

**THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED
AND IT'S SUBSIDIARIES
INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD
ENDED MARCH 31, 2016
AND REVIEW REPORT OF INDEPENDENT'S AUDITOR**

Independent Auditor's Report on Review of Interim Financial

To the Board of Directors of Thai Film Industries Public Company Limited

I have reviewed accompanying consolidated and separate statements of financial position of Thai Film Industries Public Company Limited and its subsidiaries, and of Thai Film Industries Public Company Limited, respectively, as at March 31, 2016, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended March 31, 2016, and condensed notes ("Interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Emphasis of Matter

Without qualifying my conclusion, I draw attention in

(1) note 20.4 (1) that on May 8, 2008 the Company was sued by a bank as the third defendant in the Civil Court and (2) on September 30, 2009, the Company was sued by the same bank as the third defendant in the Central Intellectual Property and International Trade Court. In both cases the company is a defendant of contractual pledge Baht 600 million for principal and interest. And the company's lawyers give opinion that the pledging of shares as collateral for a period of four years had ended. So the Company is not responsible in the end.

(2) As discussed in notes 2 describing the effect of the Company's change in accounting policy from 1 January 2016. The prior period financial statements, presented as comparative information, were adjusted as explained in Note 2.

(Mr.Jirote Sirirrote)

Certified Public Accountant

Registration No. 5113

Karin Audit Company Limited

Bangkok

May 11, 2016

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2016

(Unit : Thousand Baht)

	Notes	Consolidated			Separate		
		March 31, 2016	December 31, 2015	January 1, 2015	March 31, 2016	December 31, 2015	January 1, 2015
		"UNAUDITED"	"AUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"	"AUDITED"
		"REVIEWED"	"RESTATED"	"RESTATED"	"REVIEWED"	"RESTATED"	"RESTATED"
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents		15,357	5,554	7,321	14,119	4,314	5,917
Trade accounts receivable and other receivable - net	5	300,402	304,861	413,814	300,402	304,861	413,814
Other receivable - related companies	4.1	-	-	-	1,008	828	180
Inventories - net	6	213,301	270,316	275,394	213,301	270,316	275,394
Spare parts and supplies - net		57,393	57,593	57,443	57,393	57,593	57,443
Advance for Investment - net	7	-	-	-	-	-	-
Other current assets		30,864	29,859	30,577	30,863	29,858	30,576
TOTAL CURRENT ASSETS		617,317	668,183	784,549	617,086	667,770	783,324
NON-CURRENT ASSETS							
Restricted bank deposits	8	1,029	1,018	2,003	1,029	1,018	2,003
Investments in subsidiary and associated companies - net	9, 10	-	-	-	4,000	4,000	4,000
Other long-term investments							
Related companies - net	11	-	-	-	-	-	-
Other company		2,000	2,000	2,000	2,000	2,000	2,000
Loans receivable, advance payments - subsidiary, associated and related companies - net	4.1	-	-	-	8,268	8,268	8,268
Land used in operation - at appraised value	12	474,877	474,877	456,057	474,877	474,877	456,057
Plant and equipment used in operation - net	13	1,052,546	1,073,451	1,162,974	1,052,546	1,073,451	1,162,974
Property, plant and equipment not used in operation - net	14	61,727	62,071	61,216	61,727	62,070	61,215
Other non-current assets		518	2,032	2,021	517	2,032	2,021
TOTAL NON-CURRENT ASSETS		1,592,697	1,615,449	1,686,271	1,604,964	1,627,716	1,698,538
TOTAL ASSETS		2,210,014	2,283,632	2,470,820	2,222,050	2,295,486	2,481,862

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

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2016

(Unit : Thousand Baht)

	Notes	Consolidated			Separate		
		March 31, 2016	December 31, 2015	January 1, 2015	March 31, 2016	December 31, 2015	January 1, 2015
		"UNAUDITED"	"AUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"	"AUDITED"
		"REVIEWED"	"RESTATED"	"RESTATED"	"REVIEWED"	"RESTATED"	"RESTATED"
LIABILITIES AND EQUITY							
CURRENT LIABILITIES							
Bank overdrafts and short-term loans from financial institutions	15	806,012	833,165	672,932	806,012	833,165	672,933
Trade accounts payable and other payable - other		324,186	294,261	505,962	323,999	294,111	505,812
Current portion of long-term loans	16	130,592	197,961	177,961	130,592	197,961	177,961
Other current liabilities		868	859	1,130	866	857	1,128
TOTAL CURRENT LIABILITIES		1,261,658	1,326,246	1,357,985	1,261,469	1,326,094	1,357,834
NON-CURRENT LIABILITIES							
Long-term loans - net	16	-	-	197,961	-	-	197,961
Deferred tax liabilities		147,263	146,458	143,448	147,263	146,458	143,448
Employee benefit obligations		40,586	39,618	35,305	40,586	39,618	35,305
TOTAL NON-CURRENT LIABILITIES		187,849	186,076	376,714	187,849	186,076	376,714
TOTAL LIABILITIES		1,449,507	1,512,322	1,734,699	1,449,318	1,512,170	1,734,548
EQUITY							
SHARE CAPITAL							
Authorized share capital							
2,661,750,000 ordinary shares as at March 31, 2016 and December 31, 2015 : Baht 1 per share and 2,847,500,000 ordinary shares as at January 1, 2015 : Baht 1 per share		2,661,750	2,661,750	2,847,500	2,661,750	2,661,750	2,847,500
Issued and paid-up share capital							
2,047,500,000 ordinary shares : Baht 1 per share		2,047,500	2,047,500	2,047,500	2,047,500	2,047,500	2,047,500
Discount on common shares		(88,750)	(88,750)	(88,750)	(88,750)	(88,750)	(88,750)
Retained earnings (Deficits) -Unappropriated		(1,388,075)	(1,377,272)	(1,397,405)	(1,375,850)	(1,365,266)	(1,386,212)
Other components of equity	#	189,832	189,832	174,776	189,832	189,832	174,776
TOTAL EQUITY		760,507	771,310	736,121	772,732	783,316	747,314
TOTAL LIABILITIES AND EQUITY		2,210,014	2,283,632	2,470,820	2,222,050	2,295,486	2,481,862

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

STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

		(Unit : Thousand Baht)				
		Consolidated		Separate		
		2016	2015	2016	2015	
Notes			"Restated"		"Restated"	
	Sales	19	598,234	745,086	598,234	745,086
	Costs of sales	4.2	(551,828)	(688,571)	(551,828)	(688,571)
	Gross profit margin		46,406	56,515	46,406	56,515
	Other income	4.2 , 17	9,351	12,849	9,532	13,007
	Profit before expenses		55,757	69,364	55,938	69,522
	Selling expenses	4.2	(18,832)	(21,679)	(18,832)	(21,679)
	Administrative expenses	4.2	(28,306)	(26,051)	(28,268)	(26,012)
	Total expenses		(47,138)	(47,730)	(47,100)	(47,691)
	Profit (loss) before finance costs		8,619	21,634	8,838	21,831
	Finance costs		(18,617)	(18,597)	(18,617)	(18,597)
	Profit (loss) before income tax		(9,998)	3,037	(9,779)	3,234
	Revenue income tax (expense)		(805)	291	(805)	291
	Profit (loss) for the periods		(10,803)	3,328	(10,584)	3,525
	Profit (loss) attributable to:					
	Owner of the Company		(10,803)	3,328	(10,584)	3,525
	Non-controlling interests		-	-	-	-
	Total profit (loss) for the periods		(10,803)	3,328	(10,584)	3,525
	Earnings (loss) per Share (Unit : Baht)	18				
	Basic earnings (loss) per share (Unit : Baht)		(0.005)	0.002	(0.005)	0.002
	The number of ordinary shares weighted average (Unit :Thousand Shares)		2,047,500	2,047,500	2,047,500	2,047,500

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

"UNAUDITED"

STATEMENTS OF CHANGES IN EQUITY

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

(Unit : Thousand Baht)

		Consolidated									
		Share capital issued and paid-up	Discount on share capital	Deficit		Other components of equity			Equity		Total
Notes	Appropriated			Unappropriated	Capital surplus from land revaluation	Capital surplus from machinery revaluation	Total other components of equity	attributable to Equity of owner the Company	Non Controlling interests		
	Balance as at January 1, 2015	2,047,500	(88,750)	-	(1,397,405)	174,776	243,456	418,232	979,577	-	979,577
	Adjustment	-	-	-	-	-	(243,456)	(243,456)	(243,456)	-	(243,456)
	Balance as at January 1, 2015 (as adjusted)	2,047,500	(88,750)	-	(1,397,405)	174,776	-	174,776	736,121	-	736,121
	Depreciation for capital surplus from machinery revaluation	13,14	-	-	-	-	-	-	-	-	-
	Income tax on other components of equity	-	-	-	-	-	-	-	-	-	-
	Net Profit (loss) for the periods	-	-	-	3,328	-	-	-	3,328	-	3,328
	Ending balance as at March 31, 2015	2,047,500	88,750	-	(1,394,077)	174,776	-	174,776	739,449	-	739,449
	Balance as at January 1, 2016	2,047,500	(88,750)	-	(1,377,272)	189,832	504,886	694,718	1,276,196	-	1,276,196
	Adjustment	-	-	-	-	-	(504,886)	(504,886)	(504,886)	-	(504,886)
	Balance as at January 1, 2016 (as adjusted)	2,047,500	(88,750)	-	(1,377,272)	189,832	-	189,832	771,310	-	771,310
	Depreciation for capital surplus from machinery revaluation	13,14	-	-	-	-	-	-	-	-	-
	Income tax on other components of equity	-	-	-	-	-	-	-	-	-	-
	Net Profit (loss) for the periods	-	-	-	(10,803)	-	-	-	(10,803)	-	(10,803)
	Ending balance as at March 31, 2016	2,047,500	88,750	-	(1,388,075)	189,832	-	189,832	760,507	-	760,507

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

"UNAUDITED"

STATEMENTS OF CHANGES IN EQUITY

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

(Unit : Thousand Baht)

	Notes	Separate							Total
		Share capital issued and paid-up	Discount on share capital	Deficit		Capital surplus	Capital surplus	Total other	
				Appropriated	Unappropriated	from land revaluation	from machinery revaluation	components of equity	
Balance as at January 1, 2015		2,047,500	(88,750)	-	(1,386,212)	174,776	243,456	418,232	990,770
Adjustment		-	-	-	-	-	(243,456)	(243,456)	(243,456)
Balance as at January 1, 2015 (as adjusted)		2,047,500	(88,750)	-	(1,386,212)	174,776	-	174,776	747,314
Depreciation for capital surplus from machinery revaluation	13,14	-	-	-	-	-	-	-	-
Income tax on other components of equity		-	-	-	-	-	-	-	-
Net Profit (loss) for the periods		-	-	-	3,525	-	-	-	3,525
Ending balance as at March 31, 2015		2,047,500	(88,750)	-	(1,382,687)	174,776	-	174,776	750,839
Balance as at January 1, 2016		2,047,500	(88,750)	-	(1,365,266)	189,832	504,886	694,718	1,288,202
Adjustment		-	-	-	-	-	(504,886)	(504,886)	(504,886)
Balance as at January 1, 2016 (as adjusted)		2,047,500	(88,750)	-	(1,365,266)	189,832	-	189,832	783,316
Depreciation for capital surplus from machinery revaluation	13,14	-	-	-	-	-	-	-	-
Income tax on other components of equity		-	-	-	-	-	-	-	-
Net Profit (loss) for the periods		-	-	-	(10,584)	-	-	-	(10,584)
Ending balance as at March 31, 2016		2,047,500	(88,750)	-	(1,375,850)	189,832	-	189,832	772,732

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

"UNAUDITED"
"REVIEWED"

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2016	2015 "Restated"	2016	2015 "Restated"
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit (loss)	(10,803)	3,328	(10,584)	3,525
Adjustments to reconcile net profit(loss) to cash received (used) operating activities				
Increase in allowance for obsoleted stock	(553)	377	(553)	377
Depreciation	25,775	27,706	25,775	27,706
Profit from sales assets	(33)	(467)	(33)	(467)
Amortization expenses	5,433	7,652	5,433	7,652
Provision for employee benefits	1,996	1,875	1,996	1,875
Unclaimed withholding tax	1,560	305	1,560	305
Unrealized (gain) loss on exchange rate	(3,053)	(2,787)	(3,053)	(2,787)
Loss on written off assets	2	6	2	6
Interest expenses	14,614	14,676	14,614	14,676
Interest incomes	(4)	(7)	(185)	(165)
Income tax expense (income)	805	(291)	805	(291)
Profit from operating activities before changes in operating assets and liabilities	35,739	52,373	35,777	52,412
(Increase) Decrease in Trade accounts receivable and other receivable	4,094	(8)	4,094	(8)
(Increase) Decrease in Inventories	57,568	25,190	57,568	25,190
(Increase) Decrease in Spare parts and supplies	200	1,085	200	1,085
(Increase) Decrease in Other current assets	(6,437)	(11,254)	(6,437)	(11,254)
(Increase) Decrease in Non-current assets	(45)	-	(45)	-
Increase (Decrease) in Trade accounts payable and other payable	25,973	(89,938)	25,937	(89,976)
Increase (Decrease) in Other current liabilities	9	(266)	9	(266)
Cash paid for employee benefits	(1,028)	-	(1,028)	-
NET CASH RECEIVED (USED) FROM OPERATING ACTIVITIES	116,073	(22,818)	116,075	(22,817)

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

"UNAUDITED"
"REVIEWED"

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2016	2015 "Restated"	2016	2015 "Restated"
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) Decrease in restricted bank deposits	(11)	(18)	(11)	(18)
(Increase) Decrease in loans receivable and Advances to subsidiary companies	-	-	-	-
Interest received	12	18	12	18
Cash received from sales assets	33	467	33	467
Purchase of property, plant and equipment	(4,530)	(10,340)	(4,530)	(10,340)
NET CASH RECEIVED (USED) FROM INVESTING ACTIVITIES	(4,496)	(9,873)	(4,496)	(9,873)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in bank overdrafts and short-term loans from financial Institutions	(20,625)	113,074	(20,625)	113,074
Repayment of long - term loans	(67,369)	(63,175)	(67,369)	(63,175)
Cash paid for interest expenses	(13,780)	(14,197)	(13,780)	(14,197)
NET CASH RECEIVED (USED) FROM FINANCING ACTIVITIES	(101,774)	35,702	(101,774)	35,702
CASH AND CASH EQUIVALENTS INCREASE - NET	9,803	3,011	9,805	3,012
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF PERIOD	5,554	7,321	4,314	5,917
CASH AND CASH EQUIVALENTS AS AT THE END OF PERIOD	15,357	10,332	14,119	8,929
Cash and cash equivalents				
Consist of:				
Cash on hand	128	115	110	107
Cash at banks - current accounts	13,638	8,473	13,633	8,469
Cash at banks - savings accounts	1,591	1,713	376	322
Others	-	31	-	31
	15,357	10,332	14,119	8,929

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31,2016

1. GENERAL

Thai Film Industries Public Company Limited was registered in Thailand on March 3, 1983 with the registration number 882/2526. It was later registered a conversion to a public company limited on February 1, 1994 with the registration number 0107537000386. The major shareholders are Mahagitsiri family. The Company is engaged in manufacturing of packaging film. Presently, the Company has offices located at the following addresses:

- a) Head Office and Factory : 73/3 Moo 4, Bangna - Trad Road KM.13, Bangchalong, Bangplee, Sumutprakarn.
- b) Factory : 327 Moo 8, Mabkha, Nikhompattana District, Rayong.

2. BASIS OF FINANCIAL STATEMENT PREPARATION

2.1 Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2015) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2015. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiary for the year ended 31 December 2015.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2015 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2016. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group. Except for the Revaluation of assets as follow

The Board of Directors of the Company No. 6/2015 held on 24 December 2015. The Company would like to disclose the BOD resolution for the change in accounting policy regarding method of the valuation of fixed assets for machinery from the revaluation basis to cost basis effective date 1 January 2016. Based on the Company’s opinion, the cost basis is more appropriate since it represents the Company’s actual operating results than revaluation basis. Accordance with the announcement of the Federation of Accounting Professions No. 18/2554 dated April 12, 2011 which allows the Company to use the former accounting for assets revaluation as per the announcement No. 25/2549 that transfer depreciation for capital surplus from asset revaluation shall be treated as already occurred to the retained earning directly without passing through the statement of

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31,2016

comprehensive income until the accounting period beginning before January 1, 2016. The change in accounting policy will have an impact on the statement of financial position as at January 1, 2016 as follows:

	(Unit : Million Baht)	
	Consolidated / Separate	
	As at January 1, 2016	As at January 1, 2015
Statements of financial position		
Fixed asset revaluation decrease	631	304
Deferred tax liabilities decrease	126	61
Capital surplus from machinery revaluation decrease	505	243

2.2 Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand or million in the notes unless otherwise stated.

2.3 Judgements and estimates

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2015.

3. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, in which the Company has authority to control or holds more than 50% of the subsidiaries shares.

The preparation of the consolidated financial statements has been based on the same accounting policies for the same or similar accounting transactions or account events.

The significant intercompany transactions and balances between the Company and the subsidiaries have been eliminated.

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31,2016

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as follows:

Company Name	Nature of Business	Rate of Shareholding	
		31 March 2016 (%)	31 December 2015 (%)
<u>Operating subsidiaries</u>			
1. TFI Power Co., Ltd.	Involving in renewable energy	99.99	99.99
2. TFI Power (Korat 1) Co., Ltd.	Involving in renewable energy	99.96	99.96
3. TFI Power (Korat 2) Co., Ltd.	Involving in renewable energy	99.96	99.96
4. TFI Power (Korat 3) Co., Ltd.	Involving in renewable energy	99.96	99.96
5. TFI Power (Korat 4) Co., Ltd.	Involving in renewable energy	99.96	99.96

The significant accounting transaction between the Company and the subsidiaries were eliminated from the consolidated financial statements.

4. TRANSACTIONS WITH RELATED PARTIES

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Significant related parties transactions can be summarized as follows:

Related parties	Type of relation
TFI Power Co., Ltd.	Subsidiary company
TFI Power (Korat 1) Co., Ltd.	Subsidiary company
TFI Power (Korat 2) Co., Ltd.	Subsidiary company
TFI Power (Korat 3) Co., Ltd.	Subsidiary company
TFI Power (Korat 4) Co., Ltd.	Subsidiary company
Thai Film Bangladesh Co., Ltd.	Related company

THAI FILM INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31,2016

4.1 Inter-Assets and Liabilities

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Loan receivable and advance to subsidiary companies				
TFI Power Co., Ltd.	-	-	-	-
TFI Power (Korat 1) Co., Ltd.	-	-	2,067	2,067
TFI Power (Korat 2) Co., Ltd.	-	-	2,067	2,067
TFI Power (Korat 3) Co., Ltd.	-	-	2,067	2,067
TFI Power (Korat 4) Co., Ltd.	-	-	2,067	2,067
	-	-	8,268	8,268
Loan to related company				
Thai Film Bangladesh Co., Ltd.	37,965	37,965	37,965	37,965
Less allowance for doubtful debt	(37,965)	(37,965)	(37,965)	(37,965)
Net	-	-	-	-
Total	-	-	8,268	8,268
Accrued interest receivable				
TFI Power (Korat 1) Co., Ltd.	-	-	252	207
TFI Power (Korat 2) Co., Ltd.	-	-	252	207
TFI Power (Korat 3) Co., Ltd.	-	-	252	207
TFI Power (Korat 4) Co., Ltd.	-	-	252	207
Total	-	-	1,008	828
Movement of Loan receivable and advance payment				
Beginning	-	-	8,268	8,268
Increase during in the periods	-	-	-	-
Paid during in the periods	-	-	-	-
Ending	-	-	8,268	8,268

As at March 31, 2016 and December 31, 2015, the Company has loan to its subsidiaries as promissory notes which call on demand at interest rate MOR+1.50% per annum and MOR+0.50% per annum, respectively.

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4.2 Revenue and expense

for the three-month period ended March 31, 2016 and 2015 as follow:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2016	2015	2016	2015
Interest income				
TFI Power Co., Ltd.	-	-	-	-
TFI Power (Korat 1) Co., Ltd.	-	-	45	40
TFI Power (Korat 2) Co., Ltd.	-	-	45	40
TFI Power (Korat 3) Co., Ltd.	-	-	45	40
TFI Power (Korat 4) Co., Ltd.	-	-	45	40
	-	-	180	160
Key management personnel compensation				
Short-term employee benefit	11,964	12,306	11,964	12,306
Long-term employee benefit	778	735	778	735
Total	12,742	13,041	12,742	13,041

5. TRADE ACCOUNTS RECEIVABLE AND OTHER RECEIVABLE RECEIVALBE - Net

Consist of :-

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Trade accounts receivable and other receivable				
- Trade accounts receivable	294,649	295,752	294,649	295,752
- Other receivable	5,753	9,109	5,753	9,109
Total trade accounts receivable and other receivable	300,402	304,861	300,402	304,861

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The Company has accounts receivable was classified by aging as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
<u>Domestic Trade Accounts Receivable</u>				
Trade Accounts Receivable within Credit Term	123,737	126,272	123,737	126,272
Aging of Trade Accounts Receivable :-				
Less than 3 Months	48,266	64,634	48,266	64,634
Over 3 Months to 6 Months	117	1,579	117	1,579
Over 6 Months to 9 Months	-	-	-	-
Over 9 Months	896	896	896	896
Total	173,016	193,381	173,016	193,381
<u>Foreign Trade Accounts Receivable</u>				
Trade Accounts Receivable within Credit Term	105,947	81,234	105,947	81,234
Aging of Trade Accounts Receivable :-				
Less than 3 Months	3,889	6,068	3,889	6,068
Over 3 Months to 6 Months	-	-	-	-
Over 6 Months to 9 Months	-	-	-	-
Over 9 Months	-	-	-	-
Total	109,836	87,302	109,836	87,302
Notes Receivable	12,693	15,965	12,693	15,965
<u>Less</u> allowance for doubtful accounts	(896)	(896)	(896)	(896)
Net	294,649	295,752	294,649	295,752

Allowance for doubtful accounts is changed during the periods as follows:-

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Beginning balance	896	896	896	896
Increase	-	-	-	-
Decrease	-	-	-	-
Ending balance	896	896	896	896

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6. INVENTORIES - Net

Allowance for doubtful accounts is changed during the periods as follows :-

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Beginning balance	7,040	7,478	7,040	7,478
Increase	-	-	-	-
Decrease	(553)	(438)	(553)	(438)
Ending balance	<u>6,487</u>	<u>7,040</u>	<u>6,487</u>	<u>7,040</u>

7. ADVANCE FOR INVESTMENT – Net

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Advance payment for investment	45,594	45,594	45,594	45,594
<u>Less Allowance for Doubtful debt</u>	<u>(45,594)</u>	<u>(45,594)</u>	<u>(45,594)</u>	<u>(45,594)</u>
Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

8. RESTRICTED BANK DEPOSITS

As at March 31, 2016 the restricted bank deposit of Baht 1 million are bank deposits that the company have placed with banks to secure letters of guarantees for Customs Department used as described in Note 20.1

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9. INVESTMENTS IN SUBSIDIARY COMPANIES

Investments in subsidiary companies which recorded by the cost method in the separate financial statements as at March 31, 2016 and December 31, 2015 consisted of:

Company	Country of business	Type of business	(Thousand Baht)		(Percent)		(Thousand Baht)	
			Paid up Capital		Percentage of holding		Cost Method	
			March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
TFI Power Co., Ltd.	Thailand	Renewable energy	4,000	4,000	99.99	99.99	4,000	4,000

10. INVESTMENTS IN ASSOCIATED COMPANIES - Net

Investments in associated companies in the separate financial statements as at March 31, 2016 and December 31, 2015, consisted of:

Company	Country of business	Type of business	(Million Baht)		(Percent)		(Thousand Baht)	
			Paid up Capital		Percentage of holding		Cost Method	
			March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Thai Copper Industries Pcl.	Thailand	Pure Copper	8,010	8,010	18.96	18.96	1,518.98	1,518.98
		<u>Less Allowance for impairment in investment</u>					<u>(1,518.98)</u>	<u>(1,518.98)</u>
		Net					<u>-</u>	<u>-</u>

Thai Copper Industries Pcl. - TCI

The Company has ceased to calculate the equity loss in Thai Copper Industries Pcl. because such associated company has lack in working capital and TCI stopped its operation and lay-off its employees. The Company's equity recognized equally to their investment (zero). In the cost method, the Company set up an allowance for impairment of the investment in full (Baht 1,519 million).

The latest significant financial data of TCI for Ministry of Commerce are as follows :-

	(Unit : Million Baht)
	As at December 31, 2007
	“audited”
Total Assets*	23,937
Total liabilities	20,684
Total equity*	3,253

*If TCI recorded the allowance for impairment of asset based on the appraisal report of independent appraiser dated on September 28, 2007. Total asset and total equity will be decreased in amount of Baht 12,530 million.

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11. OTHER LONG-TERM INVESTMENTS-RELATED COMPANIES– Net

Consist of :-

Company	Country of Business	Type of business	Capital paid-up	Consolidated/ Separate			
				Percentage of Investments		Value of Investment (Unit : Thousand Baht)	
				March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Thai Film Bangladesh Co., Ltd. (Bangladesh Taka currency)	Bangladesh	Packaging Film	Taka 112 million	53.57	53.57	37,487	37,487
						(37,487)	(37,487)
						-	-

12. LAND USED IN OPERATION – AT APPRAISED VALUE

As at March 31, 2016 and December 31, 2015 the land used in operation was re-appraised according to the report of independent appraiser (K.K. Valuation Co., Ltd.) at Market Approach value date January 6, 11, 2016 which appraisal date was December 28 - 29, 2015.

13. PLANT AND EQUIPMENT USED IN OPERATION – Net

Consist of :-

	(Unit : Thousand Baht)	
	Consolidated	Separate
Cost :-		
Net Book Value as at January 1, 2016 (Adjusted)	1,073,451	1,073,451
Purchase	4,530	4,530
Written off	(2)	(2)
Depreciation for the period	(25,433)	(25,433)
Net Book Value as at March 31, 2016	1,052,546	1,052,546

Depreciation for three month periods ended March 31, 2016 and 2015, amounted to Baht 24.81 million and Baht 26.58 million, respectively, are included in cost of sales, and Baht 0.62 million and Baht 0.64 million, respectively, are included in selling and administrative expenses.

As at March 31, 2016 and December 31, 2015, the Company has building, machineries and equipments that fully depreciated but still in use at Baht 890.71 Million and Baht 857.89 million, respectively.

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14. PROPERTY, PLANT AND EQUIPMENT NOT USED IN OPERATION - Net

As at March 31, 2016 the lands and machineries not used in operation, which cost of Baht 74 million and Baht 817.71 million, respectively, were re-appraised according to reports of independent appraiser (K.K. Valuation Co., Ltd. and UK Valuations and Agency Co., ltd., respectively) date January 6, 2016 (for land) and date December 30, 2015 (for machineries) which appraisal date was December 28, 2015 (for land) and December 29, 2015 (for machineries). That using market value method and depreciated replacement cost method, respectively. And allowance for impairment of such lands and machineries were amount of Baht 35.05 million and Baht 37.89 million, respectively.

15. BANK OVERDRAFTS AND SHORT-TERM LOANS DUE TO FINANCIAL INSTITUTIONS

As at March 31, 2016 and December 31, 2015, the Company has bank overdrafts, packing credits, liabilities under trust receipts, promissory notes, letters of credit and letters of guarantee which were credit facilities received from many local banks as follows :-

Currency	March 31, 2016	Bank charge and Interest rate Per annum	December 31, 2015	Bank charge and Interest rate Per annum
Baht	1,040	2.00 – 8.875	1,310	2.00 – 7.875

(Unit : Million Baht)

These credit facilities are secured by assets guarantee as mentioned in the note to financial statements No.16.

As at March 31, 2016 and December 31, 2015, the Company had unutilized credit facility balances by approximately Baht 93.98 million and Baht 254.78 million, respectively.

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16. LONG-TERM LOANS

Consist of :-

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Beginning	197,961	375,922	197,961	375,922
<u>Less</u> Payment during the period	67,369	177,961	67,369	177,961
Total	130,592	197,961	130,592	197,961
<u>Less</u> Current portion of long-term loans	130,592	197,961	130,592	197,961
Net	-	-	-	-

As at March 31, 2016 and December 31, 2015, interest rates of long term loans at MLR% per annum.

The loans including credit facilities from the banks as mentioned in note to financial statement No.15 are guaranteed by pledging :-

- a) The Company’s land and machinery totaling Baht 1,113.61 million
- b) New equipment and supplies for machineries acquired to replace the mortgaged assets shall be determined as related mortgaged assets.

17. OTHER INCOME

For the three-month period ended March 31, 2016 and 2015 details of financial information shown other income consist of:-

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2016	2015	2016	2015
Gain on exchange rate	6,798	10,741	6,798	10,741
Interest income	4	7	185	165
Gain from disposal of assets	33	467	33	467
Other income	2,516	1,634	2,516	1,634
Total	9,351	12,849	9,532	13,007

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18. EARNINGS (LOSS) PER SHARE

The calculation of basic earnings (loss) per share of the consolidated and separate financial statements for the three-month period ended March 31, 2016 and 2015 was based on the profit (loss) for the periods attributable to equity holders of the Company and weighted average number of ordinary shares (Basic) issued during for the three-month period ended March 31, 2016 and 2015.

Net Profit (loss) for the periods

	(Unit : Million Baht)			
	Consolidated		Separate	
	2016	2015	2016	2015
For the three month periods ended March 31,	(11)	3	(11)	4

Weighted average number of ordinary shares (Basic)

	(Unit : Million shares)			
	Consolidated		Separate	
	2016	2015	2016	2015
Weighted average number of ordinary shares outstanding during the periods (Basic)	<u>2,048</u>	<u>2,048</u>	<u>2,048</u>	<u>2,048</u>

19. DISCLOSURE OF SEGMENT BUSINESS OPERATION

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

The one main reportable operating segment of the Company is engaged in mainly in manufacturing of packaging film and the several geographical regions area of their operations is Thailand, Asia, Europe, America and other. For the three-month period ended March 31, 2016 and 2015 details of financial information shown separately by geographical are as follows :-

	(Unit : Million Baht)			
	Consolidated		Separate	
	2016	2015	2016	2015
Revenue from sales - Local	316	469	316	469
Revenue from sales - Foreign				
Asia	217	214	217	214
Europe	22	11	22	11
American	7	13	7	13
Other	36	38	36	38
Total	<u>598</u>	<u>745</u>	<u>598</u>	<u>745</u>

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20. COMMITMENTS AND CONTINGENT LIABILITIES

As at March 31, 2016, in addition to the liabilities reflected in the statements of financial position, Thai Film Industries Public Company Limited still have of obligations and contingent liabilities as follows: -

20.1 Had outstanding bank guarantees issued on behalf of the Company and for which it is contingently liabilities to the Customs Department, Thailand Tobacco Monopoly, Metropolitan Electricity Authority and the Provincial Electricity Authority amounting to approximately Baht 14.70 million. The Company used fixed deposit as collateral for amount of Baht 1 million. (See note 8.)

20.2 Had unused letters of credit, liabilities under trust receipts and promissory notes in amount of approximately Baht 57.73 million.

20.3 The Company has export guaranteed entered into with a commercial bank to guarantee against the risk in receiving the payment of exporting goods for leave from the purchaser or the purchaser’s bank overseas. The Company holds the right to the export guaranteed at Baht 41.24 million.

20.4 (1) On May 8, 2008 the Company was sued by a bank as the third defendant in the Civil Court under the contract pledging the shares of an associated company as collateral. On April 19, 2016, the court will appoint simultaneously on June 27, 2016. (2) On September 30, 2009, the Company was sued by the same bank as the third defendant in the Central Intellectual Property and International Trade Court case number black case file Kor Khor 202/2552 under the pledging the shared of an associated company (the first defendant). On March 31, 2015, the Court set a new appointment date the company witnesses be on August 26 30 31, 2016. In both cases the company is a defendant of contractual pledge Baht 600 million for principal and interest. And the company's lawyers give opinion that the pledging of shares as collateral for a period of four years had ended. So the Company is not responsible in the end.

21. FINANCIAL INSTRUMENTS

Policy to manage financial risk

The Company possesses risk regarding to the change of market interest rate and in currency exchange rate and from nonperformance of contractual obligations by counter parties. The Company will consider using derivative instruments, as and when it considers appropriating to manager such risks. However, the Company does not hold any policy to hold or issue any financial instruments for speculation or for trading.

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Risk on Interest Rate

Risk on interest rates is derived from the change of the market interest rate in the future, which will affect upon the Company operating results and cash flows, because the Company has deposits and loans from financial institutions however this financial assets and liabilities bear interest rates comparable to market interest rates. The Company believes that no material risk derived from interest rates.

Risk on Exchange Rate

Risks on exchange rates mainly involve with sales of goods and imports of raw material because of business transaction are foreign currencies. As at March 31, 2016 and December 31, 2015, the Company possessed material assets and liabilities in foreign currencies as follows:-

		(Unit : Thousand)	
Foreign Currency		March 31, 2016	December 31, 2015
Assets	US Dollar	2,961	2,097
	EURO	32	261
	POUND	25	-
	YEN	4,717	569
Liabilities	US Dollar	12,064	11,748
	EURO	28	25
	POUND	1	-
	YEN	25,336	25,414

As at Marchr 31, 2016, there are forward contracts sold amount of USD 7.82 million.

As at December 31, 2015, there are forward contracts bought amount of USD 0.70 million and EUR 0.10 million and forward contracts sold amount of USD 2.58 million.

Credit Risk

The Company has risk on credit regarding to trade accounts receivable which the counter party unaffordable or unwillingly follow the agreements. However the Company pursues conservative lending policy and the numbers of debtors are several, the Company does not anticipate any material damage from debt collections.

Fair Value

Since the most of the financial assets and liabilities are short-term and loans bearing interest rates closed to market rates, the Company management believes such book value of the financial assets and liabilities are presented in value not materially different from relevant fair value.

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22. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENT

The company based on market value in measuring the fair value of assets and liabilities for financial reporting standards that require fair value measurements. Except for the absence of market liquidity. Or cannot find the trading price on the market with liquidity. The Company will apply cost or replacement value method to measure the value of assets and liabilities instead.

As at March 31, 2016 and December 31, 2015, the company valued the land used in the fair value Baht 475 million which is calculated based on the fair value method based on market valuation and net replacement value (level 2).

23. CAPITAL MANAGEMENT

The primary objectives of the Company's and its subsidiaries' capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at March 31, 2016 and December 31, 2015, debt to equity ratio in the consolidated financial statement is 1.91 : 1.00 and 1.96 : 1.00 ,respectively (the separate financial statements as at March 31, 2016 and December 31, 2015, debt to equity ratio is 1.88 :1.00 and 1.93 :1.00, respectively).

24. SUBSEQUENT EVENT

On April 29, 2016, the Company had notes payable to a securities company of Baht 70 million, interest at 5.5% p.a. and due on October 28, 2016.

25. APPROVAL OF FINANCIAL STATEMENTS

Board of Directors of the Thai Film Industries Public Company Limited has approved these financial statements on May 11, 2016.