

9 November 2015

Subject : Resolution of the Board meeting on concerning the acquisition of assets and the related Transaction(Edit)

To : The President of The Stock Exchange of Thailand

Attachment: The Information Memorandum in connection with the Acquisition of Asset and the related transaction.

Siam Food Products Public Company Limited (the "Company") would like to report to the Stock Exchange of Thailand that the Board of Directors meeting No.221 hold on November 9, 2015. The Meeting passed resolutions to approve the following material agendas:

1. Approved the Quality Pineapple Products Co., Ltd. (subsidiary of SFP) plan to increase capital of Baht 200 million if the extraordinary meeting of shareholders of subsidiary company approved the capital increasing. The company will use funded from the Company's working capital and not affecting the adequacy of working capital of the company.

The objective of the capital increase of the subsidiary is expansion of a lease contract and asset acquisition with Deesermkij Company Limited ("Deesermkij") value totals Baht 28.15 million, repayment of the loan value totals Baht 110 million to reduce the interest expenses , and as working capital Baht 61 million.

2. Approved to engagement in a contract and asset acquisition of Quality Pineapple Products Co., Ltd. (subsidiary of SFP) with Deesermkij Company Limited ("Deesermkij") value totals Baht 28.15 million.

The above transaction is considered an acquisition of asset pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 dated 31 August 2008 Re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets (and its amendment) and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Performance of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E. 2547 dated 29 October 2004 (and its amendments) (collectively referred to as the "Acquisition or Disposal Notification"). Having calculated the size of the Transaction pursuant to the Acquisition or Disposal Notification, the size of transaction is, of the highest value equals 0.97% of total assets (refer to financial statements as of 30 June 2015) which is lower than 15% and falls under the board of director's approval.

Furthermore, Deesermkij has shareholders that are connected persons of the Company and some of the directors are the directors of Quality Pineapple Products Co., Ltd. which is a subsidiary of SFP. The above

transaction is considered a related transaction pursuant to the definition of the connected transaction defined by the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551, RE: Rules for making related transactions and under the Notification of the Board of Governors of the Stock Exchange of Thailand, RE: Disclosure of information and practices of listed companies in connected transactions B.E. 2546 and its amendments ("Connected Transaction Notification"). The transaction size is 1.32% of net tangible assets with reference to the financial statement as of 30 June 2015 which is more than 0.03% but less than 3% of net tangible assets of the Company therefore it falls under the board of director's approval. It is also a normal business operation with general terms and conditions hence the amount is not limited.

Accordingly, the Company would like to disclose certain Information Memorandum to the Stock Exchange of Thailand ("SET"). Details of the transaction are as in the Information Memorandum in connection with the Acquisition/Disposition of Asset Transaction as attached.

Please be informed accordingly,

Yours sincerely,

(Mr.Kiartisak Lertsiriamorn)
Company Secretary

The Information Memorandum in connection with the Acquisition of Asset of Quality Pineapple Products Company Limited in entering contract and acquire assets from Deesermkij Company Limited

9 November 2015

The meeting of the Board of Directors of Quality Pineapple Products Company Limited (subsidiary of SFP subsidiary of SFP) No.6/2015 on November 9, 2015 has approved to engage in a pineapple plantation rent contract and asset acquisition from Deesermkij Company Limited ("Deesermkij") value totals Baht 28.15 million. The transaction is considered an acquisition of asset pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 dated 31 August 2008 Re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets (and its amendment) and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Performance of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E. 2547 dated 29 October 2004 (and its amendments) (collectively referred to as the "Acquisition or Disposal Notification"). Having calculated the size of the Transaction pursuant to the Acquisition or Disposal Notification, the size of transaction is, of the highest value equals 0.97% of total assets (refer to financial statements as of 30 June 2015) which is lower than 15% and falls under the board of director's approval.

Furthermore, Deesermkij has shareholders that are connected persons of the Company and some of the directors are the directors of Quality Pineapple Products Company Limited subsidiary of SFP subsidiary of SFP. The above transaction is considered a related transaction pursuant to the definition of the connected transaction defined by the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551, RE: Rules for making related transactions and under the Notification of the Board of Governors of the Stock Exchange of Thailand, RE: Disclosure of information and practices of listed companies in connected transactions B.E. 2546 and its amendments ("Connected Transaction Notification"). The transaction size is 1.32% of net tangible assets with reference to the financial statement as of 30 June 2015 which is more than 0.03% but less than 3% of net tangible assets of the Company therefore it falls under the board of director's approval. It is also a normal business operation with general terms and conditions hence the amount is not limited.

The details of entering into the aforesaid transactions are as follows:

1) Date / Month / Year

After obtaining approval from the Board of Directors.

2) The parties involved

Buyer: Quality Pineapple Products Company Limited subsidiary of SFP subsidiary of SFP

Seller: Deesermkij Company Limited

2.1) Business information on Quality Pineapple Products Company Limited

Background	Quality Pineapple Products Company Limited was established on 27 October 2010 with registered and paid up capital of Baht 200 million. Main operation is produce canned pineapples and pineapples juice concentrate
Head Office	1 Empire Tower Fl.43, South Sathorn street, Yannawa, Bangkok

2.2) Business information on Deesermkij Company Limited

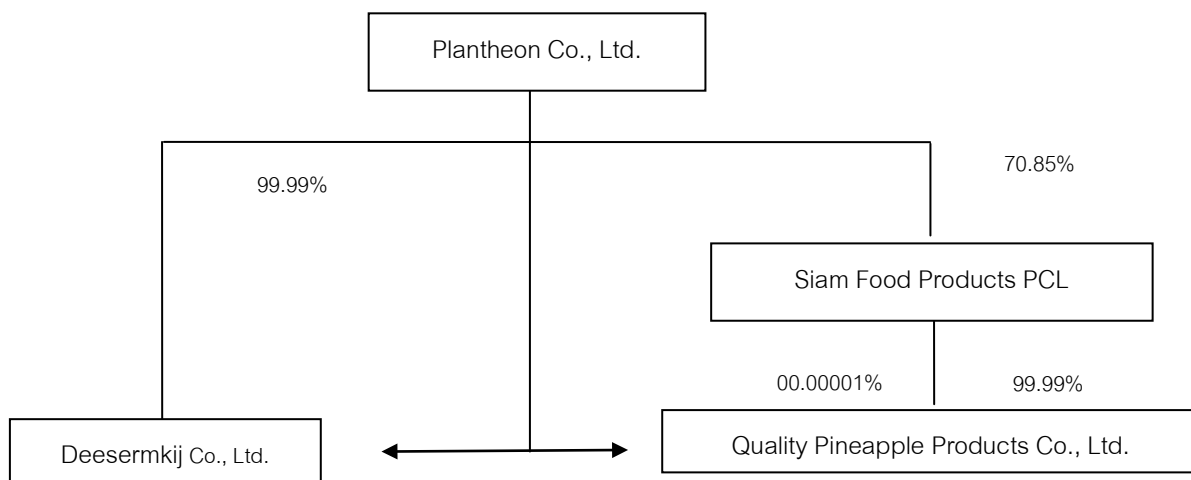
Background	Deesermkij Company Limited was established on 5 October 2007 with registered and paid up capital of Baht 500 million. Main operation is land development into agricultural area
Head Office	1 Empire Tower Fl.43, South Sathorn street, Yannawa, Bangkok

3) Relationship with the Company

The transaction is considered a related transaction pursuant to the definition of the connected transaction defined by the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551, RE: Rules for making related transactions and under the Notification of the Board of Governors of the Stock Exchange of Thailand, RE: Disclosure of information and practices of listed companies in connected transactions B.E. 2546 and its amendments (“Connected Transaction Notification”). Shareholders are connected person with the Company and some of the directors are the directors of Quality Pineapple Products Company Limited which is a subsidiary of SFP.

Detailed on connected transaction

Deesermkij has major shareholders that are connected persons of the Siam Food Products Public Company Limited and Mr. Kiartisak Lertsiriamorn, executive vice president of Siam Food Products Public Company Limited, was the director of Deesermkij and the director of Quality Pineapple Products Company Limited.



Source: The Company

4) The general characteristic of the transactions and total value of the consideration

4.1) The general characteristic of the transactions

Quality Pineapple Products Company Limited subsidiary of SFP subsidiary of SFP will engage in the rent contract on pineapple farm and will purchase assets from Deesermkij Company Limited million. It had been considered that this transaction will enable the Company to have its own source of raw materials as pineapple is the core raw material of the Company. Due to the draught the price of the pineapple shifted up resulting in insufficient amount of products required to be sent to the processing factories. Moreover, the area in the eastern part has a downward trend thus this rent contract would enable the Company to have sufficient raw materials in the future.

4.2) Total value of the consideration

■ Calculation of size of the transaction

The size of the transaction calculated by the Value of Consideration Paid results in the maximum transaction size of 0.97% of the Company's total assets, with reference to SFP's reviewed financial statements for the 6-month period ended June 30, 2015 and Quality Pineapple Products Company Limited paid to Deesermkij Company Limited totals Baht 28.15 million.

Details of the calculation of the transaction size are shown below:

	Details of calculation	SFP Financial statement as of 30 June 201 (%)
1. Assets Value	NTA of assets /NTA of SFP	N/A
2. Net Profit from Operations (Latest 4 quarters)	Net profit of 4 latest consecutive quarters / Net profit for 4 latest consecutive quarters of SFP	N/A
3. Value of Consideration Paid	Purchase price / Total assets of SFP	0.97
4. Share Value issued by the listed company to pay for the assets	No newly-issued shares	N/A

5) Details of the acquired assets

5.1) Rent contract on pineapple farm located at no. 46/4 Moo Tambol Huaysaineoy Cha-Am District Petchbui. The total area is 1,286 rai. The three year contract. The rent is Baht 1,000 per rai per year totals Baht 3.86 million.

5.2) Pineapples trees in the rented area values Baht 11.33 million. Estimated from cost of investment.

5.3) Machines, tools and vehicles totals Baht 12.96 million (book value as of Financial statements ended 30 June 2015)

6) Total value of consideration

Total value of consideration is valued by Financial Advisor based on information and assumptions received from the Company and from interviewing with management and staffs.

The valuation can be summarized as follows

Valuation Methods	
1. Net Present Value : NPV	Baht 76,683,061.71
2. Internal Rate of Return: IRR	29.98%
3. Pay Back Period	3 years

7) Criteria for determining the consideration value

The purchasing price is negotiated between the Buyer and the Seller. The Company has appointed Discover Management Co., Ltd. ("Discover") to be the independent financial advisor to conduct valuation on the acquired assets using Net Present Value and IRR of the project.

8) Benefits of the Transaction

8.1) The Company would have its own source of raw materials

Due to the fluctuation of the pineapple price, if the Subsidiary Company is able to produce its own raw materials required, it will enable the Company to control cost of raw materials (in that proportion) and cost of sales. It will also reduce the risk of using other suppliers when during high demand period there may not be sufficient products for the Company.

8.2) Suitable areas for pineapple farms

The rent is Baht 1,000 per rai per year. This is in line with the rent of areas nearby while this area has been developed ready to be used (has flood protection structure in case of flood and pools for water reservation in case of draught). The Company does not need to invest any further.

8.3) Return on the investment

From the projection, entering this transaction would generate return 29.98% per year and net present value of 15 years projection results in return of Baht 76.68 million.

9) Sources of Fund

Subsidiary Company will increase capital for repayment of a lease contract and asset acquisition with Deesermkij Company Limited ("Deesermkij") value totals Baht 28.15 million

10) Opinion of the Company's Board of Directors concerning the Transaction

The Board of Directors considered this transaction to be appropriate and beneficial as it is part of the Company's objective to increase pineapple productivity by expanding production base and increasing production capacity of its subsidiary.

11) Summary of opinion of the Audit Committee and/or Directors of the Company, which differ from the Opinion of the Board of Directors as per Clause 10)

The Audit Committee members did not have any different opinions from those of the Board.

The Company's Board of Directors hereby certified that the information contained in this report is true and complete in all respects.