000,000
PREMIUM ON ORDINARY SHARES		297,190,000	297,190,000	297,190,000	297,190,000
RETAINED EARNINGS					
Appropriated					
Legal reserve	24	12,000,000	12,000,000	12,000,000	12,000,000
General reserve	26	354,037,797	338,135,194	354,037,797	338,135,194
Unappropriated		3,856,399,691	3,693,351,342	3,699,865,361	3,500,486,302
OTHER COMPONENTS OF EQUITY		799,817,494	719,226,498	798,617,080	717,762,939
EQUITY ATTRIBUTABLE TO					
OWNERS OF THE PARENT		5,439,444,982	5,179,903,034	5,281,710,238	4,985,574,435
NON-CONTROLLING INTERESTS		245,930	250,012	-	-
TOTAL EQUITY		5,439,690,912	5,180,153,046	5,281,710,238	4,985,574,435
TOTAL LIABILITIES AND EQUITY		6,687,212,723	6,596,659,330	6,422,904,412	6,298,750,544

Notes to the financial statements form an integral part of these statements

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31 , 2016

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2016	2015	2016	2015
Revenues from sale of goods and rendering of services	28	4,138,464,073	3,972,499,614	4,489,829,451	4,321,583,548
Cost of sale of goods and rendering of services	29	(3,169,996,845)	(2,999,250,410)	(3,719,211,087)	(3,562,195,813)
Gross Profit		968,467,228	973,249,204	770,618,364	759,387,735
Dividend income		80,502,706	66,168,780	197,338,755	161,547,591
Other income	30	94,460,955	102,132,460	96,822,711	104,332,315
Profit before expenses		1,143,430,889	1,141,550,444	1,064,779,830	1,025,267,641
Selling expenses		(100,230,816)	(117,069,547)	(96,006,076)	(112,460,208)
Administrative expenses		(588,436,341)	(565,828,369)	(506,839,054)	(475,646,100)
Management benefit expenses		(87,319,597)	(71,863,806)	(69,841,177)	(66,537,166)
Loss on impairment of long-term investments		(4,690,000)	(8,400,000)	(4,690,000)	(8,400,000)
Other expenses		-	(2,989,224)	-	(2,989,224)
Profit before financial cost and income tax expenses		362,754,135	375,399,498	387,403,523	359,234,943
Financial cost		(4,281,910)	(4,301,035)	(4,246,052)	(4,249,734)
Share of gain (loss) from investments in associates		(11,134,782)	594,588	-	-
Profit before income tax expenses		347,337,443	371,693,051	383,157,471	354,985,209
Income tax expense	32	(36,355,366)	(37,285,242)	(35,875,809)	(36,933,151)
NET PROFIT FOR THE YEAR		310,982,077	334,407,809	347,281,662	318,052,058
PROFIT ATTRIBUTABLE TO					
Owners of the parent		310,950,952	334,373,122	-	-
Non-controlling interests		31,125	34,687	-	-
		310,982,077	334,407,809	-	-
BASIC EARNINGS OF THE COMPANY PER SHARE	BAHT	2.59	2.79	2.89	2.65
WEIGHTED AVERAGE NUMBER OF					
ORDINARY SHARES	SHARES	120,000,000	120,000,000	120,000,000	120,000,000

Notes to the financial statements form an integral part of these statements

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31 , 2016

UNIT : BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Net profit for the year	310,982,077	334,407,809	347,281,662	318,052,058
Other comprehensive income (loss)				
Items that will not be reclassified subsequently to profit or loss				
Actuarial gain (losses) on retirement benefit plans	-	13,481,927	-	(275,300)
Income tax relating to items that will not be reclassified subsequently	-	(2,696,385)	-	55,060
Items that will be reclassified subsequently to profit or loss				
Unrealized gain on the changes in value of available-for-sale securities	100,738,545	10,672,856	101,067,676	11,060,023
Income tax relating to items that will be reclassified subsequently	(20,147,709)	(2,134,571)	(20,213,535)	(2,212,005)
Other comprehensive income for the year, net of income tax	80,590,836	19,323,827	80,854,141	8,627,778
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	391,572,913	353,731,636	428,135,803	326,679,836
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
Owners of the parent	391,541,948	353,692,881	-	-
Non-controlling interests	30,965	38,755	-	-
	391,572,913	353,731,636	-	-

Notes to the financial statements form an integral part of these statements

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

UNIT : BAHT

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Unrealized gain on the changes in value of available-for-sale securities	Equity attributable to owners of the parent	Non-controlling interests	Total equity	
				Legal reserve	Appropriated General reserve					
Balance as at January 1, 2015		120,000,000	297,190,000	12,000,000	323,352,052	3,650,979,224	710,688,877	5,114,210,153	241,071	5,114,451,224
Dividend paid	26	-	-	-	-	(288,000,000)	-	(288,000,000)	-	(288,000,000)
General reserve	24	-	-	-	14,783,142	(14,783,142)	-	-	-	-
Dividend paid to non-controlling interests		-	-	-	-	-	-	-	(29,814)	(29,814)
Total comprehensive income		-	-	-	-	345,155,260	8,537,621	353,692,881	38,755	353,731,636
Ending balance as at December 31, 2015		120,000,000	297,190,000	12,000,000	338,135,194	3,693,351,342	719,226,498	5,179,903,034	250,012	5,180,153,046
Balance as at January 1, 2016		120,000,000	297,190,000	12,000,000	338,135,194	3,693,351,342	719,226,498	5,179,903,034	250,012	5,180,153,046
Dividend paid	26	-	-	-	-	(132,000,000)	-	(132,000,000)	-	(132,000,000)
General reserve	24	-	-	-	15,902,603	(15,902,603)	-	-	-	-
Dividend paid to non-controlling interests		-	-	-	-	-	-	-	(35,047)	(35,047)
Total comprehensive income		-	-	-	-	310,950,952	80,590,996	391,541,948	30,965	391,572,913
Ending balance as at December 31, 2016		120,000,000	297,190,000	12,000,000	354,037,797	3,856,399,691	799,817,494	5,439,444,982	245,930	5,439,690,912

Notes to the financial statements form an integral part of these statements

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

UNIT : BAHT

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Unrealized gain on the changes in value of available-for-sale securities	Total equity
				Legal reserve	General reserve		
Balance as at January 1, 2015		120,000,000	297,190,000	12,000,000	323,352,052	3,485,437,626	4,946,894,599
Dividend paid	26	-	-	-	-	(288,000,000)	(288,000,000)
General reserve	24	-	-	-	14,783,142	(14,783,142)	-
Total comprehensive income		-	-	-	-	317,831,818	326,679,836
Ending balance as at December 31, 2015		<u>120,000,000</u>	<u>297,190,000</u>	<u>12,000,000</u>	<u>338,135,194</u>	<u>3,500,486,302</u>	<u>4,985,574,435</u>
Balance as at January 1, 2016		120,000,000	297,190,000	12,000,000	338,135,194	3,500,486,302	4,985,574,435
Dividend paid	26	-	-	-	-	(132,000,000)	(132,000,000)
General reserve	24	-	-	-	15,902,603	(15,902,603)	-
Total comprehensive income		-	-	-	-	347,281,662	428,135,803
Ending balance as at December 31, 2016		<u>120,000,000</u>	<u>297,190,000</u>	<u>12,000,000</u>	<u>354,037,797</u>	<u>3,699,865,361</u>	<u>5,281,710,238</u>

Notes to the financial statements form an integral part of these statements

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

UNIT : BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	347,337,443	371,693,051	383,157,471	354,985,209
Adjustments :				
Depreciation of investment property and plant and equipment	97,014,565	94,797,947	59,365,100	58,111,128
Amortization of intangible assets and leasehold rights	7,728,713	6,579,552	7,510,636	6,311,460
Gain on sales of property, plant and equipment	(2,308,364)	(1,161,676)	(1,819,304)	(411,176)
Gain on sales of intangible assets	(154,251)	-	(154,251)	-
Share of (gain) loss from investments for the equity method	11,134,782	(594,588)	-	-
Unrealized (gain) loss on exchange rate	62,485	(755,985)	62,485	(755,985)
Dividend income from investments	(80,502,706)	(66,168,780)	(197,338,755)	(161,547,591)
Loss on impairment of long-term investments	4,690,000	8,400,000	4,690,000	8,400,000
Reversal of loss from goods returned	-	(4,000,000)	-	(4,000,000)
Write off construction in progress	-	162,651	-	-
Loss on devaluation of inventories	60,359,885	68,127,104	57,336,404	63,370,924
Gain on sale of investments	(4,353,621)	(2,035,585)	(3,581,268)	(1,044,846)
Unrealized (gain) loss on trading securities	(2,542,048)	2,989,225	(2,542,048)	2,989,225
Employee benefit expense	69,648,324	63,196,812	52,570,114	44,950,808
Interest income	(13,167,015)	(24,239,423)	(12,246,141)	(23,675,575)
Interest expense	4,281,910	4,301,035	4,246,052	4,249,734
	<u>499,230,102</u>	<u>521,291,340</u>	<u>351,256,495</u>	<u>351,933,315</u>
Operating assets (increase) decrease				
Trade and other receivables	37,233,937	(31,938,171)	19,240,216	(14,274,567)
Inventories	(121,153,262)	(99,356,901)	(109,259,193)	(119,126,772)
Refundable value added tax	(965,592)	8,025,110	(1,202,598)	7,494,503
Supplies	(3,830)	786,110	99,498	784,039
Other current assets	2,615,986	(1,440,112)	2,000,454	(2,820,897)
Operating liabilities increase (decrease)				
Trade and other payables	33,298,553	(34,221,352)	42,346,691	(32,546,970)
Withholding tax payable	372,485	480,739	316,839	422,023
Other current liabilities	(62,967)	(469,251)	423,134	407,326
Cash paid for employee benefit	<u>(45,598,720)</u>	<u>(38,806,018)</u>	<u>(42,728,483)</u>	<u>(35,679,176)</u>
Cash received from operations	404,966,692	324,351,494	262,493,053	156,592,824
Cash paid for interest expense	(4,216,541)	(4,047,571)	(4,216,436)	(4,047,571)
Cash paid for income tax	<u>(39,590,930)</u>	<u>(41,385,250)</u>	<u>(36,656,407)</u>	<u>(35,964,867)</u>
Net cash provided by operating activities	<u>361,159,221</u>	<u>278,918,673</u>	<u>221,620,210</u>	<u>116,580,386</u>

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

UNIT : BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in temporary investments	109,651,938	152,013,631	125,455,478	209,350,708
Proceeds from short-term loans to related parties	99,000,000	-	99,000,000	-
Payment for short-term loans to others	-	(10,000,000)	-	(10,000,000)
Proceeds from short-term loans to others	50,000	-	50,000	-
Proceeds from long-term deposits at financial institution	6,000,000	6,000,000	6,000,000	6,000,000
Payment for purchase of investments in associate	-	(52,960,728)	-	(52,960,728)
Payment for purchase of general investments	(247,000,000)	(39,651,393)	(247,000,000)	(39,651,393)
Proceeds from sale of general investments	1,119,652	800,000	1,119,652	800,000
Payment for purchase of available-for-sale securities	(96,598,369)	(208,181,494)	(96,598,369)	(208,181,494)
Proceeds from sale of available-for-sale securities	220,355,298	176,876,979	220,355,298	176,876,979
Payment for purchase of held-to-maturity securities	-	(40,000,000)	-	(40,000,000)
Proceeds from sale of property, plant and equipment	14,901,502	1,646,862	13,203,285	878,970
Payment for purchase of property, plant and equipment	(179,836,411)	(97,783,160)	(174,624,181)	(78,358,180)
Proceeds from sale of intangible assets	710,512	-	710,512	-
Payment for purchase of intangible assets	(7,462,425)	-	(7,462,425)	-
Cash received from dividends	80,502,706	66,168,780	197,338,755	161,547,591
Cash received from interest	14,416,484	25,596,403	13,611,122	25,124,384
Increase in other non-current assets	(54,369)	(23,380,593)	(180,000)	(22,097,336)
Net cash provided by (used in) investing activities	15,756,518	(42,854,713)	150,979,127	129,329,501
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received from short-term borrowings from financial institution	-	73,000,000	-	73,000,000
Payment for short-term borrowings from financial institutions	(245,000,000)	-	(245,000,000)	-
Dividends paid to shareholders	(132,000,000)	(288,000,000)	(132,000,000)	(288,000,000)
Dividend paid to non-controlling interests	(35,047)	(29,814)	-	-
Payment for financial lease liabilities	(577,548)	(577,548)	(378,528)	(378,528)
Net cash used in financing activities	(377,612,595)	(215,607,362)	(377,378,528)	(215,378,528)
Effect of exchange rate changes on cash and cash equivalents	(4,586)	161,084	(4,586)	161,084
Net increase (decrease) in cash and cash equivalents	(701,442)	20,617,682	(4,783,777)	30,692,443
Cash and cash equivalents as at January 1,	62,476,803	41,859,121	45,454,469	14,762,026
Cash and cash equivalents as at December 31,	61,775,361	62,476,803	40,670,692	45,454,469

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

UNIT : BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Additional information				
Cash and cash equivalents				
Cash in hand	801,688	1,215,267	685,626	1,095,249
Bank deposit in savings and current accounts	60,973,673	61,261,536	39,985,066	44,359,220
	<u>61,775,361</u>	<u>62,476,803</u>	<u>40,670,692</u>	<u>45,454,469</u>
Non-cash transactions				
Increase (decrease) in payable on purchase of machinery, furniture, fixtures and office equipment	1,044,337	(1,494,770)	1,005,745	(1,610,938)
Increase in unrealized gains on changes in value of available-for-sale securities in equity	100,738,545	10,672,856	101,067,676	11,060,023

Notes to the financial statements form an integral part of these statements

THAI WACOAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

1. OPERATIONS OF THE COMPANY AND SUBSIDIARIES

Thai Wacoal Public Company Limited, (“the Company”) which was registered in The Stock Exchange of Thailand and its subsidiaries are companies that registered in Thailand. The principal business of the Company and subsidiaries is to manufacture and sell clothes which mainly are ladies’ lingerie. Locations of the Company and subsidiaries are as follows:

COMPANY’S NAME	LOCATION
Thai Wacoal Public Co., Ltd.	132 Soi Charoenrat 7, Khwang Bangkhlo, Bangkholaem District, Bangkok 10120
Direct subsidiaries	
SR.W. Garment Co., Ltd.	173/2 Moo 5, Sukaphibal 8 Road, Tambol Bung, Sriracha District, Chonburi 20230
Wacoal Kabinburi Co., Ltd.	121, 121/1 Moo 5, Suwannasorn Road, Tambol Nonsee, Kabinburi District, Prachinburi 25110
Wacoal Lamphun Co., Ltd.	99, 99/4 Moo 5, Liongmuang Road, Tambol Paa-Sak, Muanglamphun District, Lamphun 51000
Tora 1010 Co., Ltd.	132 Soi Charoenrat 7, Khwang Bangkhlo, Bangkholaem District, Bangkok 10120
Indirect subsidiary	
Pattaya Kabinburi Co., Ltd.	123, 123/1 Moo 5, Suwannasorn Road, Tambol Nonsee, Kabinburi District, Prachinburi 25110

The Company has extensive transactions and relationships with the related companies. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Company had operated without such affiliation.

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

- 2.1 The Company's financial statements have been prepared in accordance with the Thai Accounting Standard ("TAS") No. 1 (Revised 2015) "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2016 onward, and the Regulation of The Stock Exchange of Thailand ("SET") dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544 and the Notification of the Department of Business Development dated September 28, 2011 regarding "The Brief Particulars in the Financial Statement B.E. 2554".
- 2.2 The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.

For the convenience of readers, an English translation of the financial statements has been prepared from Thai language statutory financial statements which are issued for domestic financial reporting purposes.

- 2.3 Below is a summary of new Thai Financial Reporting Standards that became effective in the current accounting year and those that will become effective in the future.

1) Adoption of new and revised Thai Financial Reporting Standards

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs) which are effective for the financial statements for the period beginning on or after January 1, 2016 onwards, as follow:

Thai Accounting Standards ("TAS")

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 2 (Revised 2015)	Inventories
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events after the Reporting Period
TAS 11 (Revised 2015)	Construction Contracts
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 20 (Revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2015)	Borrowing Costs
TAS 24 (Revised 2015)	Related Party Disclosures
TAS 26 (Revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2015)	Separate Financial Statements
TAS 28 (Revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets
TAS 40 (Revised 2015)	Investment Property
TAS 41	Agriculture

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2015)	Share-based Payment
TFRS 3 (Revised 2015)	Business Combinations
TFRS 4 (Revised 2015)	Insurance Contracts
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

Thai Accounting Standards Interpretations (“TSIC”)

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 - Change 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

Thai Financial Reporting Standard Interpretations (“TFRIC”)

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

Guideline on Accounting

Guideline on Accounting regarding Recognition and Measurement of Bearer Plants
Guideline on Accounting for Insurance Business regarding Designation of Financial Instruments at Fair Value through Profit or Loss.

The adoption of above TFRSs have no material impact on these financial statements.

- 2) Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (“TFRSs”) which are effective for the financial statements for the period beginning on or after January 1, 2017 onwards, as follows:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2016)	Presentation of Financial Statements
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 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits
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 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investment in Associates and Joint Ventures
TAS 29 (Revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2016)	Earnings Per Share
TAS 34 (Revised 2016)	Interim Financial Reporting
TAS 36 (Revised 2016)	Impairment of Assets
TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2016)	Intangible Assets
TAS 40 (Revised 2016)	Investment Property
TAS 41 (Revised 2016)	Agriculture
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2016)	Share-based Payment
TFRS 3 (Revised 2016)	Business Combinations
TFRS 4 (Revised 2016)	Insurance Contracts
TFRS 5 (Revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2016)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2016)	Operating Segments
TFRS 10 (Revised 2016)	Consolidated Financial Statements
TFRS 11 (Revised 2016)	Joint Arrangements
TFRS 12 (Revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2016)	Fair Value Measurement

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TSIC 10 (Revised 2016)	Government Assistance-No Specific Relation to Operating Activities
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TSIC 25 (Revised 2016)	Income Taxes-Changes in the Tax Status of and Enterprise or its Shareholders
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TSIC 29 (Revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2016)	Revenue-Barter Transactions Involving Advertising Services
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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 (Revised 2016) - 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

Guideline on Accounting

Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities

The Company and its subsidiaries’ management will adopt such TFRSs in the preparation of the consolidated and separate financial statements when it becomes effective.

The Company and its subsidiaries’ management have assessed the impact of this TFRS and believes that it will not have material impact on the financial statements for the period in which it is initially applied.

- 2.4 The consolidated financial statements incorporate the accounts of Thai Wacoal Public Company Limited and subsidiaries by eliminating significant related transactions and intercompany balances.

Subsidiaries are those companies whose are invested and controlled by Thai Wacoal Public Company Limited. The Company has control over an investee when a) it has power over the investee; b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee.

The subsidiaries and associates incorporated in the consolidated and separate financial statements are as follows:

	As at December 31,	
	2016	2015
	% of Ownership	% of Ownership
Subsidiaries		
Direct subsidiaries		
SR.W. Garment Co., Ltd.	99.94	99.94
Wacoal Kabinburi Co., Ltd.	99.99	99.99
Wacoal Lamphun Co., Ltd.	99.99	99.99
Tora 1010 Co., Ltd.	99.97	99.97
Indirect subsidiary		
(Equity held by SR.W. Garment Co., Ltd.)		
Pattaya Kabinburi Co., Ltd.	99.93	99.93
Associates		
Pattaya Myanmar Co., Ltd.	20.00	20.00
Myanmar Wacoal Co., Ltd.	40.00	40.00

- 2.5 The financial statements of associate used in the preparation of consolidated financial statements are as of a date or for a period that is different from that of the consolidated financial statements. However, the Company consolidated the financial information of the associate using the most recent financial statements of the associate adjusted for the effects of significant transactions or events that occur between the date of those financial statements and the date of the consolidated financial statements. The date of the end of the reporting period of the financial statements of the associate are as follows:

	The date of the end of the reporting period in preparation of the consolidated financial statements for the years ended December 31,	
	2016	2015
Associates		
Pattaya Myanmar Co., Ltd.	March 31, 2017	March 31, 2016
Myanmar Wacoal Co., Ltd.	March 31, 2017	March 31, 2016

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies below.

3.1 Cash and cash equivalents

Cash and cash equivalents are cash on hand, deposits at banks' savings accounts and current accounts, and short-term highly liquid investments with maturities within three months, excluding deposit at bank used as collateral.

3.2 Recognition of revenues and expenses

Revenue from sales are recognized when title of the goods sold are passed to the buyer, which is generally at the time when goods are dispatched to the customer as ordered.

In case of export sales, sales are recognized when goods are delivered and the significant risks and rewards of ownership of the goods are transferred to the buyer according to the shipment term.

Revenues from services are recognized when the services are rendered.

Interest is recognized as income on an accrual basis. Dividend income on investments is recognized as income when the dividend is declared.

Expenses are recognized on an accrual basis.

3.3 Trade receivables

Trade receivables are stated at cost net of allowance for doubtful accounts.

Allowance for doubtful accounts is provided at the estimated collection losses on receivables. Such estimate is based on the Company's collection experiences and a review of the current status of each receivable.

3.4 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost of the Company and subsidiary's inventories are determined on a weighted average basis.

Cost of the finished goods and work in process is calculated from raw materials, wages and manufacturing overhead. The net realizable value of inventory is estimated from the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

3.5 Investments

Trading and available-for-sale investments are stated at fair value. The fair value of equity securities which are listed securities are estimated by using the bid prices at the Stock Exchange of Thailand on the last business day of the year. The fair value of unit trust is determined from the trusts' net asset value. The fair value of bonds and debentures is calculated by using the latest bid yield as quoted by the Thai Bond Market Association.

Held-to-maturity debt securities are stated at amortized cost.

Securities for general investment are stated at cost, less allowances for impairment (if any).

Investments in subsidiaries are accounted for by the cost method in the separate financial statements.

Investments in associates are accounted for using the equity method in the consolidated financial statements and by the cost method in the separate financial statements.

Gain or loss on the change in fair value of trading investments is recognized as unrealized gains or losses in the statement of profit or loss.

Gain or loss on the change in fair value of available-for-sale securities is presented as an item in other components of equity. In case impairment in value of investment has occurred, the resultant loss of investment is recognized in the statement of profit or loss.

Cost of securities sold are determined by the weighted average method.

3.6 Investment property

Investment property consist of land and building and structures.

Investment property which is land is presented at cost.

Investment property which are building and structures are presented at cost less accumulated depreciation. Depreciation is calculated by the straight-line method, based on the estimated useful lives of the assets of 20 - 30 years.

3.7 Property, plant and equipment

Land is stated at cost. Plant and equipment are presented at cost less accumulated depreciation. Depreciation is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

Land improvement	5 - 30 years
Building and structures	20 - 30 years
Furniture, fixtures	5 - 10 years
Office equipment	3 - 5 years
Machinery	5 - 10 years
Equipment	5 - 10 years
Vehicles	5 - 7 years

The Company and subsidiaries record depreciation as either an expense for the year or as a part of the production cost.

3.8 Intangible assets

Intangible assets consist of software, trademark and club and golf membership fee.

Intangible assets are presented at cost less accumulated amortization. Amortization is calculated by the straight-line method, based on membership period or useful lives of the assets as follows:

Software	3 - 10 years
Trademark	10 years
Club and golf membership fee	membership period

3.9 Leasehold right

Leasehold right of the Company is stated at cost, net of accumulated amortization. Leasehold of the Company is amortized by using the straight-line method over the lease periods.

3.10 Foreign currency transactions

Transactions denominated in foreign currencies are translated into Baht at the rates of exchange prevailing on the transaction dates. When receiving or paying for debt settlement, realized gains or losses on exchange are recognized as income or expense as incurred. Monetary assets and liabilities at the date of statements of financial position denominated in foreign currencies are translated into Baht at the reference exchange rates established by the Bank of Thailand on that date. Exchange gains or losses are included as incomes or expenses in the statement of profit or loss for the year.

3.11 Lease

Operating lease

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

Finance lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company is accounted for as a finance lease. The Company capitalizes the equipment at the lower of fair value of the equipment at the contractual date or estimated present value of the underlying lease payments. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge is recognized by effective interest rate method over the term of contracts. Interest or financial charge and depreciation are recognized as expenses in the statement of profit or loss.

3.12 Impairment

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

The Company and its subsidiaries recognize impairment loss when the recoverable amount of an asset is lower than its carrying amount. The recoverable amount is the higher of the asset's fair value less cost to sell and its value in use. The Company and its subsidiaries determine the value by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. The calculation reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

The Company and its subsidiaries recognize an impairment loss as expense in the statement of profit or loss.

Reversal of an impairment loss.

The Company and its subsidiaries will reverse impairment loss of asset (if any), which had been recognized in the prior periods, if there is an indicator for impairment may no longer exist or may have decreased which the recoverable amount must be estimated.

3.13 Employment benefits

3.13.1 Provident fund

The Company and its subsidiaries set up a provident fund which is a defined contribution plan. Assets of the provident fund have been separated from assets of the Company and its subsidiaries and managed by the fund manager. The fund has been contributed by the employee and also the Company and its subsidiaries. The contributions for provident fund are recorded as expense in the statement of profit or loss for the period they incur.

3.13.2 Post-employment benefits

The Company and its subsidiaries operate post-employment benefits plans under the Labor Protection Act and the Company and its subsidiaries' retirement benefit plans. Such employee benefits are calculated based on actuarial assumptions at the end of reporting period using Projected Unit Credit Method, which is estimated based on the present value of expected cash flows of benefits to be paid in the future taken into account the actuarial assumptions, including salaries, turnover rate, mortality rate, years of service and other factors. Discount rate used in calculation of the post-employment benefits obligation is referred from the yield curve of government bond. Actuarial gain or loss is recognized in other comprehensive income for the period they incur. Expenses related to employee benefits are recognized in the statement of profit or loss in order to allocate such costs throughout the service period.

3.14 Derivative financial instruments

Derivative financial instruments are forward contracts. Such forward contracts are carried at fair value and presented in other current assets or other current liabilities. Unrealized gains or losses on changes in value of forward contracts are recognized as revenues or expenses in the statement of profit or loss.

3.15 Income tax expenses

Income tax expenses represents the sum of the current tax and deferred tax.

3.15.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the financial statement date.

3.15.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the reporting date. Deferred tax asset shall be reduced to the extent that utilized taxable profits are decreased. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the asset to be recovered.

The Company and its subsidiaries measure deferred tax assets and liabilities at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and the Company and its subsidiaries intend to settle on a net basis or to realize the asset and settle the liability simultaneously and when they relate to income taxes levied by the same taxation authority.

The Company and its subsidiaries present income tax expenses or income related to profit or loss in the statement of profit or loss and other comprehensive income. For current income taxes and deferred taxes related to items recognized directly in other comprehensive income in equity in the same or different period, they will be recognized directly in other comprehensive income.

3.16 Basic earnings per share

Basic earnings per share are calculated by dividing net profit for the year by the weighted average number of ordinary shares issued and paid-up during the year. The Company and its subsidiaries did not have any common share equivalents which would have a dilutive effect on earnings per share.

3.17 Use of management's judgement

The preparation of financial statements in conformity with TFRS also requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the statement of financial position and the reported amounts of revenue and expense of the accounting period. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Significant judgements in applying accounting policies are as follows:

Provision for goods returned

The Company has provided a provision for goods returned from customers who are allowed to return the goods within the period agreed between both parties. The provision is estimated based upon historical information of goods returned. Furthermore, the Company also provides the allowance for diminution in value of such goods returned.

Impairment

The Company and its subsidiaries shall assess the assets balance at the statement of financial position whether there is any indication that an asset may be impaired. If any such indication exists, the Company and its subsidiaries shall estimate the recoverable amount of the asset and shall also test an intangible asset.

3.18 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company and its subsidiaries take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

4. TEMPORARY INVESTMENTS

Temporary investments as at December 31, are as follows:

	UNIT : BAHT		UNIT : BAHT	
	CONSOLIDATED FINANCIAL STATEMENTS	2016	SEPARATE FINANCIAL STATEMENTS	2015
Time deposits	46,597,339	54,000,000	-	23,000,000
Short-term investments in trading securities				
- equity securities	14,832,172	33,152,936	14,832,172	33,152,936
Short-term investments in available-for-sale securities - equity securities	136,355,141	135,030,719	-	-
Short-term investments in available-for-sale securities - debt securities	2,001,134	41,749,699	2,001,134	41,749,699
Investments in held-to-maturity securities due within 1 year	50,000,000	40,000,000	50,000,000	40,000,000
	<u>249,785,786</u>	<u>303,933,354</u>	<u>66,833,306</u>	<u>137,902,635</u>

Additional details of trading securities consist of the following:

	UNIT : BAHT			
	SEPARATE AND CONSOLIDATED Cost value/ amortized cost As at December 31, 2016	Unrealized gross profit	Unrealized gross loss	Fair value As at December 31, 2016
Trading securities				
Equity securities				
- Ordinary shares	14,511,426	339,711	(18,965)	14,832,172
	<u>14,511,426</u>	<u>339,711</u>	<u>(18,965)</u>	<u>14,832,172</u>

	UNIT : BAHT			
	SEPARATE AND CONSOLIDATED Cost value/ amortized cost As at December 31, 2015	Unrealized gross profit	Unrealized gross loss	Fair value As at December 31, 2015
Trading securities				
Equity securities				
- Ordinary shares	35,374,238	2,465,222	(4,686,524)	33,152,936
	<u>35,374,238</u>	<u>2,465,222</u>	<u>(4,686,524)</u>	<u>33,152,936</u>

Additional details of short-term available-for-sale securities consist of the following:

UNIT : BAHT			
CONSOLIDATED FINANCIAL STATEMENTS			
	Cost Value/ Amortized cost As at December 31, 2016	Unrealized gross profit	Unrealized gross loss
	Fair Value As at December 31, 2016		
Available-for-sale securities			
Equity securities			
- Unit trust	135,752,716	602,425	-
Debt securities			
- Government's bond	2,000,042	1,092	-
	<u>137,752,758</u>	<u>603,517</u>	<u>-</u>

UNIT : BAHT			
CONSOLIDATED FINANCIAL STATEMENTS			
	Cost Value/ Amortized cost As at December 31, 2015	Unrealized gross profit	Unrealized gross loss
	Fair Value As at December 31, 2015		
Available-for-sale securities			
Equity securities			
- Unit trust	134,774,162	256,557	-
Debt securities			
- Government's bond	3,999,962	2,541	(94)
- Debentures	37,110,616	636,674	-
	<u>41,110,578</u>	<u>639,215</u>	<u>(94)</u>
	<u>175,884,740</u>	<u>895,772</u>	<u>(94)</u>

UNIT : BAHT			
SEPARATE FINANCIAL STATEMENTS			
	Cost Value/ Amortized cost As at December 31, 2016	Unrealized gross profit	Unrealized gross loss
	Fair Value As at December 31, 2016		
Available-for-sale securities			
Debt securities			
- Government's bond	2,000,042	1,092	-
	<u>2,000,042</u>	<u>1,092</u>	<u>-</u>

UNIT : BAHT			
SEPARATE FINANCIAL STATEMENTS			
	Cost Value/ Amortized cost As at December 31, 2015	Unrealized gross profit	Unrealized gross loss
	Fair Value As at December 31, 2015		
Available-for-sale securities			
Debt securities			
- Government's bond	3,999,962	2,541	(94)
- Debentures	37,110,616	636,674	-
	<u>41,110,578</u>	<u>639,215</u>	<u>(94)</u>

Additional details of investment in held-to-maturity securities due within 1 year consist of the following:

UNIT : BAHT			
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	Cost Value/ Amortized cost December 31, 2016	Unrealized gross profit	Unrealized gross loss
	Fair Value December 31, 2016		
Held-to-maturity securities			
Debentures	50,000,000	796,000	-
	<u>50,000,000</u>	<u>796,000</u>	<u>-</u>
			<u>50,796,000</u>

UNIT : BAHT			
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	Cost Value/ Amortized cost December 31, 2015	Unrealized gross profit	Unrealized gross loss
	Fair Value December 31, 2015		
Held-to-maturity securities			
Debentures	40,000,000	223,520	-
	<u>40,000,000</u>	<u>223,520</u>	<u>-</u>
			<u>40,223,520</u>

5. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at December 31, are as follows:

	UNIT : BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Trade receivables - related companies (see Note 33)	558,538,033	599,152,452	669,463,284	693,157,262
Trade receivables - other companies	<u>52,156,868</u>	<u>48,643,683</u>	<u>48,169,275</u>	<u>43,565,459</u>
Total trade receivables	<u>610,694,901</u>	<u>647,796,135</u>	<u>717,632,559</u>	<u>736,722,721</u>
Other receivables - related companies	4,448,302	5,492,240	4,636,562	5,666,039
Other receivables - other companies	133,300	14,698	133,300	14,698
Prepaid expenses	4,698,771	2,389,970	4,194,230	1,909,303
Advance payment	71,823	205,328	60,423	205,328
Accrued income	1,981,171	3,363,834	1,974,873	3,354,074
Accrued interest income	<u>1,784,025</u>	<u>3,033,494</u>	<u>1,558,150</u>	<u>2,923,131</u>
Total other receivables	<u>13,117,392</u>	<u>14,499,564</u>	<u>12,557,538</u>	<u>14,072,573</u>
	623,812,293	662,295,699	730,190,097	750,795,294

Analysis of aging trade receivables as at December 31, are as follows:

	CONSOLIDATED		UNIT : BAHT SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Current	536,099,179	521,709,859	628,909,545	601,371,560
Overdue				
Within 3 months	38,331,726	93,349,716	52,552,445	102,715,989
Between 3 and 6 months	28,046,170	28,999,240	27,952,743	28,897,852
Between 6 and 12 months	7,822,798	3,737,320	7,822,798	3,737,320
More than 12 months	395,028	177,631	395,028	177,631
Total trade receivables	610,694,901	647,973,766	717,632,559	736,900,352
<u>Less</u> Allowance for doubtful accounts	-	(177,631)	-	(177,631)
Total trade receivables	<u>610,694,901</u>	<u>647,796,135</u>	<u>717,632,559</u>	<u>736,722,721</u>

6. SHORT-TERM LOANS TO RELATED PARTIES

Short-term loans to related parties as at December 31, are as follows: (see Note 33)

	UNIT : BAHT CONSOLIDATED AND SEPARATE	
	FINANCIAL STATEMENTS	
	2016	2015
SSDC (Tigertex) Co., Ltd.	-	9,000,000
Erawan Textile Co., Ltd.	-	90,000,000
Total	<u>-</u>	<u>99,000,000</u>

The Company has relationship with such related parties by mutual major shareholder which has over 10% shareholding.

Short-term loans to related parties carry interest at the rate of fixed deposit plus the rate specified by the Company and the special business tax rate. For the year ended December 31, 2015 from 4.15% to 4.50% per annum (Company: 4.15% to 4.50% per annum).

7. OTHER SHORT-TERM LOANS

As at December 31, 2016 and 2015, other short-term loans in the consolidated and the separate financial statements are short-term loans to other company in the form of promissory notes at call, with interest rate at 4.00% to 6.25% per annum. There is no collateral for such loans.

8. INVENTORIES

Inventories as at December 31, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Finished goods	730,357,518	748,902,932	747,828,254	756,460,948
Finished goods in transit	7,678,861	-	7,678,861	-
Work in process	162,690,276	155,752,099	128,628,278	123,251,022
Raw materials	296,639,261	248,988,788	193,363,687	162,935,601
Raw materials in transit	29,122,185	12,485,802	29,122,185	12,485,802
Total inventories	1,226,488,101	1,166,129,621	1,106,621,265	1,055,133,373
<u>Less</u> Allowance for diminution in value of finished goods	(1,199,472)	(1,634,369)	(1,199,472)	(1,634,369)
Inventories - net	1,225,288,629	1,164,495,252	1,105,421,793	1,053,499,004

The costs of inventories recognized as expenses in the consolidated and separate financial statements for the year ended December 31, 2016 are Baht 3,135.71 million and Baht 3,702.82 million, respectively (2015: Baht 2,971.46 million and Baht 3,547.35 million, respectively).

The Company recognized expenses in respect of write-downs of inventory to net realizable value in the consolidated and separate financial statements for the year ended December 31, 2016 of Baht 60.36 million and Baht 57.34 million, respectively (2015: Baht 68.13 million and Baht 63.37 million, respectively).

9. DEPOSIT AT BANK UNDER OBLIGATION

Deposit at bank under obligation as at December 31, 2016 and 2015 in the consolidated and the separate financial statements are time deposit with maturity term of 12 months amounting to HKD 1.5 million which the Company used as collateral for credit facility from financial institution in favor of a related company (see Note 36).

10. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments as at December 31, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Available-for-sale investments				
Equity securities				
- Ordinary shares				
- Related companies	872,965,758	834,834,835	862,240,758	823,434,835
- Other companies	589,021,279	523,517,179	589,021,279	523,517,179
	1,461,987,037	1,358,352,014	1,451,262,037	1,346,952,014
Debt securities	7,358,489	132,364,437	7,358,489	132,364,437
Total	1,469,345,526	1,490,716,451	1,458,620,526	1,479,316,451

10.1 Details of investments in related companies as at December 31, are as follows: (see Note 33)

UNIT : BAHT																
Companies	Business Type	Relationship	CONSOLIDATED FINANCIAL STATEMENTS								SEPARATE FINANCIAL STATEMENTS					
			Paid-up capital		% of ownership		Cost value		Fair value		% of ownership		Cost value		Fair value	
			2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
			Baht'000	Baht'000												
Available-for-sale securities																
Textile Prestige Public Co., Ltd.	Manufacturing garment	The Company's major shareholder has over 10% shareholding	108,000	108,000	18.15	18.15	64,615,035	64,615,035	335,140,335	295,942,635	18.15	18.15	64,615,035	64,615,035	335,140,335	295,942,635
I.C.C. International Public Co., Ltd.	Distributor	The Company's major shareholder has over 10% shareholding	290,634	290,634	3.92	3.92	144,639,849	144,639,849	407,445,253	433,088,660	3.82	3.82	134,814,849	134,814,849	396,720,253	421,688,660
Saha Pathana Inter Holding Public Co., Ltd.	Holding company	The Company's major shareholder	494,034	494,034	0.68	0.68	53,317,867	53,317,867	107,680,170	81,803,540	0.68	0.68	53,317,867	53,317,867	107,680,170	81,803,540
Thanulux Public Co., Ltd.	Manufacturing clothing	The Company's major Shareholder has over 10% shareholding	120,000	120,000	0.83	0.83	27,809,160	27,809,160	22,700,000	24,000,000	0.83	0.83	27,809,160	27,809,160	22,700,000	24,000,000
Total available- for-sale securities							290,381,911	290,381,911	872,965,758	834,834,835			280,556,911	280,556,911	862,240,758	823,434,835

10.2 Unrealized gains on changes in value of available-for-sale securities

Unrealized gains on changes in value of short-term and long-term of available-for-sale securities as at December 31, consist of the following:

	CONSOLIDATED		UNIT : BAHT SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Beginning balance	719,227,335	710,689,070	717,762,939	708,914,921
Additions	80,590,836	8,538,285	80,854,141	8,848,018
Ending balance	<u>799,818,171</u>	<u>719,227,355</u>	<u>798,617,080</u>	<u>717,762,939</u>

Additional details of long-term available-for-sale securities consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS			UNIT : BAHT
	Cost Value/ Amortized Cost	Unrealized gross profit	Unrealized gross loss	Fair Value
	As at December 31, 2016			As at December 31, 2016
Available-for-sale securities				
Equity securities				
- Ordinary shares				
- Related parties	290,381,911	587,693,007	(5,109,160)	872,965,758
- Other companies	172,372,546	420,672,182	(4,023,449)	589,021,279
Total	<u>462,754,457</u>	<u>1,008,365,189</u>	<u>(9,132,609)</u>	<u>1,461,987,037</u>
Debt securities				
- Government's bonds	7,420,810	-	(62,321)	7,358,489
Total	<u>7,420,810</u>	<u>-</u>	<u>(62,321)</u>	<u>7,358,489</u>
	<u>470,175,267</u>	<u>1,008,365,189</u>	<u>(9,194,930)</u>	<u>1,469,345,526</u>

	CONSOLIDATED FINANCIAL STATEMENTS			UNIT : BAHT
	Cost Value/ Amortized Cost	Unrealized gross profit	Unrealized gross loss	Fair Value
	As at December 31, 2015			As at December 31, 2015
Available-for-sale securities				
Equity securities				
- Ordinary shares				
- Related parties	290,381,911	548,262,084	(3,809,160)	834,834,835
- Other companies	172,372,546	358,483,940	(7,339,307)	523,517,179
Total	<u>462,754,457</u>	<u>906,746,024</u>	<u>(11,148,467)</u>	<u>1,358,352,014</u>
Debt securities				
- The Bank of Thailand's bonds	14,038,641	148,948	-	14,187,589
- Government's bonds	18,455,277	169,890	-	18,625,167
- Bank for Agriculture and Agricultural Cooperatives' bonds	11,212,494	152,550	-	11,365,044
- Debentures	86,116,028	2,072,490	(1,881)	88,186,637
Total	<u>129,822,440</u>	<u>2,543,878</u>	<u>(1,881)</u>	<u>132,364,437</u>
	<u>592,576,897</u>	<u>909,289,902</u>	<u>(11,150,348)</u>	<u>1,490,716,451</u>

				UNIT : BAHT
SEPARATE FINANCIAL STATEMENTS				
	Cost Value/ Amortized Cost As at December 31, 2016	Unrealized gross profit	Unrealized gross loss	Fair Value As at December 31, 2016
Available-for-sale securities				
Equity securities				
- Ordinary shares				
- Related parties	280,556,911	586,793,007	(5,109,160)	862,240,758
- Other companies	172,372,546	420,672,182	(4,023,449)	589,021,279
Total	452,929,457	1,007,465,189	(9,132,609)	1,451,262,037
Debt securities				
- Government's bonds	7,420,810	-	(62,321)	7,358,489
Total	7,420,810	-	(62,321)	7,358,489
	460,350,267	1,007,465,189	(9,194,930)	1,458,620,526

UNIT : BAHT				
SEPARATE FINANCIAL STATEMENTS				
	Cost Value/ Amortized Cost As at December 31, 2015	Unrealized gross profit	Unrealized gross loss	Fair Value As at December 31, 2015
Available-for-sale securities				
Equity securities				
- Ordinary shares				
- Related parties	280,556,911	546,687,084	(3,809,160)	823,434,835
- Other companies	172,372,546	358,483,940	(7,339,307)	523,517,179
Total	452,929,457	905,171,024	(11,148,467)	1,346,952,014
Debt securities				
- The Bank of Thailand's bonds	14,038,641	148,948	-	14,187,589
- Government's bonds	18,455,277	169,890	-	18,625,167
- Bank for Agriculture and Agricultural Cooperatives' bonds	11,212,494	152,550	-	11,365,044
- Debentures	86,116,028	2,072,490	(1,881)	88,186,637
Total	129,822,440	2,543,878	(1,881)	132,364,437
	582,751,897	907,714,902	(11,150,348)	1,479,316,451

11. INVESTMENTS IN SUBSIDIARIES

UNIT : BAHT							
SEPARATE							
FINANCIAL STATEMENTS							
Company	Business Type	Paid-up capital		% of ownership		Cost method	
		December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
		2016	2015	2016	2015	2016	2015
Subsidiaries							
SR.W. Garment Co., Ltd.	Manufacturing clothing	20,000,000	20,000,000	99.94	99.94	22,037,000	22,037,000
Wacoal Kabinburi Co., Ltd.	Manufacturing clothing	50,000,000	50,000,000	99.99	99.99	49,999,300	49,999,300
Wacoal Lamphun Co., Ltd.	Manufacturing clothing	50,000,000	50,000,000	99.99	99.99	49,999,300	49,999,300
Tora 1010 Co., Ltd.	Trading clothing	10,000,000	10,000,000	99.97	99.97	9,997,000	9,997,000
Total investments in subsidiaries						132,032,600	132,032,600

12. INVESTMENTS IN ASSOCIATES

Investments in associates as at December 31, are as follows:

UNIT : BAHT							
Company	Business Type	Paid-up capital		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015	2016	2015
Associates							
Pattaya Myanmar Co., Ltd.	Manufacturing clothing	25,424,000	25,424,000	5,439,783	5,172,793	5,084,800	5,084,800
Myanmar Wacoal Co., Ltd.	Manufacturing clothing	132,400,000	132,400,000	41,558,955	52,960,728	52,960,728	52,960,728
Total investments in associates				46,998,738	58,133,521	58,045,528	58,045,528

On September 12, 2013, the Company has invested in Pattaya Myanmar Co., Ltd. with 1,600 common shares at par value of USD 100 each, totalling Baht 5.08 million, or 20% of its registered shares.

On February 9, 2015, the Company has invested with a major shareholder to establish a company in the Republic of the Union of Myanmar, named as “Myanmar Wacoal Company Limited”. The total number of authorized shares is 40,000 shares, at par value of USD 100 each. The Company has invested in such company with 40% of its registered shares.

As at December 31, 2016 and 2015, the Company recorded investments in associates by equity method in the consolidated financial statements, using the information from the financial statements of the associate for the years ended December 31, 2016 and 2015 which were not audited and reviewed. Shares of gain (loss) from investment in such associated companies for the years ended December 31, 2016 and 2015 were Baht (11.13) million and Baht 0.59 million, respectively.

Summarized financial information in respect of the associated companies is set out below:

	As at December 31, 2016 Million Baht	As at December 31, 2015 Million Baht
Total assets	316.24	30.38
Total liabilities	(171.51)	(2.07)
Net assets	<u>144.73</u>	<u>28.31</u>
	For the years ended December 31,	
	2016 Million Baht	2015 Million Baht
Total revenue	46.75	32.13
Net income (loss) for the year	(26.66)	3.16
Share of gain (loss) of associated companies accounted for under the equity method	(11.13)	0.59

13. OTHER LONG-TERM INVESTMENTS

Other long-term investments as at December 31, are as follows:

	UNIT : BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
General investments				
Ordinary shares				
- Related companies	629,377,173	383,752,985	629,377,173	383,752,985
<u>Less</u> Allowance for impairment	(11,739,942)	(9,149,942)	(11,739,942)	(9,149,942)
	<u>617,637,231</u>	<u>374,603,043</u>	<u>617,637,231</u>	<u>374,603,043</u>
- Other companies	161,107,518	161,107,518	157,837,518	157,837,518
<u>Less</u> Allowance for impairment	(25,827,500)	(23,727,500)	(25,827,500)	(23,727,500)
	<u>135,280,018</u>	<u>137,380,018</u>	<u>132,010,018</u>	<u>134,110,018</u>
Total	<u>752,917,249</u>	<u>511,983,061</u>	<u>749,647,249</u>	<u>508,713,061</u>
Held-to-maturity securities				
Debentures	100,000,000	150,000,000	100,000,000	150,000,000
	<u>100,000,000</u>	<u>150,000,000</u>	<u>100,000,000</u>	<u>150,000,000</u>
	852,917,249	661,983,061	849,647,249	658,713,061

13.1 Details of investments in related companies as at December 31, are as follows: (see Note 33)

Companies	Business Type	Relationship	UNIT : BAHT											
			Paid-up capital		% of Ownership		CONSOLIDATED		SEPARATE		CONSOLIDATED		SEPARATE	
							FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
							Carrying value*		Carrying value*		Dividend received		Dividend received	
			2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
			Baht'000	Baht'000										
General investments														
S.T.G.C. Co., Ltd.*	Research Business	The Company's major shareholder has over 10% shareholding	-	2,500	-	13.00	-	315,812	-	315,812	-	-	-	-
Pattaya Manufacturing Co., Ltd.	Manufacturing clothing	The Company's major shareholder has over 10% shareholding	30,000	30,000	14.67	14.67	11,611,400	11,611,400	11,611,400	11,611,400	1,760,000	1,760,000	1,760,000	1,760,000
SSDC (Tigertex) Co., Ltd.	Dying	The Company's major shareholder has over 10% shareholding	324,000	324,000	18.72	18.72	68,854,841	68,854,841	68,854,841	68,854,841	2,729,507	1,819,671	2,729,507	1,819,671
T.U.C. Elastic Co., Ltd.	Manufacturing elastic	The Company's major shareholder has over 10% shareholding	160,000	160,000	10.75	10.75	10,258,080	10,258,080	10,258,080	10,258,080	190,920	10,707,000	190,920	10,707,000
Wien International Co., Ltd.	Direct sales	The Company's major shareholder has over 10% shareholding	30,000	30,000	17.90	17.90	14,352,367	14,352,367	14,352,367	14,352,367	-	-	-	-
Raja Uchino Co., Ltd.	Lining	The Company's major shareholder has over 10% shareholding	121,500	121,500	4.47	4.47	4,659,410	4,659,410	4,659,410	4,659,410	54,360	54,360	54,360	54,360

* Carrying value - net of allowance for impairment

13.1 Details of investments in related companies as at December 31, are as follows: (Continued) (see Note 33)

Companies	Business Type	Relationship	Paid-up capital		% of Ownership		CONSOLIDATED FINANCIAL STATEMENTS Carrying value*		SEPARATE FINANCIAL STATEMENTS Carrying value*		CONSOLIDATED FINANCIAL STATEMENTS Dividend received		SEPARATE FINANCIAL STATEMENTS Dividend received	
			2016 Baht'000	2015 Baht'000	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Champ Ace Co., Ltd.	Garment	The Company's major shareholder has over 10% shareholding	40,000	40,000	10.00	10.00	4,000,000	4,000,000	4,000,000	4,000,000	-	200,000	-	200,000
Thai Monster Co., Ltd.*	Garment	The Company's major shareholder has over 10% shareholding	20,000	20,000	5.00	5.00	100,000	-	100,000	-	-	-	-	-
Thai Asahi Kasei Spandex Co., Ltd.	Manufacturer of Spandex fiber	The Company's major shareholder has over 10% shareholding	1,350,000	1,350,000	2.00	2.00	27,000,000	27,000,000	27,000,000	27,000,000	3,078,000	1,553,102	3,078,000	1,553,102
Morgan De Toi (Thailand) Co., Ltd.	Distributor Brand "MORGAN"	The Company's major shareholder has over 10% shareholding	40,000	40,000	12.00	12.00	4,800,000	4,800,000	4,800,000	4,800,000	-	-	-	-
International Commercial Coordination (HK)	Distributor	The Company's major shareholder has over 10% shareholding	8,805	8,805	18.00	18.00	-	290,000	-	290,000	-	-	-	-
PT. Indonesia Wacoal	Garment	The Company's major shareholder has over 10% shareholding	108,472	108,472	6.00	6.00	6,508,176	6,508,176	6,508,176	6,508,176	325,051	304,871	325,051	304,871

* Carrying value - net of allowance for impairment

13.1 Details of investments in related companies as at December 31, are as follows: (Continued) (see Note 33)

Companies	Business Type	Relationship	Paid-up capital		% of Ownership		CONSOLIDATED FINANCIAL STATEMENTS Carrying value*		SEPARATE FINANCIAL STATEMENTS Carrying value*		CONSOLIDATED FINANCIAL STATEMENTS Dividend received		SEPARATE FINANCIAL STATEMENTS Dividend received	
			2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
			Baht'000	Baht'000										
Carbon Magic (Thailand) Co., Ltd.*	Manufacturer of vehicle's parts	The Company's major shareholder has over 10% shareholding	590,000	590,000	8.33	8.33	44,567,000	46,567,000	44,567,000	46,567,000	-	-	-	-
Waseda Education (Thailand) Co., Ltd.	Education Institution	The Company's major shareholder has over 10% shareholding	31,360	44,800	7.14	7.14	2,240,000	3,200,000	2,240,000	3,200,000	-	-	-	-
Thai Bunka Fashion Co., Ltd.*	Institute of Fashion Design	The Company's major shareholder has over 10% shareholding	25,000	25,000	8.00	8.00	730,000	730,000	730,000	730,000	-	-	-	-
Sun 108 Co., Ltd.	Retail	The Company's major shareholder has over 10% shareholding	100,000	100,000	5.00	5.00	5,000,000	5,000,000	5,000,000	5,000,000	500,000	-	500,000	-
Janome (Thailand) Co., Ltd.	Manufacturer of Sewing Machines	The Company's major shareholder has over 10% shareholding	97,400	97,400	7.73	7.73	19,254,283	19,254,283	19,254,283	19,254,283	1,881,590	1,881,590	1,881,590	1,881,590
Erawan Textile Co., Ltd.	Spinning Textile and Weaving	The Company's major shareholder has over 10% shareholding	621,463	621,463	16.23	16.23	119,891,874	119,891,874	119,891,874	119,891,874	-	-	-	-
Bangkok Tokyo Socks Co., Ltd.	Manufacturer and Export of Men's socks	The Company's major shareholder has over 10% shareholding	143,220	143,220	17.11	17.11	24,599,800	24,599,800	24,599,800	24,599,800	-	245,000	-	245,000
Fujix International Co., Ltd.*	Thread Seller	The Company's major shareholder has over 10% shareholding	100,000	100,000	5.00	5.00	2,210,000	2,710,000	2,210,000	2,710,000	-	-	-	-
A Tech Textile Co., Ltd.	Manufacturer of Underwear for woman	The Company's major shareholder has over 10% shareholding	1,000,000	-	19.00	-	190,000,000	-	190,000,000	-	-	-	-	-
G Tech Material Co., Ltd.*	Manufacturer of Underwear for woman	The Company's major shareholder has over 10% shareholding	300,000	-	19.00	-	57,000,000	-	57,000,000	-	-	-	-	-
Total general investments							617,637,231	374,603,043	617,637,231	374,603,043	10,519,428	18,525,594	10,519,428	18,525,594

* Carrying value - net of allowance for impairment

On January 18, 2016, the Company has invested in A Tech Textile Co., Ltd. with 1,900,000 common shares at par value of Baht 100 each, totalling Baht 190 million, or 19% of its registered shares and G Tech Material Co., Ltd. with 570,000 common shares at par value of Baht 100 each, totalling Baht 57 million, or 19% of its registered shares. As at December 31, 2016, general investment in T.U.C. Elastic Co., Ltd. is on the process of liquidation. The Company has received cash in advance from such investment amounting to Baht 17.20 million (see Note 20).

13.2 Gain on sale of investments

For the years ended December 31, gain on sale of investments consists of the following:

	CONSOLIDATED		UNIT : BAHT SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Gain (loss) on sale of investments				
- Trading securities	(18,339)	(498,973)	(18,339)	(498,973)
- Available-for-sale securities	4,628,120	2,534,558	3,855,767	1,543,819
- General investment	(256,160)	-	(256,160)	-
Total gain on sale of investments	<u>4,353,621</u>	<u>2,035,585</u>	<u>3,581,268</u>	<u>1,044,846</u>

13.3 Maturities of held-to-maturity securities

As at December 31, 2016 and 2015, maturities of held-to-maturity securities consist of the following:

	CONSOLIDATED		UNIT : BAHT SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Between 1 and 5 years	70,000,000	130,000,000	70,000,000	130,000,000
Over 5 years	30,000,000	20,000,000	30,000,000	20,000,000
Total	<u>100,000,000</u>	<u>150,000,000</u>	<u>100,000,000</u>	<u>150,000,000</u>

Additional details of held-to-maturity securities consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			UNIT : BAHT
	Cost Value/ Amortized Cost	Unrealized gross profit	Unrealized gross loss	Fair Value
	December 31, 2016			December 31, 2016
Held-to-maturity securities				
Debentures	100,000,000	4,875,000	-	104,875,000

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			UNIT : BAHT
	Cost Value/ Amortized Cost	Unrealized gross profit	Unrealized gross loss	Fair Value
	December 31, 2015			December 31, 2015
Held-to-maturity securities				
Debentures	150,000,000	8,498,920	-	158,498,920

14. INVESTMENT PROPERTY

Investment property as at December 31, consist of the following:

As at December 31, 2016

	UNIT : BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2016	Additions	Disposals	Balance as at December 31, 2016
Cost				
Land	646,857,562	-	-	646,857,562
Building and structures	99,575,333	-	-	99,575,333
Total investment property	<u>746,432,895</u>	<u>-</u>	<u>-</u>	<u>746,432,895</u>
Accumulated depreciation				
Building and structures	(64,779,294)	(4,660,081)	-	(69,439,375)
Total accumulated depreciation	<u>(64,779,294)</u>	<u>(4,660,081)</u>	<u>-</u>	<u>(69,439,375)</u>
Investment property	<u>681,653,601</u>	<u>(4,660,081)</u>	<u>-</u>	<u>676,993,520</u>

As at December 31, 2015

	UNIT : BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2015	Additions	Disposals	Balance as at December 31, 2015
Cost				
Land	646,857,562	-	-	646,857,562
Building and structures	99,575,333	-	-	99,575,333
Total investment property	<u>746,432,895</u>	<u>-</u>	<u>-</u>	<u>746,432,895</u>
Accumulated depreciation				
Building and structures	(60,118,392)	(4,660,902)	-	(64,779,294)
Total accumulated depreciation	<u>(60,118,392)</u>	<u>(4,660,902)</u>	<u>-</u>	<u>(64,779,294)</u>
Investment property	<u>686,314,503</u>	<u>(4,660,902)</u>	<u>-</u>	<u>681,653,601</u>

Depreciation for the years ended December 31,

2016

Baht 4,660,081

2015

Baht 4,660,902

As at December 31, 2016

	SEPARATE FINANCIAL STATEMENTS			UNIT : BAHT
	Balance as at January 1, 2016	Additions	Disposals	Balance as at December 31, 2016
Cost				
Land	648,261,823	-	-	648,261,823
Building and structures	124,434,533	-	-	124,434,533
Total investment property	<u>772,696,356</u>	<u>-</u>	<u>-</u>	<u>772,696,356</u>
Accumulated depreciation				
Building and structures	(85,988,414)	(4,833,850)	-	(90,822,264)
Total accumulated depreciation	<u>(85,988,414)</u>	<u>(4,833,850)</u>	<u>-</u>	<u>(90,822,264)</u>
Investment property	<u>686,707,942</u>	<u>(4,833,850)</u>	<u>-</u>	<u>681,874,092</u>

As at December 31, 2015

	SEPARATE FINANCIAL STATEMENTS			UNIT : BAHT
	Balance as at January 1, 2015	Additions	Disposals	Balance as at December 31, 2015
Cost				
Land	648,261,823	-	-	648,261,823
Building and structures	124,434,533	-	-	124,434,533
Total investment property	<u>772,696,356</u>	<u>-</u>	<u>-</u>	<u>772,696,356</u>
Accumulated depreciation				
Building and structures	(81,153,744)	(4,834,670)	-	(85,988,414)
Total accumulated depreciation	<u>(81,153,744)</u>	<u>(4,834,670)</u>	<u>-</u>	<u>(85,988,414)</u>
Investment property	<u>691,542,612</u>	<u>(4,834,670)</u>	<u>-</u>	<u>686,707,942</u>

Depreciation for the years ended December 31,

2016	Baht	<u>4,833,850</u>
2015	Baht	<u>4,834,670</u>

Fair value of investment property as at December 31, 2016 and 2015 consists of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		UNIT : BAHT
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE	
As at December 31, 2016					
Land	646,857,562	879,998,800	648,261,823	973,010,000	
Building and structures	30,135,958	113,819,600	33,612,269	113,819,600	
As at December 31, 2015					
Land	646,857,562	879,998,800	648,261,823	973,010,000	
Building and structures	34,796,039	113,819,600	38,446,119	113,819,600	

Fair value of investment property was appraised by an independent appraiser using the Cost Approach or the Market Approach.

Items recognized in profit or loss from investment property for the years ended December 31, consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		UNIT : BAHT SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Rental income from investment property	3,571,672	5,821,137	9,022,537	9,884,337
Direct operating expenses arising from investment property that generated rental income during the year	5,300,038	5,027,747	5,724,291	5,203,115

15. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, consist of the following:

As at December 31, 2016

	CONSOLIDATED FINANCIAL STATEMENTS				UNIT : BAHT
	Balance as at January 1, 2016	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2016
Cost					
Land	819,805,123	88,302,650	-	-	908,107,773
Land improvement	3,736,581	-	-	-	3,736,581
Building and structures	401,024,721	-	(1,182,892)	32,493,529	432,335,358
Furniture, fixtures and office equipment	706,422,495	24,962,019	(6,623,384)	32,597,358	757,358,488
Machinery and equipment	940,590,915	6,244,711	(12,918,834)	12,860,223	946,777,015
Vehicles	60,774,078	9,476,243	(12,580,476)	3,342,056	61,011,901
Total property, plant and equipment	<u>2,932,353,913</u>	<u>128,985,623</u>	<u>(33,305,586)</u>	<u>81,293,166</u>	<u>3,109,327,116</u>
Accumulated depreciation					
Land improvement	(1,395,686)	(69,571)	-	-	(1,465,257)
Building and structures	(296,928,655)	(12,075,769)	1,182,890	-	(307,821,534)
Furniture, fixtures and office equipment	(600,719,851)	(35,385,382)	6,589,271	-	(629,515,962)
Machinery and equipment	(758,639,164)	(39,848,726)	12,917,616	-	(785,570,274)
Vehicles	(41,525,362)	(4,975,036)	8,520,845	-	(37,979,553)
Total accumulated depreciation	<u>(1,699,208,718)</u>	<u>(92,354,484)</u>	<u>29,210,622</u>	<u>-</u>	<u>(1,762,352,580)</u>
Construction in progress and machinery under installation	41,248,348	51,895,125	(8,498,174)	(81,293,166)	3,352,133
Property, plant and equipment	<u>1,274,393,543</u>	<u>88,526,264</u>	<u>(12,593,138)</u>	<u>-</u>	<u>1,350,326,669</u>

As at December 31, 2015

CONSOLIDATED FINANCIAL STATEMENTS					UNIT : BAHT
	Balance as at January 1, 2015	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2015
Cost					
Land	819,805,123	-	-	-	819,805,123
Land improvement	3,736,581	-	-	-	3,736,581
Building and structures	371,099,657	142,000	-	29,783,064	401,024,721
Furniture, fixtures and office equipment	649,269,003	14,894,464	(13,930,431)	56,189,459	706,422,495
Machinery and equipment	930,909,956	6,496,307	(22,456,187)	25,640,839	940,590,915
Vehicles	52,091,433	9,549,645	(867,000)	-	60,774,078
Total property, plant and equipment	<u>2,826,911,753</u>	<u>31,082,416</u>	<u>(37,253,618)</u>	<u>111,613,362</u>	<u>2,932,353,913</u>
Accumulated depreciation					
Land improvement	(1,299,474)	(96,212)	-	-	(1,395,686)
Building and structures	(285,179,145)	(11,749,510)	-	-	(296,928,655)
Furniture, fixtures and office equipment	(578,621,149)	(35,975,633)	13,876,931	-	(600,719,851)
Machinery and equipment	(743,268,061)	(37,812,219)	22,441,116	-	(758,639,164)
Vehicles	(37,472,276)	(4,503,471)	450,385	-	(41,525,362)
Total accumulated depreciation	<u>(1,645,840,105)</u>	<u>(90,137,045)</u>	<u>36,768,432</u>	<u>-</u>	<u>(1,699,208,718)</u>
Construction in progress and machinery under installation	<u>87,818,387</u>	<u>65,205,974</u>	<u>(162,651)</u>	<u>(111,613,362)</u>	<u>41,248,348</u>
Property, plant and equipment	<u>1,268,890,035</u>	<u>6,151,345</u>	<u>(647,837)</u>	<u>-</u>	<u>1,274,393,543</u>
Depreciation for the years ended December 31,					
2016				Baht	<u>92,354,484</u>
2015				Baht	<u>90,137,045</u>

As at December 31, 2016

SEPARATE FINANCIAL STATEMENTS					UNIT : BAHT
	Balance as at January 1, 2016	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2016
Cost					
Land	781,950,866	88,302,650	-	-	870,253,516
Land improvement	2,237,838	-	-	-	2,237,838
Building and structures	214,869,699	-	(1,182,892)	32,493,529	246,180,336
Furniture, fixtures and office equipment	550,431,636	23,705,790	(4,857,590)	30,648,033	599,927,869
Machinery and equipment	456,823,620	5,803,656	(9,378,029)	12,775,812	466,025,059
Vehicles	48,717,424	9,076,243	(11,383,251)	2,435,514	48,845,930
Total property, plant and equipment	<u>2,055,031,083</u>	<u>126,888,339</u>	<u>(26,801,762)</u>	<u>78,352,888</u>	<u>2,233,470,548</u>
Accumulated depreciation					
Land improvement	(1,383,926)	(67,096)	-	-	(1,451,022)
Building and structures	(137,183,247)	(7,342,248)	1,182,890	-	(143,342,605)
Furniture, fixtures and office equipment	(464,783,081)	(27,970,826)	4,823,710	-	(487,930,197)
Machinery and equipment	(390,111,525)	(15,248,318)	9,376,881	-	(395,982,962)
Vehicles	(33,458,041)	(3,902,762)	7,328,311	-	(30,032,492)
Total accumulated depreciation	<u>(1,026,919,820)</u>	<u>(54,531,250)</u>	<u>22,711,792</u>	<u>-</u>	<u>(1,058,739,278)</u>
Construction in progress and machinery under installation	<u>40,180,986</u>	<u>48,741,587</u>	<u>(7,294,011)</u>	<u>(78,352,888)</u>	<u>3,275,674</u>
Property, plant and equipment	<u>1,068,292,249</u>	<u>121,098,676</u>	<u>(11,383,981)</u>	<u>-</u>	<u>1,178,006,944</u>

As at December 31, 2015

	Balance as at January 1, 2015	SEPARATE FINANCIAL STATEMENTS			UNIT : BAHT
		Additions	Disposals	Transfer/ Other	Balance as at December 31, 2015
Cost					
Land	781,950,866	-	-	-	781,950,866
Land improvement	2,237,838	-	-	-	2,237,838
Building and structures	184,944,635	142,000	-	29,783,064	214,869,699
Furniture, fixtures and office equipment	502,873,469	11,719,972	(8,659,740)	44,497,935	550,431,636
Machinery and equipment	449,444,472	5,892,177	(7,864,691)	9,351,662	456,823,620
Vehicles	41,323,368	8,258,056	(864,000)	-	48,717,424
Total property, plant and equipment	<u>1,962,774,648</u>	<u>26,012,205</u>	<u>(17,388,431)</u>	<u>83,632,661</u>	<u>2,055,031,083</u>
Accumulated depreciation					
Land improvement	(1,290,189)	(93,737)	-	-	(1,383,926)
Building and structures	(130,337,102)	(6,846,145)	-	-	(137,183,247)
Furniture, fixtures and office equipment	(444,654,318)	(28,743,209)	8,614,446	-	(464,783,081)
Machinery and equipment	(384,109,918)	(13,860,411)	7,858,804	-	(390,111,525)
Vehicles	(30,172,471)	(3,732,956)	447,386	-	(33,458,041)
Total accumulated depreciation	<u>(990,563,998)</u>	<u>(53,276,458)</u>	<u>16,920,636</u>	<u>-</u>	<u>(1,026,919,820)</u>
Construction in progress and machinery under installation	73,078,610	50,735,037	-	(83,632,661)	40,180,986
Property, plant and equipment	<u>1,045,289,260</u>	<u>23,470,784</u>	<u>(467,795)</u>	<u>-</u>	<u>1,068,292,249</u>

Depreciation for the years ended December 31,

2016	Baht	<u>54,531,250</u>
2015	Baht	<u>53,276,458</u>

Costs of plant and equipment which are fully depreciated and still in use by the Company and subsidiaries as at December 31, 2016 and 2015 are approximately Baht 1,397.11 million and Baht 1,345.18 million, respectively (Company : Baht 880.62 million and Baht 841.00 million, respectively).

Leased assets included above, where the Company is a lessee under financial leases, classified in equipment as at December 31, as follows:

	UNIT : BAHT	
	CONSOLIDATED	
	FINANCIAL STATEMENTS 2016	2015
Cost - capitalized finance leases	2,004,000	2,004,000
<u>Less</u> Accumulated depreciation	<u>(1,063,118)</u>	<u>(709,118)</u>
Net book value	<u>940,882</u>	<u>1,294,882</u>
	UNIT : BAHT	
	SEPARATE	
	FINANCIAL STATEMENTS 2016	2015
Cost - capitalized finance leases	1,404,000	1,404,000
<u>Less</u> Accumulated depreciation	<u>(760,981)</u>	<u>(526,981)</u>
Net book value	<u>643,019</u>	<u>877,019</u>

16. INTANGIBLE ASSETS

Intangible assets as at December 31, consist of the following:

As at December 31, 2016

	CONSOLIDATED FINANCIAL STATEMENTS				UNIT : BAHT
	Balance as at January 1, 2016	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2016
Cost					
Software	74,988,816	5,847,140	(83,700)	2,481,700	83,233,956
Trademark and club and golf membership fee	6,729,512	14,000	-	815,823	7,559,335
Total	<u>81,718,328</u>	<u>5,861,140</u>	<u>(83,700)</u>	<u>3,297,523</u>	<u>90,793,291</u>
Accumulated amortization					
Software	(40,565,313)	(5,891,060)	77,438	-	(46,378,935)
Trademark and club and golf membership fee	(4,894,853)	(625,567)	-	-	(5,520,420)
Total accumulated amortization	<u>(45,460,166)</u>	<u>(6,516,627)</u>	<u>77,438</u>	<u>-</u>	<u>(51,899,355)</u>
Intangible assets pending transfer	5,014,637	1,601,285	(550,000)	(3,297,523)	2,768,399
Intangible assets	<u>41,272,799</u>	<u>945,798</u>	<u>(556,262)</u>	<u>-</u>	<u>41,662,335</u>

As at December 31, 2015

	CONSOLIDATED FINANCIAL STATEMENTS				UNIT : BAHT
	Balance as at January 1, 2015	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2015
Cost					
Software	54,722,791	20,064,775	-	201,250	74,988,816
Trademark and club and golf membership fee	4,534,707	32,000	-	2,162,805	6,729,512
Total	<u>59,257,498</u>	<u>20,096,775</u>	<u>-</u>	<u>2,364,055</u>	<u>81,718,328</u>
Accumulated amortization					
Software	(36,508,936)	(4,056,377)	-	-	(40,565,313)
Trademark and club and golf membership fee	(3,583,764)	(1,311,089)	-	-	(4,894,853)
Total accumulated amortization	<u>(40,092,700)</u>	<u>(5,367,466)</u>	<u>-</u>	<u>-</u>	<u>(45,460,166)</u>
Intangible assets pending transfer	4,594,830	2,783,862	-	(2,364,055)	5,014,637
Intangible assets	<u>23,759,628</u>	<u>17,513,171</u>	<u>-</u>	<u>-</u>	<u>41,272,799</u>

Amortization for the years ended December 31,

2016	Baht	<u>6,516,627</u>
2015	Baht	<u>5,367,466</u>

As at December 31, 2016

	SEPARATE FINANCIAL STATEMENTS				UNIT : BAHT
	Balance as at January 1, 2016	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2016
Cost					
Software	71,717,946	5,847,140	(83,700)	2,481,700	79,963,086
Trademark and club and golf membership fee	6,729,512	14,000	-	815,823	7,559,335
Total	<u>78,447,458</u>	<u>5,861,140</u>	<u>(83,700)</u>	<u>3,297,523</u>	<u>87,522,421</u>
Accumulated amortization					
Software	(37,939,566)	(5,672,983)	77,439	-	(43,535,110)
Trademark and club and golf membership fee	(4,894,852)	(625,567)	-	-	(5,520,419)
Total accumulated amortization	<u>(42,834,418)</u>	<u>(6,298,550)</u>	<u>77,439</u>	<u>-</u>	<u>(49,055,529)</u>
Intangible assets pending transfer	5,014,637	1,601,285	(550,000)	(3,297,523)	2,768,399
Intangible assets	<u>40,627,677</u>	<u>1,163,875</u>	<u>(556,261)</u>	<u>-</u>	<u>41,235,291</u>

As at December 31, 2015

	SEPARATE FINANCIAL STATEMENTS				UNIT : BAHT
	Balance as at January 1, 2015	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2015
Cost					
Software	51,706,321	19,810,375	-	201,250	71,717,946
Trademark and club and golf membership fee	4,534,707	32,000	-	2,162,805	6,729,512
Total	<u>56,241,028</u>	<u>19,842,375</u>	<u>-</u>	<u>2,364,055</u>	<u>78,447,458</u>
Accumulated amortization					
Software	(34,151,280)	(3,788,286)	-	-	(37,939,566)
Trademark and club and golf membership fee	(3,583,763)	(1,311,089)	-	-	(4,894,852)
Total accumulated amortization	<u>(37,735,043)</u>	<u>(5,099,375)</u>	<u>-</u>	<u>-</u>	<u>(42,834,418)</u>
Intangible assets pending transfer	4,594,830	2,783,862	-	(2,364,055)	5,014,637
Intangible assets	<u>23,100,815</u>	<u>17,526,862</u>	<u>-</u>	<u>-</u>	<u>40,627,677</u>

Amortization for the years ended December 31,

2016	Baht	<u>6,298,550</u>
2015	Baht	<u>5,099,375</u>

17. LEASEHOLD RIGHTS

Leasehold rights as at December 31, consist of the following:

As at December 31, 2016

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			UNIT : BAHT
	Balance as at January 1, 2016	Additions	Disposals	Balance as at December 31, 2016
Leasehold rights				
Cost	33,754,000	-	-	33,754,000
Accumulated amortization	(28,864,872)	(1,212,086)	-	(30,076,958)
Leasehold rights	<u>4,889,128</u>	<u>(1,212,086)</u>	<u>-</u>	<u>3,677,042</u>

As at December 31, 2015

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			UNIT : BAHT
	Balance as at January 1, 2015	Additions	Disposals	Balance as at December 31, 2015
Leasehold rights				
Cost	33,754,000	-	-	33,754,000
Accumulated amortization	(27,652,786)	(1,212,086)	-	(28,864,872)
Leasehold rights	<u>6,101,214</u>	<u>(1,212,086)</u>	<u>-</u>	<u>4,889,128</u>
Amortization for the years ended December 31,				
2016			Baht	<u>1,212,086</u>
2015			Baht	<u>1,212,086</u>

18. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, 2016 and 2015 in the consolidated and the separate financial statements mainly represent deposits for the rent of land and vehicle with related parties and other deposits.

19. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

The consolidated and separate financial statements as at December 31, 2016 and 2015, the Company and its subsidiaries have the promissory notes at call issued to commercial banks amounting to Baht 18 million and Baht 263 million, respectively, at the interest rate of 1.60% per annum and 1.75% - 1.77% per annum, respectively. There is no collateral for such borrowings.

As at December 31, the Company and subsidiaries have unsecured credit facilities as follows:

	CONSOLIDATED		UNIT : MILLION BAHT	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	2016	2015	2016	2015
Facilities for bank overdrafts and short-term borrowings from financial institutions	1,391.73	1,367.90	1,272.90	1,272.90

The facilities for bank overdrafts and short-term borrowing from such financial institutions bear interest rates of MOR per annum.

20. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Trade payables - related companies (see Note 33)	183,404,921	169,568,019	302,435,961	275,007,552
Trade payables - other companies	169,657,308	139,678,337	131,797,708	109,073,407
Total trade payables	<u>353,062,229</u>	<u>309,246,356</u>	<u>434,233,669</u>	<u>384,080,959</u>
Other payables - related companies	3,480,240	2,118,173	3,435,455	2,065,627
Other payables - other companies	12,706,714	34,522,983	9,369,442	30,846,877
Accrued bonus expense	121,168,143	129,260,296	85,940,636	91,812,580
Accrued royalty fee	50,194,771	47,379,798	50,194,771	47,379,798
Accrued interest expense	37,742	171,998	37,742	171,998
Accrued expense	16,427,774	16,280,768	11,869,361	11,522,610
Unearned income (see Note 13.1)	17,223,702	174,425	17,223,702	174,425
Guarantees received in advance	2,115,166	3,053,049	1,812,383	2,844,105
Total other payables	<u>223,354,252</u>	<u>232,961,490</u>	<u>179,883,492</u>	<u>186,818,020</u>
	<u>576,416,481</u>	<u>542,207,846</u>	<u>614,117,161</u>	<u>570,898,979</u>

21. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

The Company and its subsidiaries have entered into finance lease agreements for equipment under financial lease. Liabilities under finance lease agreements as at December 31, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	2016	2015
Liabilities under finance lease agreements	1,322,897	1,900,445
<u>Less</u> Deferred interest under finance lease agreements	<u>(238,733)</u>	<u>(438,355)</u>
Liabilities under finance lease agreements	<u>1,084,164</u>	<u>1,462,090</u>
Installments due within 1 year	435,737	377,926
Installments due longer than 1 year but not over 5 years	<u>648,427</u>	<u>1,084,164</u>
Liabilities under finance lease agreements	<u>1,084,164</u>	<u>1,462,090</u>

	SEPARATE FINANCIAL STATEMENTS	
	2016	2015
Liabilities under finance lease agreements	1,040,952	1,419,480
<u>Less</u> Deferred interest under finance lease agreements	<u>(218,245)</u>	<u>(382,116)</u>
Liabilities under finance lease agreements	<u>822,707</u>	<u>1,037,364</u>
Installments due within 1 year	255,123	214,657
Installments due longer than 1 year but not over 5 years	<u>567,584</u>	<u>822,707</u>
Liabilities under finance lease agreements	<u>822,707</u>	<u>1,037,364</u>

22. DEFERRED TAX LIABILITIES

Deferred tax liabilities as at December 31, are as follows:

	UNIT : BAHT			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	2016	2015	2016	2015
Deferred tax assets				
Allowance for doubtful accounts	-	35,526	-	35,526
Consignment sales	1,800,000	1,800,000	1,800,000	1,800,000
Allowance for diminution in value of finished goods	239,895	326,874	239,895	326,874
Unrealized loss on the changes in value of trading securities	-	597,845	-	597,845
Allowance for impairment of general investments	7,513,488	6,575,488	7,513,488	6,575,488
Provision for goods returned	6,000,000	6,000,000	6,000,000	6,000,000
Employee benefit obligation	98,503,438	95,250,566	68,085,030	66,116,704
Loss carried forward	391,398	348,233	-	-
	<u>114,448,219</u>	<u>110,934,532</u>	<u>83,638,413</u>	<u>81,452,437</u>
Deferred tax liabilities				
Unrealized gain on the changes in value of trading securities	(508,409)	-	(508,409)	-
Unrealized gain on the changes in value of available-for-sale securities	(199,954,755)	(179,807,046)	(199,654,270)	(179,440,735)
Financial lease liabilities	(46,138)	(40,879)	(35,938)	(32,069)
	<u>(200,509,302)</u>	<u>(179,847,925)</u>	<u>(200,198,617)</u>	<u>(179,472,804)</u>
Deferred tax liabilities - net	<u>(86,061,083)</u>	<u>(68,913,393)</u>	<u>(116,560,204)</u>	<u>(98,020,367)</u>

The movements of deferred tax assets and deferred tax liabilities during the year are as follows:

BAHT '000			
CONSOLIDATED FINANCIAL STATEMENTS			
	As at January 1, 2016	Items as recognized in profit or loss (see Note 32)	Items as recognized in other comprehensive income
	As at December 31, 2016		
Deferred tax assets			
Allowance for doubtful accounts	35	(35)	-
Consignment sales	1,800	-	-
Allowance for diminution in value of finished goods	327	(87)	-
Unrealized loss on the changes in value of trading securities	598	(598)	-
Allowance for impairment of general investments	6,575	939	-
Provision for goods returned	6,000	-	-
Employee benefit obligation	95,251	3,252	-
Loss carried forward	348	43	-
	<u>110,934</u>	<u>3,514</u>	<u>-</u>
			<u>114,448</u>
Deferred tax liabilities			
Unrealized gain on the changes in value of trading securities	-	(508)	-
Unrealized gain on the changes in value of available-for-sale securities	(179,807)	-	(20,148)
Financial lease liabilities	(41)	(5)	-
	<u>(179,848)</u>	<u>(513)</u>	<u>(20,148)</u>
			<u>(200,509)</u>
Deferred tax liabilities - net	<u>(68,914)</u>	<u>3,001</u>	<u>(20,148)</u>
			<u>(86,061)</u>

BAHT '000			
CONSOLIDATED FINANCIAL STATEMENTS			
	As at January 1, 2015	Items as recognized in profit or loss (see Note 32)	Items as recognized in other comprehensive income
	As at December 31, 2015		
Deferred tax assets			
Allowance for doubtful accounts	35	-	-
Consignment sales	2,000	(200)	-
Allowance for diminution in value of finished goods	354	(27)	-
Unrealized loss on the changes in value of trading securities	-	598	-
Allowance for impairment of general investments	4,896	1,679	-
Provision for goods returned	6,800	(800)	-
Employee benefit obligation	93,932	4,015	(2,696)
Loss carried forward	396	(48)	-
	<u>108,413</u>	<u>5,217</u>	<u>(2,696)</u>
			<u>110,934</u>
Deferred tax liabilities			
Unrealized gain on the changes in value of trading securities	(3,079)	3,079	-
Unrealized gain on the changes in value of available-for-sale securities	(177,672)	-	(2,135)
Financial lease liabilities	(26)	(15)	-
	<u>(180,777)</u>	<u>3,064</u>	<u>(2,135)</u>
			<u>(179,848)</u>
Deferred tax liabilities - net	<u>(72,364)</u>	<u>8,281</u>	<u>(4,831)</u>
			<u>(68,914)</u>

	SEPARATE FINANCIAL STATEMENTS			BAHT '000
	As at January 1, 2016	Items as recognized in profit or loss (see Note 32)	Items as recognized in other comprehensive income	As at December 31, 2016
Deferred tax assets				
Allowance for doubtful accounts	35	(35)	-	-
Consignment sales	1,800	-	-	1,800
Allowance for diminution in value of finished goods	327	(87)	-	240
Unrealized loss on the changes in value of trading securities	598	(598)	-	-
Allowance for impairment of general investments	6,575	939	-	7,514
Provision for goods returned	6,000	-	-	6,000
Employee benefit obligation	66,117	1,968	-	68,085
	<u>81,452</u>	<u>2,187</u>	<u>-</u>	<u>83,639</u>
Deferred tax liabilities				
Unrealized gain on the changes in value of trading securities	-	(509)	-	(509)
Unrealized gain on the changes in value of available-for-sale securities	(179,441)	-	(20,213)	(199,654)
Financial lease liabilities	(32)	(4)	-	(36)
	<u>(179,473)</u>	<u>(513)</u>	<u>(20,213)</u>	<u>(200,199)</u>
Deferred tax liabilities - net	<u>(98,021)</u>	<u>1,674</u>	<u>(20,213)</u>	<u>(116,560)</u>

	SEPARATE FINANCIAL STATEMENTS			BAHT '000
	As at January 1, 2015	Items as recognized in profit or loss (see Note 32)	Items as recognized in other comprehensive income	As at December 31, 2015
Deferred tax assets				
Allowance for doubtful accounts	35	-	-	35
Consignment sales	2,000	(200)	-	1,800
Allowance for diminution in value of finished goods	354	(27)	-	327
Unrealized loss on the changes in value of trading securities	-	598	-	598
Allowance for impairment of general investments	4,896	1,679	-	6,575
Provision for goods returned	6,800	(800)	-	6,000
Employee benefit obligation	64,207	1,855	55	66,117
	<u>78,292</u>	<u>3,105</u>	<u>55</u>	<u>81,452</u>
Deferred tax liabilities				
Unrealized gain on the changes in value of trading securities	(3,079)	3,079	-	-
Unrealized gain on the changes in value of available-for-sale securities	(177,229)	-	(2,212)	(179,441)
Financial lease liabilities	(21)	(11)	-	(32)
	<u>(180,329)</u>	<u>3,068</u>	<u>(2,212)</u>	<u>(179,473)</u>
Deferred tax liabilities - net	<u>(102,037)</u>	<u>6,173</u>	<u>(2,157)</u>	<u>(98,021)</u>

23. EMPLOYEE BENEFIT OBLIGATION

The Company and its subsidiaries operate retirement benefit plans under the Labor Protection Act and the Company and its subsidiaries' retirement benefit plan, which are considered as unfunded defined benefit plans.

Amounts recognized in the statement of profit or loss in respect of these defined benefit plans for the years ended December 31, are as follows:

	UNIT : BAHT			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Current service cost	57,480,941	47,654,952	44,415,781	34,657,311
Interest cost	12,167,383	15,541,860	8,154,333	10,293,497
	69,648,324	63,196,812	52,570,114	44,950,808

Movements in the present value of the post-employment benefit obligations plans for the years ended December 31, are as follows:

	UNIT : BAHT			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	2016	2015	2016	2015
Beginning balance of post-employment benefits obligation	485,153,005	474,244,138	330,583,520	321,036,588
<u>Add</u> Current service cost	57,480,941	47,654,952	44,415,781	34,657,311
Interest cost	12,167,383	15,541,860	8,154,333	10,293,497
Actuarial (gain) loss	-	(13,481,927)	-	275,300
<u>Less</u> Benefit paid	<u>(45,598,720)</u>	<u>(38,806,018)</u>	<u>(42,728,483)</u>	<u>(35,679,176)</u>
Ending balance of post-employment benefits obligation	509,202,609	485,153,005	340,425,151	330,583,520

The principle actuarial assumptions used to calculate the provision under the retirement benefit plans as at December 31, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Discount rate (p.a.)	2.49% - 3.06%	2.49% - 3.06%	2.62%	2.62%
Expected rate of salary increase (p.a.)	1.50% - 5.40%	1.50% - 5.40%	1.85% - 5.00%	1.85% - 5.00%
Voluntary resignation rate (Depended on employee's age) (p.a.)				
- Monthly employees	1% - 37%	1% - 37%	1% - 21%	1% - 21%
- Daily employees	4% - 67%	4% - 67%	6% - 42%	6% - 42%

The sensitivity analysis of the above actuarial assumptions impacted on increase (decrease) in present value of the employee benefit obligation as at December 31, 2016 are as follows:

	UNIT : MILLION BAHT
	SEPARATE
CONSOLIDATED	FINANCIAL STATEMENTS
FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
Discount rate	
Discount rate, decrease of 1 percent	41.45
Discount rate, increase of 1 percent	(36.64)
Salary increase rate	
Salary increase rate, decrease of 1 percent	(37.75)
Salary increase rate, increase of 1 percent	41.91
Turnover rate	
Turnover rate, decrease of 1 percent	24.33
Turnover rate, increase of 1 percent	(38.49)

24. LEGAL RESERVE

Under the Public Companies Act, the Company is required to set aside as a statutory reserve at least 5% of its net profit after deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. Dividend cannot be paid out of the legal reserve.

Under the provision of the Civil and Commercial Code of Thailand, the subsidiary companies are required to set aside as a legal reserve at least 5% of their net profit each time a dividend is declared until the reserve reaches 10% of registered capital, such reserve is not available for dividend distribution.

As at December 31, 2016 and 2015, the Company's legal reserve has reached 10% of the registered share capital.

25. CAPITAL MANAGEMENT

The Company's objective in managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company does not apply any financial ratio to monitor its capital whilst manages its capital to be sufficient for its working capital.

26. DIVIDEND AND RESERVE

The Company and its subsidiaries' shareholders' meetings approved dividend payment and set aside reserve as follows:

Companies	2016					2015				
	Date of shareholders' Meeting	Baht per share	Total amount (Million Baht)	Legal reserve (Million Baht)	General reserve (Million Baht)	Date of shareholders' meeting	Baht per share	Total amount (Million Baht)	Legal reserve (Million Baht)	General reserve (Million Baht)
Thai Wacoal Public Company Limited	April 25	1.10	132.00	-	15.90	April 27	2.40	288.00	-	14.78
SR.W. Garment Co., Ltd.	April 7	254.00	50.80	-	-	April 2	215.00	43.00	-	2.21
Wacoal Kabinburi Co., Ltd.	April 7	77.00	38.50	-	1.74	April 2	59.00	29.50	-	1.54
Wacoal Lamphun Co., Ltd.	April 7	56.00	28.00	-	1.40	April 2	46.60	23.30	-	1.21
Pattaya Kabinburi Co., Ltd.	April 7	182.50	36.50	-	-	April 2	187.50	37.50	-	-

Dividends in the year 2015 are the appropriation of net profit for the year 2014 and paid in May 2015.

SR.W. Garment Co., Ltd., Wacoal Kabinburi Co., Ltd. and Wacoal Lamphun Co., Ltd. paid dividend in April 2015. In addition, Pattaya Kabinburi Co., Ltd. paid dividend in April 2015 and June 2015 amounting to Baht 25 million and Baht 12.5 million, respectively.

Dividends in the year 2016 are the appropriation of net profit for the year 2015 and paid in May 2016.

SR.W. Garment Co., Ltd., Wacoal Kabinburi Co., Ltd., Wacoal Lamphun Co., Ltd. and Pattaya Kabinburi Co., Ltd. paid dividends in April 2016.

The Company and its subsidiaries have appropriated a portion of retained earnings for the general reserve for their business activities in the future. The exact objectives of such reserves have not been specifically identified.

27. PROVIDENT FUNDS

The Company and subsidiaries have set up a Provident Fund which is contributory by employees and the Company and subsidiaries. The Fund is registered as the provident fund in accordance with the Provident Fund Act B.E. 2530 (1987).

For the years ended December 31, 2016 and 2015, the Company and subsidiaries' contributions are recorded as expenses in the amount of Baht 20.98 million and Baht 17.89 million, respectively (Company : Baht 11.98 million and Baht 11.28 million, respectively).

28. REVENUES FROM SALE OF GOODS AND RENDERING OF SERVICES

Revenues from sale of goods and rendering of services of the Company and subsidiaries for the years ended December 31, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Revenues from sale of goods	4,096,951,613	3,935,784,217	4,472,621,704	4,305,468,380
Revenues from rendering of services	41,512,460	36,715,397	17,207,747	16,115,168
Total revenues from sale of goods and rendering of services	<u>4,138,464,073</u>	<u>3,972,499,614</u>	<u>4,489,829,451</u>	<u>4,321,583,548</u>

29. COST OF SALE OF GOODS AND RENDERING OF SERVICES

Cost of sale of goods and rendering of services of the Company and subsidiaries for the years ended December 31, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Cost of sale of goods	3,135,710,084	2,971,462,498	3,702,816,352	3,547,346,273
Cost of rendering of services	34,286,761	27,787,912	16,394,735	14,849,540
Total cost of sale of goods and rendering of services	<u>3,169,996,845</u>	<u>2,999,250,410</u>	<u>3,719,211,087</u>	<u>3,562,195,813</u>

30. OTHER INCOME

Other income for the years ended December 31, are as follows:

	UNIT : BAHT			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Interest income	13,167,015	24,239,423	12,246,141	23,675,575
Rental income and service income	13,426,773	14,123,034	19,629,573	20,524,864
Net gain on exchange rate	8,976,728	10,357,966	8,976,728	10,172,301
Gain on sales of property, plant and equipment	2,308,364	1,161,676	1,819,304	411,176
Unrealized gain on trading securities	2,542,048	-	2,542,048	-
Other income	54,040,027	52,250,361	51,608,917	49,548,399
	<u>94,460,955</u>	<u>102,132,460</u>	<u>96,822,711</u>	<u>104,332,315</u>

31. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, are as follows:

	UNIT : BAHT			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Changes in finished goods and work in progress	(15,979,281)	(69,063,825)	(7,627,482)	(69,503,632)
Cost of finished goods purchased	235,488,273	180,674,404	1,600,832,324	1,583,237,775
Raw materials used	1,660,348,822	1,576,630,637	1,299,981,771	1,227,776,170
Employee benefits expense	1,382,511,383	1,301,735,837	938,918,077	845,670,768
Depreciation and amortization	104,743,278	101,377,499	66,875,736	64,422,587
Loss on devaluation of inventories	60,359,885	68,127,104	57,336,404	63,370,924
Royalty fee	50,369,070	49,116,488	50,369,070	49,116,488
Utilities expense	50,252,309	53,636,917	34,873,354	36,783,338
Management benefit expenses	87,319,597	71,863,806	69,841,177	66,537,166

32. CORPORATE INCOME TAX

Corporate income tax of the Company and subsidiaries for the years ended December 31, are as follows:

	UNIT : BAHT	
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
	2016	2015
<u>Current income tax of the current period</u>		
Current tax expenses of the current period	(39,355,385)	(45,566,592)
<u>Deferred income tax</u>		
Deferred tax income (expense) and temporary differences	3,000,019	8,281,350
Total	<u>(36,355,366)</u>	<u>(37,285,242)</u>

Reconciliation of income tax expense and the results of the accounting profit multiplied by the income tax rate for the years ended December 31, are as follows:

	UNIT:BAHT	
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
	2016	2015
Income before income tax	347,337,443	371,693,051
Tax rate	20%	20%
The result of the accounting income before income tax multiplied by the income tax rate - expenses	(69,467,489)	(74,338,610)
Effect of the non-taxable income and non-deductible expense	33,112,123	37,053,368
Income tax - expense	<u>(36,355,366)</u>	<u>(37,285,242)</u>

	UNIT : BAHT	
	SEPARATE FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
	2016	2015
Income before income tax	383,157,471	354,985,209
Tax rate	20%	20%
The result of the accounting income before income tax multiplied by the income tax rate - expenses	(76,631,495)	(70,997,042)
Effect of the non-taxable income and non-deductible expense	40,755,686	34,063,891
Income tax - expense	<u>(35,875,809)</u>	<u>(36,933,151)</u>

33. TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, the Company purchases inventories from subsidiaries and related companies, purchases and sells its main raw materials with related companies and engages the related company to be a distributor. The financial statements reflect the effects of these transactions on the basis determined by the Company and the related parties.

Significant balances with the related parties as at December 31, are as follows:

		UNIT : MILLION BAHT			
	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
Trade receivables					
I.C.C. International Public Co., Ltd.	The Company’s major shareholder has over 10% shareholding	415	389	415	389
Wacoal America Inc.	Subsidiary of major shareholder company	18	31	18	31
Wacoal Corporation	The Company’s major shareholder	40	30	40	30
Pattaya Manufacturing Co., Ltd.	The Company’s major shareholder has over 10% shareholding	7	12	6	11
Wien International Co., Ltd.	The Company’s major shareholder has over 10% shareholding	50	102	50	102
International Commercial Coordination (HK)	The Company’s major shareholder has over 10% shareholding	13	19	13	19
Pattaya Lamphun Co., Ltd.	The Company’s major shareholder has over 10% shareholding	5	3	5	3
SR.W. Garment Co., Ltd.	Subsidiary	-	-	37	34
Wacoal Kabinburi Co., Ltd.	Subsidiary	-	-	20	24
Wacoal Lamphun Co., Ltd.	Subsidiary	-	-	28	16
Pattaya Kabinburi Co., Ltd.	Subsidiary	-	-	28	22
Others		11	13	9	12
Total trade receivables (see Note 5)		559	599	669	693
Short-term loans to related parties					
SSDC (Tigertex) Co., Ltd.	The Company’s major shareholder has over 10% shareholding	-	9	-	9
Erawan Textile Co., Ltd.	The Company’s major shareholder has over 10% shareholding	-	90	-	90
Total Short-term loans to related parties (see Note 6)		-	99	-	99

		UNIT : MILLION BAHT			
	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
Long-term investments in related companies					
- Available-for-sale securities (see Note 10.1)		873	835	862	823
- General investments (see Note 13.1)		618	375	618	375
Trade payables					
Textile Prestige Public Co., Ltd.	The Company's major shareholder has over 10% shareholding	6	89	4	60
Thai Takeda Lace Co., Ltd.	The Company's major shareholder has over 10% shareholding	6	6	5	5
Wacoal Corporation	The Company's major shareholder	12	4	12	4
Wacoal International Hongkong Co., Ltd.	The Company's major shareholder has over 10% shareholding	9	5	9	5
Erawan Textile Co., Ltd.	The Company's major shareholder has over 10% shareholding	-	38	-	26
Pattaya Manufacturing Co., Ltd.	The Company's major shareholder has over 10% shareholding	7	13	7	13
G Tech Material Co., Ltd.	The Company's major shareholder has over 10% shareholding	47	-	31	-
A Tech Textile Co., Ltd.	The Company's major shareholder has over 10% shareholding	78	-	53	-
Pattaya Lamphum Co., Ltd.	The Company's major shareholder has over 10% shareholding	8	4	8	4
SR.W. Garment Co., Ltd.	Subsidiary	-	-	65	63
Wacoal Kabinburi Co., Ltd.	Subsidiary	-	-	32	27
Wacoal Lamphun Co., Ltd	Subsidiary	-	-	30	24
Pattaya Kabinburi Co., Ltd.	Subsidiary	-	-	38	34
Others		10	11	8	10
Total trade payables (see Note 20)		183	170	302	275
Accrued royalty fee					
Wacoal Corporation	The Company's major shareholder	50	47	50	47

Significant transactions with the related companies for the years ended December 31, are as follows:

			UNIT : MILLION BAHT			
Relationship			CONSOLIDATED		SEPARATE	
			FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
			2016	2015	2016	2015
Sale of raw materials and finished goods						
I.C.C. International Public Co., Ltd.	The Company’s major shareholder has over 10% shareholding	2,405	2,346	2,405	2,346	
Wacoal America Inc.	Subsidiary of major shareholder company	376	371	376	371	
Philippine Wacoal Corp.	The Company’s major shareholder has over 10% shareholding	56	46	56	46	
Wacoal Corporation	The Company’s major shareholder	689	609	689	609	
Wacoal China Co., Ltd.	The Company’s major shareholder has over 10% shareholding	14	3	14	3	
Pattaya Manufacturing Co., Ltd.	The Company’s major shareholder has over 10% shareholding	22	35	21	34	
Wien International Co., Ltd.	The Company’s major shareholder has over 10% shareholding	105	168	105	168	
Kabin Pattanakij Co.,Ltd.	The Company’s major shareholder has over 10% shareholding	27	25	27	25	
Erawan Textile Co.,Ltd.	The Company’s major shareholder has over 10% shareholding	1	11	1	8	
International Commercial Coordination (HK)	The Company’s major shareholder has over 10% shareholding	-	15	-	15	
Pattaya Lamphun Co.,Ltd.	The Company’s major shareholder has over 10% shareholding	31	8	31	8	
SR.W. Garment Co., Ltd.	Subsidiary	-	-	133	148	
Wacoal Kabinburi Co., Ltd.	Subsidiary	-	-	75	83	
Wacoal Lamphun Co., Ltd.	Subsidiary	-	-	97	69	
Pattaya Kabinburi Co., Ltd.	Subsidiary	-	-	110	104	
Tora 1010 Co., Ltd.	Subsidiary	-	-	-	17	
Others		31	38	29	21	
Total sale of raw materials and finished goods		3,757	3,675	4,169	4,075	

		UNIT : MILLION BAHT			
	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2016	2015	2016	2015
Purchase of raw materials and finished goods					
Textile Prestige Public Co., Ltd.	The Company’s major shareholder has over 10% shareholding	36	328	24	208
Wacoal Corporation	The Company’s major shareholder	133	109	133	109
Wacoal International Hongkong Co., Ltd.	The Company’s major shareholder has over 10% shareholding	192	98	192	98
Thai Takeda Lace Co., Ltd.	The Company’s major shareholder has over 10% shareholding	39	36	32	26
Erawan Textile Co., Ltd.	The Company’s major shareholder has over 10% shareholding	24	238	17	150
Pattaya Manufacturing Co., Ltd.	The Company’s major shareholder has over 10% shareholding	42	73	42	73
Pattaya Lamphun Co., Ltd.	The Company’s major shareholder has over 10% shareholding	55	15	55	15
G Tech Material Co., Ltd.	The Company’s major shareholder has over 10% shareholding	236	-	139	-
A Tech Textile Co., Ltd.	The Company’s major shareholder has over 10% shareholding	224	-	144	-
SR.W. Garment Co., Ltd.	Subsidiary	-	-	499	544
Wacoal Kabinburi Co., Ltd.	Subsidiary	-	-	284	278
Wacoal Lamphun Co., Ltd.	Subsidiary	-	-	264	280
Pattaya Kabinburi Co., Ltd.	Subsidiary	-	-	331	334
Others		28	35	25	33
Total purchase of raw materials and finished goods		1,009	932	2,181	2,148
Hire of work income and rental income					
I.C.C. International Public Co., Ltd.	The Company’s major shareholder has over 10% shareholding	15	13	15	13
Pattaya Manufacturing Co., Ltd.	The Company’s major shareholder has over 10% shareholding	3	3	3	3
Thaigunze Co., Ltd.	The Company’s major shareholder has over 10% shareholding	8	5	-	-
SR.W. Garment Co., Ltd.	Subsidiary	-	-	7	7
Others		8	10	7	9
Total hire of work income and rental income		34	31	32	32

	Relationship	UNIT : MILLION BAHT			
		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2016	2015	2016	2015
Wage hire of work and rental expense					
Pattaya Manufacturing Co., Ltd.	The Company's major shareholder has over 10% shareholding	38	36	38	36
Pattaya Lamphun Co., Ltd.	The Company's major shareholder has over 10% shareholding	1	13	1	13
Wacoal Lamphun Co., Ltd.	Subsidiary	-	-	2	6
Others		5	2	5	2
Total wage hire of work and rental expense		<u>44</u>	<u>51</u>	<u>46</u>	<u>57</u>
Royalty fee					
Wacoal Corporation	The Company's major shareholder	50	47	50	47
Interest income					
Erawan Textile Co., Ltd.	The Company's major shareholder has over 10% shareholding	1	4	1	4
Management benefit expenses					
Short-term benefit		73	68	57	64
Retirement benefit		14	4	13	3
Total management benefit expenses		<u>87</u>	<u>72</u>	<u>70</u>	<u>67</u>

The Company and its subsidiaries sell finished goods to related companies at the price and conditions as charging to other customers.

The Company sells raw materials to subsidiaries and related companies at cost plus margin as determined at 1% to 2%.

The Company purchases raw materials and finished goods from related companies at the price and conditions as being charged by other suppliers.

The Company pays royalties based on percentage of sales (see Note 34).

The Company pays other services in accordance with conditions in the agreement.

34. TECHNOLOGY LICENSE AGREEMENT

On January 1, 1999, the Company entered into a technology license agreement with Wacoal Corporation, the major shareholder company, for the latter to grant the use of trademark and provide technical know-how for manufacturing the products set forth in the agreement. The Company has to pay royalty fee of 2% of net sales for such products. The agreement was effective for a period of 5 years as from January 1, 2004 until December 31, 2008, and is renewable for 5 years. In 2009, the Company renewed such agreement until December 31, 2013. However, on December 31, 2013, the Company renewed such agreement until December 31, 2023.

35. DISCLOSURE OF INFORMATION ON FINANCIAL INSTRUMENTS

35.1 Credit risk

Credit risk refers to the risk that trade receivables will default on its contractual obligations resulting in a financial loss to the Company. The Company may have concentration of risks as most of trade receivables are related companies. However, the Company does not have any damage incurred from non-compliance with its contractual obligations of the trade receivables-related companies and expects that there is no credit risk.

In the case of recognized financial assets in the statement of financial position, the carrying amount of the assets recorded in the statement of financial position, represents the Company's maximum exposure to credit risk.

35.2 Interest rate risk

Interest rate risk arises from the potential for a change in interest rates to have an effect on the operation of the Company in the current year and in future years. However, the effect of the change in interest rate does not have a material impact on the Company as the investments in debt securities have fixed interest rate and the Company has no significant loans.

35.3 Exchange rate risk

Exchange rate risk arises from the potential for a change in exchange rate to have an adverse effect on the Company in the current year and in future years.

The Company uses derivative financial instruments which consist of forward exchange contracts to reduce exposure to fluctuations in foreign currency exchange rates.

Forward exchange contract protects the Company from movements in exchange rate by establishing the rate at which a foreign currency asset and liability will be settled. Any increase or decrease in the amount required to settle the asset or liability is offset by a corresponding movement in the forward exchange contract.

The notional amount and the fair value of derivatives as at December 31, 2016 and 2015 are as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
December 31, 2016			
	Notional Amount due within 1 year		Fair Value
	Foreign Currency	Baht	Assets (Liabilities)
			Baht
Forward contracts			
- Sell	USD 400,000	14,401,250	(24,736)
- Sell	JPY 143,353,000	44,304,230	(71,758)

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
December 31, 2015			
	Notional Amount due within 1 year		Fair Value
	Foreign Currency	Baht	Assets (Liabilities)
			Baht
Forward contracts			
- Sell	USD173,563	6,235,229	(40,202)
- Sell	JPY43,135,150	12,792,532	(205,671)

35.4 Fair value of financial instruments

The following methods and assumptions were used by the Company and subsidiaries in estimating fair value of financial instruments as disclosed herein:

35.4.1 Certain financial assets and financial liabilities of the Company and subsidiaries are measured at fair value in at the end of reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

Financial assets and financial liabilities	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		Fair value hierarchy	Valuation technique(s) and key input(s)
	Fair value (Baht'000) as at		Fair value (Baht'000) as at			
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015		
Foreign currency forward contracts	Asset = 129 Liabilities = 226	Liabilities = 246	Asset = 129 Liabilities = 226	Liabilities = 246	Level 2	Discount cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Short-term investments in trading securities - equity securities	14,832	33,153	14,832	33,153	Level 1	Bid prices at the Stock Exchange of Thailand on the last business day of the period
Short-term investments in available-for-sale securities - equity securities	136,355	135,031	-	-	Level 1	The trusts' net asset value on the last business day of the period
Short-term investments in available-for-sale securities - debt securities	2,001	41,750	2,001	41,750	Level 2	Discounted cash flow using yield as quoted by the Thai Bond Market Association on the last business day of the period
Long-term investments in available-for-sale securities - ordinary shares	1,461,987	1,358,352	1,451,262	1,346,952	Level 1	Bid prices at the Stock Exchange of Thailand on the last business day of the period
Long-term investments in available-for-sale securities - debt securities	7,358	132,364	7,358	132,364	Level 2	Discounted cash flow using yield as quoted by the Thai Bond Market Association on the last business day of the period

- 35.4.2 Cash and cash equivalents, time deposits, trade and other receivables, short-term loans to related parties, other short-term loans, deposit at bank under obligation, long-term deposits at financial, bank overdrafts and short-term borrowings from financial institutions, trade and other payables, current income tax payable, withholding tax payable and other current liabilities; the fair values approximate their carrying values due to the relatively short-term maturity of these financial instruments.

The transactions disclosed in the following table, are considered that the carrying amounts recognized in the consolidated and separate financial statements are different from their fair values.

					UNIT : BAHT
	CONSOLIDATED		SEPARATE		
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	Carrying amount	Fair value	Carrying amount	Fair value	Fair value hierarchy
As at December 31, 2016					
Financial assets					
General investments	752,917,249	1,135,268,971	749,647,249	1,131,886,046	Level 3
Investments in debentures	150,000,000	155,671,000	150,000,000	155,671,000	Level 2
As at December 31, 2015					
Financial assets					
General investments	511,983,060	1,026,962,533	508,713,061	1,023,593,808	Level 3
Investments in debentures	190,000,000	198,722,440	190,000,000	198,722,440	Level 2

The fair values of general investments were calculated from the book values of each investment.

The fair value of investments in debentures is determined by the last bid price by the Thai Bond Market Association on the last business day of the period.

36. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities and commitments as at December 31, are as follows:

	CONSOLIDATED		SEPARATE		UNIT : MILLION BAHT
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	2016	2015	2016	2015	
Contingent liabilities in respect of guarantees issued on behalf of					
- Related parties (see Note 9)	6.84	6.90	6.84	6.90	
Bank's letters of guarantee issued on behalf of the Company	22.25	19.43	20.58	17.32	
Commitment in respect of building improvement	0.90	3.99	0.87	3.92	

37. OPERATING SEGMENT INFORMATION

The principal business of the Company and subsidiaries is to manufacture and sell clothes which mainly are ladies' lingerie, childrenwear and ladies' outerwear for both domestic sales and export sales. The Company considers operating segment information based on domestic sale and export sale. The Company and subsidiaries have no inter-segment revenue. Information of the Company and subsidiaries' segment revenues from external customers and segment profit or loss and reconciliation of total segment profit to profit or loss before income tax expense for the years ended December 31, are as follows:

	UNIT : MILLION BAHT					
	CONSOLIDATED FINANCIAL STATEMENTS					
	Domestic		Export		Total	
	2016	2015	2016	2015	2016	2015
Segment revenues from sale of goods and rendering of services	2,960.89	2,892.58	1,177.57	1,079.92	4,138.46	3,972.50
Segment profit	146.61	185.66	41.59	28.53	188.20	214.19
Unallocated expense					(15.82)	(11.40)
Dividend income					80.50	66.17
Other income					94.46	102.73
Net profit before income tax					347.34	371.69

The Company is unable to allocate property, plant and equipment for each segment due to the joint-usage in the production.

In addition, the main customer of the Company is ICC International Public Co., Ltd., which is the Company's major shareholder which holds over 10% shareholding (see Note 33).

38. PROMOTIONAL PRIVILEGES

Subsidiaries have been granted promotional privileges from the Board of Investment as the following summary:

Items	Company name			
	SR.W. Garment	Wacoal Lamphun	Wacoal Kabinburi	Pattaya Kabinburi
Project 2				
- Certificate Number	2876(2)/2555	-	-	-
- Issued Date	Dec 14, 2012	-	-	-
- Exemption from income tax	Jul. 1, 2014 - Jun. 30, 2021	-	-	-
- Income tax reduction of 50% of normal rate for 5 years	-	-	-	-
- Exemption from import duties for machineries	Dec 14, 2012 - Jun 14, 2015	-	-	-
Project 3				
- Certificate Number	-	2904(2)/2555	2877(2)/2555	2878(2)/2555
- Issued Date	-	Dec 20, 2012	Dec 14, 2012	Dec 14, 2012
- Exemption from income tax	-	Jul 1, 2013 - Jun 30, 2021	Jul 1, 2013 - Jun 30, 2021	Jul 1, 2013 - Jun 30, 2021
- Income tax reduction of 50% of normal rate for 5 years	-	Jul 1, 2021 - Jun 30, 2026	Jul 1, 2021 - Jun 30, 2026	Jul 1, 2021 - Jun 30, 2026
- Exemption from import duties for machineries	-	Dec 20, 2012 - Jun 20, 2015	Dec 14, 2012 - Jun 14, 2015	Dec 14, 2012 - Jun 14, 2015

The above four companies thus have to comply with the terms and conditions as stipulated in the promotional certificates.

39. REVENUE REPORTING OF A PROMOTED INDUSTRY

Based on the Announcement of the Board of the Investment No. Por. 14/2541 (1998) dated December 30, 1998 regarding revenue reporting of a promoted industry, the Group is required to report revenue from local sales and export sales separately and separately report between the promoted and non-promoted business. The required information for the years ended December 31, are as follows:

CONSOLIDATED FINANCIAL STATEMENTS	2016			2015		
	Promoted Business	Non-Promoted Business	Total	Promoted Business	Non-Promoted Business	Total
Income						
Income from export sales	-	1,177,569,588	1,177,569,588	-	1,079,924,424	1,079,924,424
Income from local sales	1,195,361	2,959,699,124	2,960,894,485	946,782	2,891,628,408	2,892,575,190
Total income from sales	1,195,361	4,137,268,712	4,138,464,073	946,782	3,971,552,832	3,972,499,614
Gain on exchange rate	-	8,976,728	8,976,728	-	10,357,967	10,357,967
Dividend income	-	80,502,706	80,502,706	-	66,168,780	66,168,780
Other income	231,251	85,252,976	85,484,227	339,544	91,434,949	91,774,493
Total income	1,426,612	4,312,001,122	4,313,427,734	1,286,326	4,139,514,528	4,140,800,854

The Company does not present the separate financial statements since the Company has not been granted promotional privileges from the Board of Investment.

40. RISK MANAGEMENT POLICIES FOR ASSETS AND LIABILITIES IN FOREIGN CURRENCIES

The Company and subsidiaries have adopted a policy to manage foreign exchange exposure of assets and liabilities in foreign currencies whereby the Company and subsidiaries will deposit money received from sales in foreign currencies into banks for payment of expenses and creditors in foreign currencies.

Significant assets and liabilities of the Company and subsidiaries in foreign currencies are as follows:

Description	Term of Receipt/ Payment Days	CONSOLIDATED FINANCIAL STATEMENTS						SEPARATE FINANCIAL STATEMENTS					
		AMOUNT						AMOUNT					
		USD	YEN	HKD	EURO	CNY	THB	USD	YEN	HKD	EURO	CNY	THB
As at December 31, 2016													
Cash and cash equivalent	-	6,378	2,037,884	-	1,545	-	903,246	6,378	2,037,884	-	1,545	-	903,246
Temporary investments	-	-	-	1,500,000	-	-	6,842,550	-	-	1,500,000	-	-	6,842,550
Trade receivables	30 - 180	711,257	120,650,525	2,834,374	-	-	74,863,140	711,257	120,650,525	2,834,374	-	-	74,863,140
		717,635	122,688,409	4,334,374	1,545	-	82,608,936	717,635	122,688,409	4,334,374	1,545	-	82,608,936
Trade payables	30	581,967	64,279,366	-	-	-	40,964,688	581,967	64,279,366	-	-	-	40,964,688
As at December 31, 2015													
Cash and cash equivalent	-	7,392	2,401,836	-	-	2,080	986,254	7,392	2,401,836	-	-	2,080	986,254
Temporary investments	-	-	-	1,500,000	-	-	6,900,450	-	-	1,500,000	-	-	6,900,450
Trade receivables	30 - 180	1,123,219	94,347,246	4,170,006	-	-	87,321,242	1,123,219	94,347,246	4,170,006	-	-	87,321,242
		1,130,611	96,749,082	5,670,006	-	2,080	95,207,946	1,130,611	96,749,082	5,670,006	-	2,080	95,207,946
Trade payables	30	337,763	18,496,052	-	-	-	17,844,988	337,763	18,496,052	-	-	-	17,844,988

41. LITIGATIONS

On June 26, 2014, the Company was sued in a Civil Court case by a person in respect to a request for return of decreased estate and revoke a legal land registration which the Company purchased in the amount of Baht 233.56 million. The court officer notified the Company by the court warrant on September 2, 2014. Subsequently, on May 29, 2015, The Court of First Instance has dismissed such Civil Court case. And on July 6, 2016, the Appeal Court dismissed the request in accordance with the Court of First Instance judgement. Afterward, the plaintiff filed the petition of the Appeal Court's judgement on August 31, 2016, the Company filed the answer against the plaintiff's petition on October 20, 2016. Then, the plaintiff has filed to withdraw the petition from the Supreme Court on December 13, 2016, which is in process of the Supreme Court's consideration. Therefore, the Company did not set a provision for damages that may incur as at December 31, 2016 in the financial statements.

42. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issue by the Board of Directors on February 23, 2017.