

Our Expansion..For Our Future



▲ *New Mold Factory*

▼ *Lamp 7 Extension Factory*



STANLEY ANNUAL REPORT 2018

รายงานประจำปี 2561

สำหรับปีสิ้นสุด 31 มีนาคม 2562

Fiscal Year Ended March 31,2019

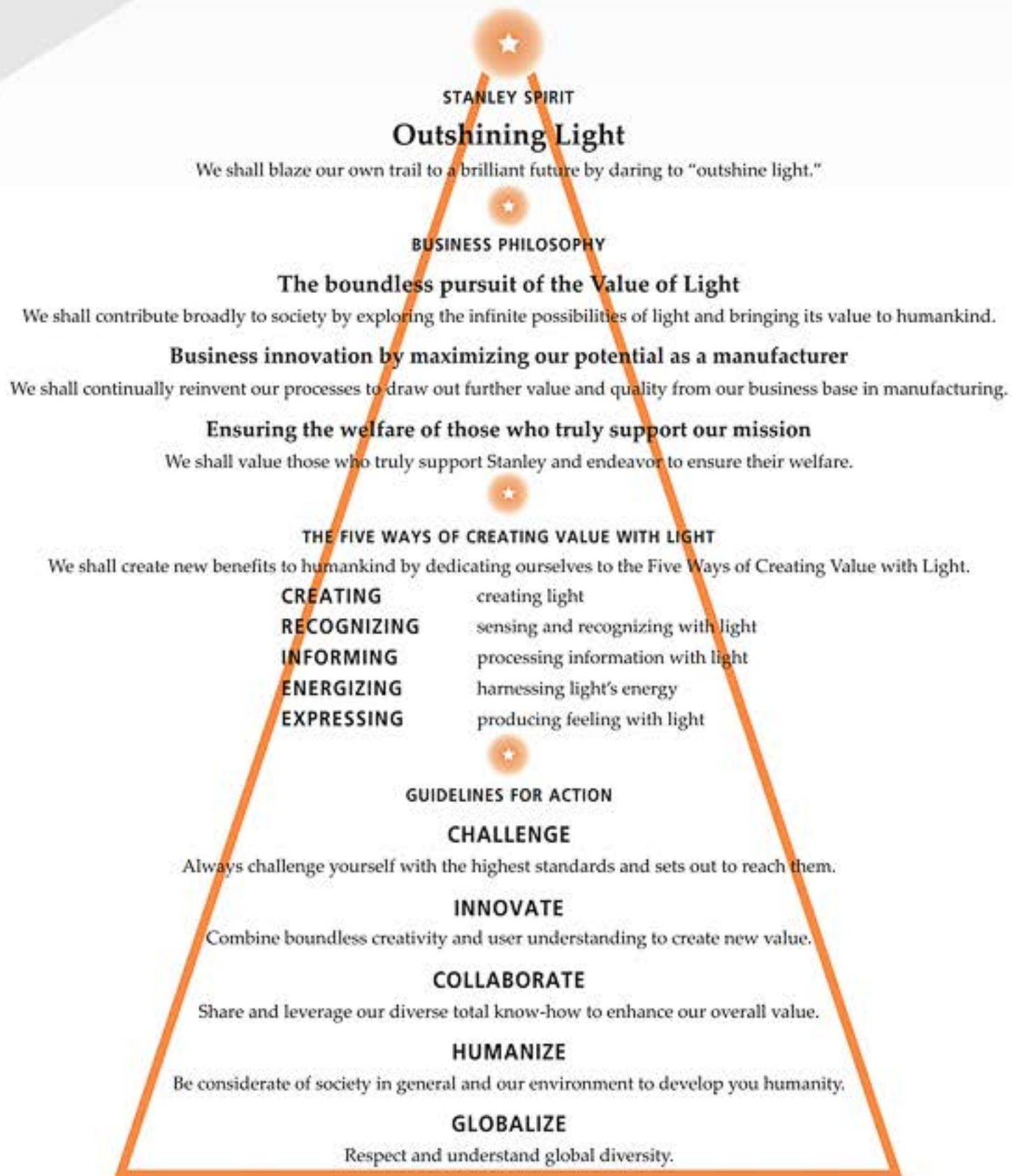


Her Royal Highness Princess Maha Chakri Sirindhorn personally visited Thai Stanley on Friday, August 24, 2018 at 13.00 hrs. The visited areas included the ground floor of the Head Office , the Safety Dojo Center, the R&D Center and the Lamp 7 Factory. HRH Princess Maha Chakri Sirindhorn signed her name on an acrylic board and planted a Sirindhorn magnolia (*Magnolia sirindhorniae* Noot & Chalermglin) in front of the office building. She also took a group photo with the Board of Directors, the Executive Board and the Lee-issaranukul Family. While the Board of Directors and the management donated money and an electric golf cart for her personal use, respectively, the management also donated an AED device for use in Chitralada Technology Institute's affairs.





STANLEY GROUP VISION



CONTENT

HIGHLIGHTS	5
TO OUR SHAREHOLDERS	6
THE BOARD OF DIRECTIONS & EXECUTIVES	10
NEW PRODUCTS	12
CONTENTS OF FINANCIAL STATEMENTS	13

HIGHLIGHTS

Operating Report

	For the year ended 31 March 2019 (Thousand)	For the year ended 31 March 2018 (Thousand)	Change (%)
Sales	14,634,621	13,220,446	10.70
Total Revenues	14,907,068	13,419,320	11.09
Cost of Sales	11,864,535	10,775,580	10.11
Selling and Administrative Expense and other	927,798	889,951	4.25
Profit before income tax	2,430,915	2,048,547	18.67
Net Profit (Loss)	1,977,762	1,658,662	19.24

Financial Statement

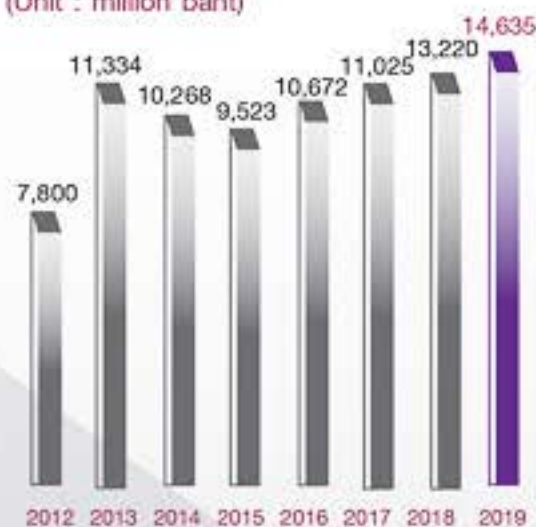
Current Assets	9,033,803	9,290,056	(2.76)
Total Assets	19,254,504	16,938,772	13.67
Current Liabilities	2,883,108	2,066,180	39.54
Total Liabilities	3,287,944	2,407,392	36.58
Shareholders' Equity	15,966,559	14,531,380	9.88

Financial Ratio

Net Profit Margin (%)	13.27	12.36
Return on Equity (ROE) (%)	12.97	11.91
Return on Total Asset (ROA) (%)	10.93	10.33
Debt to Equity (DE) (time)	0.21	0.17
Price Earning ratio (PE) time	8.80	10.67
Current Ratio (time)	3.13	4.50
Net Profit (Loss) per share	25.81	21.65
Par Value	5.00	5.00
Book Value per Share	208.37	189.65

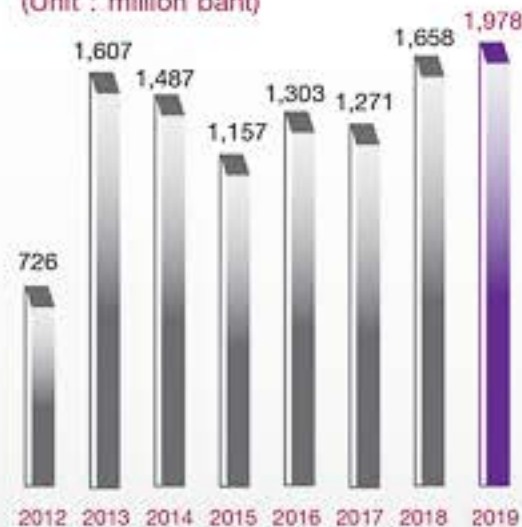
Net Sales

(Unit : million baht)



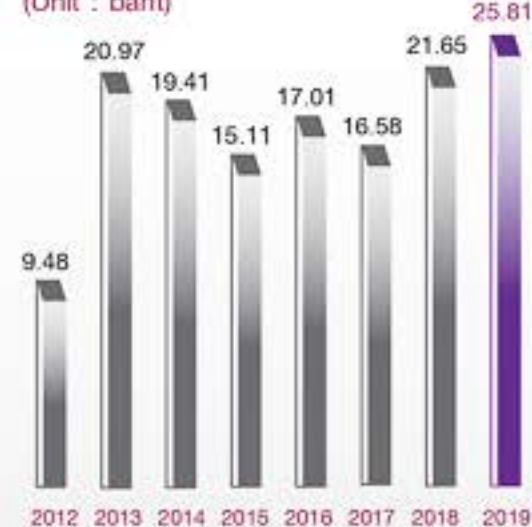
Net Profit

(Unit : million baht)



Net Profit (Loss) per Share

(Unit : baht)



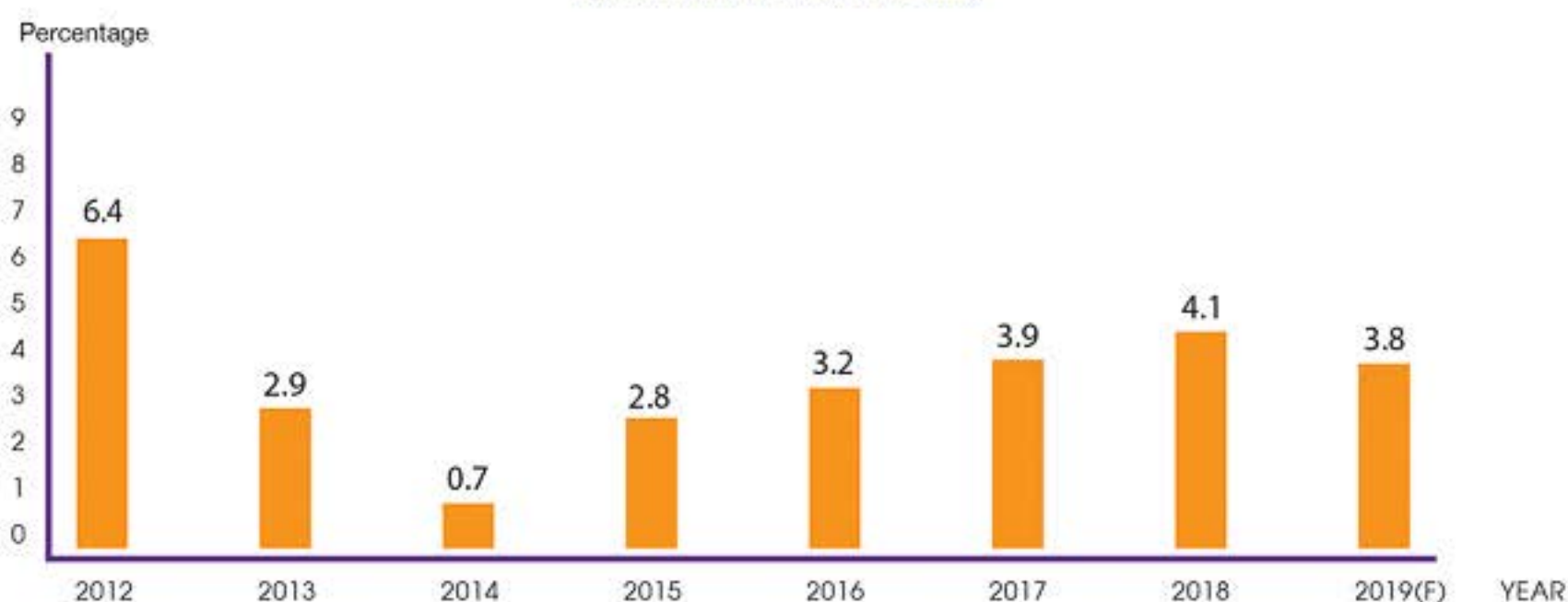
TO OUR SHAREHOLDERS

1. Economic Overview

The Thai economy in 2018 continued to expand from the previous year, making 2018 a year of economic stability. 2018 witnessed a slight increase of GDP to 4.1% from 3.9% from a year ago. Yet, this was the record high rate from 2012 when the GDP rate was the highest at 6.4%. The GDP expansion in 2018 also witnessed the continued trend of GDP increase since 2015 (at 2.9%). On a quarterly basis, the GDP in 2018 was 4.8% in Q1 (January to March), 4.6% in Q2 (April to June), 4.0% in Q3 (July to September) and 4.0% in Q4 (October to December).

Ministry of Finance released the GDP growth rate forecast in 2019 at 4.0%. Yet, Q1 export was not quite good, a signal that exports for the entire year of 2019 could worsen. As a result, it's expected that Thailand's economic expansion is likely to contract to 3.8%.

Growth Rate of GDP (2012- 2019)



2. Trend of the Automobile Industry

The automotive industry, which we are in, slightly improved. Domestic sales of automobile in 2018 totaled 1,040,000 cars (19.5% increase from the previous year). The production rate also increased to 2,168,000 cars (9.0% increase from the previous year), a result of better domestic sales of automobiles.

However, based on the quarterly-based production activity, it was found that 540,000 units were produced from January to March; 517,000 units from April to June; 548,000 units from July to September; and 564,000 units from October to December.

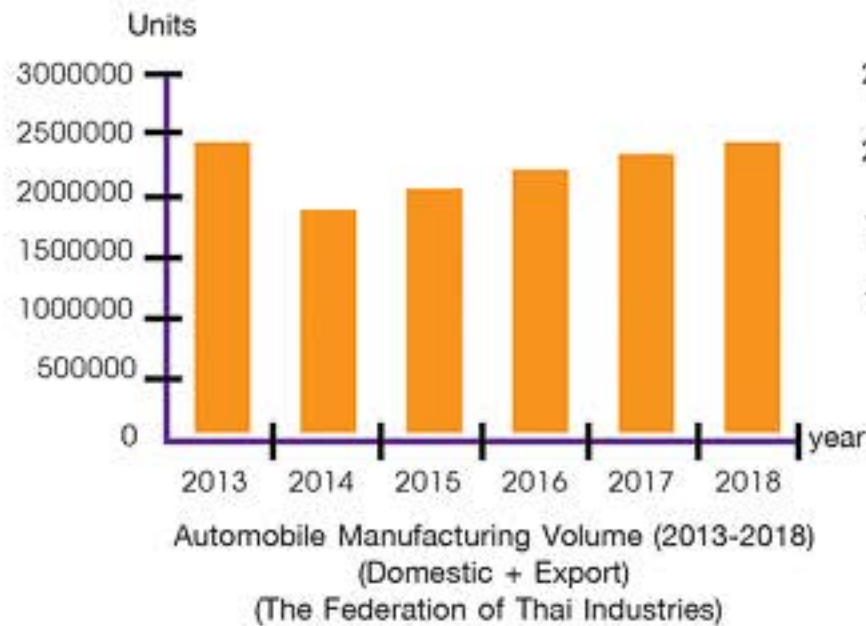
The Federation of Thai Industries (FTI) forecasts that 2,150,000 cars will be produced in 2019 (or decrease 0.8%). Of this, 1,050,000 will be produced for domestic sales (2.4% increase from the previous year) and 1,100,000 for export (3.7% increase from the previous year). As a result, domestic sales of automobiles are expected to continue supporting the sluggish export of Thai automobiles.

The company expects domestic sales of automobiles to continue growing thanks largely to the government's policy to continue preparing basic infrastructure and its low-interest loan rate policy. Yet, the export outlook isn't that rosy due to risks from impacts of a trade war between the US and China.

On the other hand, 1,788,000 units of motorcycle were sold domestically in 2018 (decrease 1.2% from

the previous year). About 2,063,000 Completely Built Up (CBU) motorcycles were manufactured in the same year (increase 0.4% from the previous year).

The FTI forecasts that about 2,140,000 CBU motorcycles will be manufactured in 2019 (increase 3.7% from the previous year). This is further divided into 1,780,000 units produced for domestic sales (increase 5.2% from the previous year) and 360,000 units to be destined for export (decrease 3.0% from the previous year).



3. Our Operation

Based on economic and industrial situations described above, our sales in 2018 rose 10.69% from the same period a year ago thanks to our move to enhance the way we worked where production efficiency was upgraded through the SNAP (Stanley New Approach for Higher Productivity) activity and where we continued to increase quality standards with a goal to reduce waste to zero level, strengthen customer's confidence and improve overall operation results through strategic activities to increase performance.

Sales structure

Our 3 core businesses are Auto Bulb products, Automotive Lighting products and Die & Mold/Design products.

Sales from the automotive lighting products accounted for 94.15% while those from auto bulb products and die & mold products encompassed 4.05% and 1.80%, respectively.

Aside from selling directly to the market, our auto bulb products were also sold to the automotive lighting product business to be assembled as part of automotive lamps.

The die & mold products were not only tools for the lamp die & mold process but they were also distributed to companies within the Stanley Group and other suppliers.

As for our design business, aside from designing our own lamp products, the business also sells designs to companies within the Stanley Group

Sale

Amount and proportions of sale structure of each business during 2018 are as follows:

Unit : Million Baht

	Fiscal year 2018 (Apr 2018-Mar 2019)		Fiscal year 2017 (Apr 2017 - Mar 2018)		Change (%)
	Amount	Proportion	Amount	Proportion	
Auto bulb	593.11	4.05%	592.37	4.48%	0.12%
Automotive lamp	13,778.34	94.15%	12,186.60	92.18%	13.06%
Die & mold and Design	263.17	1.80%	441.49	3.34%	(40.39%)
Total	14,634.62	100.00%	13,220.46	100%	10.69%

* Automotive Bulb and Die & Mold not include internal transfer.

Investment

Investment in 2018 are as follows:

Unit : Million Baht

	Fiscal year 2018 (Apr 2018-Mar 2019)		Fiscal year 2017 (Apr 2017- Mar 2018)		Change (%)
	Amount		Amount		
Land	127.8		6.09		1,998.52%
Buildings	817.28		142.58		473.21%
Machines & Equipment	1,829.19		728.09		151.23%
Molds & Tools	377.57		270.12		39.78%
Others	6.96		10.27		(32.23%)
Total	3,158.80		1,157.15		172.98%

Employment

Number of employees at the end of 2018 as follows ;,

Unit : person

	Employee as at ending of 2019	Employee as at ending of 2018	Change
Thai employee (male)	1,711	1,590	121
Thai employee (female)	1,460	1,381	79
Japanese staff	25	26	(1)
Total	3,196	2,997	199

4. Future Trends

The new government will start managing Thailand's economy and politics in 2019. We expect that the government's strategy to continue building infrastructure in order to stimulate public spending will help stimulating the local economy.

However, the intensifying trade war between the US and China will likely impede our exports overseas, which could dampen our economy. That's why we need to closely monitor the world's economy.

The automotive industry continues to play a pivotal role as a center that distributes automobiles to markets around the world. In terms of production, competitions with neighboring countries in Asean are increasing, and we need to compete in terms of price at the international level.

Regarding product development, we need to increasingly respond to needs in product development especially for Asean countries. Our customers and other companies in the automotive industries will also be required to enhance their development capacity.

While it's expected that the automobile and motorcycle industries will continue to grow, at present, there are also needs within the industry to accommodate an emerging trend of electric car production, starting from hybrid car, and a rapid technological development for driverless cars. The Company must adjust our position as an automotive lighting manufacturer by closely watching the trends and re-orienting ourselves to become a manufacturer with expertise to respond to customers' needs.

The Company has so far bundled up our intellect and capacity of our people and those of companies within the group to increase our competitiveness within the industry. We also enhance our productivity for long-term sustainability where the SNAP (Stanley New Approach for Higher Productivity) has been implemented. Technology and products are further developed with a goal to grow and to deliver the most attractive products to our customers.

We will build up our system relating to Q (Quality), C (Cost) and D (Delivery) to gain trust from our customers.

We continue to adhere to our principle where the business is managed with a focus to share profit that will enable our company to grow in tandem with all stakeholders.

The Company will try our best to pursue a variety of measures mentioned above to allocate profits while taking into account satisfaction of all shareholders. We wish to express our heartfelt gratitude for every support we have kindly received so far.



Mr. Apichart Lee-issaranukul
Executive Chairman



Mr. Koichi Nagano
President

Thai Stanley Electric Public Company Limited

THE BOARD OF DIRECTORS & THE EXECUTIVES



THE BOARD OF DIRECTORS

Mr. Apichart Lee-issaranukul
Director
Executive Chairman

Mrs. Pimjai Lee-issaranukul
Director

Mr. Krisada Visavateeranon
Independent Director
Chairman of the Audit Committee

Mr. Koichi Nagano
Director
President

Mrs. Pornthip Sethiwan
Director

Mr. Chokechai Tanpoonsinthana
Independent Director
Audit Committee

Mr. Tadao Suzumura
Director
Executive General Manager
Lighting Equipment Division

Mr. Toru Tanabe
Director

Mr. Suchart Phisitvanich
Independent Director
Audit Committee

Mr. Thanong Lee-issaranukul
Director

Mr. Katsutoshi Iino
Director

Mr. Picharn Sukparangsee
Independent Director

THE BOARD OF DIRECTORS & THE EXECUTIVES



THE EXECUTIVES

1.Mr. Apichart Lee-issaranukul
Executive Chairman
Executive General Manager
Administration Division

2.Mr. Koichi Nagano
President

3.Mr. Tadao Suzumura
Executive General Manager
Lighting Equipment Division

4.Mr. Koji Kobayashi
Executive General Manager
R&D Center

5.Mr . Kazunori Nakai
Executive General Manager
Marketing Division

6.Mr. Etsuya Kawashima
Executive General Manage
Die & Mold Division

NEW PRODUCTS

Last year, Manufacturers have produced motorcycles and automobiles with new models as follow :

Motorcycles



HONDA
ALL NEW
WAVE 110i



HONDA
CLICK 150i

Automobile



MITSUBISHI
TRITON

CONTENTS OF FINANCIAL STATEMENTS

	PAGE
REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL REPORTS	14
REPORT OF THE AUDIT COMMITTEE	15
INDEPENDENT	17
STATEMENTS OF FINANCIAL POSITION	22
STATEMENTS OF INCOME	23
STATEMENTS OF COMPERHENSIVE INCOME	24
STATEMENTS OF CHANGES IN EQUITY	25
STATEMENTS OF CASH FLOWS	27
NOTES TO THE FINANCIAL STATEMENTS	29
FINANCIAL STATISTICS IN 5 YEARS	62
GENERAL CORPORATE INFORMATION	63
MILESTONE	121

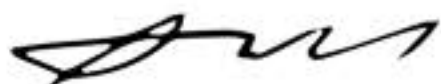
REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL REPORTS

The Board of Directors of Thai Stanley Electric Public Company Limited is responsible for the Financial Statements of the Company which have been prepared in accordance with generally accepted accounting standards in Thailand under the Accounting Act B.E.2543 , and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E.2535 . The accounting policies adopted are deemed appropriate and applied consistently with completely and adequate disclosure of significant information in the notes to the financial statements and information data that appears in the 2018 annual report and this was to ensure transparency and benefits to the shareholders and investors.

The Board of Directors has appointed an Audit Committee consists of independent directors to review of financial statements and the internal control system to ensure that accounting records are accurate , complete and timely. The views of the Audit Committee are report in the Audit Committee 's report in the Company's annual report.

The company 's financial statements were audited by PricewaterhouseCoopers ABAS Co.,Ltd. , the company's auditor. During the audit, the Board of Directors supported the auditor with various information and documents so that the auditor could audit and express its opinions according to the accounting standards. The auditor's opinions appear in the report of auditor in this annual report.

The Board of Directors is confident of the company's internal control system that the financial statements of Thai Stanley Electric Public Company Limited presents the financial position , the results of operation and cash flows accurately in all material respects with generally accepted under financial reporting standards.



(Mr.Apichart Lee-issaranukul)
Executive Chairman



(Mr.Koichi Nagano)
President

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Thai Stanley Electric Public Company Limited was appointed following a resolution at the Board of Directors Meeting on 29 July 2016, consists of 3 independent directors who have expertise and also have qualification as required under the Notification of the Office of Securities and Exchanges Commission. The Audit Committee duly performed its duties within the scope and responsibilities as assigned by the Board of Directors which are prescribed in the Audit Committee's Charter and in line with the regulations of the Stock Exchange of Thailand.

In year 2018, the Audit Committee conducted 8 meetings which meeting with the Auditor without attendance of any management 4 times, the details of attendance of each Audit Committee's member are as follows.

1.Mr. Krisada	Visavateeranon	Chairman of Audit Committee	attendance 8 out of 8
2.Mr. Chokechai	Tanpoonsinthana	Audit Committee	attendance 8 out of 8
3.Mr. Suchart	Phisitvanich	Audit Committee	attendance 8 out of 8

In each meeting was the meeting with auditors, internal auditors and management in accordance with relevant agendas for consultations on significant matters as well as acknowledgments of performances and recommendations, including problems and difficulties during performing of duties. The Audit Committee independently reported, made an opinion and gave recommendation to the Board of Directors of which it can be summarized as follows:

1. Review the financial report, The Audit Committee considered and reviewed material financial information of quarter financial statement and annual financial statement of the company for the year 2018 and made inquiries and received clarification from the managements and the auditor including the acknowledgement of recommendation as per auditing and suggestion of the auditor. The Audit Committee agreed with the auditors that the financial statements were duly prepared in all material aspects in accordance with Thai Financial Reporting Standard and had disclosing in sufficient
2. Reviewed the internal control and risk management system, The Audit Committee reviewed and assess the sufficient of internal control system of the company to ensure that the company had and appropriate and sufficient internal control for the company business with consideration from the internal audit report in the company's significant performances, which it resulted in there was no weakness or deficiency. In addition the Audit Committee had considered the evaluation result of internal control in accordance with the guidelines established by SEC. The Audit Committee had opinion that the internal controls system sufficient and appropriate and accordance to internal control framework of COSO. For the risk management, the company has a Risk Management Committee and responsible party for risk management and determining adequate and appropriate risk management measures.
3. Reviewed the internal audit system, The Audit Committee has considered the scope of work, duties and responsibilities, independent of the Internal Audit Department and consider to approving the annual internal audit plan. The Audit Committee has opinion that the company has a sufficient and appropriate internal audit system.

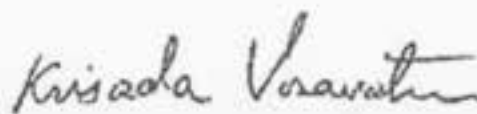
REPORT OF THE AUDIT COMMITTEE

4. Review compliance with relevant laws and regulations. The Audit Committee reviewed the operation of the company through the audit of the internal audit unit to ensure that the operation of the company in accordance with the laws concerning securities and exchange, the Stock Exchange of Thailand's regulations and relevant laws in connection with the company's business. The Audit Committee opined that company had internal control on the compliance with relevant laws and regulations in sufficient and effectiveness.
5. Review related party transaction and conflict of interest. The Audit Committee considered related party transaction or transactions with conflict of interest to comply with laws and the Stock Exchange of Thailand's regulations, which the Audit Committee opined that the company entered into related party transactions in accordance with general trading condition and reasonable price as entry into the same transaction with general person and for the highest benefits of the company's business. In addition, the company fully complied with policy and disclosed information pursuant to the Stock Exchange of Thailand.
6. Consider to nomination appointment and determination of the Auditor's remuneration, The Audit Committee considered to nominate, appoint and determine the Auditor's remuneration from qualification, quality of audit tasks, independence in performing, knowledge and ability in profession. For the Auditor's remuneration the Audit Committee considered the suitability and scope of responsibility of the auditor.

The Audit Committee considered to appointing Miss Varaporn Vorathitikul, Certified Public Accountant No. 4474 and/or Mr. Chaisiri Ruangritchai, Certified Public Accountant No. 4526 and/or Mr. Vichien Khingmontri, Certified Public Accountant No. 3977 in the name of the PricewaterhouseCoopers ABAS Co., Ltd. as the Company's auditors for fiscal year 2019 and to determine the appropriate remuneration for proposing the Board of Director to subsequently propose it to the shareholders for approval.

7. Review the Audit Committee Charter, The Audit Committee meeting approved the amendment of the Audit Committee Charter to addition of the self-assessment of the Audit Committee In order to comply with the principles of good corporate governance of listed companies.

To summarize in 2018, the Audit Committee performed its duties with prudent and independent in giving opinions and advices for the highest benefit of the company and also performed its duties in accordance with the Audit Committee charter and assignments from the Board of Directors in full of which the Audit Committee opined that the company had compliance system and internal control at the sufficient and appropriate level for the company's business including the company conduct the business with good governance to ensure that the preparation of financial information fully and duly presented facts in material part in compliance with the general accounting standard, disclosed of information to various regulatory agencies correctly, performed duties in compliance with the Good Corporate Governance principles with adequacy, transparency and reliability.



(Mr. Krisada Visavateeranon)
Chairman of the Audit Committee

INDEPENDENT

To the shareholders and the Board of Directors of Thai Stanley Electric Public Company Limited

My opinion

In my opinion, the financial statements in which the equity method is applied and the separate financial statements of Thai Stanley Electric Public Company Limited (the Company) present fairly, in all material respects, the financial position in which the equity method is applied and the separate financial position of the Company as at 31 March 2019, and its financial performance in which the equity method is applied and the separate financial performance and its cash flows in which the equity method is applied and the separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The Company's financial statements comprise:

- the statement of financial position in which the equity method is applied and the separate statement of financial position as at 31 March 2019;
- the statement of income in which the equity method is applied and the separate statement of income for the year then ended;
- the statement of comprehensive income in which the equity method is applied and the separate statement of comprehensive income for the year then ended;
- the statement of changes in equity in which the equity method is applied and the separate statement of changes in equity for the year then ended;
- the statement of cash flows in which the equity method is applied and the separate statement of cash flows for the year then ended; and
- the notes to the financial statements which include a summary of significant accounting policies.

Basis for opinion

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

Key audit matters

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

INDEPENDENT

Key audit matter

How my audit addressed the key audit matter

Valuation of inventories

Refer to note 2.6 (accounting policies) and note 9 (inventories).

The valuation of inventories is an area of focus because inventories are a significant part of the total assets. The allowances for obsolete and slow-moving inventories are subject to management's judgement and experience, who may intentionally or unintentionally be biased. This could affect the appropriateness of the valuation of inventory.

Assessing the allowances for obsolete and slow-moving inventories requires a degree of estimation using judgement. Management based their assessment on their experience and historical data and set a 100% allowance for inventories with no movement over 12 months. In addition, the management assessed the appropriate level of the allowance by taking into account the historical and recent sales experience, the aging of inventories and other factors that cause slow-moving inventories to deteriorate and become obsolete.

I updated my understanding of the assumptions used to develop the allowances for obsolete and slow-moving inventories and determined that the accounting policies are consistent with the prior years.

I assessed whether the assumptions management used to develop the allowances for obsolete and slow-moving inventories were reasonable by considering historical data and prior years' experience including key inventory ratios. I also challenged whether the specific periods that management had assumed were appropriate enough to be used to determine the valuation of inventory.

I tested the reliability of the inventory aging report that was used to assess the valuation of inventory by tracing the last movement date of the inventory aging report to the supporting documents to check whether inventories were assigned to the correct aging category by the system.

I tested the mathematical accuracy of the allowances of the inventory balance that were derived from management's assumptions. I found no variances from performing this work.

I also assessed whether any obsolete and slow-moving inventories were omitted from the detailed analysis. I did this by examining the completeness of the inventory aging analysis and tracing information obtained during inventory counts, to check that allowance for all inventories with no movement over 12 months in the inventory aging analysis were fully recognised. I also verified that the obsolete inventories found during inventory count at the year-end were appropriately set the allowance for.

Using the above procedures, I considered that management's assumptions were properly used to estimate. Also, the estimation of the allowances for obsolete and slow-moving inventories was recognised appropriately.

Other information

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

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

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

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

INDEPENDENT

Responsibilities of the directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

INDEPENDENT

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

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

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

PricewaterhouseCoopers ABAS Ltd.



Varaporn Vorathitikul
Certified Public Accountant (Thailand) No. 4474
Bangkok
17 May 2019

Thai Stanley Electric Public Company Limited
Statements of Financial Position
 As at 31 March 2019

	Notes	Financial statements in which the equity method is applied		The Company only	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	6	1,671,996,877	2,012,032,313	1,671,996,877	2,012,032,313
Short-term investments held to maturity	7	3,625,000,000	4,212,450,217	3,625,000,000	4,212,450,217
Trade and other accounts receivable, net	8	2,549,177,679	2,347,804,952	2,549,177,679	2,347,804,952
Inventories, net	9	1,099,780,589	674,727,701	1,099,780,589	674,727,701
Current portion of loans to employees	10	41,877,305	25,348,038	41,877,305	25,348,038
Other current assets		45,970,733	17,692,303	45,970,733	17,692,303
Total current assets		9,033,803,183	9,290,055,524	9,033,803,183	9,290,055,524
Non-current assets					
Loans to employees	10	34,920,939	10,806,651	34,920,939	10,806,651
Investment in an associate	11	1,357,930,009	1,131,686,653	54,044,189	54,044,189
Investment in a joint venture	12	22,165,315	22,706,618	3,132,500	3,132,500
Long-term investments, net	13	112,401,215	113,201,215	112,401,215	113,201,215
Property, plant and equipment, net	14	7,703,011,731	5,564,806,688	7,703,011,731	5,564,806,688
Intangible assets, net	15	974,757,302	775,113,671	974,757,302	775,113,671
Deferred tax assets, net	16	-	-	94,132,292	87,036,833
Other non-current assets, net		15,514,089	30,394,712	15,514,089	30,394,712
Total non-current assets		10,220,700,600	7,648,716,208	8,991,914,257	6,638,536,459
Total assets		19,254,503,783	16,938,771,732	18,025,717,440	15,928,591,983

Thai Stanley Electric Public Company Limited

Statements of Financial Position

As at 31 March 2019

	Notes	Financial statements in which the equity method is applied		The Company only	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade accounts payable - other companies		601,416,601	514,745,721	601,416,601	514,745,721
- related parties	28	549,860,146	498,282,289	549,860,146	498,282,289
Other accounts payable - other companies		1,004,252,283	322,204,024	1,004,252,283	322,204,024
- related parties	28	169,764,056	223,210,120	169,764,056	223,210,120
Accrued corporate income tax		218,376,783	181,649,546	218,376,783	181,649,546
Accrued expenses	17	339,438,086	326,088,616	339,438,086	326,088,616
Total current liabilities		2,883,107,955	2,066,180,316	2,883,107,955	2,066,180,316
Non-current liabilities					
Deferred tax liabilities, net	16	170,451,435	132,406,483	-	-
Provision for post-employment benefits	18	234,385,053	208,805,352	234,385,053	208,805,352
Total non-current liabilities		404,836,488	341,211,835	234,385,053	208,805,352
Total liabilities		3,287,944,443	2,407,392,151	3,117,493,008	2,274,985,668
Equity					
Share capital	19				
Authorised share capital					
76,625,000 ordinary shares, par value of Baht 5 each		383,125,000	383,125,000	383,125,000	383,125,000
Issued and paid-up share capital					
76,625,000 ordinary shares, par value of Baht 5 each		383,125,000	383,125,000	383,125,000	383,125,000
Premium on share capital	19	504,250,000	504,250,000	504,250,000	504,250,000
Retained earnings					
Appropriated					
- Legal reserve	21	38,312,500	38,312,500	38,312,500	38,312,500
Unappropriated		15,229,792,248	13,788,404,424	13,979,256,932	12,723,998,815
Other components of equity		(188,920,408)	(182,712,343)	3,280,000	3,920,000
Total equity		15,966,559,340	14,531,379,581	14,908,224,432	13,653,606,315
Total liabilities and equity		19,254,503,783	16,938,771,732	18,025,717,440	15,928,591,983

Thai Stanley Electric Public Company Limited

Statements of Income

For the year ended 31 March 2019

	Notes	Financial statements in which the equity method is applied		The Company only	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Revenues from sales and services	5, 26, 28	14,634,621,299	13,220,445,698	14,634,621,299	13,220,445,698
Cost of sales and services		(11,864,534,640)	(10,775,579,608)	(11,864,534,640)	(10,775,579,608)
Gross profit		2,770,086,659	2,444,866,090	2,770,086,659	2,444,866,090
Other income					
- Dividend income	11, 12, 13	71,979,332	10,303,166	155,496,731	92,815,488
- Gain on exchange rates, net		21,238,295	19,754,392	21,238,295	19,754,392
- Interest income		71,137,511	69,486,678	71,137,511	69,486,678
- Others	22	108,091,969	99,330,130	108,091,969	99,330,130
Profit before expenses		3,042,533,766	2,643,740,456	3,126,051,165	2,726,252,778
Selling expenses		(582,126,700)	(539,043,028)	(582,126,700)	(539,043,028)
Administrative expenses		(345,671,294)	(350,907,911)	(345,671,294)	(350,907,911)
Total expenses		(927,797,994)	(889,950,939)	(927,797,994)	(889,950,939)
Operating profit	23	2,114,735,772	1,753,789,517	2,198,253,171	1,836,301,839
Share of profit from investments in an associate and a joint venture	11, 12	316,179,533	294,757,654	-	-
Profit before income tax		2,430,915,305	2,048,547,171	2,198,253,171	1,836,301,839
Income tax	24	(453,153,181)	(389,885,568)	(406,620,754)	(347,436,502)
Net profit for the year		1,977,762,124	1,658,661,603	1,791,632,417	1,488,865,337
Basic earnings per share	25				
Net profit for the year		25.81	21.65	23.38	19.43

Thai Stanley Electric Public Company Limited

Statements of Comprehensive

For the year ended 31 March 2019

	Financial statements in which the equity method is applied		The Company only		
	2019	2018	2019	2018	
	Note	Baht	Baht	Baht	
Net profit for the year		1,977,762,124	1,658,661,603	1,791,632,417	1,488,865,337
Other comprehensive expenses for the year after tax:					
Items that will be reclassified subsequently to profit or loss					
Unrealised loss on change in fair value of available-for-sale investment	24	(640,000)	(768,000)	(640,000)	(768,000)
Exchange differences relating to investments in an associate and a joint venture	24	(5,568,065)	(84,867,476)	-	-
Other comprehensive expenses for the year - net of tax	24	(6,208,065)	(85,635,476)	(640,000)	(768,000)
Total comprehensive income for the year		<u>1,971,554,059</u>	<u>1,573,026,127</u>	<u>1,790,992,417</u>	<u>1,488,097,337</u>

Thai Stanley Electric Public Company Limited
Statements of changes in equity
For the year ended 31 March 2019

Financial statements in which the equity method is applied

	Other components of equity										Total other components of equity Baht	Total equity Baht
	Other comprehensive income (expenses)											
	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings		Unrealised gain (loss) on change in fair value of available-for-sale investment Baht	Exchange differences relating to investments in an associate and a joint venture Baht	Total	Other comprehensive income (expenses)				
Legal reserve Baht			Unappropriated retained earnings Baht	Unrealised gain (loss) on change in fair value of available-for-sale investment Baht				Exchange differences relating to investments in an associate and a joint venture Baht	Total			
Opening balance as at 1 April 2018	383,125,000	504,250,000	38,312,500	13,788,404,424	3,920,000	(186,632,343)	(182,712,343)				14,531,379,581	
Total comprehensive income for the year	-	-	-	1,977,762,124	(640,000)	(5,568,065)	(6,208,065)				1,971,554,059	
Dividends paid	-	-	-	(536,374,300)	-	-	-				(536,374,300)	
Closing balance as at 31 March 2019	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>15,229,792,248</u>	<u>3,280,000</u>	<u>(192,200,408)</u>	<u>(188,920,408)</u>				<u>15,966,559,340</u>	
Opening balance as at 1 April 2017	383,125,000	504,250,000	38,312,500	12,512,867,321	4,688,000	(101,764,867)	(97,076,867)				13,341,477,954	
Total comprehensive income for the year	-	-	-	1,658,661,603	(768,000)	(84,867,476)	(85,635,476)				1,573,026,127	
Dividends paid	-	-	-	(383,124,500)	-	-	-				(383,124,500)	
Closing balance as at 31 March 2018	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>13,788,404,424</u>	<u>3,920,000</u>	<u>(186,632,343)</u>	<u>(182,712,343)</u>				<u>14,531,379,581</u>	

The notes to the financial statements on page 29 to 61 are an integral part of these financial statements.

Thai Stanley Electric Public Company Limited
Statements of cash flows
 For the year ended 31 March 2019

	Notes	Financial statements in which the equity method is applied		The Company only	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from operating activities:					
Profit before income tax for the year		2,430,915,305	2,048,547,171	2,198,253,171	1,836,301,839
Adjustments to reconcile profit before income tax for the year to net cash provided by operations:					
- Depreciation	14	1,020,563,009	1,051,782,513	1,020,563,009	1,051,782,513
- Amortisation	15	228,988,633	214,489,984	228,988,633	214,489,984
- Interest income		(71,137,511)	(69,486,678)	(71,137,511)	(69,486,678)
- Share of profit from investments in an associate and a joint venture	11, 12	(316,179,533)	(294,757,654)	-	-
- Dividend income					
- Investments in an associate and a joint venture	11, 12	-	-	(83,517,399)	(82,512,322)
- Long-term investments	13	(71,979,332)	(10,303,166)	(71,979,332)	(10,303,166)
- Gain on disposals of property, plant and equipment, net	22	(4,118,553)	(4,184,100)	(4,118,553)	(4,184,100)
- Reversal of allowance for doubtful account	8	(3,413,075)	(400,327)	(3,413,075)	(400,327)
- Reversal of allowance for obsolete and slow moving inventories and net realisable value lower than cost of inventories	9	(2,548,579)	(21,802,363)	(2,548,579)	(21,802,363)
- Corporate income tax refund offset against withholding tax on dividend and surcharge		-	16,882,357	-	16,882,357
- Provision for corporate income tax	30	-	17,628,090	-	17,628,090
- Provision for post-employment benefits	18	28,844,046	26,616,720	28,844,046	26,616,720
- Unrealised gain on exchange rates, net		(791,567)	(467,965)	(791,567)	(467,965)
Cash flows before changes in operating assets and liabilities		3,239,142,843	2,974,544,582	3,239,142,843	2,974,544,582
Changes in operating assets and liabilities					
- Trade and other accounts receivable		(202,338,308)	(296,916,174)	(202,338,308)	(296,916,174)
- Inventories		(422,504,309)	68,811,879	(422,504,309)	68,811,879
- Other current assets		(28,278,430)	(9,879,222)	(28,278,430)	(9,879,222)
- Cash received from corporate income tax refund		-	18,922,011	-	18,922,011
- Other non-current assets		14,880,623	2,146,718	14,880,623	2,146,718
- Trade accounts payable - other companies		86,670,880	57,295,867	86,670,880	57,295,867
- Trade accounts payable - related parties		51,577,857	74,691,957	51,577,857	74,691,957
- Other accounts payable - other companies		117,088,401	45,984,989	117,088,401	45,984,989
- Other accounts payable - related parties		(1,745,524)	27,893,805	(1,745,524)	27,893,805
- Accrued expenses		13,349,470	48,614,813	13,349,470	48,614,813
- Payment for post-employment benefit obligation	18	(3,264,345)	(2,142,105)	(3,264,345)	(2,142,105)
Cash generated from operations		2,864,579,158	3,009,969,120	2,864,579,158	3,009,969,120
Interest received		16,019,633	15,590,920	16,019,633	15,590,920
Income tax paid		(376,828,976)	(292,861,955)	(376,828,976)	(292,861,955)
Net cash received from operating activities		2,503,769,815	2,732,698,085	2,503,769,815	2,732,698,085

Thai Stanley Electric Public Company Limited
Statements of cash flows
 For the year ended 31 March 2019

	Notes	Financial statements in which the equity method is applied		The Company only	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from investing activities:					
Loans made to employees	10	(81,931,306)	(329,854)	(81,931,306)	(329,854)
Loans repayments from employees	10	41,287,751	34,941,648	41,287,751	34,941,648
Purchases of property, plant and equipment		(2,647,383,944)	(962,220,796)	(2,647,383,944)	(962,220,796)
Proceeds from disposals of property, plant and equipment		4,153,763	4,865,975	4,153,763	4,865,975
Interest received on short-term investments held to maturity		59,496,534	55,432,057	59,496,534	55,432,057
Dividends received					
- Investments in an associate and a joint venture	11, 12	83,517,399	82,512,322	83,517,399	82,512,322
- Long-term investments	13	71,979,332	10,303,166	71,979,332	10,303,166
Purchases of intangible assets		(426,792,264)	(273,682,350)	(426,792,264)	(273,682,350)
Cash receipts from short-term investments held to maturity	7	10,647,000,000	8,954,000,000	10,647,000,000	8,954,000,000
Cash payment on short-term investments held to maturity	7	(10,059,549,783)	(9,329,466,305)	(10,059,549,783)	(9,329,466,305)
Net cash used in investing activities		(2,308,222,518)	(1,423,644,137)	(2,308,222,518)	(1,423,644,137)
Cash flow from financing activity:					
Dividends paid	20	(536,374,300)	(383,124,500)	(536,374,300)	(383,124,500)
Net cash used in financing activity		(536,374,300)	(383,124,500)	(536,374,300)	(383,124,500)
Net increase (decrease) in cash and cash equivalents		(340,827,003)	925,929,448	(340,827,003)	925,929,448
Cash and cash equivalents at beginning of the year		2,012,032,313	1,085,634,900	2,012,032,313	1,085,634,900
Effects of exchange rate changes		791,567	467,965	791,567	467,965
Cash and cash equivalents at end of the year		1,671,996,877	2,012,032,313	1,671,996,877	2,012,032,313
Non-cash transactions:					
Outstanding liabilities arisen from purchases of plant, equipment and intangible assets		744,347,600	179,387,742	744,347,600	179,387,742
Outstanding liabilities arisen from purchase of plant and equipment from related parties		13,955,447	65,655,987	13,955,447	65,655,987

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

1 General information

Thai Stanley Electric Public Company Limited (the "Company") is a public limited company, incorporated in Thailand. The address of its registered office is 29/3 Moo 1 Bangpooon-Rungsit Road, Banklang, Amphur Muang, Pathumthanee, Thailand 12000. The Company is listed on the Stock Exchange of Thailand.

The principal business operation of the Company is the manufacture and sales of automotive bulbs, lighting equipment, molds & dies and product designs.

These financial statements have been approved by the Company's Board of directors on 17 May 2019.

2 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

2.1 Basis of preparation

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention except the measurement of available-for-sale investment as explained in the relevant accounting policies.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Comparative figures have been reclassified to conform with changes in classification in the current year.

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

2.2 Revised financial reporting standards, and related interpretations

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Company:

TAS 7 (revised 2017)	Statement of Cash Flows
TAS 12 (revised 2017)	Income Taxes
TFRS 12 (revised 2017)	Disclosure of Interests in Other Entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale in the scope of TFRS 5 (revised 2017), except for the summarised financial information.

The management assessed and considered that the above revised standards do not have a significant impact on the Company.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.2 Revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretations which have been issued but not yet effective.

2.2.2.1 The Federation of Accounting Professions has issued new standard, TFRS 15 Revenue from Contracts with Customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Company has not early adopted this standard.

TFRS 15 provides the requirements for the recognition of revenue. This standard will supersede the following standards and interpretations:

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

The new standard is based on the principle that revenue is recognised when control of a goods or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.

An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Key changes to current practice are:

- Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements
- Revenue may be recognised earlier than under current standards if the consideration varies for any reasons (such as for incentives, rebates, performance fees, royalties, success of an outcome etc) - minimum amounts must be recognised if they are not at significant risk of reversal
- The point at which revenue is able to be recognised may shift: some revenue which is currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa
- There are new specific rules on licenses, warranties, non-refundable upfront fees and, consignment arrangements
- As with any new standard, there are also increased disclosures.

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures.

The management is currently assessing the impact of initial adoption of this standard.

Mandatory for financial years commencing on or after 1 January 2019. The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 April 2019 and that comparatives will not be restated.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.2 Revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretations which have been issued but not yet effective. (Cont'd)

- 2.2.2.2 Revised financial reporting interpretation will become effective for annual periods beginning on or after 1 January 2019 and is relevant to the Company. The Company has not yet adopted this interpretation.

TFRIC 22 Foreign Currency Transactions and Advance Consideration

TFRIC 22 provides guidance for determining the exchange rate to be used on the initial recognition of a related asset, expense or income where an entity pays or receives an advance consideration in a foreign currency. The interpretation requires an entity to use the exchange rate at the date on which an entity recognises the non-monetary assets, such as prepayments and advances, or non-monetary liability, such as deferred income arising from the advance consideration. If there are multiple advance payments or receipts of payments, the exchange rate is to be used on the date when each non-monetary asset or liability is recognised.

- 2.2.2.3 New financial reporting standards and interpretations will become effective for annual periods beginning on or after 1 January 2020 and are relevant to the Company. The Company has not yet adopted these standards.

- 2.2.2.3.1 The group of financial reporting standards related to financial instruments comprise accounting standards, financial reporting standards and interpretations as shown below. The early application is permitted only for the period beginning on or after 1 January 2019.

TAS 32	Financial Instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The above new standards and interpretations will supersede the following standards:

TAS 101	Bad and Doubtful Debts
TAS 103	Disclosures in the Financial Statements of Bank and Similar Financial Institutions
TAS 104	Accounting for Troubled Debt Restructuring
TAS 105	Accounting for Investment in Debts and Equity Securities
TAS 106	Accounting for Investment Companies
TAS 107	Financial Instruments: Disclosure and Presentation

TAS 32 Financial Instruments: Presentation, provides the requirements for the presentation of financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.

TFRS 7 Financial Instruments: Disclosures, provides the requirements for the disclosure that are intended to enable users to evaluate the significance of financial instruments for an entity's financial position and performance, and to understand the nature and extent of risks arising from those financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.2 Revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretations which have been issued but not yet effective. (Cont'd)

2.2.2.3 New financial reporting standards and interpretations will become effective for annual periods beginning on or after 1 January 2020 and are relevant to the Company. The Company has not yet adopted these standards. (Cont'd)

2.2.2.3.1 The group of financial reporting standards related to financial instruments comprise accounting standards, financial reporting standards and interpretations as shown below. The early application is permitted only for the period beginning on or after 1 January 2019. (Cont'd)

TFRS 9 Financial Instruments, establishes principles for the classification, measurement and derecognition of financial assets and financial liabilities, impairment requirement and hedge accounting as follows:

- Classification and measurement:
 - The classification and measurement of debt instrument financial assets has three classification categories, which are amortised cost, fair value through profit or loss and fair value through other comprehensive income. Classification of debt assets will be driven by the entity's business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
 - Equity instrument financial assets shall be measured at fair value through profit or loss. An entity can make an irrevocable election to recognise the fair value change in other comprehensive income without subsequent recycling to profit or loss.
 - Financial liabilities are classified and measured at amortised cost. An entity can choose to measure a liability at fair value through profit or loss when the conditions are met.
 - Derivatives are classified and measured at fair value through profit or loss.
- The impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts. It is no longer necessary for a credit event to have occurred before credit losses are recognised. The entity always accounts for expected credit losses which involves a three stage approach. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. Except for trade receivables and contractual assets which apply in TFRS 15 and are no significant financial components and lease receivables, they are permitted to measure by simplified approach for credit impaired consideration.
- The objective of hedge accounting is to represent, in the financial statements, the effect of an entity's risk management activities that use financial instruments to manage exposures arising from particular risks that could affect profit or loss (or other comprehensive income, in the case of investments in equity instruments for which an entity has elected to present changes in fair value in other comprehensive income). This approach aims to convey the context of hedging instruments for which hedge accounting is applied in order to allow insight into their purpose and effect.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.2 Revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretations which have been issued but not yet effective. (Cont'd)

2.2.2.3 New financial reporting standards and interpretations will become effective for annual periods beginning on or after 1 January 2020 and are relevant to the Company. The Company has not yet adopted these standards. (Cont'd)

2.2.2.3.1 The group of financial reporting standards related to financial instruments comprise accounting standards, financial reporting standards and interpretations as shown below. The early application is permitted only for the period beginning on or after 1 January 2019. (Cont'd)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation, clarifies the accounting treatment in respect of net investment hedging, provides guidance on identifying the foreign currency risks that qualify as a hedged risk. Clarifying that hedging instruments that are hedges of a net investment in a foreign operation may be held anywhere in the group not only by the parent. This includes the guidance on how an entity should determine the amount to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item.

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments, provides the requirements for accounting treatment when the entity issues equity instruments to a creditor to extinguish all or part of a financial liability. The equity instruments issued shall be measured at fair value. The entity shall remove a financial liability (or part of a financial liability) from its statement of financial position when it is extinguished in accordance with TFRS 9. The difference between the carrying amount of the financial liability (or part of a financial liability) extinguished and the fair value of equity instruments issued shall be recognised in profit or loss.

The management is currently assessing the impact of initial adoption of these standards.

2.2.2.3.2 TFRS 16 Leases, the earlier application is permitted for entities that apply TFRS 15 Revenue from Contracts with Customers at or before the date of initial application of this Standard.

The new standard will supersede the following standards and interpretations:

TAS 17	Leases
TFRIC 4	Determining whether an arrangement contains a lease
TSIC 15	Operating leases - Incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease

TFRS 16 Leases, a lessee shall recognise a right-of-use asset and a lease liability for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.2 Revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretations which have been issued but not yet effective. (Cont'd)

2.2.2.3 New financial reporting standards and interpretations will become effective for annual periods beginning on or after 1 January 2020 and are relevant to the Company. The Company has not yet adopted these standards. (Cont'd)

2.2.2.3.2 TFRS 16 Leases, the earlier application is permitted for entities that apply TFRS 15 Revenue from Contracts with Customers at or before the date of initial application of this Standard. (Cont'd)

Key changes to current practice are:

- The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.
- The total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation.
- Operating cash flows will be higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as operating cash flows.
- The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures.

The management is currently assessing the impact of initial adoption of this standard.

2.3 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are not used as collateral.

2.5 Trade accounts receivable

Trade accounts receivable are recognised initially at original invoice amount and subsequently measured at the remaining amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are recognised in the statement of income as part of administrative expenses.

2.6 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts and rebates. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads which are allocated based on normal capacity. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.7 Investments in associate and joint arrangement

(1) Associate

An associate is an entity over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. An investment in an associate is initially recognised at cost and accounted for using the equity method in the financial statements in which the equity method is applied.

(2) Joint arrangement

An investment in joint arrangement is classified as either joint operation or joint venture depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint venture

A joint venture is a joint arrangement whereby the Company has a right to the net assets of the arrangement. An interest in a joint venture is accounted for using the equity method.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.7 Investments in associate and joint arrangement (Cont'd)

(3) Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Company's investments in associate and joint venture include goodwill identified on acquisition.

The Company's shares of its associate and joint venture's post-acquisition profits or losses are recognised in the statement of income and its shares of post-acquisition movements in reserves are recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments. When the Company's share of losses in associate and joint venture equals or exceeds its interest in the associate and joint venture, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate and joint venture.

Unrealised gains on transactions between the Company and its associate and joint venture are eliminated to the extent of the Company's interest in the associate and joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed, where necessary, to ensure consistency with the policies adopted by the Company.

In the Company financial statements, investments in associate and joint venture are accounted for using the cost method.

A list of the Company's associate and joint venture is disclosed in Notes 11 and 12, respectively.

2.8 Other investments

Investments other than investments in associate and joint venture are classified into the following three categories which are held-to-maturity, available-for-sale and general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

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

Purchases and sales of investments are recognised on the trade date, which is the date that the Company commits to purchase or sell the investments. Cost of investment includes transaction costs.

Held-to-maturity investments are carried at amortised cost.

Available-for-sale investments are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in equity. The fair value of investments is based on the quoted bid price by reference to the Stock Exchange of Thailand. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the statement of income as gains and losses from investment.

General investments are carried at cost less impairment.

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

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

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.9 Property, plant and equipment

Property, plant and equipment are initially recorded at cost and subsequently stated at historical cost less accumulated depreciation.

Depreciation is calculated on the straight-line method to write off the cost of each asset, except for land which is considered to have indefinite life, to its residual value over the estimated useful lives.

	Useful life (years)
Buildings and other constructions	10 - 30
Land and building improvements	5 - 10
Machinery, equipment and factory tools	5 - 10
Molds	4
Motor vehicles	5
Furniture, fixtures and office equipment	3 - 5

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

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

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

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

2.10 Intangible assets

Computer software

Acquired computer software licences are capitalised on the basis of the direct costs incurred to acquire and bring to use the specific software. These costs are amortised on the straight-line method over their estimated useful lives of which between 5 and 10 years. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads.

Expenditure which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Product design costs

Costs incurred on development projects relating to the design of new products are recognised as intangible assets when it is probable that the project will be successful considering its commercial and technological feasibility, and only if the cost can be measured reliably. Product design costs previously recognised as an expense are not recognised as an asset in a subsequent period. Product design costs are amortised from the commencement of the commercial production of the product based on the straight-line method over the period of its expected benefit which is 4 years.

2.11 Impairment of assets

Asset and intangible assets with a definite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Assets that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.12 Leases

Leases - where the Company is the lessee

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

2.13 Employee benefits

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

- Defined contribution plan

Provident fund

The Company operates a provident fund, being a defined contribution plan, the assets for which are held in a separate trust fund. The provident fund is funded by payments from employees and by the Company. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

- Defined benefit plan

Retirement benefit

Under Labour Laws applicable in Thailand and Company's employment policy, the severance pay will be at the rate according to salary and number of years of service which will happen in the future. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using government bond interest rate that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability.

Gain and loss from actuarial estimation for employee benefit is recognised as other comprehensive income (expenses) in the statement of comprehensive income.

2.14 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2.15 Revenue recognition

Revenue from sales comprises the fair value of the consideration received or receivable for the sales of goods net of rebates and discounts. Revenue from sales is recognised when significant risks and rewards of ownership of the goods are transferred to the buyers.

Revenue from rendering services is recognised when services are rendered.

Interest income is recognised on an accrual basis unless collectability is in doubt.

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

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Accounting policies (Cont'd)

2.16 Current and deferred income taxes

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

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

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

2.17 Dividends

Dividends are recorded in the financial statements in the period in which they are approved by the shareholders and the Board of Directors.

2.18 Financial instruments

Financial assets carried in the statements of financial position include cash and cash equivalents, short-term investments held to maturity, and trade accounts receivable. Financial liabilities carried in the statements of financial position are trade accounts payable and other accounts payable. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Company parties to financial instruments that reduce exposure to fluctuations in exchange rates by using foreign currency forward contracts to protect its exposure from movements in exchange rates. Foreign currency forward contracts established a predetermined exchange rate ("forward rate") at which the Company will receive/ pay foreign currency amounts on a predetermined future date. At the statement of financial position date, the foreign currency amounts receivable under these contracts are translated into Baht at the rates ruling at that date. Unrealised gains or losses that result from the translation are recognised in the statement of income. The foreign currency amounts payable under these contracts are translated into Baht at the forward rates. Any premiums or discounts equal to the difference between the exchange rates and the forward rates at the inception of the contracts are amortised over the lives of the contracts. The foreign currency amounts receivable and payable have been presented net in the statement of financial position.

Disclosures about financial instruments to which the Company is a party are provided in Note 27.

2.19 Segment reporting

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

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

3 Critical accounting estimates, assumptions and judgments

Accounting estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. During the year ended 31 March 2019, the significant accounting estimates of the Company are as follows:

Allowances for obsolete and slow-moving inventories

The Company has estimated the allowances for obsolete and slow-moving inventories to reflect their impairment. The allowances are taken into account inventory aging, recent sales experience and other factors that affecting obsolete and slow-moving inventories.

Plant, equipment and intangible assets

Management has determined the estimated useful lives and residual value of plant, equipment and intangible assets of which are principally based on technical information. The management will also review to write down technically obsolete or non-used assets by sales or abandon.

Post-employment benefits

The Company provides for post-employment benefits, payable to employees under the Thai Labour Law. The present value of post-employment benefit obligation is determined based on various assumptions which include the discount rate, the rate of salary inflation, and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for provision for post-employment benefits.

4 Capital risk management

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

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

5 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors who makes strategic decision.

Business segment

The Company manufactures and sells auto bulbs, automotive lighting equipment, molds & dies and product designs. The Company does not prepare segment information of molds & dies and product designs business because the Company's management considers that the revenues, assets and profit of molds & dies and product designs segment do not meet quantitative thresholds of reportable segment. The chief operating decision-maker reviews operating results in the same dimension as presented in the financial statements.

Revenues by product group

During the year ended 31 March 2019 and 2018, the revenues by product group are as follows:

	2019 Baht	2018 Baht
Auto bulbs and automotive lighting equipment	14,371,449,321	12,778,957,295
Molds & dies and product designs	263,171,978	441,488,403
	<u>14,634,621,299</u>	<u>13,220,445,698</u>

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

5 Segment information (Cont'd)

Major customers

During the year ended 31 March 2019, the Company has revenues from 2 major customer groups which each of them contributed equal or over 10% of the Company's total revenues (2018: 2 customer groups). The revenue from customer group no.1 is Baht 6,774 million (2018: Baht 5,590 million). The revenue from customer group no. 2 is Baht 4,268 million (2018: Baht 3,692 million). The customers under common control are considered as one customer and referred to as the customer group.

6 Cash and cash equivalents

	2019 Baht	2018 Baht
Cash and cheques on hand	862,767	832,923
Current accounts with banks	98,537,327	88,751,798
Savings accounts with banks	42,596,783	109,447,592
Fixed deposits at banks with less than 3-month term	1,530,000,000	1,813,000,000
	<u>1,671,996,877</u>	<u>2,012,032,313</u>

As at 31 March 2019, savings accounts with banks and fixed deposits at banks with less than 3-month term bear interest at the rates of 0.01% - 1.37% per annum (2018: 0.01% - 1.12% per annum).

7 Short-term investments held to maturity

As at 31 March 2019, short-term investments held to maturity represent fixed deposits at banks which have original maturities over 3 months but not over 12 months (2018: treasury bills and fixed deposits at banks which have original maturities over 3 months but not over 12 months).

Movements in short-term investments held to maturity are as follows:

	2019 Baht	2018 Baht
Opening book amount	4,212,450,217	3,836,983,912
Additions during the year	10,059,549,783	9,329,466,305
Redemptions during the year	<u>(10,647,000,000)</u>	<u>(8,954,000,000)</u>
Closing book amount	<u>3,625,000,000</u>	<u>4,212,450,217</u>

As at 31 March 2019, short-term investments held to maturity bear interest at the rates of 1.25% - 1.63% per annum (2018: 1.12% - 1.60% per annum).

As at 31 March 2019 and 2018, the fair value is based on discounted cash flows using a discount rate based upon the interest rates of treasury bills and fixed deposits as at 31 March 2019 and 2018 (Level 2 of fair value hierarchy). However, the fair value of short-term investments held to maturity is close to their carrying amount as the impact of discounting is not significant.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

8 Trade and other accounts receivable, net

Trade and other accounts receivable, net as at 31 March 2019 and 2018 are as follows:

	2019 Baht	2018 Baht
Trade accounts receivable - other companies	2,166,149,433	2,057,557,201
<u>Less</u> Allowance for doubtful account	(20,446,001)	(23,859,076)
Trade accounts receivable - other companies, net	2,145,703,432	2,033,698,125
Trade accounts receivable - related parties (Note 28)	233,322,287	206,516,522
Prepaid expenses	53,025,056	48,727,691
Accrued income, net	19,663,252	26,716,955
Value added tax receivable	64,601,020	23,335,262
Other receivables	32,862,632	8,810,397
	<u>2,549,177,679</u>	<u>2,347,804,952</u>

Trade accounts receivable as at 31 March 2019 and 2018 can be analysed as follows:

	Trade accounts receivable- other companies		Trade accounts receivable- related parties	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current	2,122,815,979	2,005,630,823	174,739,248	197,682,647
Overdue:				
less than 3 months	24,556,963	21,089,398	58,583,039	8,218,924
3 - 6 months	1,380,000	6,686,761	-	13,185
6 - 12 months	280,081	-	-	591,331
more than 1 year	17,116,410	24,150,219	-	10,435
	<u>2,166,149,433</u>	<u>2,057,557,201</u>	<u>233,322,287</u>	<u>206,516,522</u>

9 Inventories, net

	2019 Baht	2018 Baht
Raw materials and packaging	249,139,873	240,711,873
Work in process	688,942,839	255,320,170
Finished goods	81,679,548	97,143,936
Goods in transit	85,484,823	89,566,795
	1,105,247,083	682,742,774
<u>Less</u> Allowance for net realisable value lower than cost and obsolete and slow moving inventories		
- Raw materials and packaging	(240,999)	(4,875,428)
- Work in process	(5,152,015)	(2,031,543)
- Finished goods	(73,480)	(1,108,102)
Inventories, net	<u>1,099,780,589</u>	<u>674,727,701</u>

During the year ended 31 March 2019, the Company recognised allowance for obsolete and slow-moving inventories amounting to Baht 6,648,257 and reversed allowance for obsolete and slow-moving inventories amounting to Baht 9,196,836 as a part of cost of sales in the statement of income (2018: the Company recognised allowance for obsolete and slow-moving inventories amounting to Baht 472,520 and reversed allowance for obsolete and slow-moving inventories amounting to Baht 22,274,883 as a part of cost of sales in the statement of income).

Thai Stanley Electric Public Company Limited
Notes to the financial statements
 For the year ended 31 March 2019

10 Loans to employees

Movements in loans to employees during the year are as follows:

	2019 Baht	2018 Baht
Opening balance	36,154,689	70,766,483
Additions	81,931,306	329,854
Received during the year	(41,287,751)	(34,941,648)
Closing balance	76,798,244	36,154,689

Loans to employees bear interest rate at 1.70% per annum (2018: 1.90% per annum). The repayment periods are between 2 months - 3 years.

The analysis of loans to employees is as follows:

	2019 Baht	2018 Baht
Current portion of loans to employees	41,877,305	25,348,038
Non-current portion of loans to employees	34,920,939	10,806,651
	76,798,244	36,154,689

11 Investment in an associate

The details of investment in an associate as at 31 March 2019 and 2018 are as follows:

Name	Business activity	Paid-up share capital	% of holding	Equity method			
				2019		2018	
				Amount Baht	Dividends Baht	Amount Baht	Dividends Baht
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	1,357,930,009	75,531,090	1,131,686,653	76,596,000
				1,357,930,009	75,531,090	1,131,686,653	76,596,000
Name	Business activity	Paid-up share capital	% of holding	Cost method			
				2019		2018	
				Amount Baht	Dividends Baht	Amount Baht	Dividends Baht
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	54,044,189	75,531,090	54,044,189	76,596,000
				54,044,189	75,531,090	54,044,189	76,596,000

Vietnam Stanley Electric Company Limited is a private company and there is no quoted market price available for it. There are no contingent liabilities relating to the Company's interest in an associate.

Movements in an investment in an associate are as follows:

For the years ended 31 March	Equity method		Cost method	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening book amount	1,131,686,653	1,027,730,997	54,044,189	54,044,189
Share of profit	307,596,290	284,288,718	-	-
Dividends received	(75,531,090)	(76,596,000)	-	-
Translation adjustments	(5,821,844)	(103,737,062)	-	-
Closing book amount	1,357,930,009	1,131,686,653	54,044,189	54,044,189

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

11 Investment in an associate (Cont'd)

Summarised statement of financial position and statement of income of Vietnam Stanley Electric Company Limited:

	As at 31 March	
	2019 Baht	2018 Baht
Current assets	6,415,086,429	5,342,521,329
Non-current assets	1,024,354,511	916,377,931
Total assets	7,439,440,940	6,258,899,260
Current liabilities	628,933,281	584,590,269
Non-current liabilities	20,857,614	15,875,725
Total liabilities	649,790,895	600,465,994
	For the year ended 31 March	
	2019 Baht	2018 Baht
Revenues from sales and services	5,908,674,110	5,574,641,366
Net profit for the year	1,537,981,446	1,421,443,589

12 Investment in a joint venture

The details of investment in a joint venture as at 31 March 2019 and 2018 are as follows:

Name	Business activity	Paid-up share capital	% of holding	Equity method			
				2019		2018	
				Amount Baht	Dividends Baht	Amount Baht	Dividends Baht
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	22,165,315	7,986,309	22,706,618	5,916,322
				22,165,315	7,986,309	22,706,618	5,916,322
				Cost method			
				2019		2018	
				Amount Baht	Dividends Baht	Amount Baht	Dividends Baht
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	3,132,500	7,986,309	3,132,500	5,916,322
				3,132,500	7,986,309	3,132,500	5,916,322

Lao Stanley Company Limited is a private company and there is no quoted market price available for it. There are no contingent liabilities relating to the Company's interest in a joint venture.

Movements in an investment in a joint venture are as follows:

For the years ended 31 March	Equity method		Cost method	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening book amount	22,706,618	20,501,287	3,132,500	3,132,500
Share of profit	8,583,243	10,468,936	-	-
Dividends received	(7,986,309)	(5,916,322)	-	-
Translation adjustments	(1,138,237)	(2,347,283)	-	-
Closing book amount	22,165,315	22,706,618	3,132,500	3,132,500

Thai Stanley Electric Public Company Limited
Notes to the financial statements
 For the year ended 31 March 2019

12 Investment in a joint venture (Cont'd)

Summarised statement of financial position and statement of income of Lao Stanley Company Limited:

	As at 31 March	
	2019 Baht	2018 Baht
Current assets	95,178,497	135,266,442
Non-current assets	10,870,984	12,479,345
Total assets	106,049,481	147,745,787
Current liabilities	58,641,582	99,967,323
Non-current liabilities	3,077,267	2,365,227
Total liabilities	61,718,849	102,332,550
	For the year ended 31 March	
	2019 Baht	2018 Baht
Revenues from sales and services	478,093,052	453,364,727
Net profit for the year	17,166,487	20,937,872

13 Long-term investments, net

Long-term investments, net as at 31 March 2019 and 2018 are as follows:

As at 31 March 2019	Available- for-sale investments Baht	General investments Baht	Total Baht
	Equity securities		
- Related parties	7,480,000	104,921,215	112,401,215
- Other companies	-	-	-
Long-term investments, net	<u>7,480,000</u>	<u>104,921,215</u>	<u>112,401,215</u>
As at 31 March 2018	Available- for-sale investments Baht	General investments Baht	Total Baht
Equity securities			
- Related parties	8,280,000	104,921,215	113,201,215
- Other companies	-	-	-
Long-term investments, net	<u>8,280,000</u>	<u>104,921,215</u>	<u>113,201,215</u>

Thai Stanley Electric Public Company Limited
Notes to the financial statements
 For the year ended 31 March 2019

13 Long-term investments, net (Cont'd)

The details of long-term investments, net as at 31 March 2019 and 2018 are as follows:

Name	Business activity	Paid-up share capital	% of holding	2019		2018	
				Amount Baht	Dividends Baht	Amount Baht	Dividends Baht
Related parties - available-for-sale							
Inoue Rubber (Thailand) Public Company Limited	Manufacture of tyre	Baht 200 million	0.2	3,380,000	358,600	3,380,000	339,040
Change in fair value of investments				4,100,000	-	4,900,000	-
				<u>7,480,000</u>	<u>358,600</u>	<u>8,280,000</u>	<u>339,040</u>
Related parties - general investments (at cost)							
Asian Stanley International Company Limited	Manufacture of small bulbs, LED and electronic components	Baht 400 million	15.0	60,000,000	59,860,882	60,000,000	-
Sirvit Stanley Company Limited	Manufacture of electronic equipment and automotive lighting equipment	Baht 21 million	15.0	3,000,000	4,108,576	3,000,000	1,578,571
Lumax Industries Limited	Manufacture of automotive lighting equipment and auto parts	RS 93.5 million	1.73	8,793,715	1,769,156	8,793,715	1,144,090
PT. Indonesia Stanley Electric	Manufacture of molds and automotive lighting equipment	USD 7.5 million	10.0	33,127,500	5,881,118	33,127,500	7,241,465
				<u>104,921,215</u>	<u>71,620,732</u>	<u>104,921,215</u>	<u>9,964,128</u>
Other companies - general investments (at cost)							
Top Hitech (Thailand) Company Limited	Manufacture of plastic products and molds	Baht 35.9 million	13.9	5,000,000	-	5,000,000	-
<u>Less</u> Impairment of investments				<u>(5,000,000)</u>	<u>-</u>	<u>(5,000,000)</u>	<u>-</u>
				<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term investments, net				<u>112,401,215</u>	<u>71,979,332</u>	<u>113,201,215</u>	<u>10,303,168</u>

The available-for-sale investment is carried at fair value which is based on the quoted price by reference to Stock Exchange of Thailand (Level 1).

Thai Stanley Electric Public Company Limited
Notes to the financial statements
 For the year ended 31 March 2019

14 Property, plant and equipment, net

	Land Baht	Land and improvements Baht	Buildings Baht	Machinery, equipment and factory tools Baht	Molds Baht	Motor vehicles Baht	Furniture, fixtures and office equipment Baht	Machinery under installation and construction in progress Baht	Total Baht
As at 1 April 2017									
Cost	1,197,990,309	1,794,028,995	1,444,125,997	6,553,353,236	5,008,550,919	68,182,779	132,428,874	418,798,488	16,617,459,597
Less: Accumulated depreciation	-	(1,234,195,489)	(643,825,150)	(5,008,316,420)	(4,130,553,285)	(49,518,941)	(90,926,978)	-	(11,157,336,263)
Net book amount	1,197,990,309	559,833,506	800,300,847	1,545,036,816	877,997,634	18,663,838	41,501,896	418,798,488	5,460,123,334
For the year ended 31 March 2018									
Opening net book amount	1,197,990,309	559,833,506	800,300,847	1,545,036,816	877,997,634	18,663,838	41,501,896	418,798,488	5,460,123,334
Additions	6,090,000	161,860	-	38,594,197	19,281,013	10,269,565	1,623,469	1,081,127,638	1,157,147,742
Disposals / write-offs, net	-	-	-	(673,942)	(22)	(7,852)	(59)	-	(681,875)
Transfers	-	31,466,496	43,981,884	529,484,365	213,918,035	-	8,446,532	(827,277,312)	-
Depreciation charge (Note 23)	-	(133,325,317)	(61,279,401)	(476,248,054)	(358,659,050)	(8,181,906)	(14,088,785)	-	(1,051,782,513)
Closing net book amount	1,204,080,309	458,136,545	782,983,330	1,636,193,382	752,537,610	20,743,645	37,483,053	672,648,814	5,564,806,688
As at 31 March 2018									
Cost	1,204,080,309	1,825,657,351	1,488,087,881	6,977,157,059	5,234,186,734	67,246,344	140,449,612	672,648,814	17,609,514,104
Less: Accumulated depreciation	-	(1,367,520,806)	(705,104,551)	(5,340,963,677)	(4,481,649,124)	(46,502,699)	(102,966,559)	-	(12,044,707,416)
Net book amount	1,204,080,309	458,136,545	782,983,330	1,636,193,382	752,537,610	20,743,645	37,483,053	672,648,814	5,564,806,688
For the year ended 31 March 2019									
Opening net book amount	1,204,080,309	458,136,545	782,983,330	1,636,193,382	752,537,610	20,743,645	37,483,053	672,648,814	5,564,806,688
Additions	127,803,329	111,000	-	154,476,664	19,636,923	6,958,720	4,165,720	2,845,650,906	3,158,803,262
Disposals / write-offs, net	-	(6)	-	(29,904)	(21)	-	(5,279)	-	(35,210)
Transfers	-	509,490,447	229,980,992	590,468,375	223,259,964	-	12,471,110	(1,565,670,788)	-
Depreciation charge (Note 23)	-	(131,245,980)	(65,569,797)	(459,155,635)	(342,909,840)	(7,328,149)	(14,353,608)	-	(1,020,563,009)
Closing net book amount	1,331,883,638	836,492,006	947,394,425	1,921,952,882	652,524,636	20,374,216	39,760,996	1,952,628,932	7,703,011,731
As at 31 March 2019									
Cost	1,331,883,638	2,333,021,434	1,718,068,773	7,440,945,496	5,465,619,277	74,205,064	155,187,940	1,952,628,932	20,471,560,554
Less: Accumulated depreciation	-	(1,496,529,428)	(770,674,348)	(5,518,992,614)	(4,813,094,641)	(53,830,848)	(115,426,944)	-	(12,788,548,823)
Net book amount	1,331,883,638	836,492,006	947,394,425	1,921,952,882	652,524,636	20,374,216	39,760,996	1,952,628,932	7,703,011,731

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

15 Intangible assets, net

	Computer software Baht	Product design cost Baht	Product design cost under development Baht	Total Baht
As at 1 April 2017				
Cost	239,538,169	924,898,147	232,955,985	1,397,392,301
<u>Less</u> Accumulated amortisation	(197,236,354)	(480,147,142)	-	(677,383,496)
Net book amount	<u>42,301,815</u>	<u>444,751,005</u>	<u>232,955,985</u>	<u>720,008,805</u>
For the year ended 31 March 2018				
Opening net book amount	42,301,815	444,751,005	232,955,985	720,008,805
Additions	15,356,790	-	254,238,060	269,594,850
Transfers	-	228,976,620	(228,976,620)	-
Amortisation charge (Note 23)	(18,535,285)	(195,954,699)	-	(214,489,984)
Closing net book amount	<u>39,123,320</u>	<u>477,772,926</u>	<u>258,217,425</u>	<u>775,113,671</u>
As at 31 March 2018				
Cost	254,894,959	1,012,509,569	258,217,425	1,525,621,953
<u>Less</u> Accumulated amortisation	(215,771,639)	(534,736,643)	-	(750,508,282)
Net book amount	<u>39,123,320</u>	<u>477,772,926</u>	<u>258,217,425</u>	<u>775,113,671</u>
For the year ended 31 March 2019				
Opening net book amount	39,123,320	477,772,926	258,217,425	775,113,671
Additions	33,398,310	-	395,233,954	428,632,264
Transfers	-	153,251,117	(153,251,117)	-
Amortisation charge (Note 23)	(17,452,800)	(211,535,833)	-	(228,988,633)
Closing net book amount	<u>55,068,830</u>	<u>419,488,210</u>	<u>500,200,262</u>	<u>974,757,302</u>
As at 31 March 2019				
Cost	288,293,269	1,018,993,696	500,200,262	1,807,487,227
<u>Less</u> Accumulated amortisation	(233,224,439)	(599,505,486)	-	(832,729,925)
Net book amount	<u>55,068,830</u>	<u>419,488,210</u>	<u>500,200,262</u>	<u>974,757,302</u>

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

16 Deferred tax

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

	Financial statements in which the equity method is applied		The Company only	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets:				
Deferred tax assets to be utilised within 12 months	4,426,445	4,384,210	4,426,445	4,384,210
Deferred tax assets to be utilised more than 12 months	102,797,523	95,797,036	102,797,523	95,797,036
	<u>107,223,968</u>	<u>100,181,246</u>	<u>107,223,968</u>	<u>100,181,246</u>
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(107,263)	(173,610)	(107,263)	(173,610)
Deferred tax liabilities to be settled more than 12 months	(277,568,140)	(232,414,119)	(12,984,413)	(12,970,803)
	<u>(277,675,403)</u>	<u>(232,587,729)</u>	<u>(13,091,676)</u>	<u>(13,144,413)</u>
Deferred tax assets (liabilities) (net)	<u>(170,451,435)</u>	<u>(132,406,483)</u>	<u>94,132,292</u>	<u>87,036,833</u>

The gross movement of the deferred tax is as follows:

	Financial statements in which the equity method is applied		The Company only	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	(132,406,483)	(111,786,943)	87,036,833	86,424,176
Credited/ (charged) to profit or loss (Note 24)	(39,596,968)	(42,028,409)	6,935,459	420,657
Credited to other comprehensive income (Note 24)	1,552,016	21,408,869	160,000	192,000
Closing balance	<u>(170,451,435)</u>	<u>(132,406,483)</u>	<u>94,132,292</u>	<u>87,036,833</u>

Thai Stanley Electric Public Company Limited
Notes to the financial statements
 For the year ended 31 March 2019

REPORT
OF THE BOARD
OF DIRECTORS
RESPONSIBILITIES
FOR THE
FINANCIAL
REPORTS

REPORT
OF THE AUDIT
COMMITTEE

INDEPENDENT

STATEMENTS
OF FINANCIAL
POSITION

STATEMENTS
OF INCOME

STATEMENTS
OF CHANGES IN
EQUITY

STATEMENTS
OF CASH FLOWS

NOTES TO
THE FINANCIAL
STATEMENTS

FINANCIAL
STATISTICS
IN 5 YEARS

GENERAL
CORPORATE
INFORMATION

16 Deferred tax (Cont'd)

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

	Financial statements in which the equity method is applied and the Company only					
	Inventories Baht	Equipment Baht	Intangible assets Baht	Employee benefit liabilities Baht	Others Baht	Total Baht
Deferred tax assets :						
As at 1 April 2017	5,963,487	34,995,752	17,599,185	36,866,147	4,162,408	99,586,979
Credited/(charged) to profit or loss	(4,360,472)	(1,584,858)	1,644,675	4,894,922	-	594,267
As at 31 March 2018	1,603,015	33,410,894	19,243,860	41,761,069	4,162,408	100,181,246
Credited/(charged) to profit or loss	(509,716)	679,630	1,756,867	5,115,941	-	7,042,722
As at 31 March 2019	1,093,299	34,090,524	21,000,727	46,877,010	4,162,408	107,223,968

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

16 Deferred tax (Cont'd)

	Financial statements in which the equity method is applied			Total Baht
	Investments in an associate and a joint venture Baht	Long-term investment Baht	Buildings Baht	
Deferred tax liabilities :				
As at 1 April 2017	(198,211,119)	(1,172,000)	(11,990,803)	(211,373,922)
Charged to profit or loss	(42,449,066)	-	(173,610)	(42,622,676)
Credited to other comprehensive income	21,216,869	192,000	-	21,408,869
As at 31 March 2018	(219,443,316)	(980,000)	(12,164,413)	(232,587,729)
Charged to profit or loss	(46,532,427)	-	(107,263)	(46,639,690)
Credited to other comprehensive income	1,392,016	160,000	-	1,552,016
As at 31 March 2019	(264,583,727)	(820,000)	(12,271,676)	(277,675,403)

	The Company only		
	Long-term investment Baht	Buildings Baht	Total Baht
Deferred tax liabilities :			
As at 1 April 2017	(1,172,000)	(11,990,803)	(13,162,803)
Charged to profit or loss	-	(173,610)	(173,610)
Credited to other comprehensive income	192,000	-	192,000
As at 31 March 2018	(980,000)	(12,164,413)	(13,144,413)
Charged to profit or loss	-	(107,263)	(107,263)
Credited to other comprehensive income	160,000	-	160,000
As at 31 March 2019	(820,000)	(12,271,676)	(13,091,676)

17 Accrued expenses

	2019 Baht	2018 Baht
Accrued staff costs	242,453,382	214,531,614
Accrued electricity expense	32,179,796	28,698,989
Accrued rebate	24,000,000	43,270,000
Others	40,804,908	39,588,013
	<u>339,438,086</u>	<u>326,088,616</u>

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

18 Provision for post-employment benefits

The amounts recognised in the statement of financial position are determined as follows:

	2019 Baht	2018 Baht
Present value of defined benefit obligations	234,385,053	208,805,352
Liability in the statement of financial position	234,385,053	208,805,352

Movements in provision for post-employment benefits are as follows:

	2019 Baht	2018 Baht
Opening balance	208,805,352	184,330,737
Current service cost	23,715,441	21,226,027
Interest cost	5,128,605	5,390,693
Benefits paid	(3,264,345)	(2,142,105)
Closing balance	234,385,053	208,805,352

The amounts recognised in the statement of income are as follows:

	2019 Baht	2018 Baht
Current service cost	23,715,441	21,226,027
Interest cost	5,128,605	5,390,693
Total	28,844,046	26,616,720

These expenses are included in cost of sales, selling and administrative expenses as follows:

	2019 Baht	2018 Baht
Cost of sales	26,161,732	23,857,560
Selling expenses	884,689	846,480
Administrative expenses	1,797,625	1,912,680
Total	28,844,046	26,616,720

The principal actuarial assumptions used are as follows:

Discount rate	2.45%	3.01%
Salary increase rate	5.00%	5.00%

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

18 Provision for post-employment benefits (Cont'd)

Sensitivity analysis for each principal actuarial assumptions used were as follows:

	Impact on defined benefit obligation - Post-employment benefits		
	Change in assumption %	Increase in obligation Baht	Decrease in obligation Baht
Discount rate			
Increase	1.00	-	23,052,313
Decrease	1.00	26,952,512	-
Salary growth rate			
Increase	1.00	29,558,509	-
Decrease	1.00	-	25,624,168

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

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

19 Share capital and premium on share capital

	Number of shares	Ordinary shares Baht	Premium on share capital Baht	Total Baht
As at 31 March 2019 and 2018	76,625,000	383,125,000	504,250,000	887,375,000

The total authorised number of ordinary shares is 76,625,000 shares with a par value of Baht 5 per share (2018: 76,625,000 shares with a par value of Baht 5 per share). All shares are issued and fully paid.

20 Dividends

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 6 July 2018, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2018 for 76,625,000 shares of Baht 7 per share, totalling Baht 536,375,000. There were 100 shares that were not entitled to receive the dividends, totalling Baht 700 as the depository terms were not in compliance with practices of the Thailand Security Depository Co., Ltd. The Company recorded actual dividends paid amounting to Baht 536,374,300 in the financial statements. The Company paid the dividends to the shareholders on 26 July 2018.

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 7 July 2017, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2017 for 76,625,000 shares of Baht 5 per share, totalling Baht 383,125,000. There were 100 shares that were not entitled to receive the dividends, totalling Baht 500 as the depository terms were not in compliance with practices of the Thailand Security Depository Co., Ltd. The Company recorded actual dividends paid amounting to Baht 383,124,500 in the financial statements. The Company paid the dividends to the shareholders on 27 July 2017.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

21 Legal reserve

Under the Public Company Limited Act B.E. 2535, the Company is required to set aside a legal reserve at least 5% of its net profit after the accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The reserve is non-distributable.

22 Other income - others

	2019 Baht	2018 Baht
Scrap sales	71,190,217	46,357,157
Tax rebate income	6,836,529	12,897,362
Royalty income	10,022,094	640,718
Gain on disposals of property, plant and equipment, net	4,118,553	4,184,100
Others	15,924,576	35,250,793
	<u>108,091,969</u>	<u>99,330,130</u>

23 Expenses by nature

The following expenditure items have been charged in arriving at operating profit:

	2019 Baht	2018 Baht
Changes in finished goods and work in process	(418,158,281)	45,560,601
Raw materials and consumables used	7,291,371,572	6,276,803,136
Staff costs	1,503,564,260	1,361,983,492
Depreciation of plant and equipment (Note 14)	1,020,563,009	1,051,782,513
Amortisation of intangible assets (Note 15)	228,988,633	214,489,984
Utility expenses	346,058,147	322,462,055
Subcontract service costs	165,024,074	187,376,696
Repairs and maintenance expenses	343,542,291	302,087,758

24 Income tax

	Financial statements in which the equity method is applied		The Company only	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current tax :				
Current tax on profit for the year	413,556,213	347,857,159	413,556,213	347,857,159
Deferred tax :				
Origination and reversal of temporary differences (Note 16)	39,596,968	42,028,409	(6,935,459)	(420,657)
Total income tax expense	<u>453,153,181</u>	<u>389,885,568</u>	<u>406,620,754</u>	<u>347,436,502</u>

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

24 Income tax (Cont'd)

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Financial statements in which the equity method is applied		The Company only	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Profit before income tax	2,430,915,305	2,048,547,171	2,198,253,171	1,836,301,839
Tax calculated at a tax rate of 20% (2018: 20%)	486,183,061	409,709,434	439,650,634	367,260,368
Tax effect of :				
Income not subject to tax	(12,865,812)	(383,522)	(12,865,812)	(383,522)
Expenses not deductible for tax purpose	1,794,055	8,556,415	1,794,055	8,556,415
Additional expenses deductible for tax purpose	(8,143,278)	(7,646,636)	(8,143,278)	(7,646,636)
Profit from BOI business	(13,814,845)	(24,990,319)	(13,814,845)	(24,990,319)
Under recorded prior year accrued corporate income tax	-	4,640,196	-	4,640,196
Tax charge	453,153,181	389,885,568	406,620,754	347,436,502
Average effective tax rate (%)	18.64	19.03	18.50	18.92

The tax credit relating to components of other comprehensive income is as follows:

	Financial statements in which the equity method is applied					
	2019		2018		2018	
	Before tax Baht	Tax credit Baht	After tax Baht	Before tax Baht	Tax credit Baht	After tax Baht
Unrealised loss on change in fair value of available-for-sale investment	(800,000)	160,000	(640,000)	(960,000)	192,000	(768,000)
Exchange differences relating to investments in an associate and a joint venture	(6,960,081)	1,392,016	(5,568,065)	(106,084,345)	21,216,869	(84,867,476)
Other comprehensive expenses for the year	(7,760,081)	1,552,016	(6,208,065)	(107,044,345)	21,408,869	(85,635,476)
	The Company only					
	2019		2018		2018	
	Before tax Baht	Tax credit Baht	After tax Baht	Before tax Baht	Tax credit Baht	After tax Baht
Unrealised loss on change in fair value of available-for-sale investment	(800,000)	160,000	(640,000)	(960,000)	192,000	(768,000)
Other comprehensive expenses for the year	(800,000)	160,000	(640,000)	(960,000)	192,000	(768,000)

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

25 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to shareholders by the weighted average number of ordinary shares issued and paid up during the year.

	Financial statements in which the equity method is applied		The Company only	
	2019	2018	2019	2018
Net profit attributable to shareholders (Baht)	1,977,762,124	1,658,661,603	1,791,632,417	1,488,865,337
Weighted average number of ordinary share in issue (Shares)	76,625,000	76,625,000	76,625,000	76,625,000
Basic earnings per share (Baht)	25.81	21.65	23.38	19.43

There are no dilutive potential ordinary shares in issue during the year presented, so no diluted earnings per share is presented.

26 Promotional privileges

The Company has received promotional privileges from the Office of the Board of Investment for the production of molds, mold repairs and production of Eco-car lamps. Under these privileges, the Company will be exempted from corporate income tax for a period of 8 years from the date of commencement of earning revenue. As a promoted entity, the Company is required to comply with the terms and conditions as specified in the promotion certificates.

	2019		
	BOI promoted activities Baht	Non-BOI promoted activities Baht	Total Baht
Export sales	323,656,336	3,969,304,852	4,292,961,188
Domestic sales	262,232,533	10,079,427,578	10,341,660,111
	585,888,869	14,048,732,430	14,634,621,299
Domestic service income - mold repairs	670,000	-	670,000
	2018		
	BOI promoted activities Baht	Non-BOI promoted activities Baht	Total Baht
Export sales	424,485,034	3,602,402,106	4,026,887,140
Domestic sales	449,454,822	8,744,103,736	9,193,558,558
	873,939,856	12,346,505,842	13,220,445,698
Domestic service income - mold repairs	506,000	-	506,000

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

27 Financial instruments

The principal financial risks faced by the Company are foreign currency exchange rate risk and credit risk. Foreign currency exposure relates to raw materials imported in foreign currencies and certain export sales in foreign currencies. The business transactions are generally on a short-term period which are between 1 and 3 month terms. The foreign currency exchange rate risk of the Company occurs mostly in Japanese Yen and US Dollars. Credit risk arises when sales are made on credit terms.

The objectives of using financial instruments are to reduce the uncertainty over future cash flows arising from movements in exchange rates, and to manage the liquidity of the cash resources. Foreign currency forward contracts are entered into to manage the currency risks. Decisions on the level of risk undertaken are confined to the management which has established limits by transaction type and by counterparty.

Trading for speculative purposes is not allowed. Derivative transactions are subject to approval by the Company's Board of directors.

Fair value estimation

When a financial instrument is traded in an active market, its quoted market price provides the best evidence of fair value. The quoted market price for an asset held or liability to be issued is usually the current bid price and, for an asset to be acquired or liability held, it is the current offer or asking price. When the current bid and offer prices are unavailable, the price of the most recent transaction may provide evidence of the current fair value provided that there has not been a significant change in economic circumstances between the transaction date and the reporting date. When the Company has matching asset and liability positions, it may appropriately use mid-market prices as a basis for establishing fair values.

The fair values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Company for similar financial instruments.

Information on the fair values of long-term investments is included in Note 13.

The different levels have been defined as follows:

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

a) Financial assets and liabilities

As at 31 March 2019 and 2018, the Company has outstanding foreign currency assets and liabilities as details below.

	2019		2018	
	Currency Million	Baht Million	Currency Million	Baht Million
Assets				
Japanese Yen	2.58	0.73	2.19	0.63
US Dollars	6.30	199.31	6.90	214.14
		<u>200.04</u>		<u>214.77</u>
Liabilities				
Japanese Yen	528.48	153.63	166.40	49.55
US Dollars	13.49	431.44	14.89	467.48
		<u>585.07</u>		<u>517.03</u>

Objectives and significant terms and conditions

The Company enters into financial instruments which are foreign currency forward contracts to manage the risks arising from fluctuations in foreign currency exchange rates.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

27 Financial instruments (Cont'd)

a) Financial assets and liabilities (Cont'd)

Foreign currency forward contracts

Foreign currency forward contracts are entered into to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

At 31 March 2019 and 2018, the settlement dates on foreign currency forward contracts were ranged between 1 and 3 months from the statement of financial position date. The equivalent Thai Baht to be paid at the contractual exchange rates of the outstanding contracts were:

	2019 Baht	2018 Baht
USD 2 million at average rate Baht 31.52 = USD 1 (2018: USD 1 million at average rate Baht 31.29 = USD 1)	63,040,000	31,290,000
JPY 40 million at average rate Baht 28.74 = JPY 100 (2018: JPY 40 million at average rate Baht 29.50 = JPY 100)	11,496,000	11,800,000
	<u>74,536,000</u>	<u>43,090,000</u>

Fair values

The favourable (unfavourable) differences arising from fair value valuation of the derivative financial instruments at the statement of financial position date were:

	2019 Baht	2018 Baht
Differences - favourable (unfavourable)	557,875	(105,591)

The fair values of foreign currency forward contracts were calculated using the rates quoted by the Company's bankers which were based on market conditions existing at the statement of financial position date (Level 2).

b) Credit risk

The Company has no significant concentrations of credit risk. The Company has policy in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institution.

c) Fair values

The carrying amounts of the following financial assets and financial liabilities approximate their fair values: cash and cash equivalents, short-term investments held to maturity, trade accounts receivable, trade accounts payable and other accounts payable due to short maturities of these instruments.

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

28 Related party transactions

Individuals or enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company had the significant transactions with its major shareholder, Stanley Electric Company Limited Group, incorporated in Japan which holds 35.66% interest in the Company's share capital. The Company also had significant transactions with a group of individual shareholders who are members of the Company's management who hold 29.08% interest in the Company's share capital. Stanley Electric Group comprises Stanley Electric Company Limited and related companies.

Purchases from related parties are specific materials or materials which are manufactured on a large scale at one source for cost saving benefits. Sales to related parties mainly represent export sales, and selling price is determined based on manufacturing cost plus a certain margin. A royalty fee is charged at 3% of sales less materials cost imported from a related party in accordance with the agreement. A design and development fee and other fees are charged in normal course of a business and are presented as other accounts payable - related parties.

The following significant transactions were carried out with related parties:

For the years ended 31 March

	2019 Baht	2018 Baht
Sales		
Stanley Electric Group companies	463,849,038	523,408,361
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	153,683,650	161,147,625
Associate	22,557,910	18,639,031
Joint venture	409,808,713	402,605,897
	<u>1,049,899,311</u>	<u>1,105,800,914</u>
Other income		
Stanley Electric Group companies	8,090,688	7,830,924
Associate	1,096,799	-
Joint venture	193,790	159,979
	<u>9,381,277</u>	<u>7,990,903</u>
Dividend income		
Stanley Electric Group companies	67,511,156	8,385,555
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	4,468,176	1,917,611
Associate	75,531,090	76,596,000
Joint venture	7,986,309	5,916,322
	<u>155,496,731</u>	<u>92,815,488</u>
Royalty income		
Joint venture	820,108	640,718
	<u>820,108</u>	<u>640,718</u>
Purchases of goods and services		
Stanley Electric Group companies	2,918,824,259	2,527,588,725
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	391,102,484	396,219,737
Associate	504,076,007	377,949,201
	<u>3,814,002,750</u>	<u>3,301,757,663</u>

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

28 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

For the years ended 31 March

	2019 Baht	2018 Baht
Royalty fees		
Stanley Electric Group companies	338,491,769	302,570,359
Design and development fee		
Stanley Electric Group companies	252,944,299	124,439,993
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	348,114	63,422
Associate	36,153	46,058
	<u>253,328,566</u>	<u>124,549,473</u>
Technical assistance fee		
Stanley Electric Group companies	18,216,604	10,663,658
Training fee		
Stanley Electric Group companies	9,367,916	9,942,854
Commission		
Stanley Electric Group companies	20,000,000	20,000,000
Directors' and managements' remuneration		
Short-term benefits	49,515,941	47,433,823

Short-term benefits comprise salary, bonus and other welfares.

The amounts due to and from related parties are mainly denominated in foreign currencies and relate to purchases and sales transactions. The outstanding balances as at 31 March 2019 and 2018 are as follows:

	2019 Baht	2018 Baht
Trade accounts receivable - related parties		
Stanley Electric Group companies	124,225,417	45,981,000
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	56,256,556	63,003,538
Associate	2,182,252	2,395,677
Joint venture	50,658,062	95,136,307
	<u>233,322,287</u>	<u>206,516,522</u>
Trade accounts payable - related parties		
Stanley Electric Group companies	382,151,845	311,539,905
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	33,278,213	36,166,563
Associate	134,430,088	150,575,821
	<u>549,860,146</u>	<u>498,282,289</u>
Other accounts payable - related parties		
Stanley Electric Group companies	169,764,056	223,210,120

Thai Stanley Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2019

29 Significant commitments

a) Bank guarantees

As at 31 March 2019, the Company has bank guarantees of Baht 34 million with respect to income tax payment and electricity supply of Baht 18 million and Baht 16 million, respectively (2018: income tax payment and electricity supply of Baht 18 million and Baht 16 million, respectively).

b) Capital commitments

As at 31 March 2019, the Company has capital commitments of Baht 1,972 million (2018: Baht 535 million). The capital commitment mainly comprises construction and machines for production expansion in the future.

30 Contingent liability

In 2015, the Company received a ruling letter from the Revenue Department stating that the Company had paid income tax for the accounting periods from 1 February 2003 to 31 January 2004, 1 April 2004 - 31 March 2005, 1 April 2005 - 31 March 2006, 1 April 2008 - 31 March 2009 and 1 April 2009 - 31 March 2010 incorrectly for the total amount of approximately Baht 18 million. The reason given was that the Company didn't average out the Company's net profit between BOI and non-BOI businesses before applying the income tax rate at 25% for the first portion of net profit of Baht 300 million, which is in accordance with the Royal Decree no. 387 B.E. 2544 and no. 475 B.E. 2551. However, the Company has objected to this letter. The Company has asked the bank to issue a letter of guarantee for this tax amount as mentioned in Note 29 (a).

In 2016, the Central Tax Court of Thailand judged to dismiss the Company's appeal. The outcome of the judgment means the Company is liable to pay the additional tax to the Revenue Department. However, the Company has requested the Revenue Department to temporarily suspend the liability for the additional tax payment until a final judgment is issued. The Company submitted an appeal against the Court's judgment to the Court of Appeal for Specialized cases - Tax Case Division.

On 12 March 2018, the Court of Appeal for Specialized cases - Tax Case Division rendered its judgment to affirm the judgment of the Central Tax Court.

On 8 June 2018, the Company submitted an appeal against the Court of Appeal for Specialized cases - Tax Case Division's judgment to the Supreme Court.

On 22 April 2019, the Supreme Court ordered to dismiss the Company's petition. As a result, the final outcome of this case is following the judgment of the Court of Appeal for Specialized cases - Tax Case Division and the Company has to pay the additional tax to the Revenue Department within 22 May 2019.

The Company already recorded liabilities in this financial statements.

31 Subsequent event after the reporting period

At the Board of Directors' meeting held on 17 May 2019, the Board of Directors approved to propose the dividends payment in respect of the operating results for the year ended 31 March 2019 for a total 76,625,000 shares of Baht 8.25 per share totaling Baht 632.16 million to the Annual General Shareholders' meeting which will be held on 5 July 2019.

On 5 April 2019, an amendment to the Labour Protection Act was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The management has assessed the effects of the amendment on the financial statements and expects the impact to be Baht 79,931,057.

FINANCIAL STATISTICS IN 5 YEARS

(Unit : Thousand Baht Except For Figure Per Share)

	31 Mar 19	31 Mar 18	31 Mar 17	31 Mar 16	31 Mar 15
Report on Operation					
Sales	14,634,621	13,220,446	11,024,797	10,672,224	9,523,829
Cost of Sales	11,864,535	10,775,580	9,087,201	8,929,410	7,808,825
Net Profit (Loss)	1,977,762	1,658,662	1,270,768	1,303,440	1,157,648
Net Profit (Loss) per Share (Baht)	25.81	21.65	16.58	17.01	15.11
Net Profit Margin (%)	13.27	12.36	11.34	11.73	11.80
Return on Equity (%) (ROE)	12.97	11.91	9.83	10.84	10.35
Return on Total Assets (%) (ROA)	10.93	10.33	8.59	9.41	8.97
Debt to Equity (time) (DE)	0.21	0.17	0.14	0.15	0.15
Current Ratio (time)	3.13	4.50	5.00	4.30	3.83
Dividend per Share (Baht)	*	7.00	5.00	5.00	4.80
Dividend Ratio (%) ***	*	36.03	34.15	32.68	34.53

Assets & Liabilities and Shareholders' Equity

Current Assets	9,033,803	9,290,056	7,738,068	7,059,504	5,947,007
Property, Plant and Equipment, Net	7,703,012	5,564,807	5,460,123	5,536,093	5,823,148
Total Assets	19,254,504	16,938,772	15,185,832	14,407,271	13,293,905
Current Liabilities	2,883,108	2,066,180	1,548,236	1,643,233	1,551,388
Non-Current Liabilities	404,836	341,212	296,118	256,093	203,186
Shareholders' Equity	15,966,559	14,531,380	13,341,478	12,507,945	11,539,331
Capital Registered	383,125	383,125	383,125	383,125	383,125
Capital	383,125	383,125	383,125	383,125	383,125
Book Value Per Share (Baht)	208.37	189.65	174.11	163.24	150.59
Number of Shares**	76,625	76,625	76,625	76,625	76,625
Per Value (Baht)	5.00	5.00	5.00	5.00	5.00

* It will be Approved From The Ordinary Shareholders' Meeting

** Calculated Using The Weighted Average Method

*** Calculated from Financial Statement - The Company Only

GENERAL CORPORATE INFORMATION

I. Company Information

1.1 General Information

- (1) Name** : Thai Stanley Electric Public Company Limited
Public Registered No. : 0107536000765
Address : 29/3 M.1 Bangpoon-Rungsit Road, Banklang, Muang Pathumthanee 12000
Homepage : www.thaistanley.com
Type of Business : Manufacturer of automotive lighting equipment and mold
Paid up capital : 383,125,000 Baht (Three hundred eighty-three million and one Hundred twenty-five thousand baht)
Common share 76,625,000 share par value 5 Baht

(2) Details of Investment in other companies exceed of 10%

No	Name/Address/Type Of Business	Capital Registered	Amount Of Number Of Share Hold	Investment Ratio(%)
1.	Lao Stanley Co.,Ltd. KM.7 Luangprabang Road, Vientiane, Laos - Manufacturer of automotive lighting equipment Telephone : 85621 222171-3 Facsimile : 85621 222174	USD 500,000	USD 250,000	50
2.	Vietnam Stanley Electric Co.,Ltd. Hanoi , Vietnam - Manufacturer of automotive Lighting equipment Telephone : (844)- 8 534546 Facsimile : (844) -8 531337	USD 8,300,000	USD 1,660,000	20
3.	Top Hightech (Thailand) Co.Ltd Saha Ratana Nakorn Industrial Park , Ayuttaya - Manufacturer,sell,assemble plastic goods and Assemble light resolution molds Telephone : (035) 364-051 Facsimile : (035) 364-052	35.9 Million baht	5 million baht common stock 5,000 shares	13.93
4.	Asian Stanley International Co.,Ltd 48/1 M.1 Kukwang Ladlumkaew , Pathumthani - Manufacturer of lighting emitting diodes (LED) and camera flashes. Telephone :0-2599-1260 Facsimile : 0-2599-1263	400 Million baht	60 million baht common stock 600,000 shares	15

No	Name/Address/Type Of Business	Capital Registered	Amount Of Number Of Share Hold	Investment Ratio(%)
5.	Sirivit Stanley Co.,Ltd 182 M.6 Tambol Cokegluad Muang , Nakhonrachasima - Manufacturer of automotive lighting equipment and electronic components Telephone : (044) 291-411-3 Facsimile : (044) 291-414	40 Million baht	6.00 million baht (paid – up 3.00 million baht) common stock 600,000 shares	15
6.	P.T. Indonesia Stanley Electric Jakarta, Indonesia. - Production and Sales of Automotive lamps for motorcycle and motorcar, Die & Molds Telephone : (021) 59404510 Facsimile : (021) 59404506	USD 7,500,000	USD 750,000	10

(3) Reference

Registrar Thailand Securities Depository Co.,Ltd.
The Stock Exchange of Thailand Building
93 Ratchadapisek Road, Dindang Bangkok 10400
Telephone : 0-2009-9000 Facsimile : 0-2009-9991

Auditor Ms.Varaporn Vorathitikul
Certified Public Accountant (Thailand) No.4474
PricewaterhouseCoopers ABAS Limited.
15th Floor Bangkok City Tower , 179/74-80
South Sathorn Road, Bangkok 10120
Telephone : 0-2844-1000 Facsimile : 0-2286-5050

Law Consultant Bangkok Global Law Offices Co.,Ltd.
540, Unit 1705, 17th Floor, Mercury Tower,
Ploenchit Road, Lumpini Sub-district,
Pathumwan District, Bangkok 10330 Thailand
Tel: +66 (0) 2 252-5895-6
Fax: +66 (0) 2 252-5897

1.2 Other data

- None

2. Policy and Business Overview

2.1 Vision Objective Goal / Business Strategies

Thai Stanley Electric Public Company Limited is a manufacturer of automotive lighting equipment with international quality. The goal is committed to producing quality products and value added products that the importance and value to all related group with the company sincerely.

Management Policy is to consider customer satisfaction as the first priority by improving every function; quality control, costing, delivery, development, safety, and relationship through Planning – Doing – Checking process cycle.

The Board has set a policy for directors, executives and employees, including corporate governance policies, Code of conduct for Directors and Employees which has been published as a document and distributed to directors, executives and employees for acknowledgment and implementation in this regard, the Board of Directors has determined the yearly plan for reviewing the policy, rules and regulations.

2.2 Background

The Company was first registered as a limited company on 30 May 1980. It manufactured, imported and distributed automotive light bulbs and lighting equipment. That was founded by a Thai-Japanese joint venture between Seng Nguan Hong (Sittipol) Company Limited (currently known as The Sittipol 1919 Company Limited) and Stanley Electric Co., Ltd. of Japan. The Company operates three separate plants, producing auto bulbs, dies and molds, and auto lamps.

During year 1980 - 1990 the company invested Bulb factory, Lamp factory and Die & Mold factory, has been investment promoted from BOI for every plant and has registered capital of 10 million baht to 153 million baht

During year 1991 – 2001, the Company was listed on the SET, and the Company's shares began being traded on the SET under the abbreviation 'STANLY'. In the same year, the Company founded own research and development center with promotional support from the Board of Investment (BOI). This center is mainly engaged in researching and developing products for the Company. In July 1993, the Company was converted into a public limited company.

The company entered into a joint venture in establishing new companies: Lao Stanley Co., Ltd. and Vietnam Stanley Electric Co., Ltd. Stanley Electric Engineering India PVT Ltd. PT. Indonesia Stanley Electric, that also took shares in various companies, such as Inoue Rubber (Thailand) Public Company Limited, Sum Hitech Co., Ltd. (in 2015 the company sold shares to major shareholder of Sum Hitech Co., Ltd.) Sirivit Stanley Co., Ltd., Top Hitech (Thailand) Co., Ltd. and Lumax Industries Limited of India. In addition, the Company formed a technical support alliance with Electro Polymers (PVT) Ltd. of Pakistan and Unitech Machines Limited of India.

The company has registered capital to 383.125 million baht and continued investment in Land around for new factory and new machinery and equipment for business expansion.

During years 2002 - 2010 the company has invested Lamp4 factory at Nava Nakorn Industrial Estate , Klong Luang, Pathumthani (in 2014, the Company sold land and buildings to the company that in the side area from not any operation and damaged by flooding in 2011) and Lamp 5 in the main area Muang , Pathum Thani

During year 2011 – 2013 Thailand's auto industry development and growth, respectively, but in the years 2011 have fluctuated dramatically from mega flooding in the central of Thailand impact on the automotive manufacturers and parts suppliers, the production and interruption and in 2012 from the needs of consumers returning to the policy of the government to make the first car sales and auto production record high. The company as a manufacturer of automotive parts has been ordered by customers many car manufacturers. As a result, the company is higher and opening of a new plant (Lamp7) to produced lamps for ECO Car, that selling are affect to growth of the automotive market.

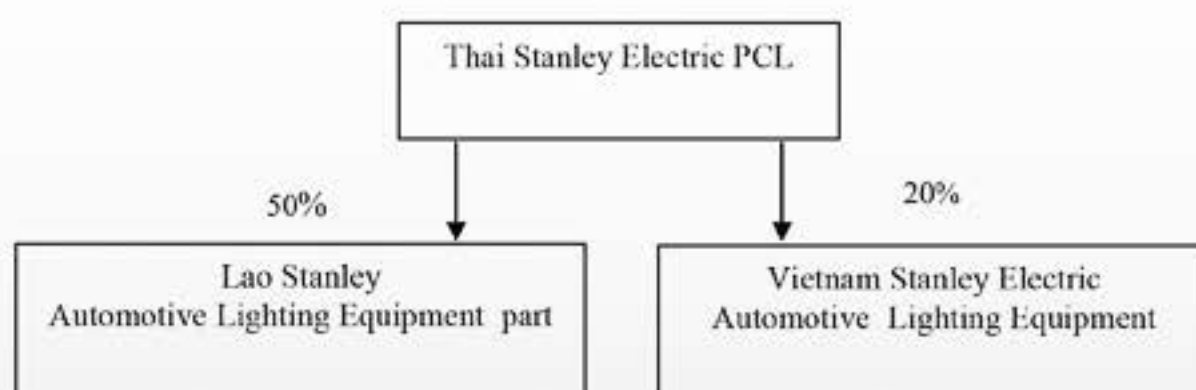
During year 2014 – 2016 the automotive industry fell again after delivery of the car from the first car out. The demand for automotive consumer that was used prior to the year 2012, making the auto industry downturn and the decline continued , Agricultural crops production less so the public revenue less and to spending was less than normal. Only Exports and motorcycle market have continued to grow slightly. the automotive manufacturers including companies as part manufacturers have tried hard to remedy the situation and results of operations.

During year 2017 - 2018, the automotive industry returned to recover. Sales and production of cars and motorcycles constantly increasing which is mainly domestic sales , the export market is still at a slow level. In order to support the increased production and new model of lighting products The company invested to construction in the extension of the Lamp 7 factory and for new Mold factory, which will begin production in 2019 and start the construction of the Lamp 8 factory which will be completed and start production in 2020.

Management: Since the Company's initial establishment and subsequent listing on the SET, the original management team has continued in office without any significant change in management policy.

2.3 Company group holding structure

The company has 2 related company that manufacture of Lighting Equipment are Lao Stanley Company Limited at The Lao People's Democratic Republic and Vietnam Stanley Electric Company Limited at Socialist Republic Of Vietnam which are in the business of lighting equipment. The operations and management based on the consideration of the Board of Directors of each company based on the policy of Stanley group.

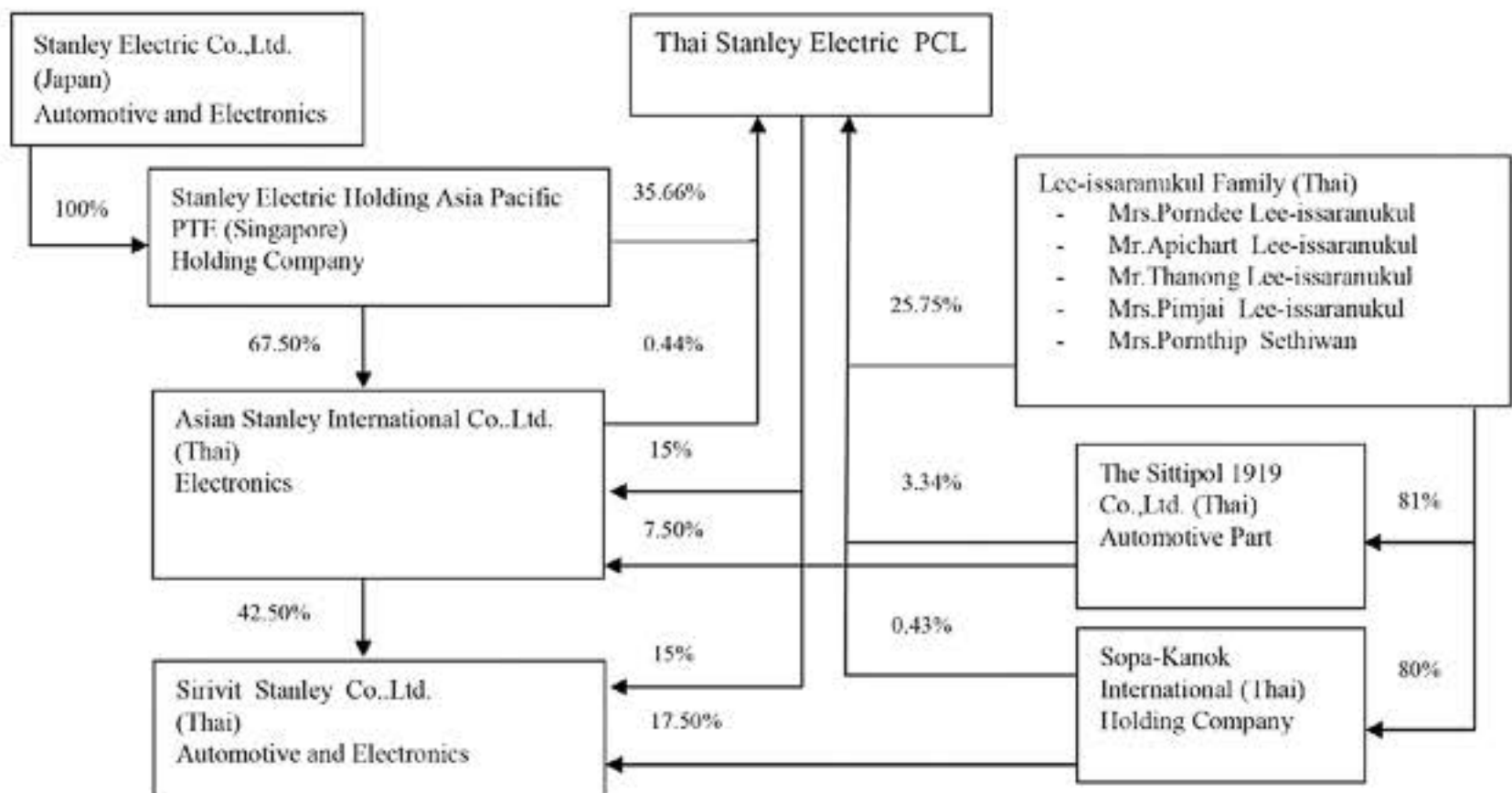


2.4 Major shareholder group Relationship

Major shareholder of the company is a group company Stanley Electric Co. Ltd. Japan and the Lee-issaranukul family, who is the founder of the company before listing on the SET. Each group has a representative on the board for the company.

Business operations in accordance with company policy accordance with the Stanley group policy.

Shareholding structure of business groups of major shareholders (data as March 31, 2019)



3. Conduct of business

The company currently manufactures and market auto bulb, automotive lighting equipment and dies & molds and design. The business segment information for dies & molds and design, which is different from auto bulb, automotive lighting, has not been separately reported as the sales of this segment represent only 1.80% of total sales.

Income Structure

(The Equity Method)

Revenues	31 March 2019 Million Baht	%	31 March 2018 Million Baht	%	31 March 2017 Million Baht	%
Domestic Sale Revenues	10,341.66	67.93	9,193.56	67.04	7,428.98	64.79
Export Sale Revenues	4,292.96	28.20	4,026.89	29.36	3,595.82	31.36
Total Sale Revenues	14,634.62	96.13	13,220.45	96.40	11,024.80	96.15
Dividend Income	71.98	0.47	10.30	0.08	23.24	0.20
Gain on Exchange Rate	21.24	0.14	19.75	0.14	21.10	0.18
Interest Income	71.14	0.47	69.49	0.51	64.88	0.57
Other Income	108.09	0.71	99.33	0.72	76.58	0.67
Share of profit from investment in Associate	316.18	2.08	294.76	2.15	255.72	2.24
Total revenues	15,223.25	100.00	13,714.08	100.00	11,466.50	100.00

3.1 Nature of products

The Company's core business is to manufacture and sell products in a single sector, both domestic and export, namely lighting equipment for use in motorcars, motorcycles and other vehicles. There are 2 core products:

- Auto Bulb the company manufactures bulbs for automobiles, such as Bulb T19, G18, RP30, S25 to assemble a collection of various types of automotive lamps are available sales through local dealers and sale export to Stanley group company and for supporting to production and assembly a set of automotive lamps.

- Lighting Equipment Lamps, the company manufacturing in the automotive parts such as Head Lamp, Rear Combination lamp or Tail lamp, Stop lamp, Signal Lamp and Room Lamp that jointly developed with automotive manufacturer in specific models.

In addition to the core products, the Company also manufactures all kinds of

- Dies & molds in support of the core business and for sale to other industrial operators. The details of the dies & molds and design segment are not identified in this filing because their sales account for only 1.80% of the Company's total sales.

Certificate of Promotion

The company received investment promotion from The Board Of Investment total 18 certificates of promotion as follows :

(1) Manufacture Automotive Bulbs (Certificate of Promotion No. 1038/Sor. Aor./2533)

- (2) Manufacture Automotive Lamps (Certificate of Promotion No. 1044/2527)
- (3) Manufacture Die & Mold (Certificate of Promotion No. 1214/Sor. Aor./2530)
- (4) Manufacture Die & Mold (Certificate of Promotion No. 1078/Sor. Aor./2533)
- (5) Manufacture of Automotive Lighting Equipment and parts
(Certificate of Promotion No. 1279/Sor. Aor./2533)
- (6) Research & Development of Automotive Lighting Equipment
(Certificate of Promotion No. 1176/2534)
- (7) Manufacture Die & Mold (Certificate of Promotion No 1767/2538)
- (8) Manufacture of automotive Lighting Equipment, Machine or Electrical
(Certificate of promotion No. 5675/2539)
- (9) Manufacture Electronic Bulbs (Certificate of promotion No. 1016/2541)
- (10) Manufacture Engineering Plastic parts
(Certificate of Promotion No. 1017/2541)
- (11) Manufacture of automotive Lighting Equipment, Machine or Electrical
(Certificate of Promotion No. 4290/2541)
- (12) Manufacture of automotive Lighting Equipment, Machine or Electrical
(Certificate of promotion No. 4573/2541)
- (13) Manufacture Die & Mold (Certificate of Promotion No 1096/2543)
- (14) Electronic Design (Certificate of promotion No. 1294 (2)/2545)
- (15) Manufacture and repair Die & Mold
(Certificate of promotion No. 1539 (2)/2545)
- (16) Manufacture of Automotive Parts c
(Certificate of Promotion No.1545 (2)/2546)
- (17) International Standard Lamp for economic car
(Certificate of Promotion No.1631(2)/2012)
- (18) Manufacture and repair Die & Mold
(Certificate of promotion No.2216(2)/2013)

Now the company have right from received investment promotion from The Board Of Investment total 2 certificates of promotion as follows :

1. Certificate of Promotion No. 1631 (2)/2012 , was issued on 22 May 2012 to engage in the international standard Lamp economic car , category 4.10 vehicle part production . The privileges and benefits under Certificate of Promotion No. 1631(2)/2012 include the following: Certificate

1. Be exempted from import duty on machinery as approved by the BOI

2. Has been a reduction of 90% of the incoming rate to import raw material or necessary material required for use in the production of distributors in the country for 1 year from the first day of imported. The raw and necessary material must not be same as made in a similar quality to the imports, and a sufficient quantity to supply them and in term and conditions in the time of the BOI to stipulate.

3. Be exempt the income tax , net profit from operations that have been promoted but not exceed 100% of the total investment , excluding land and current capital for 8 years from the date of the income from the operation. In the calculation of net income that including income from the sale of defect from productions.

The loss of business during the income tax exemption , that losses can be deducted from the net profit after the period of exemption from income tax that for a period not exceeding five years from the date of expiration of the period , by deducting from net income of any year or many year.

4. The dividend from the promoted has exempted that to not calculation for the income tax , duration the period of exemption right in income tax.

5. Be exempted from import duties on raw and necessary materials that imported for use in production to export in a period of 1 year from the first date of imported.

6. Be exempted from import duties for the imports to exports for a period of 1 year form the first date of import.

2. The certificate of promotion No.2216(2)/2013 dated September 4, 2013 to engage in the manufacture of molds and mold repair category 4.2 Manufacture of machinery. Equipment and parts , the rights and privileges as follows:

1. Be exempted from import duty on machinery as approved by the BOI

2. Be exempt the Income tax , Net profit from operations that have been promoted but not exceed 100% of the total investment, excluding land and current capital for 8 years from the date of the income from the operation.

In the calculation of net income that including income from the sale of defect from productions.

The loss of business during the income tax exemption , that losses can be deducted from the net profit after the period of exemption from income tax for a period not exceeding 5 years from the date of expiration of the period , by deducting from net income of any year or many year.

3. The dividend from the promoted has exempted that to not calculation for the income tax , duration the period of exemption right in income tax.

4. Be exempted from import duties on raw and necessary materials that imported for use in production to export in a period of 1 year from the first date of import.

5. Be exempted from import duties for the imports to exports for a period of 1 year from the first date of import.

The general conditions and project conditions as follows:

General Condition

1. Use land that is permitted to engage in activities that promote only.

2. The machine that has approved the exemption or reduction of import duty in accordance with privileges.

3. Raw and necessary material to apply preferences in promote activities only ,and must be submitted for approval to import not less than 2 months.

4. Must provide Income – expenses statement for the promoted business separately from the other business for the purpose of calculating other net income that is exempted from income tax.

5. Raw materials and necessary material must be a specific product or assembly that is used to export product and product from promoted business.

6. Shall provide and protection system to prevent environmental damage or a danger or nuisance to the neighboring .

7. Quality of products from manufactured or assembled. Must be in accordance with international standards.

Project Conditions

1. Machinery for the promoted business must be a new machine and purchasing within March 4, 2016.
2. The operation must be completed within 36 months from the date of the promotion.
3. The implementation of significant projects have been promoted in the following.
 - 3.1 Kind of product : Mold and Mold Repair .
 - 3.2 Size of the business. The production capacity for Mold , about 100 sets and Mold repair 50 sets per year. (Working time 16 hours / day : 300 days / year) , outgrowth is defect from productions
4. Minimum investment (Excluding land and current capital) not less than 1 million Baht
5. Income tax exemption worth up not over than 190,000,000 baht.

3.2 Market and competition

a. Policy and marketing

Because of the limited competition in this industry, the Company's strategy is to manufacture high-quality products at a reasonable price. The pricing policy is based on the cost of manufacturing with a standard profit margin. The Company also has a policy of expanding additional lines of automotive products to meet the demand in the automotive market.

The Company's customers include manufacturers and distributors of motorcycles and motorcars (passenger cars and commercial vehicles). The Sittipol 1919 Co., Ltd. is the Company's dealer in automotive spare parts that The Company has not paid any compensation to dealers.

Distribution channels and customer base

1. Local channels

1.1 Original equipment market: The products are sold directly to local assembly plants in Thailand. Usually, they are used in the manufacturing process or kept as spare parts.

1.2 Replacement equipment market: The products are sold through the Company's dealer, The Sittipol 1919 Co., Ltd. In this market, the products are as replacements.

2. International channels

2.1 Original equipment market: The products are sold directly to local assembly plants abroad. Usually, they are used for manufacturing or kept as spare parts.

2.2 Inter-member market: The products are export sold to each international member of the Stanley Group which engages in automotive assembly. This is to enable those members to assure the availability and quality of their stock. Deliveries are made on their orders from time to time on the basis of a single source. That means the Company is the sole manufacturer and distributor of these kinds of products for the Stanley Group worldwide. This creates economies of scale and efficient cost control. For some members in the Stanley Group, if only a few items are required and it is not cost-effective to order them directly from another manufacturer, an occasional delivery from the Company is a better alternative.

In 2018, The company had domestic sale approximately 70.67% of the company total sale , increased 12.49% from the previous year which was the automotive industry in stagnation of economic conditions and export sales approximately 29.33% of the company's total sales , increased 6.61% that sale to foreign customers are in Asia, Europe and the USA.

b. Competition situation

The Company's policy in competitive to practice under the rules of the competition. Will not take any action as a monopoly or reduce competition or limited competition

In the local automotive lighting equipment industry, the competition is limited with very few market players. Basically, there are only 3 main manufacturers in Thailand. However, if compare by size of company , the potential for production and competitiveness there is only 1 company that be similar to the company and another are difference size . The company has advantages in terms of diverse customer base. because the Company's business integrates research and development, design, moulding, manufacturing, assembly and quality control. As regards cost, the Company can take advantage of its being a listed company so can obtaining lower cost financing through the Stock Exchange of Thailand. Currently, the company estimates the market share in high level that considering from the company's current products are in current automotive in Thailand . The customer is always evaluation satisfied in our quality, price and delivery .

The barriers to entry are high for the following reasons:

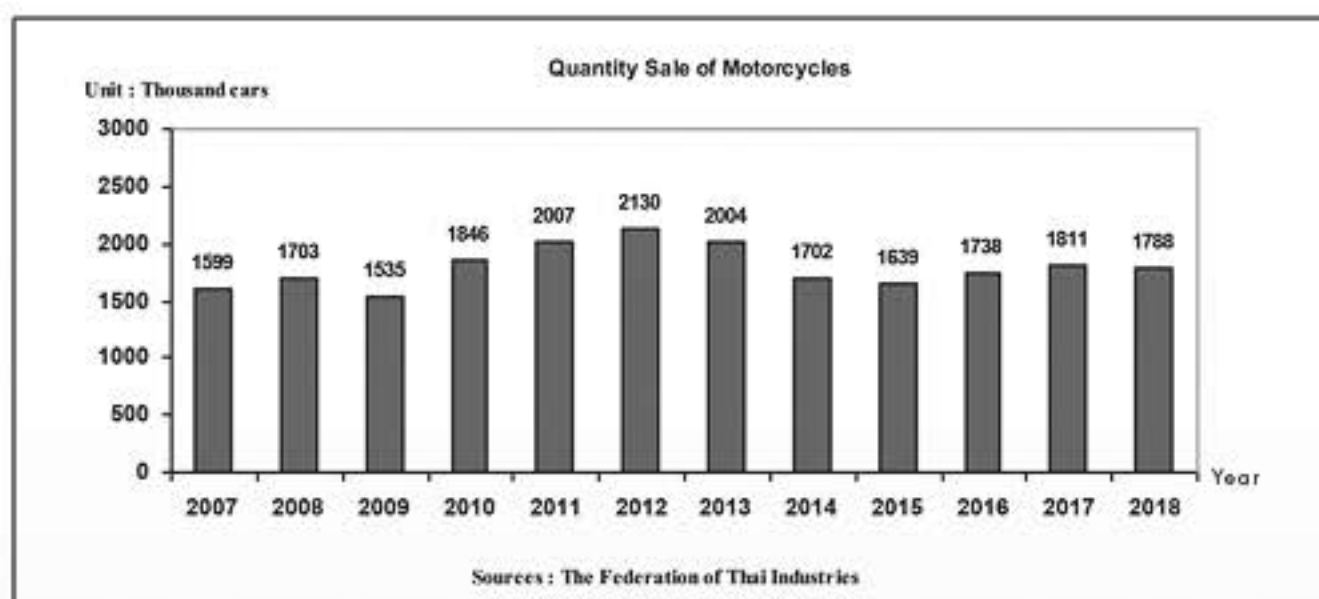
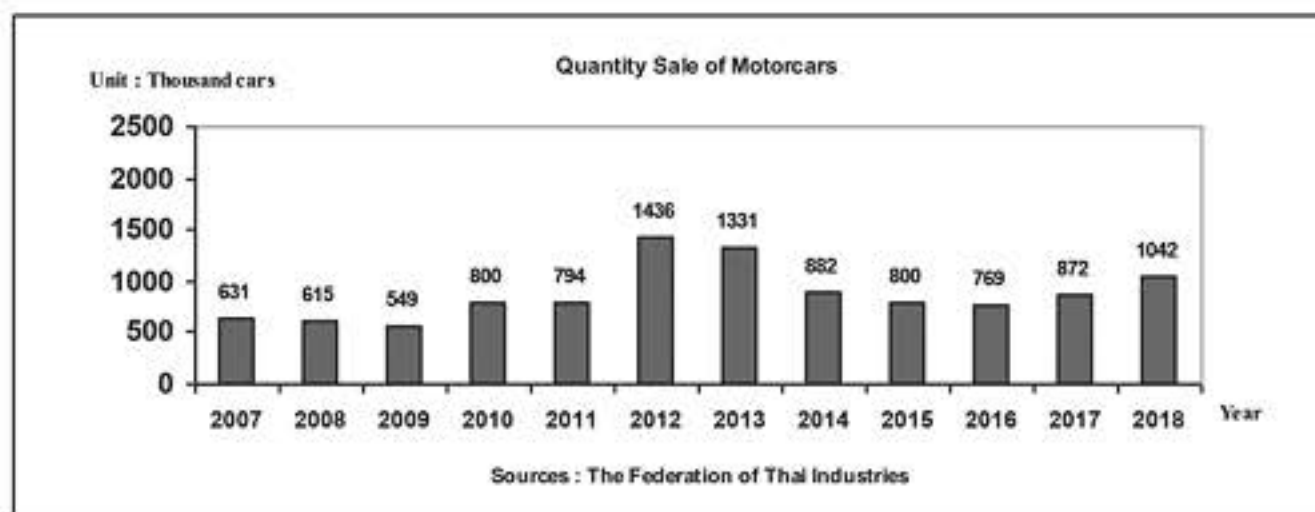
1. Significant investment is needed to acquire the costly machinery, tools and devices, including the equipment for quality testing.
2. The specialist training for workers is expensive and time-consuming.
3. The business naturally relies on specialised technology and must conform strictly to each country's safety standards.
4. The Company benefits greatly from the modern technology and valuable experience transferred from its joint venture partner, Stanley Electric Co., Ltd. of Japan, thereby increasing customers' confidence in the Company.

Because there are so few operators in this industry, the Company has the bargaining power over its customers at a particular level. However, the course of business is still based on the facts, especially, the basis of the actual cost of manufacturing plus standard profit.

Despite the limited number of operators in this industry, there are many suppliers. The Company has a non-monopoly policy with suppliers so that it can negotiate for the lowest price possible.

The automotive industry plays an essential role in the country's overall industrial development. Structurally, the automotive industry is linked to a wide range of other industries. That starts with basic materials, such as steel, plastic, rubber, glass and animal hides and the manufacture of automotive parts. The final process ends with assembly.

Over the past decade, Thailand's automotive industry has improved substantially, making Thailand the largest manufacturer of vehicles and component parts in Asian. The growth of the automotive industry over the past decade can be classified by types of vehicles: motorcars and motorcycles, details as follows



Remark : Not shown graph of motorcycle production data because production and sale are same level

In 2018, the situation of the automotive industry in Thailand In the overall car segment, both domestic production and sales the motorcycle sales decreased slightly. According to the overall economic situation in the country at a good level .

Naturally, the Company's business aims at the OEM market while the replacement market is its secondary channel. Therefore, the growth of the Company's business over the past decade has been in line with the direction of the country's automotive industry.

3.3 Supplies and services

a. Manufacturing and raw material

The Company has three manufacturing plants as follows:

1. Automotive bulb plant : capacity = 113 million pieces per year

All production from customers' orders and the other portion supplies the Company's lamp plant.

2. Automotive Lamp plant : capacity = 40 million pieces per year

All production from customers' orders

3. Die and Mold plant: Production = 400 pieces per year

All production from customers' orders and the other portion supplies the Company's lamp plant.

The Company currently acquires 71% of materials from local suppliers and 29% import from foreign suppliers. That their price has not changed significantly over the years. Details of local and foreign acquisition of materials over the past three years are as follows

Unit : Million Baht

Sources	31 March 2019		31 March 2018		31 March 2017	
	Amount	%	Amount	%	Amount	%
Local	10,341.66	70.67	4,258.22	70.57	3,397.57	67.95
Foreign	4,292.96	29.33	1,775.76	29.43	1,602.63	32.05
Total	14,634.62	100.00	6,033.98	100.00	5,000.20	100.00

The majority of materials are supplied by Stanley Electric Co.,Ltd. of Japan and other company members in the Stanley Group for the following reasons:

1. The material has characteristic features and can be acquired in large quantities from a single source to save costs. Conversely, it is not cost-effective for the Company itself to manufacture the material in Thailand because of the low demand.

2. A large order is necessary for cost-effectiveness. However, local demand is not large enough. In other words, a small order increases the cost. The Company has therefore opted to buy only essential material locally out of the total quantities obtained from Stanley Electric Co., Ltd. of Japan. This is to reduce the cost of procurement and the risk of dead stock.

3. A single source provides the material on the basis of the alliance among the members of the Stanley Group, resulting in economies of scale. The material is distributed to all other members worldwide.

The price of material provided by Stanley Electric Co., Ltd. of Japan and the Stanley Group is fixed at a reasonable and favourable level. The pricing formula is the actual cost plus administrative expenses. If some kinds of general material can be acquired from other suppliers on favourable conditions, the Company has absolute discretion to proceed with that procurement without abiding by any commitments within the Stanley Group.

b. Environmental impacts

In every production process, The Company realized the effective to do not adversely affect the environment. For the painting process, a water shield and sludge disposal system are in place to prevent dust in the air. In this regard, the Company has engaged to the company which holds a waste disposal licence, to dispose of and treat the waste. Consequently, no pollution is emitted outside the Company's facilities. That means the environment suffers no impact from the Company's operations.

Now the company has completely Waste Water Treatment, the waste water from all factory will be sent in for proper treatment whose water level can be measured for the standard, that can be brought back for reused in production process and other activity such as toilet flushing, water plant and Lamp7 factory has reuse it in painting process and flushing water for toilet, and other factory are adjusting this water for appropriate use. Therefore, the company have not any affect to environment.

In all circumstances, the Company recognises the importance of environmental conservation. It has campaigned for environmental management and was awarded ISO14001 certification. The company have designed our products to be environmentally friendly (green products) by relying on chemical-free substances or reducing the use of poisonous chemicals such as mercury (Hg), lead (Pb), chromium 6 (Cr6+), cadmium (Cd) and flame retardants (PBB & PBDE).

In addition, we also provide a green space project in the company, by providing a tree Planting activity on the last working day of the year, Enhancing the green space in the company and create a habit of environmental importance to employees.

The company has no disputes or litigation regarding environmental issues from local communities.

3.4 Undelivered Projects

- None -

4. Risk factors

In 2018, Thai Stanley Electric assessed major risk factors and determined measures to minimize them, of which details are as follows.

1. Manufacturing risk

Our customers are our first priority. We underline the importance of building trust and confidence in product quality and on-time delivery for customer's best satisfaction. We conducted surveillance against risk that could disrupt our manufacturing process and therefore damage machines or prevent raw material from being delivered to suppliers. Some of the risk management plans for our manufacturing activity previously prepared included:

- A database of secondary/reserved producers of raw materials in case main suppliers failed to deliver raw materials;
- Regular assessment of suppliers;
- A preventive machinery maintenance plan and a supplementary plan that would allow us to adjust the manufacturing area in case of emergency.

In addition, Thai Stanley Electric was accredited IATF16949 and ISO9001 for quality management system where a strict internal preventive-based inspection system to monitor quality of raw materials, the manufacturing process and product delivery to customers was implemented.

2. Financial risk

The Company does not have any risk relating to financial liquidity. However, since we import raw materials and equipment and export our products, mainly in Japanese Yen and US Dollar, we could be exposed to exchange rate volatility. We minimized this risk by buying forward contracts based on the policy to maintain forward contracts to 50% of our net liabilities in foreign currencies.

3. Computer and IT risk

We have increasingly introduced IT systems into our operation to collect data and enhance production capability in the manufacturing process, which means we could be exposed to IT safety risk or technology threat resulting from system defect or cyber attack.

To control and prevent the risk, we formulated rules and regulations regarding the use of IT system. IT disaster prevention plans and backup plans were drafted to prevent and manage the risk. Internal communication to create awareness in this subject was also conducted on a regular basis.

4. Safety, Occupational Health and Environment risk

The Company underlines the importance of quality of life of employees ranging from promoting operation safety to reducing workplace and out-of-work accidents and compliance with occupational safety and environment work rules and regulations.

The safety policy and plan was formulated and responsible persons were designated to supervise the safety. Campaigns to promote safety work culture were organized. An emergency response plan was written with a regular drill. We were certified to OHSAS18001 and recognized on a continuous basis as an award in the outstanding occupational health and safety.

Regarding the environment, measures to ensure that our operation has no effect to communities and the environment were implemented. We have a wastewater treatment plant and quality of wastewater and emission was monitored to ensure no environmental impact. Industrial

waste was managed in compliance with the laws and the company was certified to ISO14001 environmental management system.

5. Public utility risk

We heavily depend on public utilities ranging from electricity to running water in the production process. In case of emergency when there is a blackout or a shortage of water, this could disrupt our production process, which means we won't be able to deliver products to our customers. As a result, we implemented preventive measures by acquiring additional electricity from private companies, build our own water supply facility and plan a regular maintenance activity.

6. Risk from natural and other disasters

The Company was affected by Thailand's major flood in 2011 and is very much aware of the urgency to be prepared for the disaster. That's why we have put in place an emergency response plan and conduct a regular drill. In addition, we also recognize the risk from fire since it could create extensive damage and impact.

The Company have prepared preventive measures through strict surveillance. An annual fire drill is conducted every year. A Top Gun Team has been formed for emergency response.

The Company continue to place priority to the overall operation as well as our promise to deliver goods to customers regardless of circumstances. That's why any consideration about the risk materially related to business disruption must be jointly reviewed by the Risk Management Committee. A Business Continuity Plan (BCP) must be drafted and selected for every department to jointly conduct a drill on an annual basis. Identified material risks for which a BCP was written in 2018 included fire, flood, blackout, failure of Information system and epidemic.

In 2018, we selected the BCP affected by fire to exercise an annual drill with a purpose to keep continuing our operation despite the disaster. The department, which was responsible for this risk, was able to control and maintain efficiency while handling the situation together with other relevant units. It also managed to properly return the affected location to the original condition.

Since being founded, Thai Stanley Electric has seen no change in its structure of major shareholders or its business policy, which means no impact so far to its major shareholders and the management.

5. Structure of Securities holding and management

5.1 Securities of Company

(1) The Company has paid up capital of 383.125 million Baht and fully paid up, divided into 76,625,000 ordinary shares each of baht 5 per share.

(2) Other Share
- None

5.2 Shareholders

(1) Major shareholder list

(A) Top ten shareholders as at the last closing book date July 13, 2018.

Shareholder Name	Number of Share (Share)	% of holding
1. Stanley Electric group	27,091,250	35.36
- Stanley Electric Holding Asia-Pacific PTE	26,756,750	34.92
- Asian Stanley International Co.,Ltd.	334,500	0.44
2. Lee-issaranukul Family	22,620,196	29.52
- Mrs.Pomdee Lee-issaranukul	7,695,876	10.04
- Mr.Apichart Lee-issaranukul	4,500,036	5.87
- Mr.Thanong Lee-issaranukul	3,208,920	4.19
- Mrs.Pimjai Lee-issaranukul	2,170,370	2.83
- Mrs.Pornthip Sethiwan	2,162,670	2.82
- The Sittipol (1919)	2,556,074	3.34
- Sopa-Kanok International Co.,Ltd.	326,250	0.43
3. Nortrust Nominee Ltd-CL AC	1,975,500	2.58
4. Thai NVDR Co.,Ltd.	1,923,010	2.51
5. Aberdeen Small Cap Fund	1,915,300	2.50
6. BNP Paribas Securities Service , London Branch	1,805,000	2.36
7. Aberdeen Long Term Equity Fund	1,673,500	2.18
8. Aberdeen Growth Fund	1,619,600	2.11
9. Mr.Kenneth Rudy Kamon	1,303,800	1.70
10. State Street Bank and Trust Company	945,234	1.23

The currently shareholders list , the investor can see in company website (www.thaistanley.com) before the Annual General Meeting.

(B) Major Shareholders to participate in its operations by sending member to be a board of director.

Shareholder Name	Number of Share (Share)	% of holding
1. Stanley Electric group *	27,091,250	35.36
- Stanley Electric Holding Asia-Pacific PTE	26,756,750	34.92
- Asian Stanley International Co.,Ltd.	334,500	0.44
2. Lee-issaranukul Family	22,620,196	29.52
- Mrs.Porndee Lee-issaranukul	7,695,876	10.04
- Mr.Apichart Lee-issaranukul	4,500,036	5.87
- Mr.Thanong Lee-issaranukul	3,208,920	4.19
- Mrs.Pimjai Lee-issaranukul	2,170,370	2.83
- Mrs.Pornthip Sethiwan	2,162,670	2.82
- The Sittipol (1919)	2,556,074	3.34
- Sopa-Kanok International Co.,Ltd.	326,250	0.43

* Stanley Electric , Japan holding 100% in Stanley Electric Holding Asia-Pacific PTE , Singapore and holding 67.50% in Asian Stanley International Co.,Ltd.

** Lee-issaranukul Family is the major shareholder and executive management in Sittipol 1919 (holding 81%) and Sopa Kanok International (Holding 80%)

5.3 Other Securities

-None

6. Dividend payment policy

The dividend payment policy of the company is that the rate of dividend payment of the Company is not less than 30 per cent of the net profits deduction of tax. (The Company Only)

Fiscal Year	2017*	2016	2015	2014	2013
Earnings Per Share (Baht) **	21.65	16.58	17.01	15.11	19.41
Dividend Per Share (Baht)	7.00	5.00	5.00	4.80	6.00
Dividend Ratio (%) ***	36.03	34.15	32.68	34.53	32.51

* Fiscal Year 2017 as 1 April 2017 – 31 March 2018

** From the equity method is applied *** From the company only

7. Management Structure

7.1 Board of Director and Meeting

Name	Position	Board of Director Meeting	
		Number of Meeting	Number of Attend the Meeting
Mr. Apichart Lee-issaranukul	Executive Chairman	7	7
Mr. Koichi Nagano	President	7	7
Mr. Thanong Lee-issaranukul	Director	7	7
Mr. Tadao Suzumura	Director	7	7
Mrs. Pimjai Lee-issaranukul	Director	7	7
Mrs. Pornthip Sethiwan	Director	7	6 ^{** (1)}
Mr. Krisada Visavarecranon	Independent Director and Chairman Audit Committee	7	7
Mr. Chokechai Tanpoonsinthana	Independent Director and Audit Committee	7	7
Mr. Suchart Phisitvanich	Independent Director and Audit Committee	7	6 ^{** (2)}
Mr. Picharn Sukparangsee	Independent Director	7	7
Mr. Katsutoshi Iino *	Director	7	6 ^{** (1)} (TV Conference – 6)
Mr. Toru Tanabe *	Director	7	3 ^{** (1)} (TV Conference - 2)

Remark * Director worked at Japan.

** The reason of not attending the meeting (1) The director have oversea business. (2) Suddenly sick

Authorized directors and condition

Mr. Apichart Lee-issaranukul or Mr. Thanong Lee-issaranukul sign with Mr. Koichi Nagano or Mr. Tadao Suzumura and company seal.

Board of directors meeting

The company has set the procedures and methods of the meeting in the regulations on the board meeting of the company that must be held at least once every 3 months and all directors are required to attend. There might be additional meeting if necessary. And according to the company's regulations, in the Board of Directors' meeting, there must be at least half of the directors present at the meeting and at least 1 independent director or audit committee member must attend the meeting to constitute a quorum.

The resolution of the meeting of the board of directors requires the majority votes of the directors present at the meeting. One member has one vote. In the case of equal votes, the chairman of the board shall have the casting vote. The director having interests has no right to vote for that agenda. The procedure of the meeting has been described in the rules of board of directors meeting.

Meeting schedule and key agenda have been set for the whole year in advance in order to make sure the adequacy of time and the availability of the board members. The invitation letter is sent out at least 14 days in advance both in Thai and in English. TV conference is also set up for the board member who is on overseas business trip to join the meeting from abroad.

In the board of directors meeting, chairman of the board of directors and executive chairman shall set the agendas together and screen the agendas proposed by directors. As there has not been any one being appointed to replace the former chairman of the board; hence, executive chairman and corporate secretary together shall set the meeting agendas.

Every time in the meeting, each director is required to report sale/holding of securities to the meeting. The Company has not yet set a policy for directors and the executives to inform about trading of shares at least one day in advance of trading to the Board of Directors.

For the normal business transactions, executives will report to the board meeting on the quarterly basis.

The Meeting operation in FY2018

- Total numbers of Board of Directors meetings are 7 times. At every meeting, adequate details in the form of supplementary documents will be sent out to the board members to study in advance.

According to attendance record, 10 out of 12 members that working in Thailand and 2 members main working in Japan that had attended the meeting via TV Conference .

- Attend the every meeting (100%) 8 persons or 66.67%
- Attend the meeting 6 time (85.71%) 3 persons or 25.00%
- Attend the meeting 3 time (42.86%) 1 persons or 8.33%

The director does not attending the meeting that have oversea business trip

7.2 The Executive Board

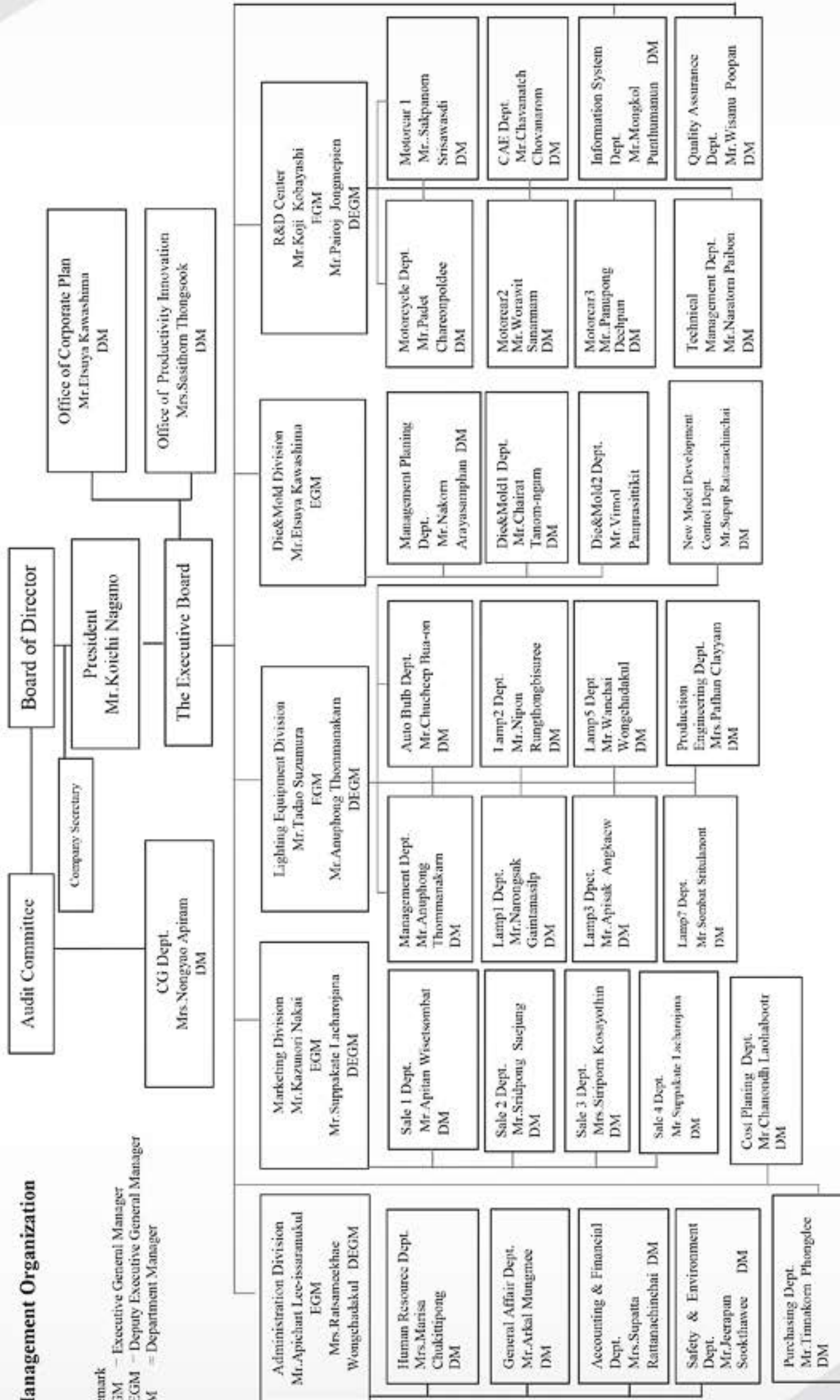
On March 31,2019 the executive board name list are 6 persons as follows

Name	Position
1. Mr. Apichart Lee-issaranukul	Executive Chairman and Executive General Manager Administration Division
2. Mr. Koichi Nagano	President
3. Mr. Tadao Suzumura	Director and Executive General Manager Lighting Equipment Division
4. Mr. Kazunori Nakaii	Executive General Manager - Marketing Division
5. Mr. Koji Kobayashi	Executive General Manager - R&D Center
6. Mr. Etsuya Kawashima	Executive General Manager - Die & Mold Division

Meeting of Executive Board The executive directors meeting will be held 4 times a month and there might be additional meeting if necessary. Management or involved person might be invited to give information directly to the meeting .

Management Organization

Remark
 EGM – Executive General Manager
 DEGM – Deputy Executive General Manager
 DM – Department Manager



7.3 Company Secretary

The Board of Directors has appointed Mrs. Sudjai Srifuengfung. Held the position of company secretary Since July 4, 2008 by the properties of the incumbent secretary of the Company is as follows;

Company Secretary Practice requirements as set out in Section 89/15 and 89 /16 of the Securities and Exchange Act (No. 4) Act 2551 which comes into force on 31 August 2551 with responsibility. caution And honesty Including compliance with the legal regulations of the company's objectives . Board of Directors The resolution of the shareholders of the Company Secretary are required by law .

1. Establish and maintain the following documents.
 - A .register of directors
 - B. Director Meeting Notice letter , Minutes of the Board meeting and company annual report
 - C. Notice of the annual general meeting of Shareholders. And the minutes of the Shareholders meeting
2. Keeping report on interest filed by a director or executive and deliver a copy of the report Stakeholders under Section 89/14, the Chairman of the Board and Chairman of the Audit Committee within 7 days from the date we receive the report.
3. Carry other According to the Commission the notification .

There is also the Company Secretary of the Company and other duties as assigned .

- Advise on the laws and regulations related . And best practices in governance and in the activities of the Commission in accordance with the law.
- Served on the Board of Directors' meetings and shareholders meeting.
- Contact with other departments within the company. To comply with the resolutions of the Board of Directors and shareholders.
- Contact with regulatory agencies such as the SEC , the Stock Exchange of Thailand , and overseeing the disclosure and reporting information to the regulatory agencies and the public
- Provide orientation Advises directors to be appointed new.
- Other duties as assigned by the company

List of Directors, Managers, and Company Secretary

1.Name – Surname	Mr. Apichart Lee-issaranukul
Position	Executive Chairman and Executive General Manager Administration Division.
Date of Appointment	Year 1988
Age	56
Education Degree	Honorary Doctor of Engineering (Industrial Engineering) , Rajamangala University of Technology Thanyaburi Master of Business Administration Oklahoma City University, USA. Bachelor of Administration
Training	The University of the Thai chamber of commerce. Certificate Directors Certification program 8/2001 Thai Institute of Director (IOD) Certificate Executive Business and Investment Development Institute of Business and Industrial Development (IBID)
% of Holding (as 31/03/2019)	7.09%
Relations	Son Mr.Vitya Lee-issaranukul and Mrs.Porndee Lee-issaranukul Brother Mr.Thanong Lee-issaranukul,Mrs. Pimjai Lee-issaranukul and Mrs. Pornthip Sethiwan
Working Experience and position	
- Listed Companies in SET	1991-Present Director Inoue Rubber (Thailand) Public Co.,Ltd. 2013-Present Executive Chairman Thai Stanley Electric PCL 2016-Present Independent Director and Nomination and Remuneration Committee Leo Global Logistic PCL
- Non Listed Companies	1992-Present President Sopa-Kanok International Co.,Ltd 1993-Present Director Pacific Industries Co.Ltd. 1994-Present Director Bussayapan Co.,Ltd. 1995-Present Director Sungold Holding Limited 1996-Present Executive Vice President Asian Stanley International Co.,Ltd 1997-Present Director Sirivit Stanley Co.,Ltd. 1997-Present Director Daido Sittipol Co.Ltd. 1999-Present Chairman Lao Stanley Co.,Ltd. 2000-Present Director Vietnam Stanley Electric Co.,Ltd. 2003-Present Director Wangchula Co.,Ltd. 2006-Present Director PT Indonesia Stanley Electric 2006-Present Director Total Oil (Thailand) Co.,Ltd. 2014-Present Director Pacific Auto Part (Thailand) Co.,Ltd.
- Other	1993-Present Deputy Chairman Stanley Thailand Foundation 2002-2019 Director Investor Club Association 2004-2019 Executive Director Investor Club Association 2019-Present Vice Chairman Investor Club Association 2017-Present Chairman Mitsubishi Motors Cooperation Council (Thailand) : MCC 2019-Present Advisor Toyota Co-operation Club (TCC)

2.Name – Surname	Mr. Koichi Nagano
Position	President
Date of Appointment	July 3, 2009
Age	59
Education Degree	Bachelor of The Faculty of Engineering , Hosei University , JAPAN
% of Holding (as 31/03/2019)	0.0013%
Relations	None
Working Experience and position	
- Listed Companies in SET	2009-Present Director Thai Stanley Electric PCL. 2013-Present President Thai Stanley Electric PCL.
- Non Listed Company	2010-Present Director Sirivit – Stanley Co.,Ltd. 2013-Present Director Top Hightech Co.,Ltd 2013-Present Director PT Indonesia Stanley Electric 2013-Present Honorary Chairman Lao Stanley Co.,Ltd.
- Other	2011-Present Deputy Chairman Stanley Thailand Foundation
3.Name – Surname	Mr. Tadao Suzumura
Position	Director and Executive General Manager Lighting Equipment Division
Date of Appointment	June 1 , 2016
Age	59
Education Degree	Bachelor Faculty of Engineering , Tokai University , JAPAN
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and position	
- Listed Company in SET	2009 – 2015 Department Manager New Model Development Control Department Thai Stanley Electric PCL. 2015 – 2016 Deputy Executive General Manager , Lighting Equipment Division Thai Stanley Electric PCL. 2016 - Present Director and Executive General Manager Lighting Equipment Division Thai Stanley Electric PCL
- Non Listed Company	2007 – 2009 Section Manager , New Model Control Section , Hadano Plant , Stanley Electric Co.,Ltd. 2017 – Present Second Deputy General Director Vietnam Stanley Electric Co.,Ltd.

4.Name – Surname	Mr. Thanong Lee-issaranukul
Position	Director
Date of Appointment	Year 1983
Age	59
Education Degree	Bachelor of Business Administration – Commercial , Nanzan University, JAPAN.
Training	Certificate Director Accreditation Program 136/2017 Thai Institute of Director (IOD)
% of Holding (as 31/03/2019)	5.41%
Relations	Son Mr.Vitya Lee-issaranukul and Mrs.Porndee Lee-issaranukul Brother Mr.Apichart Lee-issaranukul, Mrs. Pimjai Lee-issaranukul and Mrs. Pornthip Sethiwan
Working Experience and position	
- Listed Company in SET	1983 - Present Director Thai Stanley Electric PCL. 1986 - Present Director Inoue Rubber (Thailand) PCL. 2017- Present Independent Director and Chairman M Vision PCL.
- Non Listed Company	1986 - Present Managing Director The Sittipol 1919 Co.,Ltd. 1993 - Present Director Sopa-Kanok International Co.,Ltd. 1995 - Present Executive Director Total Oil (Thailand) Co.,Ltd. 1995 - Present Director Sungold Holding Co.,Ltd. 1995 - Present Director Thai Inoac Component Co.,Ltd. 1995 - Present Director IRC (Asia) Research Co.,Ltd. 1996 - Present Vice Chairman Daido Sittipol Co.,o.,Ltd. 1996 - Present Executive Director Seng Ngun Hong Co.,Ltd. 1996 - Present Chairman Bike Clinic Co.,Ltd. 1998 - Present Director The Studio Production Co.,Ltd. 2001 - Present Chairman Smart Sport Promotion Co.,Ltd. 2003 – Present Director Wangchula Co.,Ltd. 2006 – Present Director Bussayapan Co.,Ltd. 2014 – Present Director Pacific Autopart (Thailand) Co.,Ltd. 2015 - Present Director The Studio 888 2015 - Present Director Sonic Design (Thailand) Co.,Ltd.
- Other	2001 - Present Chairman Kanok-Sopa Foundation 2015 - Present Public Relations Subcommittee Organ Donation Center Thai Red Cross Society

5.Name – Surname	Mrs. Pimjai Lee-issaranukul
Position	Director
Date of Appointment	Year 1983
Age	58
Education Degree	Master of Business Administration operation Management, Drexel University,USA. Bachelor of Engineering Chulalongkorn University
Training	Training Director Certificate Program course 37/2003 from Training Role of the Chairman Program course 31/2013 Training Risk Management Committee Program course 1/2013 Thai Institute of Director Association (IOD) Capital Market Academy Leadership Capital Market (CMA) Diploma, National Defense College ,

	The National Defense Course class 26/2013 National Defense College (NDC) Business Revolution and Innovation Network Batch 1 (BRAIN 1) The Federation of Thai industries
% of Holding (as 31/03/2019)	3.70%
Relations	Daughter Mr.Vitya Lee-issaranukul and Mrs.Porndee Lee-issaranukul Sister Mr.Apichart Lee-issaranukul , Mr.Thanong Lee-issaranukul and Mrs.Pornthip Sethiwan
Working Experience and Position	
- Listed Companies in SET	1983-Present Director Thai Stanley Electric PCL. 2013-Present Chairman Inoue Rubber (Thailand) PCL
- Non Listed Companies	1993-Present Director Sopa-Kanok international Co.,Ltd. 1995-Present Chairman Thai Inoac Component Co.,Ltd. 1995-Present Director IRC Asia Reseach Co.,Ltd. 1995-Present Director Sungold Holding Co.,Ltd. 2001-Present Director Kinno Hoshi Engineering Co.,Ltd. 2003- Present Director Wangchula Co.,Ltd. 2006- Present Director Dido Sittipol Co.,Ltd. 2013 – Present Honorary Chairman Inoac Tokai (Thailand) Co.,Ltd.
- Others	2010- Present Global Advisory Board Member Babson College , Ma, U.S.A 2012- Present Director of Risk Management Club Thai Listed Companies Association 2016 – Present Director Thailand Capital Market Academy
6.Name – Surname	Mrs. Pornthip Sethiwan
Position	Director
Date of Appointment	Year 1990
Age	52
Education Degree	Bachelor of Business Adminstration, Faculty of Commerce and Accountance, Chulalongkorn University.
Training	Certificate Director Accreditation Program 5/2003 Role of the Compensation Committee 17/2013 Thai Institute of Director (IOD)
% of Holding (as 31/03/2019)	2.82%
Relations	Daughter Mr.Vitya Lee-issaranukul and Mrs.Porndee Lee-issaranukul Sister Mr.Apichart Lee-issaranukul, Mr. Thanong Lee-issaranukul and Mrs. Pimjai Lee-issaranukul
Working Experience and Position	
- Listed Company in SET	1980 - Present Director Thai Stanley Electric PCL. 1991 - Present Director Inoue Rubber (Thailand) PCL.
- Non Listed Company	1985 - Present Director Seng Ngun Hong Co.,Ltd. 1990 - Present Executive Director The Sittipol 1919 Co.,Ltd. 1990 - Present Managing Director Pacific Industries (Thailand) Co.,Ltd. 1993 - Present Director Sopa-Kanok International Co.,Ltd. 1993 - Present Director Bike Clinic Co.,Ltd. 1996 - Present Director Daido Sittipol Co.,Ltd.

2003 - Present	Director	Wangchula Co.,Ltd.
2006 - Present	Director	IRC Asia Research Co.,Ltd.
2014 - Present	Director	Pacific Auto Part (Thailand) Co.,Ltd.
2015 - Present	Director	Sonic Design (Thailand) Co.,Ltd.

7.Name – Surname	Mr. Toru Tanabe
Position	Director
Date of Appointment	June 26 , 2012
Age	60
Education Degree	Bachelor Faculty of Electric Engineering , Hosei University , JAPAN
% of Holding	None
Relations	None
Working Experience and Position	
- Listed Companies in SET	2012 – Present Director Thai Stanley Electric PCL.
- Non Listed Companies	2017- Present Managing Director Stanley Electric Co.,Ltd. 2012 – 2019 Director SL Lighting Corporation 2012 – Present Director Stanley Electric U.S.Co.,Inc 2014 – Present Director Asian Stanley International Co.,Inc. 2014 – Present Director Stanley Electric Sales of India PVT.Ltd. 2014 – Present Director Stanley Electric Trading (Shenzhen) Co.,Ltd. 2014 – Present Director Stanley Electric Holding Asia-Pacific PTE .Ltd. 2014 – Present Director Stanley Electric Korea Co.,Ltd. 2014 – Present Director Stanley Electric (Asia Pacific) Ltd. 2014 – Present Director Vietnam Stanley Electric Co., Ltd. 2014 – Present Director Lumax Industrial Ltd. 2014 – Present Director PT.Indonesia Stanley Electric Co., Ltd. 2015 – Present Director Tianjin Stanley Electric Technology Co.,Ltd.

8.Name – Surname	Mr. Katsutoshi Iino
Position	Director
Date of Appointment	July 4 , 2014
Age	58
Education Degree	Bachelor of Economy Industrial Management , Nihon University , Japan
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed Company in SET	2014 - Present Director Thai Stanley Electric PCL.
- Non Listed Companies	2008 - Present President Stanley Electric PAL Co.,Ltd. 2012 - Present President Stanley Electric Holding of America , President Stanley Electric Holding Europe Co.,Ltd. 2013 - Present President Stanley Electric Holding Asia-Pacific PTE , Ltd. President Stanley Electric (China) Investment Co.,Ltd.

9.Name – Surname	Mr. Krisada Visavateeranon
Position	Independent Director and Audit Committee Chairman
Date of Appointment	October 15 , 1999
Age	69
Education Degree	Master of Engineering Kyoto University, JAPAN Bachelor of Engineering Kyoto University , JAPAN
Training	Certificate - Directors Certification program , Audit Committee Program Thai Institute of Director (IOD)
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed Company is SET	1999 – 2010 Independent Director and Audit Committee Thai Stanley Electric PCL. 2010 – Present Independent Director and Chairman Audit Committee Thai Stanley Electric PCL.
- Non Listed Company	2009 – Present Audit Committee Textile Prestige PCL 2012 – Present Director Wazeda Education (Thailand) Co.,Ltd.
10.Name – Surname	Mr.Chokechai Tanpoonsinthana
Position	Independent Director and Audit Committee
Date of Appointment	March 31, 2000
Age	71
Education Degree	Master of Business Administration (Quantitative Analysis & Finance) University of Wisconsin (Madison Campus) Master of Civil Engineering University of Wisconsin at Madison, U.S.A. Bachelor of Civil Engineering (Structure) Chulalongkorn University
Training	Certificate Director Certification Program 3/2000 , Monitoring Fraud Risk Management 1/2009, Audit Committee Program 28/2009 , Monitoring the Internal Audit Function 6/2009 , Monitoring the system of Internal Control and Risk Management 7/2009, Monitoring the Quality of Financial Reporting 12/2010 Thai Institute of Director (IOD)
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed Company in SET	2000-Present Independent Director and Audit Committee Thai Stanley Electric PCL. 2003-Present Independent Director and Audit Committee Chairman Advance Information Technology PCL.
- Non Listed Company	2013 – Present Independent Director and Audit Committee Witcorp Co.,Ltd.

11.Name – Surname	Mr.Suchart Phisitvanich
Position	Independent Director and Audit Committee
Date of Appointment	June 7 , 2010
Age	73
Education Degree	Master of Electrical Engineering Louisiana Tech University USA. Bachelor of Electrical Engineering Chulalongkorn University
Training	Certificate - Director Certification Program , Audit Committee Program , Financial Statements for Director , Board Matter & Trends 6/2018 Thai Institute of Director. (IOD)
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed Company in SET	2010-Present Independent Director and Audit Committee Thai Stanley Electric PCL.
	2006-Present Executive Advisor Navanakorn PCL.
- Non Listed Company	2006-Present Director Investor Club Association
- Other	2011 – Present Monitoring and Evaluation Committee Ministry of Industry

12.Name – Surname	Mr.Picham Sukparangsee
Position	Independent Director
Date of Appointment	June 7, 2010
Age	58
Education Degree	Master of Faculty of Law University of Warwick , ENGLAND Master of Faculty of Law University of London , ENGLAND Bachelor of Faculty of Law Thammasart University
Training	Certificate Director Certification Program Board Matters & Trends 6/2018 Thai Institute of Director. (IOD)
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed Company in SET	2010 – Present Independent Director Thai Stanley Electric PCL.
- Non Listed Company	1987 – 2005 Associate / Partner International Legal Counsellors Thailand
	2005 – 2015 Director Siam City Law Offices Limited
	2015 – Present Managing Director Bangkok Global Law Offices Limited

13.Name – Surname	Mr. Kazunori Nakai
Position	Executive General Manager Marketing Division
Date of Appointment	November 6, 2018
Age	57
Education Degree	Bachelor of Arts , Law and Politics Department Law and Politics College , Rikkyo University , JAPAN
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed company in SET	2018 – Present Executive General Manager , Marketing Division Thai Stanley Electric PCL.
- Non Listed Company	2001 - 2011 General Manager Electronics Sales Division Stanley Electric Co.,Ltd. 2011 – 2016 General Manager LED Division Sale Department Stanley Electric Co.,Ltd. 2016 – 2018 President Stanley Electric (Asian Pacific) Co.,Ltd.

14.Name – Surname	Mr.Etsuya Kawashima
Position	Executive General Manager Die&Mold Division
Date of Appointment	February 1 , 2017
Age	52
Education Degree	Bachelor Department of Mechanical Engineering , Nihon University , Japan
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed Company in SET	2010 – 2013 Advisor , Die & Mold Division , Thai Stanley Electric PCL. 2013 – 2015 Department Manager , Die & Mold Division , Thai Stanley Electric PCL. 2015 – 2017 Senior Advisor , Die & Mold Division , Thai Stanley Electric PCL. 2017 – Present Executive General Manager, Die&Mold Division Thai Stanley Electric PCL.
- Non Listed Company	1999 – 2010 Chief of Section , Die & Mold Division , Research & Development Center Stanley Electric Co.,Ltd.

15.Name – Surname	Mr.Koji Kobayashi
Position	Executive General Manager R&D Center
Date of Appointment	July 5 , 2013
Age	56
Education Degree	Bachelor of Mechanical Engineering , Meisei University , Japan
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed Company in SET	2013 - Present Chief of Center R&D Center Thai Stanley Electric PCL
- Non Listed Company	1986- 2011 Engineering Technology Center Division Stanley Electric Co.,Ltd. 2011 – 2013 Manager Engineering Technology Center Division Stanley Electric Co.,Ltd.
16.Name – Surname	Mrs.Sudjai Srifuengfung
Position	Company Secretary
Date of Appointment	July 4 , 2008
Age	60
Education Degree	Bachelor of Accountancy Thammasart University
Training	Effective Minute Taking (EMT) Corporate Secretary Development Program –Chulalongkorn University Company Secretary Program - Thai Institute of Director. (IOD) Registration system of listed companies FTI Business Administration FIBA # 1 The Federation of Thai Industries
% of Holding (as 31/03/2019)	None
Relations	None
Working Experience and Position	
- Listed Company in SET	1999 – 2002 Department Manager Accounting & Financial Department Thai Stanley Electric PCL. 2002 – 2015 Deputy Executive General Manager Administration Division Thai Stanley Electric PCL. 1999 – 2008 Board of Director Secretary Thai Stanley Electric PCL. 1999 – 2013 Audit Committee Secretary Thai Stanley Electric PCL 2008 – Present Company Secretary Thai Stanley Electric PCL. 2015 – Present Advisor Administration Division Thai Stanley Electric PCL.
- Non Listed Company	2002 – Present Director Lao Stanley Co.,Ltd.

Shareholding Proportion of The Board of Directors and Top Management

Name	Position	Amount of Shares As March 31,2019	Amount of Shares As March 31,2018	Trading during the fiscal year 2018	Shareholding Proportion (%)
Mr.Apichart Lee-issaranukul	Executive Chairman and Executive General Manager Administration Division	5,435,971	4,500,036	935,935*	7.09
Spouse / Minor Children		-	-	-	-
Mr.Koichi Nagano	President	1,000	1,000	-	0.00
Spouse / Minor Children		-	-	-	-
Mr.Thanong Lee-issaranukul	Director	4,144,855	3,208,920	935,935*	5.41
Spouse / Minor Children		-	-	-	-
Mr.Tadao Suzumura	Director and Executive General Manager Lighting Equipment Division	-	-	-	-
Spouse / Minor Children		-	-	-	-
Mrs.Pimjai Lee-issaranukul	Director	2,838,895	2,170,370	668,525*	3.70
Spouse / Minor Children		-	-	-	-
Mrs.Pornthip Sethiwan	Director	2,831,195	2,162,670	668,525*	3.70
Spouse / Minor Children		-	-	-	-
Mr.Krisada Vissavateeranon	Independent Director and Audit Committee Chairman	-	-	-	-
Spouse / Minor Children		-	-	-	-
Mr.Chokechai Tanpoonsinthana	Independent Director and Audit Committee	-	-	-	-
None Spouse / Minor Children		-	-	-	-
Mr.Suchart Phisitvanich	Independent Director and Audit Committee	-	-	-	-
Spouse / Minor Children		-	-	-	-
Mr.Picham Sukparangsee	Independent Director	-	-	-	-
Spouse / Minor Children		-	-	-	-
Mr.Katsutoshi Iino	Director	-	-	-	-
Spouse / Minor Children		-	-	-	-
Mr.Toru Tanabe	Director	-	-	-	-
Spouse / Minor Children		-	-	-	-
Mr.Kazunori Nakai	Executive General Manager Marketing Division	-	-	-	-
Spouse / Minor Children		-	-	-	-
Mr. Etsuya Kawashima	Executive General Manager Die & Mold Division	-	-	-	-
Spouse / Minor Children		-	-	-	-
Mr.Koji Kobayashi	Executive General Manager R & D Center	-	-	-	-
Spouse / Minor Children		-	-	-	-

Remark * The increased amount of shares that are acquired by inheritance

7.4 Remuneration for the company's management

(1) Remuneration in cash

The company setting the remuneration policy for director on the appropriate consideration and comparing with the remuneration for the directors paid by the companies listed in Stock Exchange of Thailand with the same size of business or the same industry, and approved by shareholders' meeting.

The policy of remuneration for executives shall be considered from their roles and responsibilities as well as performance

(A) The Board of director remuneration for 2018 , details as follows

Name	Position	Director Fee (Baht)		
		Director	Audit Committee	Total
Mr.Apichart Lee-issaranukul	Executive Chairman	275,000	-	275,000
Mr.Koichi Nagano	President	275,000	-	275,000
Mr.Thanong Lee-issaranukul	Director	275,000	-	275,000
Mr.Tadao Suzumura	Director	275,000	-	275,000
Mrs.Pimjai Lee-issaranukul	Director	275,000	-	275,000
Mrs.Pornthip Sethiwan	Director	270,000	-	270,000
Mr.Krisada Vissavateeranon	Independent Director and Audit Committee Chairman	275,000	405,000	675,000
Mr.Chokechai Tanpoonsinthana	Independent Director and Audit Committee	275,000	280,000	555,000
Mr.Suchart Phisitvanich	Independent Director and Audit Committee	270,000	280,000	550,000
Mr.Picharn Sukparangsee	Independent Director	275,000	-	275,000
Mr.Katsutoshi Iino	Director	270,000	-	270,000
Mr.Toru Tanabe	Director	255,000	-	255,000
Total		3,265,000	960,000	4,225,000

Remark Company only has Audit Committee

The executive board remuneration

In year 2018 the company paid the remuneration for executive board as salary and bonus to 6 person amount 45.29 million baht

(2) Other remuneration

- Other remuneration of directors - There is no other compensation or other benefits , other than monthly director fee and meeting allowance.

- Other remuneration of executive director - The company provides a provident fund for Thai executive directors, which the company has contributed at the rate of 7% of salary as well as

contributions to employees However, the amount of payment in 2018, the company has disclosed in the employee remuneration in item 7.5

7.5 Personal

Total employees as at March 31st, 2019 were 3,196 persons . The company paid for employee's remuneration in year 2018 were 1,503.56 Million Baht as salary , bonus , provident fund and other welfare such as Public transportation and Shift expense , details as follows:

Division	Male	Female	Total
Administration	42	58	100
Marketing	24	31	55
Production	1,645	1,371	3,016
Japanese	25	-	25
Total	1,736	1,460	3,196

The total number of employees increased by 6.64% from the previous year. In the past 3 years, the number of employees has changed to a level not exceeding 10%, so there is no significant change in the number of employees and no labor disputes.

Policy of personal ' s development

The company determines the personnel development policy every year. To develop personnel to have knowledge and skills in both management and work skills ,with a target value that all employees must receive training, knowledge or skills in the job , we divided into general employee levels must be trained at least 1 course per year and have at least 6 hours of training per person per year. In the supervisor level and manager level Must train at least 2 courses per year

The company policies in employee training and development plans to all levels of employees about knowledge and skills to work , Foreign language , Mind development , and internships to study abroad, such as Japan, U.S.A and other country regularly.

That for 3 years ago, the Company does not have any conflict or dispute with employees and the company was awarded the Outstanding Labor and Welfare Labor continuously since 2006 – 2018 (13 consecutive years) certification system and standard of Thai workers. (MRT. 8001-2546) complete level from the Ministry of Labor.

8. The Corporate Governance

The Board of Directors attaches great importance to corporate governance. The company has a transparent business operation, honesty, fair competition environmental and social considerations

8.1 The corporate governance policy

The board has developed the corporate governance policy with details as follows:

1. Develop Business Ethics or Ethics and Code of Conduct for the board and employees to comply with, ensure the compliance, together with review and update it.
2. Define structure, role and responsibility of the board and the executive clearly and appropriately
3. Require the board conduct performance self-evaluation
4. Create, maintain, and review the control system in respect with finance and operation, ensure the operational effectiveness and compliance with law and ethics, and manage risks by paying attention to red flag warning and unusual transaction.
5. Ensure that disclosure information is accurate, complete, in time, and in equitable manner for shareholders and stakeholders.
6. Develop reliable financial reporting procedure and inspection process, and assess the sufficiency of internal control, risk management, and effective monitoring system
7. Assure that the rights of shareholders and stakeholders are protected and treated in an equitable manner.
8. Resolve the conflict of interest with discretion and transparency
9. Develop environmental and social care system

To comply with the corporate governance policy The company has prepared the code of conduct for directors and employees. In order to abide by the guidelines and to prevent damage that may occur from misconduct of the person in the company by publishing as a manual for directors, executives and employees to acknowledge and abide. This includes the vision and ethics are provided in the orientation program of directors, executives and new employees, which are disclosed in the website. (www.thaistanley.com) of the company as well

8.2 Director

The company determines the structure of directors, qualifications of the board roles and responsibilities, recruitment and appointment of directors, Performance evaluation of the Board of Directors - in the regulations of the Board of Directors as follows

(1) Director structure - The company has 3 groups of directors, as the Board of Directors, the Executive Board and the Audit Committee by defining the roles and responsibilities of each committee as follows

The Board of Directors

Structure of Board of Directors as of 31 March 2019 consists of 12 members as follows:

1. Executive Directors : involving in managing day to day operations or have authority to sign and bind the company, total 4 peoples or 33.33% of total members.
2. Non-Executive Directors : including independent directors totaling 8 people accounting for 66.67% of the total Directors. Four independent directors are accounted for one-third of the Board's total numbers which is in accordance with the provision of Securities and Exchange Act (No. 4) B.E. 2008.

All directors are qualified in terms of knowledge and experience required for company business operation and focus on performing their role.

Independent directors meet the qualification as required by Securities and Exchange Commission.

Authority of the Board of Directors

The framework of the Board's duties and responsibilities includes organizational strategies, corporate governance, human resources management, financial reporting, information disclosure and communications as follows:

1. Organizational strategies Review and advise on key strategies and policies, financial objectives and other plans, including the Company's budget. Monitor the implementation of the Company's plans and policies.

2. Corporate governance , establish a policy of corporate governance and regularly evaluate the outcome in practice. Ensure that all stakeholders are properly protected and treated. Create a proper understanding on various matters among different classes of stakeholders and ask for their cooperation in enhancing the stability of the Company's business.

Determine the necessary procedures and mechanisms to ensure that all the Company's activities comply with the law and are carried out on a sound moral basis.

Make available the code of conduct or code of ethics, monitor the directors' and employees' compliance with these codes, and occasionally review and update them.

Prepare, maintain and review the financial control, operating control, corporate governance and risk management, and be alert to warning signs and irregularities on any transactions.

Establish an independent internal control unit with a precise definition of roles, duties and responsibilities.

Ensure that the existing structural and procedural requirements of the Board concerning corporate governance and the code of ethics are effective enough and may be adjusted if necessary.

Monitor and resolve any conflict of interests which may arise relating to management, the Board and shareholders, any illegal use of the Company's assets, and any irregularities on connected transactions.

3. Human resources management , to appoint the executive committee and evaluate their performance once a year. Appoint the Company secretary, whose main duties relate to Board meetings and shareholder meetings. The Company secretary's duties include providing legal advice to the Board.

4. Financial reporting Ensure that the financial reporting and audit system is reliable and that efficient mechanisms are made available to evaluate the adequacy of internal control, risk management and performance monitoring systems.

GENERAL CORPORATE INFORMATION

From the company's regulations, the authority of the Board of Directors are to take responsible for the company's business management, making decision and to supervise the business within the scope and law, as well as the company's objective and regulations, The company has determined the matter to be approved by the board of directors in the regulations regarding the board meeting, such as

- 1) Considering the calling of the general meeting of shareholders and the resolution of the draft document proposed for consideration
- 2) Considering calling for the extraordinary general meeting of shareholders and voting on draft documents proposed for consideration
- 3) Considering and approving documents, financial statements, including the balance sheet, profit and loss statements of the company To send the SET
- 4) Selection of the appointment of directors and the release of directors
- 5) Considering and approving the trading of shares of rival companies and the trading of company shares of directors
- 6) Consider issuing new shares and buy back the company's shares

Except the following topics that have to get approval from shareholders' meeting.

1. Anything that has been stated by law has to get the shareholders' conclusion.
2. Conduction of any related items that meet the criteria of getting permission from shareholders' meeting.

The Company setting for directors can serve as director in no more than 5 listed companies, there are no exceptions that for the efficiency of their duties.

The Executive Board of Directors

Consist of 3 directors and 3 executives , The role and responsibility is to develop policy and direction and inspect the implementation

Authority of the Executive board

The Executive board has a duty to set policies and directions for the management of the company and check the company's performance , approving various plans, including monitoring and evaluating performance to achieve the objectives

The Executive board will report the performance according to the policies and goals of the company. that is consistent with the Stanley Group policy which is defined as a medium-term long-term plan, each year there are annual numerical strategies and numerical goals such as quality targets, cost, safety, etc. which are considered both positive and negative factors as well as various risks That the stakeholders will pay attention the annual policy meeting will be held for executives and inform in documents format to employees.

Audit Committee

Consisting of 3 independent directors; one of those has enough knowledge and adequate experience to review the reliability and accuracy of financial statement. Role and responsibility is clearly stated in the audit committee charter, amended for additional roles on 10 February 2017 to be in accordance with the notice from Stock Exchange of Thailand subject: Qualification and scope of work for audit committee B.E.2551.

GENERAL CORPORATE INFORMATION

Authorities of audit committee are as follow

1. To verify and assure that the Company's financial report is accurate and sufficiently disclosed

2. To verify and assure that the Company shall have an appropriate and effective internal control and internal audit systems. To consider the independence of the internal audit agency, as well as provide an approval for an appointments, transfer, termination of the chief of the internal audit agency or any other agencies responsible for the internal audit.

3. To Review that the Company has acted compliance with the company's anti-corruption policy.

4. To verify and assure that the Company has acted in compliance with the law on Securities and Exchange, requirements of the Stock Exchange of Thailand, and other laws in relation to the Company's business

5. To consider, select, propose to appoint an independent person(s) to perform the duty as the Company's auditor. To propose remuneration for that person(s) and to participate in a meeting with the auditors without the management involvement at least once a year.

6. To consider connected transactions and any transaction that may have a conflict of interests by referring to the requirements of laws and the Stock Exchange of Thailand, to assure that such transactions are reasonable and resulted in maximum benefits to the Company.

7. To prepare a report of the Committee as disclosed in the Company's Annual Report which must be signed by the Chairman of the Audit Committee and must consist of the information as follows (at least);

- An opinion(s) about an accuracy, completion and reliability of the Company's financial report.
- An opinion(s) about the adequacy of the Company's internal control systems.
- An opinion(s) about an action in compliance with law of Securities and Stock Exchange, provisions of the Stock Exchange of Thailand or any related laws regarding the Company's business.
- An opinion(s) about an appropriateness of the auditors.
- An opinion(s) about any financial transaction that may have a conflict of interests.
- A total number of the Committee's meetings and each member's meeting participation.
- An overall opinion(s) or an observation(s) obtained by the Committee from the operation as required in this charter.

- Other essential information or transactions as deemed to be acknowledged by shareholders and investors under the scope and responsibilities assigned to them by the Board of Directors.

8. Any other operation as assigned by the Board of Directors with an approval by the Committee.

(2) The Audit Committee who adequate expertise and experience in accounting and financial to audit creditability of the financial reports

Mr.Chokechai Tanpoonsinthana

2000-Present Independent Director and Audit Committee Thai Stanley Electric PCL.

2003-Present Independent Director and Audit Committee Chairman

Advance Information Technology PCL.

2013 – Present Independent Director and Audit Committee Witcorp Co.,Ltd.

Audit committee performs its duty by having the support from internal audit as an operation unit and report to audit committee. Also, the committee can asks for advices from independent advisor its expense is absorbed by the company.

The audit committee meeting must be held at least once every 3 months and there might be additional meeting if necessary. Executive or involved person might be invited to give information directly to the meeting. Meeting with auditor without executive attending must be held at least once a year.

Total numbers of audit committee meetings held during fiscal year 2018 are 8 times. Details of meetings are as follows:

- 4 meetings are among auditors, executives, and internal audit
- 4 meetings are only with auditors, no executive attended.

Name	Position	Board of Director Meeting	
		Number of Meeting	Number of Attend the Meeting
Mr.Krisada Visavareeranon	Chairman Audit Committee	8	8
Mr. Chokechai Tanpoonsinthana	Audit Committee	8	8
Mr. Suchart Phisitvanich	Audit Committee	8	8

8.3 Nomination and appointment of directors and Top management

The nomination and appointment of directors of the Company not through the Nomination Committee because The Company is in the process of setting up the Nomination Committee. However, in nominate directors the board will consider the qualifications. This is in accordance with the Company's Articles of Association , Selection and appointment process , as follows:

1. Have the qualifications required by law (i.e. the Public Limited Companies Act and the Stock and Exchange Act)
2. Have knowledge, experience and expertise material to the Company's business
3. Be a visionary leader able to express opinions independently of management or any group of stakeholders
4. Work morally and ethically with an unblemished work record
5. Be able to dedicate enough time to working as the Company's director. And the number of listed companies that each director to be director not more than 5 companies.
6. Not be a director or executive of any entity that has a conflict of interests with the Company

The Company has no restrictions on the qualifications of its directors in terms of gender and age, to ensure the diversity of the board structure.

The appointment to be director will be proceed belong to the Public Limited Companies Act.

(1) Independent Director

Criteria for selection of independent directors

- Qualifications of independent directors

The Company's setting definition of Independent Directors to be on a level of the Capital Market Supervisory Board's definitions No. TorChor. 14/2552 No.16 details as follows:

1. Hold not more than 1% of the voting shares in the company, its subsidiaries, associates, or related companies, major shareholder or person with controlling power over the company, whilst the number of shares held by any related person of such an independent director must also be counted.

2. Have not been or are not involved in the management, employees, wage earners, advisors on the payroll of the company, its subsidiaries, associates, or equivalent companies, major shareholder or person with controlling power over the company except when such qualifications have ended for more than two years, provided that such restriction or prohibition shall not apply to an independent director who has been a government authority, which is the major shareholder of the company or the person having controlling power over the company.

3. Are not related by blood or registration as parents, spouses, siblings, or children, spouses of any of the children to members of the management, major shareholders, those exercising control, or those about to be nominated as members of the management or those exercising control over the company or subsidiaries.

4. Do not have and have not any business relationship with the company, subsidiaries, associated companies, major shareholders or those exercising control over the company in the manner in which independent discretion might be affected, and not be and have not been a substantial shareholder of or a person having power to control the person that has business relationship with the company subsidiaries, associated companies, major shareholders or those exercising control over the company unless such an independent director has not been a person referred to above for at least two years.

Business referred to in the first paragraph above shall mean to include any ordinary course of business or trade for business engagement purpose, any lease taking or lease out of any property, any transaction relating to asset or service, any financial support or acceptance of financial support by way of either borrowing, lending, guaranteeing or collateral providing or any other manner similar thereto that could result to an obligation required to be performed by the applicant or the party thereto in an amount of three percent or more of the net tangible asset value of the applicant or twenty million baht or more, whichever is lesser. In light of this, the method for calculating the value of connected transaction pursuant to the Capital Market Supervising Committee's Notification, Re: Regulations in respect of an Entering into a Connected Transaction shall be applied mutatis mutandis for the purpose of calculation of such amount of debt of the applicant, provided that the amount of the debt incurred during the past one year prior to the date on which such a business relationship with such a business relationships with such person exists;

5. Is not and has not been an auditor of the company, subsidiary, associated company, major shareholder or those with controlling power over the company and not be and have not been a substantial shareholder of, a person having power to control over, or a partner of any auditing firm or office in which the auditor of the auditor of the company, subsidiary, associated company, major shareholder or those with controlling power over the company unless such an independent director has not been a person referred to above for at least two years.

6. Is not and has not been a professional advisor, including legal or financial advisor who obtains fee more than 2 million baht a year from the company, subsidiary, associated company, major shareholder or those with controlling power over the company and is not and have not been a substantial shareholder of, a person having controlling power over, or a partner of any of such

professional service provider firm or office, unless such an independent director has not been a person referred to above for at least two years.

7. Is not a director appointed as a representative of a director of the company, a representative of a major shareholder of the company, or a representative of a shareholder of the company which is a related person of the major shareholder of the company.

8. Does not engage in any business with similar nature as that of the company and is competitive with the business of the company, subsidiary or is not a substantial partner in a partnership, a director participating in any management role, an employee or officer, an advisor obtaining regular salary from, or a shareholder holding more than one per cent of the voting shares of accompany engaging in any business with similar nature to the company or subsidiary.

9. Does not have any characteristics which will inept the ability to provide independent comment or opinion on the operation of the company.

- Process of recruiting independent directors

The appointment independent director not yet approve by nomination committee because of in considering process to setting but the board of director considered the qualification due to their knowledge and capability will benefit to the company and The Company has no restrictions on the qualifications of independent directors in terms of gender and age, and not yet fix term end of the independent director.

Business relationship of independent directors - Have, 1. The company paid for law service to Bangkok Global Law Offices that Mr.Picharn Sukparangsee be director in amount 0.74 million baht, this transaction was not over than the company's definition.

The election of directors through at the shareholders meeting, as follows

1. Provide that shareholders vote for the election of directors by shareholders or other person who is not a shareholder. Each shareholder shall have one vote for each share

2. Each shareholder shall exercise all votes applicable under (1) for the appointment of one or more Director, provided that the votes of any shareholder shall not be divisible and shareholder voted one by one for one director.

3. Persons who obtain the highest vote and the next highest vote appoints (in descending order) shall be appointed as directors in order to fill the number of position of director required to be appointed at that time. In the case where more than one person obtains equal votes, and the number of directors with such vote exceeds the remaining number of directors positions to be appointed, the chairman shall have a casting vote in respect of those with equal votes.

4. In the case there is vacancy among the Directors which has occurred other than a retirement by rotation, the Board of Directors shall elect a person who is qualified and not being prohibited by the Public Company Law to fill the vacancy in the next Board of Directors' meeting except in the event that the period of time the Director is entitled to remain in office is less than 2 months. The person who is elected shall remain in office only for such period of time as the Director he replaces was entitled to remain in office. The resolution of the meeting of the Board of Directors as specified in the first paragraph shall consist of votes of not less than three-fourth of the remaining Directors.

Succession plan - The company is in the process of considering and approving policies and operational plans from the Executive Board.

8.4 The operations of the subsidiaries and associates company control.

(1) To corporate governance in subsidiaries and associates company .

The company appoint representatives to the company's executives are directors of subsidiaries, associates and the company holds. The policies acknowledge involvement in the management of these companies . Counseling and assistance as appropriate and approved by the Board of Directors. Not intended to interfere with or dominate these affairs.

(2) An agreement with other shareholders in the management of subsidiaries and associated companies.

- None

8.5 Internal information controlling

The Company published the Code of Conduct to Directors and Employees to take the way of implement a good appropriate which covers the use of inside information that non-profit for themselves and others. Based on inside information of the company and set the time to employees and directors not to trade the company's assets within 1 month before the financial statements are disclosed or general corporate information to publish and within 24 hours after disclosure of financial statement and general corporate information .The Directors and Executives will report to the Secretary trading company and report to the Board Meeting every time and in addition.

The Company has not yet set a policy for directors and top executives to inform about the trading of shares at least 1 day prior to trading to the Board of Directors.

Failure to comply with such requirements constitutes a disciplinary offense. The person who commits the offense will have to go into the process following the company's penalties.

The company announced the information system security policy. To control the company's information that cover on customer information. Information System Department , is response to control all information , equipment and license computer programs and all department manager to review , checking and evaluation at least 1 time per year and report to the risk management committee and the executive board meeting and annual auditing by Internal Audit section.

The company added confidentiality measures in physical control by requesting cooperation, those who come in contact with every company do not use devices that can take pictures in the company area , and if having to take pictures in the company must be allowed in every cases , in which the photographers must attach a label showing the permission to take every time. In addition, the ban on the recording device communication equipment or equipment that can be photographed into a strict control area, such as Research and Development Department , New Product Development and Production Engineering Department.

In the year 2018, the Stanley Group began publishing the use of "European Data Protection Law" GDPR (General Data Protection Regulation) let companies in the group know and take appropriate action.

8.6 Auditor's remuneration

A. Audit fee

The company paid the audit fee for the previous year to the auditor PricewaterhouseCoopers ABAS Limited total amount 2.16 million baht.

B. Other service fee

- Reviewing compliance with conditions of BOI promotion certificate amount 0.23 million baht.
- Reviewing Stock Destroy amount 0.04 million baht.
- Reviewing auditing for Vietnam Stanley Electric Co.,Ltd. Amount 0.20 million baht

8.7 Other practice from the corporate governance

The board of director has developed the company vision and code of conduct for the board members and employees as a best practice in order to maintain the dignity and values of the company and to prevent potential loss due to the misbehavior of internal people. It is published in the form of booklet providing to the board members, executives employees to be aware and adhere to. The content of company vision and code of conduct are put into orientation course for new board member, executive, and employee. The details are also disclosed on the company's website (www.thaistanley.com) as well.

The board of director has complied with the corporate governance policy; the summary of those 5 sections are as follows:

1. Rights of Shareholders

The company is committed to ensuring that the basic right of the shareholders is protected and treated in an equal manner as regulated by law. The company gives the right to shareholders to independently buy, sell, or transfer the securities that they are holding. The shareholders are eligible to receive dividend, participate in the shareholder meeting, freely express opinion in the meeting, and can take part in making key decision such as board election, key business transaction approval, and key company letters amendment. In addition, the company promotes the right of shareholders and facilitates as follows:

1.1 The right to receive important and necessary information to make sure that the disclosed information is accurate, complete, transparent, and in timely to shareholders and stakeholders as required by related regulations. Such information will also be posted on the website as another information channel for shareholders, including other key information such as investment structure, shareholders, management policy, members of the board of directors and so on, as well as other financial information and the information disseminated to the public so that the shareholders and the stakeholders will receive the same information.

The company uses the criteria for determining the list of shareholders (Record Date) for the Annual General Meeting of Shareholders that for all shareholders to have time to consider necessary and sufficient information about the shareholders' meeting, which includes the date, time, venue, and

agenda, together with supplementary details for each agenda in advance. The company posts such information on the company's website 1 month before distributing the documents.

1.2 The right to participate in the shareholder meeting and the right to vote

The Invitation Letter

The company shall send the invitation letter to the shareholders at least 14 days in advance of the shareholder meeting. The letter shall include complete and adequate details of the meeting, agenda, together with supplementary documents which will be both Thai and English language for foreign shareholders.

Details about the right to participate and vote, what documents needed to bring along will be advised. In case of being unable to attend in person, that shareholder can appoint any independent director or any person to be a proxy for him by presenting any proxy form which the company attached together with the invitation letter. The proxy form can be downloaded from the company's website.

Facility

The company will arrange commuting transportation as facilitation for shareholders.

Staffs to welcome and provide service to participating shareholders will be standby 2 hours in advance.

For institutional shareholders facilitate to checking number of shareholding and a name list of the various funds in advance.

For voting process, poll cards will be collected in case of disagree vote in order to use for processing the data of each agenda. Investigation can be done upon request from shareholders.

The following persons are required to attend the shareholders' meeting:

- Every member of executive directors and audit committee
- Auditors to provide information in case of having inquiries from shareholders or lawyers
- Lawyers from the third party company will act as a middleman for voting inspection
- Interpreters to ensure the content be understood for shareholders and committee
- Employee representatives such as the chairman of welfare committee and elected members from welfare committee
- Community representatives from Ban-Klang Municipality

Voting one share one vote, Shareholder has votes equal to the number of shares held. Can not cumulative voting (Cumulative Voting) that from The Articles of Association setting.

1.3 The right to freely express opinion in the meeting

Every shareholder has an equal right to express opinion or make an inquiry with an adequate time providing for each agenda before resolution. In the shareholders' meeting, all members of the boards and executives are required to attend the meeting to answer any inquires to the meeting.

1.4 The right to consider remuneration for board members

In the agenda of remuneration for board members, the criteria and details of remuneration for each member will be notified.

1.5 The right to appoint and nominate the board members and then have shareholders to vote individually

1.6 The board allows shareholders to propose agenda for the annual shareholder meeting. To ensure the fair and equitable treatment to shareholders, the company sets the criteria and Procedure for shareholders to propose agenda to the board to consider it to be the agenda in the annual shareholders' meeting. The details of right, criteria, and procedure are posted on the company website. The company shall notify such dissemination through SET news for shareholders to know in advance.

The company invited the shareholders to proposed the agendas and director nomination in advance for the 2019 Annual General Meeting period January 22 to April 22, 2019 that there was no any proposal and director nomination from the shareholders.

2. Equitable Treatment of Shareholders

The company pays attention to an equitable treatment to every shareholder whether or not , they are major or minor shareholder, institutional investor, or foreign investor. The implementation includes:

2.1 Every shareholder has right to vote depending on number of shares they are holding; one vote per share .The company have only common stock.

2.2 The board has developed prevention measure of using internal information as follows: None of director, executive, or employee can use internal information for the sake of personal benefits. Employees working in department involving with internal information, executive, and director are prohibited from trading the company securities for 1 month before the disclosure of financial statement or information to public and within 24 hours after the disclosure hereof. This rule is described in the code of conduct for the board and employees. The rule also specify that director, executive, and accounting manager is obliged to declare the number of shares they own to the board of directors every time during the board of directors meeting.

2.3 For the shareholders' meeting; the proxy forms approved by Ministry of Commerce together with the meeting invitation letter, documents, and instruction about proxy assignment will be sent to shareholders so that they can appropriately prepare themselves for the meeting.

2.4 The company agrees to give the right to vote for shareholder who is late in attending the meeting; however, only for the agendas on discussion and have not been reached the resolution yet. That share will be counted for quorum starting from the agenda that he attends as well as votes onwards, unless otherwise instructed by the meeting.

2.5 Besides Thailand Securities Depository Co., Ltd., the share registrar of the company, who will be responsible for sending out the notice for attending shareholders' meeting for 14 days in advance of the meeting, the notice will also be posted on the company website for 30 days in advance of the meeting and published on the daily newspaper in Thai for at least 3 consecutive days and at least 7 days before the meeting date.

2.6 The Minutes of Shareholders' Meeting will be posted on the company website within 14 days after meeting, so that the shareholders who did not attend the meeting being able to know the same information.

3. Role of Stakeholders

The company is aware of the rights of each group of stakeholders such as customers, suppliers, employees, shareholders, government sectors, and other related parties as well as community as specified by law and make sure that their rights are properly protected and treated and will also push for activities or operations that benefit all groups of stakeholders as follows:

3.1 Customers, Most of the company products are sold to automaker; therefore, the company's customers mean the purchasers of the products and the end-users as well. Customer policy is as follows:

Management : Consider customer satisfaction as the first priority by improving every function; quality control, costing, delivery, development, security, and relationship through Planning – Doing – Checking process cycle.

Quality : Aim to develop international standard on quality assurance system; delivering the products with the confidence in gaining satisfaction and trust from customers.

The company sets up the Quality Assurance to be responsible for assurance product quality, giving advices on products, providing consultations, and receiving complaints, to make sure the customers will satisfy with the quality of products and services.

In the competition, The Company has policies and practices to fair competition and on normal business.

In 2018, The Company cooperated with customers automotive manufacturers in participate in customer activities such as QCC activities, CSR activities, Rally activities etc.

3.2 Suppliers, Supplier is one of business partners. The company have policy that strictly complies with agreement or contract made with the suppliers by adhering to operating business with integrity to self and to other parties in accordance with law and related rules and regulations. The supplier selection is according to purchasing policy that consider cover to company documents, performance, environmental, employee practical and human rights.

Meeting with business partner is also held with the purpose to keep partner updated about the company movement and to hear opinions; for example, for bank or creditor; the company will invite them to the meeting together with securities analyst so as to be informed about the company quarterly performance, or for the case of suppliers; supplier meeting is held every year through purchasing department in order to inform about annual purchasing policy and confer QCD award to the suppliers who delivered the good products and being punctual.

For construction contractor, a separate meeting will be held by occupational health and safety officer and invite the staff who is responsible in the field of repairing, construction, or expansion of the company properties to the meeting in order to ensure that safety measure is extended to the involved parties.

The company initiated the project of developing raw material suppliers to be quality suppliers by delivering goods on time, being competitive which leads to quality raw material with reasonable price. The project has been carried on until present, divided into 2 activities as follows:

1. Supplier SNAP , The company extends productivity improvement activity to suppliers and sends SNAP (Stanley New Approach for higher Productivities) team together with purchasing officer to the supplier company in order to educate and conduct productivity improvement activity in an periodical manner during 6 month period.

2. Supplier Improvement Project , The company will choose the suppliers to help them to identify problems and give advices on manufacturing efficiency.

The company also provides customer support and encourage vendors to be certified to international standards as quality assessment to provide a quality of supply chain.

3.3 Employees , The company realizes that the company is growing because of the cooperation of every employee so the employees are valuable resource of the company. The company policy are cover employee sustain in respect with safety, welfare, privilege for employees and the company have certified for Thai Labor Standard, TLS800-2003 (since June 2008 until present) from Ministry of Labor and Social Welfare.

The company discloses employee practices in the Sustainability report - Social Operations Section page.....

3.4 Shareholders , The company policy is to protect shareholders' rights in an equitable manner as required by law. The policy is set that dividend paid to shareholders will not be less than 30% of net profit (Financial Statement - The company only), and allow shareholders to visit the company after finishing Shareholders' Meeting or the next available time

3.5 Society and Community , The company recognizes the importance of society and local communities that the company have become a part of society , so from founding to the present the company has met with representatives of local communities, Banklang Municipality and participation in support of local activities regularly

The company has been doing social activities under the name of Stanley Thailand Foundation. And reported the foundation activities on Annual Report

In addition, the company has developed the policy about the right of stakeholders and put in corporate governance policy and code of conduct for directors and employees of the company. Stakeholders can communicate or complain with the company via as follow

Company Secretary email companysecretary@thaistanley.com

Investor Relations email adths@thaistanley.com or info@thaistanley.com

The company publishing the principles of contact procedures and operations on the company website www.thaistanley.com

4. Disclosure and Transparency

The company and the executive committee focuses on managing and operating business under the principle of good governance and being aware of information disclosure with accuracy and in timely fashion as specified by regulatory agencies. Therefore, the company sets the policy and practice regarding information disclosure as follows:

Information Policy

- Disseminating information about the company must be aligned to disclosure policy and under the scope of laws, provisions, and related regulations.
- Disseminating information about the company must be clear, accurate, complete, transparent, and reliable. The information must be explained clearly, easy to understand, and promptly to stakeholders.
- The information must be fair to all parties by treating all parties in an equitable and consistent manner under the scope of operation practice, also avoid causing conflict of interest.
- Ensure that such dissemination will not cause negative impact on relationship between the customers and the company or violate the privacy of customers, shareholders, or other stakeholders.
- Performing duty about disseminating confidential information must be complied with the company rules and regulations specified in the code of conduct for the board and employees.

4.2 Communication

Chairman of the Board of Directors, Executive Chairman, have authority to notify key information of the company and can delegate to management to give information about its own function through responsible department or person in charge of investor relation.

Company information is available for customers, shareholders, investors, or interested persons or requesting for more information via the company website (<http://www.thaistanley.com>).

In addition, the company has appointed Investor Relations officer; in charge of providing general news and respond to inquiries, coordinating with staff or involved person to provide news and answer to inquiries, monitoring financial and information reporting system notified to various regulatory agencies. To contact Investor Relations, please call 02-581-5462 ext.1164 email adths@thaistanley.com or info@thaistanley.com.

4.3 Communication Standard and Channel

Company performance and general information will be periodically communicated to shareholders, investors and public through media of Stock Exchange of Thailand and company website.

Meeting with securities analysts is held in a quarterly basis. Information that is revealed to analysts in the meeting will be posted on the company website. The company has no policy to meet analyst, fund manager, investor, or any person interested in investing with company individually.

News and information about the company is available on the company website (<http://www.thaistanley.com>) which includes:

- Vision, Management Policy, Governance Policy
- Disclosure policy consists of information policy, communication channels to the company, authorized spokesman, type of communication and information disclosure to public
- Financial information such as financial statement, key financial information, financial ratio, rate of dividend and so on.
- Company information such as type of business, board of directors, executive directors, and shareholder structure.
- Shareholders' Meeting information such as Minutes of Meeting, pictures from the meeting, VDOs presented in the shareholders' meeting.

- Annual Report and other reports submitted to Stock Exchange of Thailand and Securities and Exchange Commission
- Web board
- Investor Relations activities such as quarterly meeting with securities analysts

5. Board Responsibilities

5.1 Directors and Executives Development

The board of directors set the policy to provide an orientation course for new director in order to educate them about role and responsibility, business operation so as to efficiently support the company. In case of new directors, the company will take orientation course on the date of appointment; the content provided in the class such as the company's regulations, vision, governance policy, code of conduct for directors and employees, as well as rules and regulations of the Stock Exchange of Thailand and SEC about roles of director and code of conduct for the listed companies. The directors had visited the factory for better understanding about the company operation.

The existing members of the Board are also educated by attending the training courses arranged by each function. Any change of information or rules will also be informed to the board in the board of directors meeting. In 2018 our 2 directors attend to training with Thai Institute of Directors : IOD as follows:

1. Mr.Suchart Phisitvanich
Course – Board Matter & Trends (BMT6/2018) date 30-31 October 2018
2. Mr.Picharn Sukparangsee
Course – Board Matter & Trends (BMT6/2018) date 30-31 October 2018

For executive board and managers at all departments, The company has organized outside seminars at least 1 time per year for increasing knowledge, experience and vision, on 26 - 27 January 2019, organized the seminar, "How will Artificial Intelligence (AI) program changed the world?" at Nakhon Ratchasima Province.

5.2 Self-evaluation of the Board of Directors.

Since 2007, the Board of Directors has evaluated the overall annual performance of the entire Board of Directors, covering all roles and duties of the Board of Directors, 6 categories, including 55 items as follows:

1. Structure and Qualifications	11	Items
2. Roles, duties and responsibilities	18	Items
3. Board meetings,	9	Items
4. Director duties	7	Items
5. Relationship with the management	5	Items
6. Self-development of directors	5	Items

Evaluation process, The company secretary prepares the assessment form. Deliver the evaluation form to all directors to evaluate themselves as a whole. On the 4th quarterly meeting of the Board of Directors' meeting and returned to the secretary of the meeting to calculate the average value and report the results to the board meeting at the next meeting.

Assessment criteria	Meaning of score
	0 = Strongly disagree or there is no action on that matter
	1 = Do not agree or have little action on that matter
	2 = Agree or have enough action on that matter
	3 = Quite agree or have taken action on that matter well
	4 = Highly agree or have performed in that matter perfectly

Score evaluation		Results
More than	90	Excellent
More than	80	Very good
More than	70	Good
More than	60	Fair
Equal or less than	60	Should be improved

For the fiscal year ending March 31, 2019, which was evaluated in May 2019. The results were very good. And brought the evaluation results Remarks and suggestions go to review , to improve the operations of the Board of Directors

However, The Company does not yet have an individual performance evaluation in Board of Director , Sub-committee and the President.

5.3 Report on interest of directors and executives

At the end of each fiscal year (March 31), the company requires directors and executives that have a duty to report their own interests and related persons under Section 89/14 of the Securities and Exchange Act BE 2535, as amended by the Securities and Exchange Act (No. 4), 2008, requiring directors and executives prepare reports of their own interests or related persons. Which is a vested interest in the management of the business of the company or subsidiary in order for the company to have information for the implementation of the regulations relating to connected transactions. The Company Secretary will collect and report to the Chairman of the Audit Committee and inform the Board of Directors meeting in May.

9. Social Responsibility

9.1 Policy Overview

The Company's policy is to achieve business goals effectively , be the entrepreneurship to the society by one of the company's vision is to be a priority and uphold the values that support complementary Stanley sincerely. The Company considers that the underpinning and is involved in all aspects of the employees, shareholders, customers, suppliers, sellers, local community and society.

Each year the company targets including the implementation of environmental and social. The top management will monitor and evaluate the various monthly continuously.

9.2 Operation and report

In social responsibility of the company, each division is involved in environmental and social issues to focus and perform with caution and evaluate the impact by the operational and top management, such as product design to using materials that are environmentally friendly, produced with carefully in security and impact of other pollutants.

The company issued Corporate Social Responsibility Report that disclosed by GRI (Global Reporting Indicator) in the annual report. To be sent to the shareholder and publish it on the company's website. www.thaistanley.com

The Company disclosed the operation of social responsibility in fiscal year 2018 in Sustainability Report in page

10. Internal Control

The company is aware of the importance to good management and internal control. The company established the CG department to conduct internal audit and risk management and report directly to the Audit Committee every quarter

10.1 The board of director comment on internal control

The three members of Audit committee has meeting with the Board of Directors meeting No. 3/2019 on 17th May 2019. The Board of Directors have evaluated for the internal control system from CG Department report and reviewing the progress of internal control of Working System that approved in the past year as follow ;,

- Reviewed the financial report, that were reviewed and audited by the auditor.
- Reviewed the company's internal control system and risk management in accordance with the guidelines established with the Securities and Exchange Acts, Regulations of the Stock Exchange of Thailand and other relevant laws
- Reviewed the internal audit system
- Reviewed the Company's risk management for its appropriateness and adequacy.
- Reviewed and opined related transactions or transactions that may have conflicts of interest, and disclosure of such transactions
- Considered appointing the external auditors and their remuneration for the year 2019

In fiscal year 1st April 2018 – 31st March 2019, there were 8 audit committee meeting that with auditor but without management 4 times and meeting with the auditor, the management and Internal Audit 4 times.

The Audit Committee has reviewed the internal audit system and had considered the evaluation of internal control in accordance with the guidelines established by The Securities and Exchange Commission (SEC), it was found that there were no significant faults and there was appropriate attention and maintenance of the activities and accurate, so the audit committee has the opinion that the company's activities in fiscal year 1st April 2018 – 31st March 2019 has been according to the appropriate internal control system and accordance to internal control framework of COSO, the finance report is accurate, complete and reliable. Operations are concordant with adequate, transparent and reliable Corporate Governance standards and there is continuous

improvement for better quality of the business operating system report and the disclosure information were care in accordance with the appropriate internal control of the company.

Ms.Varaporn Vorathitikul , PricewaterhouseCoopers ABAS Limited ,the Auditor of company was no serious concerns about the internal control.

10.2 The opinion of the Audit Committee in the event of a different opinion of the board of the activities of the company.

The audit committee not any different opinion with the Board of Directors. There was also a report of the Audit Committee that is in this Annual Report page 15 - 16

10.3 Chief of Office of Internal Audit

(1) In 2002, the Executive Committee appointed the Chief of the Internal Audit, Mrs. Nongyao Apirum, who currently position as the Corporate Governance Department Manager responsible for internal audit and risk management , that has experience working in Accounting and Finance department for 20 years and used to attend the training course related to the audit such as

- Fundamentals for New Internal Audit course 1 (2002) and 2 (2004)
- Audit Report Writing (2000)
- Risk Based Audit (2010)
- Certified Professional Internal Auditor of Thailand (CPIAT- 18) (2011)
- The Corporate risk management - COSO-ERM (2011)
- Internal controls on financial reporting (2011)
- Ethical Audit (2015)
- Working Paper for Anti-Corruption (2017)
- Compliance & Compliance Audit (2018)

Chief of Internal Audit have an understanding of the operations of the company as well. It is appropriate and sufficient to perform such duties.

(2) The Audit Committee 's opinion that taking care of the Chief Audit qualification experience with adequate training and proper operation.

(3) The appointment, removal and transfer of the incumbent Chief of Office of internal audit according to the personnel management system of the company. Through the approval of the Executive Board and acknowledged and approved by the Audit Committee.

11. The related transactions

Since last 3 years, there was no event of spending the income from stock sales for any of the shared interest person.

The Company has significant transactions with related companies. Which is a company with common directors and the company in which the major shareholder holds shares. The related transactions are in accordance with the operating policy regarding the purchase and sale of goods and assets. Approved by the Board of Directors and is controlled by the Executive Board, which will be considered and approved according to the value of the transaction size regularly

The significant trade with the related company by purchasing and sales items. The company's auditor gave the explanation in the Note 28 Page 59 - 60 of the financial statement on 31st March 2019. The purchasing items from the related company are those particular raw materials or merchandise from the same production source at the great quantity to reduce the production cost. The company received the confirmation report from the related company about the sales of raw materials as the regular trading business. The sales items are mostly exporting by set up the sales price from cost fee plus the profit. Royalty fee to a related company at the rate of 3% of sales minus the cost of importing raw materials from that related company, and specified as the regular trading business, details as follows:

1. Related party transaction by way of the shareholder or common directors.

Name of Company	Related ties	Related transaction details	Transaction Amount in 2018 and Balance at 31 March 2019	The reasonable of transactions
1. Stanley Electric Co.,Ltd.	1. Major shareholder of Stanley Electric Holding Asia-Pacific PTE, holding 35.66% 2.Common Director 2 person - Mr.Katsutoshi Iino - Mr.Toru Tanabe	1. Purchasing in raw materials , goods and equipment 2. Selling goods,	Purchased 713.45million baht Balance 167.72 million baht Sold amount 126.42 million baht Balance 14.18 million baht	Specifically products or materials and material which are manufactured on a large scale at one source for cost saving benefit. Pricing are charged in the normal course of business and same practice with the outsider. Specifically products or materials and material which are manufactured on a large scale at one source for cost saving benefit. Pricing are charged in the normal course of business and same practice with the outsider.

Name of Company	Related ties	Related transaction details	Transaction Amount in 2018 and Balance at 31 March 2019	The reasonable of transactions
		3. Royalty Fee is charged at 3% of sales less materials cost imported from the related party in accordance with the agreement	Amount 338.49 million baht	In the normal course of business and same practices in Stanley Group
		4. Designed and Development Fee is charged in case design and development product for Thai Stanley's products	Amount 247.87 Million baht	In the normal course of business and same practices in Stanley Group, pricing are charged same as outsider.
		5. Technical Fee is charged for the specialist come for assistance in production techniques.	Amount 18.22 million baht	In the normal course of business and same practice in Stanley Group
		6. Training fee is charged for send Thai Stanley ' employee to training and practice.	Amount 9.37 million baht	In the normal course of business and same practice in Stanley Group
		7. Commission is charged for an agent to connected with customers	Amount 20.00 million baht	In the normal course of business and same practice in Stanley Group
		8. Other Income	Amount 3.28 million baht	In the normal course of business and same practice in Stanley Group
2 .Lao Stanley Co.,Ltd.	1. Thai Stanley holding 50% 2. Common Director 2 persons - Mr. Apichart Lee-issaranukul - Mr. Koichi Nagano	1. Selling goods	Sold amount 409.81 million baht Balance 50.66 million baht	Specifically products Pricing are charged in the normal course of business and same practice with the outsider.

Name of Company	Related ties	Related transaction details	Transaction Amount in 2018 and Balance at 31 March 2019	The reasonable of transactions
		2.Other Income	Amount 0.19 million baht	In the normal course of business and same practice in Stanley group
		3.Royalty Income	Amount 0.82 million baht	In the normal course of business and same practice in Stanley Group
3. Vietnam Stanley Electric Co.,Ltd.	1.Common major shareholders as Stanley Electric Co.,Ltd. Holding 50% 2. Common director 3 persons as - Mr.Apichart Lee-issaranuku -Mr.Toru Tanabe -Mr.Tadao Suzumura 3. Thai Stanley holding share 20%	1. Purchasing goods 2.Selling goods 3. Designed and Development Fee	Purchased amount 504.08 million baht Balance 134.43 million baht Sold amount 22.55 million baht Balance 2.18 million baht Amount 0.04 million baht	Specifically products Pricing are charged in the normal course of business and same practice with outsider. Specifically products Pricing are charged in the normal course of business and same practice with the outsider. Specifically products Pricing are charged in the normal course of business and same practice with outsider.
4.Asian Stanley International Co.,Ltd	1.Common major shareholder as Stanley Electric Holding Asia-Pacific PTE holding 67.5% 2.Common Director 2 persons - Mr.Apichart Lee-issaranukul - Mr.Toru Tanabe 3.Thai Stanley holding 15% 4. Holding Thai Stanley 0.44%	1. Purchasing raw material 2.Selling goods 3. Other Income	Purchased amount 1,914.74 million baht Balance 173.14 million baht Sold amount 8.92 million baht Balance 0.88 million baht Amount 0.18 million baht	Specifically products Pricing are charged in the normal course of business and same practice with the outsider. Pricing are charged in the normal course of business and same practice with the outsider. Pricing are charged in the normal course of business and same practice with the outsider.

Name of Company	Related ties	Related transaction details	Transaction Amount in 2018 and Balance at 31 March 2019	The reasonable of transactions
5. PT.Indonesia Stanley Electric	<p>1. Common major shareholder as Stanley Electric Co.,Ltd. Holding 60 %</p> <p>2. Common director 3 person as</p> <ul style="list-style-type: none"> - Mr.Apichart Lee-issaranukul - Mr.Koichi Nagano - Mr.Toru Tanabe <p>3.Thai Stanley holding 10%</p>	<p>1. Purchasing raw material</p> <p>2.Selling goods</p> <p>3. Designed and Development Fee</p>	<p>Purchased amount 15.18 million baht Balance 0.33 million baht</p> <p>Sold amount 299.77 million baht Balance 103.80 million baht</p> <p>Amount 14.10 million baht</p>	<p>Specifically products Pricing are charged in the normal course of business same outsider.</p> <p>Pricing are charged in the normal course of business and same practice with the outsider.</p> <p>Specifically products Pricing are charged in the normal course of business same practice with the outsider.</p>
6. Sirivit Stanley Co.Ltd.	<p>1.Thai Stanley holding 15%</p> <p>2.Common director 2 persons as</p> <ul style="list-style-type: none"> -Mr.Apichart Lee-issaranukul - Mr.Koichi Nagano 	<p>1. Purchasing raw material</p> <p>2. Selling raw material</p> <p>3. Designed and Development Fee</p>	<p>Purchased amount 378.68 million baht Balance 31.50 million baht</p> <p>Sold amount 9.85 million baht Balance - million baht</p> <p>Amount 0.35 million baht</p>	<p>Specifically products Pricing are charged in the normal course of business and same outsider.</p> <p>Pricing are charged in the normal course of business and same outsider</p> <p>Specifically products Pricing are charged in the normal course of business and same outsider.</p>
7. Inoue Rubber (Thailand) Public Company Limited	<p>1.Thai Stanley holding 0.02%</p> <p>2.Common director 4 person as</p> <ul style="list-style-type: none"> - Mr.Apichart Lee-issaranukul - Mr.Thanong Lee-issaranukul - Mrs.Pimjai Lee-issaranukul - Mrs.Pornthip Sethiwan 	<p>1. Purchasing raw material</p>	<p>Purchased amount 12.42 million baht Balance 1.77 million baht</p>	<p>Pricing are charged in the normal course of business and same practice with the outsider.</p>

Name of Company	Related ties	Related transaction details	Transaction Amount in 2018 and Balance at 31 March 2019	The reasonable of transactions
8. The Sittipol 1919 Co.,Ltd.	1.The shareholders holding 3.34% 2.Common director 2 persons as - Mr.Thanong Lee-issaranukul - Mrs.Pomthip Sethiwan	1. Selling goods,	Sold amount 148.83 million baht Balance 56.25 million baht	Pricing are charged in the normal course of business and same practice with the outsider.
9. Lumax Industries Co.,Ltd.	1.Thai Stanley holding 1.73% 2. Common major shareholder as Stanley Electric Co.,Ltd. Holding 26.31 % 3.Common Director 1 person - Mr.Toru Tanabe	1. Purchasing goods 2. Selling goods	Purchased amount 1.31 million baht Balance - million baht Sold amount 4.24 million baht Balance 0.95 million baht	Pricing are charged in the normal course of business and same practice with the outsider. Pricing are charged in the normal course of business and same practice with the outsider
10. Bangkok Global Law Offices Limited	1. Common director 1 person as - Mr.Picharn Sukparangsee	1. Law service	amount 0.74 million baht Balance - million baht	Pricing are charged in the normal course of business and same practice with the outsider.

2.Transaction with the company whose Stanley Electric Co.,Ltd. Is the major shareholders of Stanley Electric Holding Asia-Pacific PTE , LTD (holding 100%) major shareholder of the company, the transaction are purchasing and selling in raw material or goods that are specific materials which are manufactured on a large scale at one source for cost saving benefit. Pricing are charged in the normal course of business and same practice with the outsiders, details as follows :

Company Name	Transaction Amount in 2018	Balance as at 31 March 2019
1.Guangzhou Stanley Electric (China)	Purchased amount 129.41 million baht Sold amount 0.20 million baht	25.01 million baht - million baht
2. Stanley Electric (Asia Pacific) (Taiwan)	Purchased amount 0.18 million baht Sold amount 0.80 million baht	- million baht - million baht
3. Shenzhen Stanley Electric Co.,Ltd.	Purchased amount 107.70 million baht Sold amount - million baht	14.47 million baht - million baht

Company Name	Transaction Amount in 2018	Balance as at 31 March 2019
4. Stanley Electric US Inc. (U.S.A)	Purchased amount 1.49 million baht Sold amount 0.02 million baht	0.34 million baht - million baht
5. Tianjin Stanley Electric Co.,Ltd. (China)	Purchased amount 0.38 million baht Sold amount 1.73 million baht	- million baht 1.17 million baht
6. Stanley Electric (Asia Pacific) Singapore	Purchased amount - million baht Sold amount 0.32 million baht	- million baht - million baht
7. Shanghai Stanley Electric	Purchased amount 3.84 million baht	0.39 million baht
8. Stanley Electric Hungary	Purchased amount 0.75 million baht Sold amount 0.09 million baht	- million baht 0.10 million baht
9. Stanley Electric Do Brazil LTDA	Purchased amount - million baht Sold amount 0.29 million baht	- million baht 0.04 million baht
10. Stanley Iwaki Works Ltd.	Purchased amount 12.95 million baht Sold amount 1.69 million baht	- million baht - million baht
11. Stanley Electric (Asia Pacific) HongKong	Purchased amount 9.93 million baht	0.76 million baht
12. Wuhan Stanley Electric Co.,Ltd.	Purchased amount 0.05 million baht Sold amount 17.07 million baht	- million baht 2.87 million baht
13. Stanley Electric Sale of America , Inc	Purchased amount - million baht Sold amount 2.29 million baht	- million baht 0.24 million baht
14. Tianjin Stanley Electric Technology Co.,Ltd.	Sold amount 7.46 million baht Design and Development fee 5.04 million baht	- million baht - million baht
15. Stanley Electric Manufacturing Co.,Ltd.	Purchased amount - million baht Sold amount 0.01 million baht	- million baht - million baht

Total Liabilities

Total liabilities of the company were 3,287.94 million baht or 17.08% of total assets , increased from last year 36.58% which comes from the trade accounts payable in construction and material , increased as production increasing . so the company account payable turnover ratio was 6.11 time , decreased from the previous year ratio was 7.93 times

Equity

Total equity was 15,966.56 million baht or 82.92% of total assets , increased 9.88% from the previous year and return on equity ratio was 12.97% increase from the previous year that ratio was 11.91%

Cash flow structure

The company had cash and cash equivalents, net 1,672.00 million, decreased 12.43% from the previous year , that from more investment expansion so current ratio was 3.13 times also decreased from the previous year that 4.50% and to classified as cash flows from operating activities amount 2,503.77 million baht cash used in investing activities was 2,308.22 million baht and financing activities for dividend by 536.37 million baht .

In 2018 The company continue investment in Lamp 8 factory , to support in the automotive industry increasing trend and for Die & Mold part that for support to new model production that continuing launch .

Debt servicing obligations and management of off-balance sheet obligations.

The Company adopts the policy to use cash flow to invest and spend in the company. Do not focus on lending , the company has no outstanding debt and interest expense. There are only account payable liabilities and commercial liabilities as usual , the company has a debt to equity shareholders ratio was 0.21 times higher nearly as last year that ratio was 0.17 times ,from construction investment and purchasing in raw material but it is very small because the company has very little debt.

13.2 Factors or events that could affect the financial position or operations significantly in the future.

The economic conditions and automotive industry is the main factor that directly affects the company's operations The current economic situation in the country continues to grow. For the export market, there is a decrease in economic conditions and trade war problems that still have to monitor the situation continuously .The company is still trying to use various cost reduction measures. In order to comply with such situation

The company continues to make a significant contribution to research and development. Customers still have plans to launch new models constantly, the company continues to gain the trust of getting to Lamp products throughout.

The investor can found more data of Thai Stanley Electric Public Company Limited in the annual report (Form 56-1) as at www.sec.co.th or www.thaistanley.com

Milestone (1980 – 2000 Establishment and growth)

1980	May	Establishment and registration of the Company in Bangkok for the purpose of manufacturing and selling automotive bulbs with and initial capital of 10 million baht under investment.
1981	April	Completion of Auto Bulb factory and Increased capital to 18 million baht.
1984	July August	Increased capital to 36 million baht. Received investment promotion from The Board of Investment to manufacture Lighting Equipment and completion of factory for Lighting Equipment.
1987	April October	Increased capital to 44.5 million baht. Received investment promotion from The Board of Investment to manufacture Die & Mold plant , Increased capital to 53 million baht.
1988	March April	Investment in a new company (Asian Stanley International Co.,Ltd.) Completion of Die & Mold factory.
1989	November	Increased capital to 153 million baht.
1990	February July November	Received investment promotion from The Board of Investment to expanding Die & Mold factory Received investment promotion from The Board of Investment to expanding Auto Bulb factory. Completion of new factory for Lighting Equipment (Lamp1)
1991	April May June November	Increased capital to 175 million baht. The Company was listed in The Stock Exchange of Thailand. Completion of head office building. Received investment promotion from The Board of Investment for establishment Research & Development Center.
1993	July September October November December	Registered transform to The Public Company Limited and increased capital to 274.5 million baht and changed name to Thai Stanley Electric Public Company Limited. Signed technical assistance agreement with Electro Polymers (PVT.) Ltd. In Pakistan to produce automotive lighting equipment. Establishment of The Stanley Thailand Foundation registered capital 200,000 baht. Signed Joint Venture agreement for establishment of Lao Stanley Co.,Ltd. In Lao People's Democratic Republic. Completion of expanding Lighting Equipment factory.
1994	September October	Received an award for the best organization form Ministry of Labour and Social Welfare. Participated of equity for Sum Hitechs Co.,Ltd. , Sirivit Stanley Co.,Ltd. And Lumax Industries Limited.
1995	May June September November	Signed Join Venture agreement of establishment of Top Hightech (Thailand) Co.,Ltd. Increased capital to 383.125 million baht. Received investment promotion from the Board of Investment to expanding Die & Mold factory. Completion of Welfare building. Completion of new factory for Lighting Equipment for Automobiles (Lamp2).

Milestone

1996	May	Signed Joint Venture agreement of establishment of Vietnam Stanley Electric Co.,Ltd. In Hanoi , Vietnam.
	October	Completion of new factory for Lighting Equipment for Automobiles (Lamp3).
1999	January	To certified quality system ISO 9002 in manufacturer of Automotive Bulb and Die & Mold.
	July	To certified quality system ISO 9001 in manufacturer of Die & Mold.
2000	May	Completion of expansion factory for Automotive Bulb and Die & Mold. Signed technical assistance agreement with Unitech Machines Limited in India to produce Automotive Lighting Equipment.
	2001 – 2011 The completely integrated manufacturer of automotive lighting	
2001	September	QS 9000 Quality System has been acquired for Automotive Bulb and Lighting Equipment Division.
2002	September	To certified environmental management ISO 14001.
2003	July	Received The Best Performance Award in Industrial category on “SET AWARD 2003” from The Stock Exchange of Thailand.
	October	Completion of new factory in Navanakorn Industrial Estate for Plastic Injection Parts and Lighting Equipment for vehicle.
2004	May	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2004” from Ministry of Labour
	July	Received The Best Performance Award in Industrial category on “SET AWARD 2004” form The Stock Exchange of Thailand.
2005	April	Received “Best Corporate in Social Security Cooperation Award” from Office of Social Security , Pathumthani Province.
	May	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2005” from Ministry of Labour for the second year in a row.
2006	March	To certified quality system ISO/TS 16949.
	May	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2006” from Ministry of Labour for the third year in a row.
	July	Received The Best Performance Award in Industrial category on “SET AWARD 2006” form The Stock Exchange of Thailand.
	August	Received the Copper Trophy for achievement in The National Zero Accident 1,000,000 office hours without accident Campaign from Ministry of Labour for the first year.
	September	Received “An Outstanding Establishment in the year 2006 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour.
2007	March	Completion of Lamp 5 construction new factory for lighting equipment manufacturer for automobile.
	May	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2007” from Ministry of Labour for the fourth year in a row.
	September	Received the Copper Trophy for achievement in The National Zero Accident 1,000,000 office hours without accident Campaign from Ministry of Labour for the second year in a row.

Milestone

2008	May	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2008” from Ministry of Labour for the fifth year in a row.
	June	Received Best Employer of Pathumthani and Best Employer of Safety in Working Place.
	August	Received The Thai Labour Standard Certified Completion Level (TLS.8001-2003) form The Department of Labour Protection and Welfare , Ministry of Labour.
	September	Received the Copper Trophy for achievement in The National Zero Accident 1,000,000 office hours without accident Campaign from Ministry of Labour for the third year in a row.
2009	May	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2009” from Ministry of Labour for the sixth year in a row.
	August	Received Best Employer of Pathumthani and Best Employer of Safety in Working Place. Received the Copper Trophy for achievement in The National Zero Accident 1,000,000 office hours without accident Campaign from Ministry of Labour for the fourth year in a row.
	September	Received “An Outstanding Establishment in the year 2009 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the fourth year in a row.
2010	May	Received Best Employer of Pathumthani and Best Employer of Safety in Working Place.
	July	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2010” from Ministry of Labour for the seventh year in a row.
	September	Received “An Outstanding Establishment in the year 2010 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the fifth year in a row.
2011	July	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2011” from Ministry of Labour for the eighth year in a row.
	September	Received “An Outstanding Establishment in the year 2011 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the sixth year in a row.
2012 – 2018 The maintaining strongly management		
2012	June	Completion Lamp 7 construction new factory for lighting equipment manufacturer for eco car.
	July	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2012” from Ministry of Labour for the ninth year in a row.
	September	Received “An Outstanding Establishment in the year 2012 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the seventh year in a row.
2013	March	Received “Skill Development Promotion Award 2012 from Department of Skill Development, Ministry of Labour.
	July	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2013” from Ministry of Labour for the tenth year in a row. Received a certificate of Green Industry in level 3 from Pathumthani Industrial Office.
	September	Received “An Outstanding Establishment in the year 2013 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the eighth year in a row.

Milestone

2013	October	Received “Waste Management by using 3Rs Award” from Department of Industrial Works.
2014	July	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2014” from Ministry of Labour for the eleventh year in a row.
	August	Received “An Outstanding Establishment in the year 2014 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the ninth year in a row.
2015	July	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2015” from Ministry of Labour for the twelfth year in a row.
	September	Received “An Outstanding Establishment in the year 2015 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the tenth year in a row.
2016	July	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2016” from Ministry of Labour for the thirteenth year in a row.
	September	Received “An Outstanding Establishment in the year 2016 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the tenth year in a row. Participated of equity for Pracharat Rak Samakkee Pathumthani (Social Enterprise) Company Limited
2017	August	The company has won the royal trophy from Her Royal Highness Princess Maha Chakri Sirindhorn as The Thailand Labour Management Excellence Award 2017 from The Department of Labor Protection and Welfare , Ministry of Labour for excellent performance
	August	Received “The Best Performance Company of Safety , Occupational Health and Working Environment Award 2017” from Ministry of Labour for the fourteenth year in a row.
	September	Received “An Outstanding Establishment in the year 2017 for achievement on Labour Relations and Welfare Relations Award” (for the twelfth year in a row).” from Ministry of Labour . Received Zero Accident Award 2017 (Gold)
2018	April	Received Excellence Award in ASEAN – OSHNET Award from The ASEAN – OCCUPATIONAL SAFETY AND HEALTH NETWORK (ASEAN-OSHNET) at Siem Reap , Cambodia
	August	Received “The Best Outstanding Model Company of Safety , Occupational Health and Working Environment Award 2018 (for the fifteenth year in a row).” from Ministry of Labour . The Her Royal Highness Princess Maha Chakri Sirindhorn visited Thai Stanley at Head Office , Safety Dojo , RD Center and Lamp 7 plant.
	September	Received “An Outstanding Establishment in the year 2018 for achievement on Labour Relations and Welfare Relations Award” (for the thirteenth year in a row).” from Ministry of Labour .
2019	January	Completion of Lamp 7 extension factory.



บริษัท ไทยสแตนเลย์การไฟฟ้า จำกัด (มหาชน)

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Be Friendly to the Environment

Thai Stanley Electric Public Company Limited