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รายงานประจำปี 2558

Annual Report 2015

**“Your Total Quality
ทุกขั้นตอนคุณภาพเพื่อคุณ”**

บริษัท สุรพลฟู้ดส์ จำกัด (มหาชน)
Surapon Foods Public Company Limited

Your Total Quality

ทุกขั้นตอนคุณภาพเพื่อคุณ



ขนมจีบกุ้งจักรพรรดิ



กุ้งต้ม



ซาลาเปาหมูแดง



เกี๊ยวซ่าหมู



ฟิชสตีก



ปอเปี๊ยะพัท

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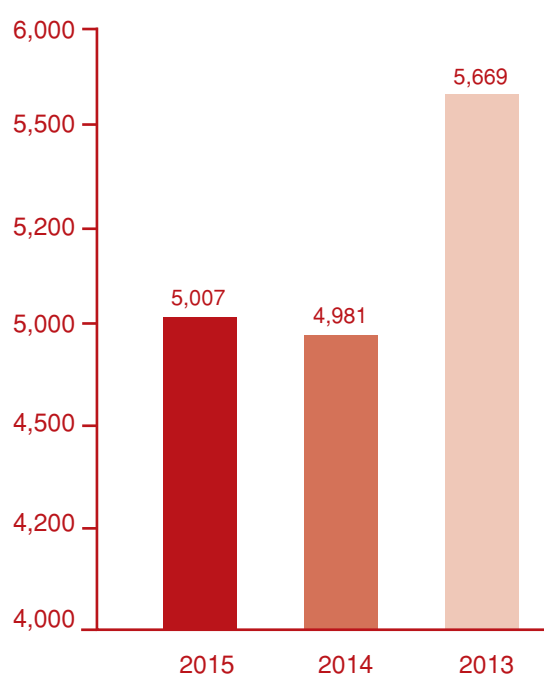
Financial Highlights

Unit : Million Baht

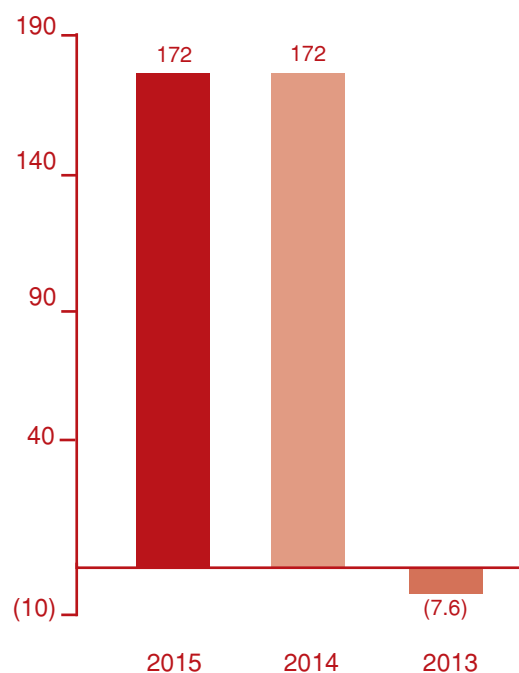
	2015	2014	2013
Total Assets	3,187.73	3,046.41	2,929.05
Total Liabilities	825.36	912.59	945.04
Total Equity	2,362.37	2,133.82	1,984.01
Revenue from Sales	5,006.99	4,980.90	5,668.85
Total Revenue	5,121.46	5,183.28	5,843.04
Gross Profit	680.56	539.93	312.45
Profit (Loss)	344.29	329.50	95.74
Profit (Loss) Attributable to Owners of the Company	171.98	172.30	(7.62)
Financial Ratio			
Net Profit Margin (%)	6.72	6.36	1.64
Return on Equity (%)	15.31	16.00	4.53
Return on Assets (%)	11.05	11.03	3.17
Net Profit (Loss) per Share (Baht)	0.64	0.64	(0.03)
Book Value per Share (Baht)	8.75	7.90	7.35

Note : The above figures are as indicated in the Consolidated Financial Statement

Revenue from Sales (Million Baht)



Profit (Loss) Attributable to Owners of the Company (Million Baht)



Message from Chairman and Chief Executive Officer

In 2015, the overall frozen and processed shrimp industry encountered many negative factors which rooted from both the supply side, the Early Mortality Syndrome in shrimp, and from the demand side, the economic slowdown in many countries. In addition, even though the situation of Early Mortality Syndrome in shrimp which broke out in late 2011 gradually shows the sign of improvement, the total shrimp raw material output in 2015 turned out to only 230,000 metric tons or only a six percent increase on year over year basis. The overall supply of shrimps harvested in 2015 was still less than half of the pre-crisis years. The economic slowdown in many countries affects the consumers' ability to pay and purchasing power.

As a result, the Company is still impacted by the slow improvement in the overall shrimp output and had to be very careful in balancing customers' orders to match with the current supply situation in regards to both quantity of supply and price of shrimp raw material. The Company had continuously tried to develop new value-added products that rely less on shrimp as the major component of raw material and will continue in this business direction. On the other hand, Surapon Nichirei Foods Co., Ltd., whose main product is further frozen processed chicken products, continued to perform strongly with good results.

We are delighted to inform our shareholders and investors of two major events in 2015. Firstly, the Company's establishment of the cold chain logistics service providing company, Mobile Logistics Co., Ltd., whose construction is on its way with the expected date of business commencement is in the middle of the year 2016. This establishment will provide cold storage warehousing services along with other value added services in the cold chain logistics sphere. Secondly, on January 16, 2015 the Company had official been certified as a member in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). This certification reflects strongly on the Company's strong will and policy to build the business around strong corporate governance values where all the stakeholders are treated equally and fairly. The Company will continuously commit to anti-corruption measures which would result in stable and sustained business growth.

Lastly, on behalf of the Company's Board of Directors, Management Team, and Employees, we would like to thank you for your continuous support and we hope that we will always receive this strong support in the future.

Bangkok on February 29, 2016.



(Mr. Kosol Chantikul)

Chairman



(Mr. Surapon Vongvadhanaroj)

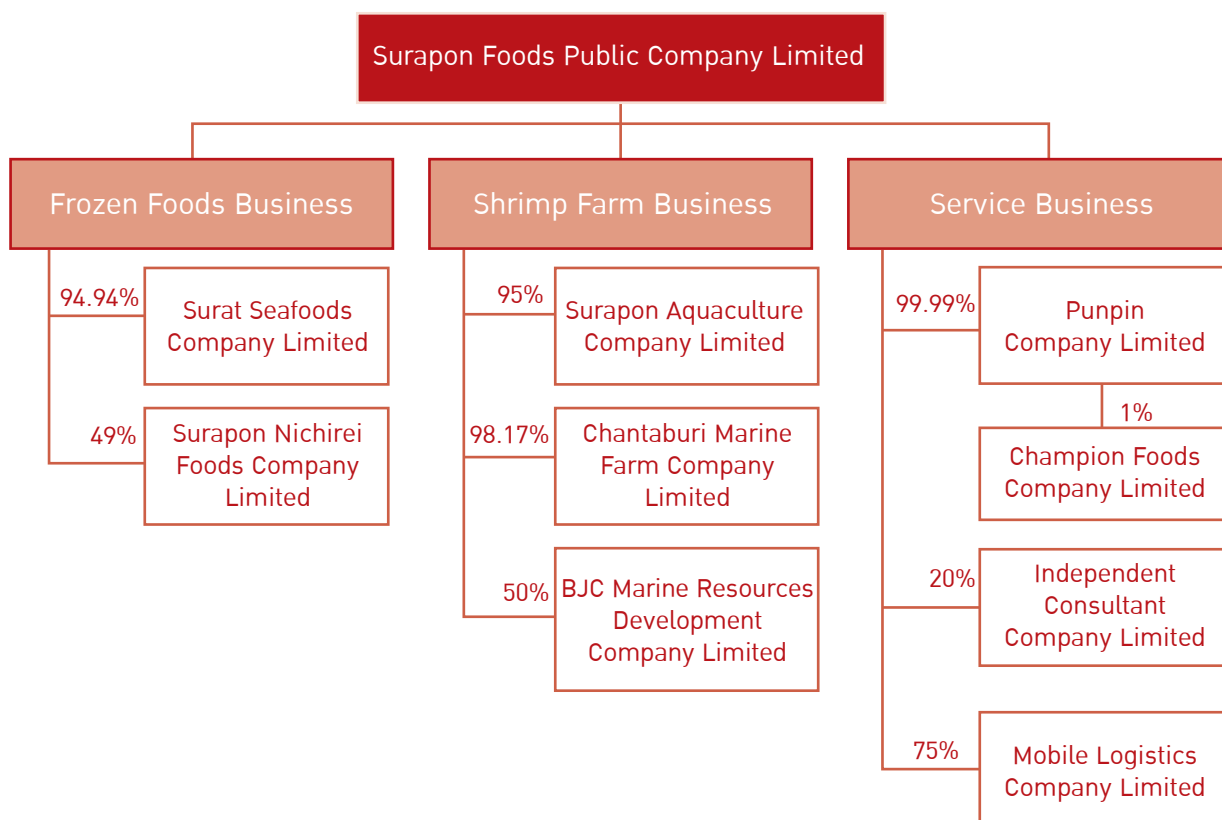
Chief Executive Officer

General Information

(Information as of December 31, 2015)

Name:	Surapon Foods Public Company Limited
Address:	247 Moo 1 Theparak Road, Theparak Sub-district, Muang District, Samutprakarn 10270, Thailand
Contact:	Head Office: (662) 3853038-54 Company Secretary: (662) 3853038-54 ext. 561 E-mail: patt@surapon.com Investor Relation: (662) 3853038-54 ext. 561 E-mail: investor@surapon.com
Company Registration Number :	0107537000661
Type of Business :	Manufacturer and Distributor of Frozen Foods
Stock Quote :	SSF
Registered Capital :	270,000,000 Baht (Paid-up Capital = 269,999,000 Baht)
Par Value :	1.00 Baht per share
Ending period :	December 31

Structure of Shareholding in the Company's Group



Details of Subsidiary and Related Companies

1. Surat Seafoods Co., Ltd. (SS)

Address : 247 Moo 1 Theparak Road, Theparak Sub-district, Muang District, Samutprakarn 10270, Thailand
Tel: (662) 3853038-54
Fax: (662) 3853179

Type of Business : Processor and Exporter of Frozen Seafoods

Registered Capital : 40,000,000 Baht

Shareholding by SSF : 94.94%

2. Surapon Aquaculture Co., Ltd. (SAC)

Address : 247 Moo1 Theparak Road, Theparak Sub-district, Muang District, Samutprakarn 10270, Thailand
Tel: (662) 3853038-54
Fax: (662) 3853179

Type of Business : Shrimp Farm

Registered Capital : 85,000,000 Baht

Shareholding by SSF : 95.00%

3. Chantaburi Marine Farm Co., Ltd. (CHAMF)

Address : 247 Moo 1 Theparak Road, Theparak Sub-district, Muang District, Samutprakarn 10270, Thailand
Tel: (662) 3853038-54
Fax: (662) 3853179

Type of Business : Shrimp Farm

Registered Capital : 86,350,000 Baht

Shareholding by SSF : 98.17%

4. Punpin Co., Ltd. (PP)

Address : 247 Moo 1 Theparak Road, Theparak Sub-district, Muang District, Samutprakarn 10270, Thailand
Tel: (662) 3853038-54
Fax: (662) 3853179

Type of Business : Manufacturer and Distributor of Food Products

Registered Capital : 60,000,000 Baht

Shareholding by SSF : 99.99%

5. Mobile Logistics Co., Ltd. (MBL)

Address : 247 Moo 1 Theparak Road, Theparak Sub-district, Muang District, Samutprakarn 10270, Thailand
Tel: (662) 3853038-54
Fax: (662) 3853179

Type of Business : Logistics Service Provider

Registered Capital : 300,000,000 Baht

Shareholding by SSF : 75%

6. Surapon Nichirei Foods Co., Ltd. (SUNIF)

Address : 22/5 Moo 4 Theparak Road, Bangpleeyai Sub-district, Bangplee District,
Samutprakarn 10540, Thailand
Tel: (662) 3855021-4
Fax: (662) 3855119
Type of Business : Processor and Distributor of Frozen Foods
Registered Capital : 100,000,000 Baht
Shareholding by SSF : 49%

7. BJC Marine Resources Development Co., Ltd. (BMRD)

Address : 247 Moo 1 Theparak Road, Theparak Sub-district, Muang District,
Samutprakarn 10270, Thailand
Tel: (662) 3853038-54
Fax: (662) 3853176
Type of Business : Shrimp Farm
Registered Capital : 100,000,000 Baht
Shareholding by SSF : 50%

8. Independent Consultant Co., Ltd. (ICC)

Address : 1168/75 Lumpini Tower 26th Floor, Rama 4 Road, Bangkok 10120, Thailand
Tel: (662) 6798184
Fax: (662) 2856428
Type of Business : Insurance Broker
Registered Capital : 2,000,000 Baht
Shareholding by SSF : 20%

References

- 1. Security Registrar** Thailand Securities Depository Company Limited
Tel: (662) 0099999
Fax: (662) 0099991
- 2. Auditor** Ms. Boonsri Chotpaiboonpun, CPA License No. 3756
KPMG Phoomchai Audit Co., Ltd.
Tel: (662) 6772000
Fax: (662) 6772222
- 3. Bankers** Kasikorn Bank Public Company Limited
Siam Commercial Bank Public Company Limited

Note : Investors can learn more the Company's Information from annual report form (Form 56-1)
to be publicized in www.sec.or.th and www.surapon.com.

Board of Directors and Executives

Board of Directors

(Information as of January 31, 2016)



Mr. Kosol Chantikul

Age 69 Years

Education	<ul style="list-style-type: none">- Master Degree in Law, University of Sydney, Australia- Master Degree in Law, Chulalongkorn Univeristy- Bachelor Degree in Law, Thammasat University
Training on Directorship	<ul style="list-style-type: none">- DCP class 18/2002 Thai Institute of Directors Association (IOD)- The Role of Chairman Program class 13/2006 Thai Institute of Directors Association (IOD)
Position in the Company	Independent Director and Chairman
Position in Subsidiaries	No
Other Positions	<u>Listed Company</u> No <u>Limited Company</u> <ul style="list-style-type: none">- Legal Advisor, Team Group of Companies Co., Ltd.- Legal Advisor, HNP Counsellors Limited
Qualification for Independent Directors	Qualifications are conformed with the qualification of Independent Directors as announced by the Stock Exchange of Thailand, The Securities and Exchange Commission and The Company's policy on nomination of Directors
Dispute	No
Date of Directorship	March 2540



Mr. Surapon Vongvadhanaroj

Age 70 Years

Education	<ul style="list-style-type: none">- Master Degree in Political Economics, Chulalongkorn University- Bachelor Degree in Political Science, Ramkhamhaeng University
Training on Directorship	<ul style="list-style-type: none">- Role of the Chairman Program (RCP) class 7/2002 Thai Institute of Directors Association (IOD)- DCP class 41/2004 Thai Institute of Directors Association (IOD)- Developing Corporate Governance Policy 2008 Thai Institute of Directors Association (IOD)
Position in the Company	<ul style="list-style-type: none">- Authorized Director, Nomination and Remuneration Committee
Position in Subsidiaries	<ul style="list-style-type: none">- Chairman, Surapon Nichirei Foods Co., Ltd.- Chairman, Surat Seafoods Co., Ltd.- Chairman, Mobile Logistics Co., Ltd.- Director, Surapon Aquaculture Co., Ltd.- Director, Chantaburi Marine Farm Co., Ltd.
Other Positions	<u>Listed Company</u> No <u>Limited Company</u> Pokai Plus Co., Ltd.
Dispute	No
Date of Directorship	December 13, 1977



Mr. Sithichai Kraisithisrin

Age 70 Years

Education	<ul style="list-style-type: none">- Master Degree in Business Administration, Chulalongkorn University- Bachelor Degree in Law, Chulalongkorn University
Training on Directorship	DCP class 5/2001 Thai Institute of Directors Association (IOD)
Position in the Company	Authorized Director and Advisor
Position in Subsidiaries	<ul style="list-style-type: none">- Director and Advisor, Surapon Nichirei Foods Co., Ltd.- Director, Surat Seafoods Co., Ltd.- Director, Surapon Aquaculture Co., Ltd.- Director, Chantaburi Marine Farm Co., Ltd.
Other Positions	<u>Listed Company</u> Director, Lighting and Equipment Public Company Limited <u>Limited Company</u> No
Dispute	No
Date of Directorship	December 13, 1977



Mr. Chokchai Jiengwareewong

Age 71 Years

Education	High School, Amnuaysilpa School
Training on Directorship	DAP class 6/2003 Thai Institute of Directors Association (IOD)
Position in the Company	Authorized Director and Chairman of Nomination and Remuneration Committee
Position in Subsidiaries	- Director, Surat Seafoods Co., Ltd. - Director, Surapon Aquaculture Co., Ltd. - Director, Chantaburi Marine Farm Co., Ltd.
Other Positions	<u>Listed Company</u> No <u>Limited Company</u> Director, S J Universal Co., Ltd.
Dispute	No
Date of Directorship	December 13, 1977



Mrs. Boonperm Jiamtiranat

Age 67 Years

Education	Bachelor Degree in Accounting, Chulalongkorn University
Training on Directorship	DCP class 81/2006 Thai Institute of Directors Association (IOD)
Position in the Company	Independent Director, Chairman of Corporate Governance Committee and Audit Committee
Position in Subsidiaries	No
Other Positions	<u>Listed Company</u> - Independent Director, Chairman of Audit Committee, Chairman of Corporate Governance Committee, and Nomination and Remuneration Committee; Noble Development Public Company Limited <u>Limited Company</u> - Director, Noble Estate Co., Ltd - Director, Continental City Co., Ltd - Director, Baan Suksabai, Co., Ltd - Director, S&P Property Management Co., Ltd
Qualification for Independent Directors	- Qualifications are conformed with the qualification of Independent Directors as announced by the Stock Exchange of Thailand, The Securities and Exchange Commission and The Company's policy on nomination of Directors. - Has adequate expertise and experience to review creditability of the financial reports
Dispute	No
Date of Directorship	April 29, 1999



Mr. Pisanu Rienmahasarn

Age 67 Years

Education

- Doctoral Degree in Economics, Ramkhamhaeng University
- Master Degree in Economics, Duke University, USA.
- Bachelor Degree in Economics, Thammasat University

Training on Directorship

- DAP class 80/2009 Thai Institute of Directors Association (IOD)

Position in the Company

Independent Director, Audit Committee, and Corporate Governance Committee

Position in Subsidiaries

No

Other Positions

Listed Company

Independent Director, Chairman, and Chairman of Audit Committee, Crown Tech Advance PLC.

Limited Company

No

Qualification for Independent Directors

Qualifications are conformed with the qualification of Independent Directors as announced by the Stock Exchange of Thailand, The Securities and Exchange Commission and The Company's policy on nomination of Directors

Dispute

No

Date of Directorship

April 27, 2009



Mr. Sathaporn Kotheeranurak

Age 60 Years

Education

- Advanced Certificate in Accounting, Thammasat University
- Master Degree in Business Administration for Executives, Chulalongkorn University
- Bachelor Degree in Accounting, Rajamangala University of Technology Thanyaburi

Training on Directorship

- DAP class 34/2005 Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program class 13/2013 Thai Institute of Directors Association (IOD)

Position in the Company

Independent Director and Chairman of Audit Committee

Position in Subsidiaries

No

Other Positions

Listed Company

- Independent Director and Audit Committee
Kaset Thai International Sugar Corporation Co., Ltd.

Limited Company

- Independent Director and Audit Committee, AA Electri Li Co., Ltd.
- Managing Director, DBMT Co., Ltd
- Managing Director, Sahaporn & Co Co. Ltd

Qualification for Independent Directors

- Qualifications are conformed with the qualification of Independent Directors as announced by the Stock Exchange of Thailand, The Securities and Exchange Commission and The Company's policy on nomination of Directors
- Has adequate expertise and experience to review creditability of the financial reports

Dispute

No

Date of Directorship

May 14, 2009



Mr. Paiboon Kangvonkit

Age 48 Years

Education	- Master Degree in International Trade, Texas A&M International University, USA. - Bachelor Degree in Accounting, The University of Thai Chamber of Commerce
Training on Directorship	- DAP class 75/2010 Thai Institute of Directors Association (IOD) - DCP class 148/2011 Thai Institute of Directors Association (IOD)
Position in the Company	Director and Chairman of Risk Management Committee
Position in Subsidiaries	Director and President, Surapon Nichirei Foods Co., Ltd.
Other Positions	<u>Listed Company</u> No <u>Limited Company</u> - Director, Prapaikij Construction Co., Ltd. - Director, Burapa Concrete Limited Partnership
Dispute	No
Date of Directorship	April 8, 2010



Miss Malai Wongwatroj

Age 60 Years

Education	Bachelor Degree in International Marketing, Baruch College, USA.
Training on Directorship	DCP class 135/2010 Thai Institute of Directors Association (IOD)
Position in the Company	Authorized Director and Risk Management Committee
Position in Subsidiaries	Director, Surat Seafoods Co., Ltd.
Other Positions	<u>Listed Company</u> No <u>Limited Company</u> No
Dispute	No
Date of Directorship	April 8, 2010



Mr. Sorapon Vongvadhanaroj

Age 34 Years

Education	<ul style="list-style-type: none"> - Master Degree in Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University - Bachelor Degree in Business Administration, Babson College, USA.
Training on Directorship	DCP 163/2012 Thai Institute of Directors Association (IOD)
Position in the Company	Authorized Director, Corporate Governance Committee and Risk Management Committee
Position in Subsidiaries	<ul style="list-style-type: none"> - Director, Surat Seafoods Co., Ltd. - Director, Surapon Aquaculture Co., Ltd. - Director, Chantaburi Marine Farm Co., Ltd. - Director, BJC Marine Resources Development Co., Ltd - Director, Mobile Logistics Co., Ltd
Other Positions	<p><u>Listed Company</u></p> <p>No</p> <p><u>Limited Company</u></p> <p>Pokai Plus Co., Ltd.</p>
Dispute	No
Date of Directorship	April 4, 2012



Mr. Putaporn Ninwarangkoon

Age 63 Years

Education	<ul style="list-style-type: none"> - Master Degree in Business Administration, University of San Francisco, USA - Bachelor Degree in Accounting, Kasetsart University
Position in the Company	Independent Director and Nomination and Remuneration Committee
Position in Subsidiaries	No
Other Positions	<p><u>Listed Company</u></p> <p>No</p> <p><u>Non-listed Company</u></p> <p>Advisor, Sompoo Japan Nipponkoa Insurance (Thailand) PLC.</p>
Qualification for Independent Directors	Qualifications are conformed with the qualification of Independent Directors as announced by the Stock Exchange of Thailand, The Securities and Exchange Commission and The Company's policy on nomination of Directors
Dispute	No
Date of Directorship	April 4, 2013

Executives

(Information as of January 31, 2016)

1. Mr. Surapon Vongvadhanaroj

Age	70 Years
Education	- Master Degree in Political Economics, Chulalongkorn University - Bachelor Degree in Political Science, Ramkamhaeng University
Position in the Company	Chief Executive Officer
Position in Subsidiaries	- Chairman, Surapon Nichirei Foods Co., Ltd. - Chairman, Surat Seafoods Co., Ltd. - Chairman, Mobile Logistics Co., Ltd. - Director, Surapon Aquaculture Co., Ltd. - Director, Chantaburi Marine Farm Co., Ltd.

2. Mr. Sorapon Vongvadhanaroj

Age	34 Years
Education	- Master Degree in Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University - Bachelor Degree in Business Administration, Babson College, USA.
Position in the Company	Managing Director and General Manager-Finance and Corporate Services
Position in Subsidiaries	- Director, Surat Seafoods Co., Ltd. - Director, Surapon Aquaculture Co., Ltd. - Director, Chantaburi Marine Farm Co., Ltd. - Director, BJC Marine Resources Development Co., Ltd - Director, Mobile Logistics Co., Ltd

3. Mrs. Soranee Ung

Age	41 Years
Education	- Master Degree in Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University - Bachelor Degree in Finance, Boston College, USA.
Position in the Company	General Manager - Business Development Group
Position in Subsidiaries	- Director, Surapon Nichirei Foods Co., Ltd. - Director, Punpin Co., Ltd. - Director, Mobile Logistics Co., Ltd.

4. Mr. Supakorn Ruangsri

Age	43 Years
Education	Bachelor Degree in Food Science and Technology, Suan Dusit Rajabhat University
Position in the Company	General Manager- Oversea Operations Group
Position in Subsidiaries	Director, Surat Seafoods Co., Ltd.

5. Mr. Thomas Ung

Age	45 Years
Education	Bachelor Degree in Sociology, Polhems Skolan College, Sweden
Position in the Company	General Manager- Export Sales Group
Position in Subsidiaries	No

6. Mr. Winyoo Chaiyakul

Age	42 Years
Education	Master Degree in Aerospace Engineering, St.Peterberg State University of Aerospace Instrumentation, Russia
Position in the Company	General Manager- Operations Group
Position in Subsidiaries	No

7. Miss Silawan Kraisithsirin

Age	37 Years
Education	- Master Degree in Accounting, University of Virginia, USA. - Bachelor Degree in Business Administration, Babson College, USA.
Position in the Company	- Senior Manager - Finance and Corporate Services Group
Position in Subsidiaries	- Director, Punpin Co., Ltd. - Director, BJC Marine Resources Development Co., Ltd. - Director, Mobile Logistics Co., Ltd

Company Secretary

Mr. Patt Somchaikulsup

Education	- Master Degree in Economics, Thammasat University - Bachelor Degree in Economics, Thammasat University
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Training on Company Secretary

- Company Secretary Program (CPS) class 27/2008, Thai Institute of Directors Association (IOD)
- Effective Minute Taking (EMT) class 15/2009, Thai Institute of Directors Association (IOD)
- Developing Corporate Governance Policy 2008, Thai Institute of Directors Association (IOD)
- Fundamental Practice for Corporate Secretary (FPCS 18), Thai Listed Companies Association

Report of Directors' Shareholding

(Information as of January 31, 2016)

Name	Amount of Shareholding				
	January 31, 2015	Proportion (%)	January 31, 2016	Proportion (%)	Changes
1. Mr.Kosol Chantikul	0	-	0	-	0
Spouse and Minor Children	0	-	0	-	0
2. Mr. Surapon Vongvadhanaroj	13,980,000	5.18	13,980,000	5.18	0
Spouse and Minor Children	6,957,000	2.58	6,957,000	2.58	0
3. Mr. Sithichai Kraisithisirin	29,436,000	10.90	14,436,000	5.35	Decrease 15,000,000
Spouse and Minor Children	0	-	0	-	0
4. Mr. Chokchai Jiengwareewong	9,085,090	3.36	9,085,090	3.36	0
Spouse and Minor Children	9,000,000	3.33	9,000,000	3.33	0
5. Mrs. Boonperm Jiamtiranat	0	-	0	-	0
Spouse and Minor Children	0	-	0	-	0
6. Mr. Pisanu Rienmahasarn	0	-	0	-	0
Spouse and Minor Children	0	-	0	-	0
7. Mr. Sathaporn Kotheeranurak	0	-	0	-	0
Spouse and Minor Children	0	-	0	-	0
8. Mr. Paiboon Kangvonkit	0	-	0	-	0
9. Miss Malai Wongwatroj	12,000	0.01	77,000	0.03	increase 65,000
10. Mr. Sorapon Vongvadhanaroj	47,588,500	17.63	47,588,500	17.63	0
Spouse and Minor Children	0	-	0	-	0
11. Mr. Putaporn Ninwarangkoon	0	-	0	-	0
Spouse and Minor Children	0	-	0	-	0

Report of Executives' Shareholding

(Information as of January 31, 2016)

Name	Amount of Shareholding				
	January 31, 2015	Proportion (%)	January 31, 2016	Proportion (%)	Changes
1. Mr.Surapon Vongvadhanaroj	13,980,000	5.18	13,980,000	5.18	0
Spouse and Minor Children	6,957,000	2.58	6,957,000	2.58	0
2. Mr.Sorapon Vongvadhanaroj	47,588,500	17.63	47,588,500	17.63	0
Spouse and Minor Children	0	-	0	-	0
3. Mrs.Soranee Ung	1,360,000	0.50	1,360,000	0.50	0
Spouse and Minor Children	0	-	0	-	0
4. Mr. Supakorn Ruangsin	0	-	0	-	0
Spouse and Minor Children	0	-	0	-	0
5. Mr. Thomas Ung	0	-	0	-	0
Spouse and Minor Children	1,360,000	0.50	1,360,000	0.50	0
6. Mr. Winyoo Chaiyakul	0	-	0	-	0
Spouse and Minor Children	0	-	0	-	0
7. Miss Silawan Kraisithsirin	2,000,000	0.74	7,000,000	2.59	Increase 5,000,000
Spouse and Minor Children	0	-	0	-	0

Business Type

Overall Industry and Competition

Overall processed seafood production in the year 2015 was still be faced with negative factors that affect demand and supply situations.

Production Situation

Thailand has been facing with Early Mortality Syndrome (EMS) in shrimp since 2011. Consequently, supply of shrimp raw material in Thailand is still be inadequate. Quantity of shrimp in 2015 was 230,000 tons, slightly increased by 6% compared to 2014. Data from the Ministry of Industry indicated that the capacity utilization rate for the first 10 months of year 2015 marked at 36.7% while year 2014 was at 39.6%

Sales Situation

Due to the recession of global and main export market economy, affect to the consumers' ability to consume and their purchasing power.

The Company's products were mainly produced from shrimp. The shrimp products can be categorized in 2 main product groups - fresh chilled/frozen shrimp and processed frozen shrimp.

Export value of Thai fresh chilled/frozen shrimp for the year 2015 was Million 22,806 Baht, 18% decrease from the year 2014. USA is the Thailand's largest export market, accounted for 39%. Other Thailand's main export markets are Japan and ASEAN, accounted for 19% and 9% respectively.

Export market of Thai Fresh/Chilled/Frozen Shrimp

Country	Value (Million Baht)			Growth (%)	Proportion (%)
	2013	2014	2015	2015	2015
USA	11,081	10,086	8,887	-12%	39%
Japan	7,187	5,190	4,393	-15%	19%
EU	3,151	4,135	1,145	-72%	5%
ASEAN	1,341	1,683	2,250	34%	9%
Others	5,772	6,606	6,131	-7%	27%
Total	28,532	27,700	22,806	-18%	100%

Source: The Office of Permanent Secretary, Ministry of Commerce in cooperation with Department of Customs

Export value of Thai processed shrimp products for the year 2015 was 26,447 million Baht, 17% decrease from the year 2014. USA is the Thailand's largest export market, accounted for 51% of total export value of processed frozen shrimp. Other Thailand's main export markets are Japan and Europe, accounted for 28% and 8% respectively.

Export market of Thai Processed Shrimp Products

Country	Value (Million Baht)			Growth (%)	Proportion (%)
	2013	2014	2015	2015	2015
USA	14,549	15,315	13,377	-13%	51%
Japan	10,624	8,880	7,309	-18%	28%
EU	6,002	3,683	2,110	-43%	8%
ASEAN	59	155	91	-41%	0.3%
Others	3,802	3,845	3,560	-7%	13%
Total	35,036	31,878	26,447	-17%	100%

Source : The Office of Permanent Secretary, Ministry of Commerce in cooperation with Department of Customs

In summary, Thailand's Shrimp business in the year 2015 showed the negative effects from Early Mortality Syndrome (EMS) since the year 2011, led to shortage of shrimp raw material and increase of shrimp raw materials price. Although the quantity of shrimp in 2015 was slightly increased but still be much inadequate. In addition, the recession of global and main export market economy as well as effects from international regulations such as IUU (Illegal, Unregulated, Unreported) from EU, Trafficking in Persons measure from USA. The negative factors both supply and demand sides inevitably affect Thailand's overall of seafoods industry. The Company's production and sales in the year 2015 were dropped from the year 2014 which are in line with the overall industry situation. However, the Company has been trying harder to adjust ourselves in many ways such as less usage of shrimp raw materials, development of new product with other raw material substitution, sourcing raw material from various sources both domestic and abroad and etc.

Structure of Revenue

Revenue from Sales by main products group for the past 3 years

Products Group	Company	2015		2014		2013	
		Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Ready-to-eat	SSF	884,714	16.61	964,261	18.08	1,277,457	20.69
	SS	383,784	7.21	361,185	6.77	556,292	9.01
	SUNIF	3,306,203	62.07	3,172,518	59.50	3,321,768	53.80
Ready-to-cook	SSF	212,559	3.99	272,897	5.12	336,300	5.45
	SS	32,816	0.62	34,921	0.65	145,084	2.35
Others	SSF	499,227	9.37	501,837	9.41	436,491	7.07
	SS	7,279	0.14	24,700	0.46	100,550	1.63
Total		5,326,582	100.00	5,332,319	100.00	6,173,942	100.00

Remarks : 1) The above sales figure is shown only in each company's separate financial statement.

2) Ready-to-eat Group such as Dimsum (Shumai, Bun, Hakao and etc.) Frozen food, Sushi, Frozen cooked prawn and etc.

3) Ready to cook Group such as Frozen raw prawn, Breaded products and etc.

4) Others Group are mainly Trading products.

5) SSF = Surapon Foods PLC.

SS = Surat Seafoods Co.,Ltd.

SUNIF = Surapon Nichirei Foods Co.,Ltd.

6) Products of Surapon Nichirei Food Co.,Ltd are produced from chicken raw material.

Overall Business and Important Changes

Surapon Foods Public Company Limited was established in 1977 under the name of Surapon Seafoods Co., Ltd. The Company was the first frozen foods manufacturer listed in the Stock Exchange of Thailand. In the first stage, the main products were frozen seafood. In 1996, the Company has changed its name from Surapon Seafoods Public Co., Ltd. to Surapon Foods Public Co., Ltd. in order to reflect business diversification into both frozen seafood and frozen non-seafood products.

We are manufacturer and distributor of various frozen foods which include frozen Ready to Cook product and Ready to Eat product. Our production processes have been internationally accredited by GMP, BRC, HACCP and etc. These international standards show high level of trustworthy in safety, quality, and traceability in our products together with the Corporate Social Responsibilities awareness.

The Company set their vision, mission and business target as follows:

Vision : To be trusted food company with excellent quality and services

Mission : To deliver your total quality

Business Target : Offering variety of foods with good quality and services

Moreover, the Company has invested and established other subsidiary and related companies in various businesses such as Surat Seafoods Co., Ltd. , Surapon Nichirei Foods Co., Ltd. , Surapon Aquaculture Co., Ltd. , Chantaburi Marine Farm Co., Ltd. , Independent Consultant Co., Ltd. and Mobile Logistics Co., Ltd.

Important changes in the year 2015 can be summarized as follows:

1. Early Mortality Syndrome (EMS) affects a decrease of shrimp raw material supply continuously from 2011. In 2015, the situation of shrimp is slightly recovered. Quantity of shrimp in 2015 slightly increased by 6% compared to 2014 but still be inadequate. All the company in this business inevitably affect from EMS. The Company has been trying to adjust ourselves in many ways such as less usage of shrimp raw materials, development of new product with other raw material substitution, sourcing raw material from various sources both domestic and abroad.

2. Surapon Aquaculture Co., Ltd., one of the subsidiary company, decided to stop its operation due to the effect of EMS.

3. Mobile Logistics Co., Ltd., one of the subsidiary company, where is set up to provide services on logistics, distribution, and warehouse, increased its registered and paid-up capital from Baht 1 Million to Baht 300 Million. The Company already disclosed the necessary information to SET and the shareholders on June 18, 2015. Currently, Mobile Logistics Co., Ltd. is in the process of warehouse and office constructions. The start of its operation will be around July 2016.

4. On January 16, 2015, the Company was certified by Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) Council to be the member of private sector against anti-corruption. This certification are the affirmation of the strong commitment that the Company aware and highly emphasize in the Corporate Governance, the equality treatment among shareholders and stakeholders and lastly the endeavor to carry on the anti-corruption.

The Company realizes both internal and external business risks which may affect to the Company's operation either directly or indirectly. The Company has implemented and specified the measure to manage the business risk as follows:-

1. Risk from Fluctuation of Foreign Exchange

Since the Company's revenue mainly comes from export, fluctuation in foreign exchange has inevitably affected the overall performance. In the year 2015, Thai Baht tended to fluctuate which affects to the Company's business management.

Risk Management

The Company closely monitors the exchange rate is exercised. A clear policy has been put to take care and protect against the risk arisen in any interval via various instruments suitable for each period such as forward contract, direct hedge, and foreign exchange option. Furthermore, the Company tries to diversify sales in several currencies fit for each customer group in every region. In addition, the Company had no a speculation policy.

2. Risk from Trade Laws, Regulations and Quality Control

Trading partners countries develop and implement many trading control measures such as the measure of IUU (Illegal, Unregulated and Unreported) implemented by EU , Labor unfair practices implemented by the United States of America as well as the food safety and sanitation problems arisen in some export market countries which may affect to business operation if the Company fail to comply with regulations or unable to keep constantly control.

Risk Management

The Company constantly monitors and closely updates trade regulations and laws on the trading partners countries, the Company assigns the working team to follow up, analyze impacts and propose preventive and collective actions. Meanwhile the Company communicates and exchanges information with relevant organizations both public and private as well as overseas business alliances, which helps the Company can access information timely and then the Company can quickly prevent as well as control the business processes to meet the situations. In addition, the Company implements the strict quality control procedures. The international food standard has been applied such as GMP, HACCP, ISO22000, BRC and ISO17025 to make confident that the Company's production process has been controlled and assured by the highly internationally-accepted standard. The Company also determines and implements procedure on traceability system throughout the supply chain.

3. Risk from Fluctuation of Main Raw Materials

The Company's main raw materials are mainly from agriculture and fisheries which are varied from weather, environment, disaster, and plague in both domestic and other countries. In 2015, Shrimp cultivation still encountered the Early Mortality Syndrome (EMS) which broke out in late 2011. The consequence of EMS affected the decreasing in shrimp supply. This situation is significantly affected to business operation.

Risk Management

The Company monitors and analyzes the situation and trend of raw materials in both domestic and other countries in order to manage and plan the effective procurement timely and sufficiently. The Company also develops procurement function to purchase supply of raw materials from various sources both in country and abroad, and promoting research and development of new products which use other substituted raw materials.

4. Risk from Natural Disaster and Plague

The weather and environment are more rapid changed and unexpected in Thailand and global. As a result, there are more chances that natural disaster will occur which might affect to raw material situation.

Risk Management

The Company prepares the preventive and collective actions in order to mitigate the effect when the natural disaster and plague happen. The responsible persons will closely monitor, update the situation, implementation plan and also put the recovery plan. The Company also develops the staff's potential in term of crisis management skill.

Structure of Shareholding and Management

Structure of Shareholding

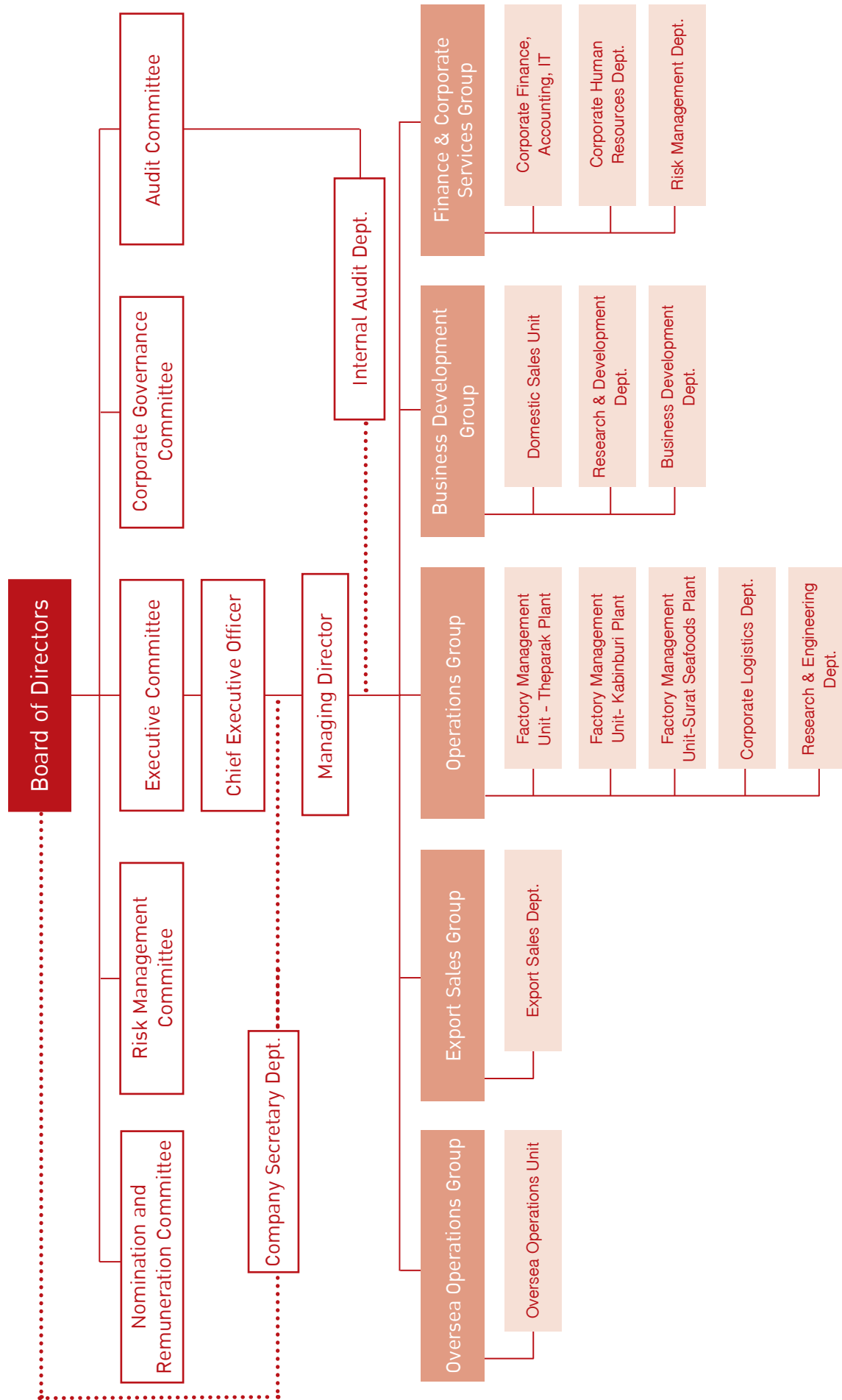
Common Stock = 269,999,000 shares (Par value = 1 Baht)

(Information as of February 17, 2016)

Name of Shareholders	Amount of Shareholding	Proportion (%)
1. Vongvadhanaroj Family	118,600,850	43.93
- Mr.Sorapon Vongvadhanaroj	47,588,500	17.63
- Mr.Sorapoom Vongvadhanaroj	47,355,350	17.54
- Mr.Surapon Vongvadhanaroj	13,980,000	5.18
- Mrs.Sukanya Vongvadhanaroj	6,957,000	2.58
- Mrs.Soranee Ung	1,360,000	0.50
- Mrs.Soraya Sorakraikitikul	1,360,000	0.50
2. Kraisithisirin Family	35,436,000	13.12
- Mr.Sithichai Kraisithisirin	14,436,000	5.35
- Miss Sarin Kraisithsirin	7,000,000	2.59
- Miss Silawan Kraisithsirin	7,000,000	2.59
- Miss Sanravee Kraisithsirin	7,000,000	2.59
3. Jiengwareewong Family	34,085,090	12.64
- Mr.Chokchai Jiengwareewong	9,085,090	3.36
- Mrs.Janthip Jiengwareewong	9,000,000	3.33
- Mrs.Supissara Pechvorakul	8,000,000	2.96
- Miss Pusanisa Jiengwareewong	8,000,000	2.96
4. Mr.Aryuth Chansestikul	13,677,000	5.07
5. Mr.Thanathip Pichetvanichchok	7,540,700	2.79
6. Mrs. Nipaporn Siripong	5,178,700	1.92
7. Miss Woraran Taepaisithpong	5,000,000	1.85
8. CREDIT SUISSE AG SINGAPORE BRANCH	5,000,000	1.85
9. Miss Orapun Asamongkol	3,188,000	1.18
10. Thai NVDR Co., Ltd.	1,863,600	0.69

Source: Thailand Securities Depository Co., Ltd.

Structure of Management



Structure of Board of Directors

The Board of Directors assigns 5 Sub-committees for specific matters. The Sub-committees comprise of Audit Committee, Corporate Governance Committee, Nomination and Remuneration Committee, Executive Committee and Risk Management Committee.

1. Board of Directors

The Board has responsibilities to supervise the Company's operation to meet the Company's target and the Company's best benefit in accordance with good corporate governance framework.

As of December 31, 2015, Board of Directors consists of the following persons:

Name - Surname		Position	No. of the meeting attended in 2015
1. Mr.Kosol	Chantikul	Chairman and Independent Director	7/7
2. Mrs.Boonperm	Jiamtiranat	Independent Director	7/7
3. Mr.Pisanu	Rienmahasarn	Independent Director	7/7
4. Mr.Sathaporn	Kotheeranurak	Independent Director	7/7
5. Mr.Putaporn	Ninwarangkoon	Independent Director	7/7
6. Mr.Surapon	Vongvadhanaroj	Director	7/7
7. Mr.Sithichai	Kraisithisirin	Director	6/7
8. Mr.Chokchai	Jiengwareewong	Director	6/7
9. Mr.Paiboon	Kangvonkit	Director	7/7
10. Miss Malai	Wongwatroj	Director	7/7
11. Mr.Sorapon	Vongvadhanaroj	Director	7/7

Thereby, Mr.Patt Somchaikulsup carries out duties as Secretary of Board of Directors

2. Audit Committee

Audit Committee's responsibilities are to review the Company's operations to be in compliance with the Company's policy, laws, and regulations. In addition, Audit Committee is responsible for reviewing the Company's internal control system, internal audit system, and the risk management system that they are appropriate and efficient. Audit Committee also considers the appointment or disposal of Internal Audit head.

As of December 31, 2015, Audit Committee consists of three Independent Directors as follow:

Name - Surname		Position	No. of the meeting attended in 2015
1. Mr.Sathaporn	Kotheeranurak	Chairman	6/6
2. Mrs.Boonperm	Jiamtiranat	Director	6/6
3. Mr.Pisanu	Rienmahasarn	Director	5/6

Thereby, Mrs.Suree Nuntatikul carries out duties as Secretary of Audit Committee

Remarks: The Committee no.1 and 2 have adequate expertise and experience to review creditability of financial report.

3. Corporate Governance Committee

Corporate Governance Committee is responsible for monitoring an implementation of the Corporate Governance Policy

As of December 31, 2015, Corporate Governance Committee consists of the following persons:

Name - Surname	Position	No. of the meeting attended in 2015
1. Mrs.Boonperm Jiamtiranat	Chairman	3/3
2. Mr.Sorapon Vongvadhanaroj	Director	3/3
3. Mr.Pisanu Rienmahasarn	Director	3/3

Thereby, Mr.Patt Somchaikulsup carries out duties as Secretary of Corporate Governance Committee

4. Nomination and Remuneration Committee

Nomination and Remuneration Committee is responsible for recruitment and selection of qualified candidate as Director and Chief Executive Officer. The Committee's responsibilities are also to propose the compensation of the Directors and Chief Executive Officer.

As of December 31, 2015, Nomination and Remuneration Committee consists of the following persons:

Name - Surname	Position	No. of the meeting attended in 2015
1. Mr.Chokchai Jiengwareewong	Chairman	2/2
2. Mr.Surapon Vongvadhanaroj	Director	2/2
3. Mr.Putaporn Ninwarangkoon	Director	2/2

Thereby, Mr.Patt Somchaikulsup carries out duties as Secretary of Nomination and Remuneration Committee

5. Executive Committee

Executive Committee is responsible for supervising the Company's operations to achieve the Company's vision, target, and policy.

As of December 31, 2015, Executive Committee consists of the following persons:

Name - Surname		Position
1. Mr.Surapon	Vongvadhanaroj	Chairman
2. Mr.Chokchai	Jiengwareewong	Director
3. Miss Malai	Wongwatroj	Director
4. Mr.Paiboon	Kangvonkit	Director
5. Mr.Sorapon	Vongvadhanaroj	Director
6. Mr.Supakorn	Ruangsin	Director
7. Mr.Thomas	Ung	Director
8. Mr.Cherdsak	Charoenmongkonsuk	Director
9. Mr.Montai	Chulatitta	Director
10. Mrs.Soranee	Ung	Director
11. Miss Silawan	Kraisithsirin	Director
12. Mr.Jittakorn	Chairach	Director
13. MissYardphon	Comnugnath	Director

Thereby, Mr.Patt Somchaikulsup carries out duties as Secretary of Executive Committee

Remark: There was 12 times meeting throughout the year 2015

6. Risk Management Committee

Risk Management Committee is responsible for setting and reviewing the effective and efficient risk management system.

As of December 31, 2015, Risk Management Committee consists of the following persons:

Name - Surname		Position
1. Mr.Chokchai	Jiengwareewong	Advisor
2. Mr.Paiboon	Kangvonkit	Chairman
3. Miss Malai	Wongwatroj	Director
4. Mr.Supakorn	Ruangsin	Director
5. Mr.Thomas	Ung	Director
6. Mr.Sorapon	Vongvadhanaroj	Director
7. Mrs.Soranee	Ung	Director
8. Miss Silawan	Kraisithsirin	Director

Thereby, Mrs.Ajaree Phaireepairit carries out duties as Secretary of Risk Management Committee

Remark: There was 4 times meeting throughout the year 2015

Details of Directors and Authorized Persons

Name and Surname		SSF	Company					
			SS	SUNIF	PP	SAC	CHAMF	MBL
Mr. Kosol	Chantikul	///						
Mr. Surapon	Vongvadhanaroj	/, //, X	/, //, ///	/, //, ///		/, //	/, //	/, //, ///
Mr. Sithichai	Kraisithisirin	/, //	/, //	/, //		/, //	/, //	
Mr. Chokchai	Jiengwareewong	/, //	/, //			/, //	/, //	
Mrs. Boonperm	Jiamtiranat	/						
Mr. Pisanu	Rienmahasarn	/						
Mr. Sathaporn	Kotheeranurak	/						
Miss Malai	Wongwatroj	/, //	/, //					
Mr. Paiboon	Kangvonkit	/		/, //, X				
Mr. Sorapon	Vongvadhanaroj	/, //, X	/, //			/, //	/, //	/, //
Mr. Putaporn	Ninwarangkoon	/						
Mr. Chatuporn	Watcharanat		/, //, X				/, //	
Mr. Supakorn	Ruangsin		/, //					
Mrs. Soranee	Ung			/, //	/, //			/, //
Miss Silawan	Kraisithsirin				/, //			/, //
Mr. Montai	Chulatitta							/, //, X
Mrs. Soraya	Sorakraikitikul				/, //	/, //	/, //	
Mr. Patt	Somchaikulsup				/, //			

Note: / = Board of Directors X = Chief Executive Officer, President
 // = Authorized Director /// = Chairman of the Board of Directors

Explanations of the Abbreviation

SSF = Surapon Foods Public Company Limited
 SS = Surat Seafoods Company Limited
 SUNIF = Surapon Nichirei Foods Company Limited
 PP = Punpin Company Limited
 SAC = Surapon Aquaculture Company Limited
 CHAMF = Chantaburi Marine Farm Company Limited
 MBL = Mobile Logistics Company Limited

Remuneration of Directors and Executives

1. Directors' Remuneration

The Annual General Meeting of Shareholders No.38/2015 had passed the resolution to approve the Directors' remuneration totally not exceed than Baht 5,300,000. The actual amount of payment is Baht 5,295,000.

	Name of Directors	Board of Directors			Audit Committee			Corporate Governance		Nomination		Total (Baht)
		Retaining Fee	Meeting Allowance	Retaining Fee	Meeting Fee	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	
1	Mr.Kosol Chantikul	920,000	140,000	-	-	-	-	-	-	-	-	1,060,000
2	Mr.Surapon Vongvadhanaroj	260,000	105,000	-	-	-	-	-	-	10,000	-	375,000
3	Mr.Sithichai Kraithisirin	260,000	90,000	-	-	-	-	-	-	-	-	350,000
4	Mr.Chokchai Jiengwareewong	260,000	90,000	-	-	-	-	-	-	20,000	-	370,000
5	Mrs.Boonperm Jiamteeranat	260,000	105,000	120,000	-	30,000	20,000	-	-	-	-	535,000
6	Mr.Pisanu Rienmahasarn	260,000	105,000	120,000	-	25,000	10,000	-	-	-	-	520,000
7	Mr.Sathaporn Kotheeranurak	260,000	105,000	180,000	-	60,000	-	-	-	-	-	605,000
8	Miss Malai Wongwatroj	260,000	105,000	-	-	-	-	-	-	-	-	365,000
9	Mr.Paiboon Kangvonkit	260,000	105,000	-	-	-	-	-	-	-	-	365,000
10	Mr.Sorapon Vongvadhanaroj	260,000	105,000	-	-	-	10,000	-	-	-	-	375,000
11	Mr.Putaporn Ninwarangkoon	260,000	105,000	-	-	-	-	-	-	10,000	-	375,000
Total		3,520,000	1,160,000	420,000		115,000	40,000	40,000		40,000		5,295,000

2. Executives' Remuneration

Remuneration	2015		2014	
	No. of Person	Total (Baht)	No. of Person	Total (Baht)
Salary	5	33,420,000	5	29,651,400
Bonus	5	2,785,000	5	8,648,325
Other remunerations	5	361,184	5	327,034
Total	5	36,566,184	5	38,626,759

Remark : 1. Other remunerations such as gasoline, telephone, per-dium and etc.

Corporate Governance and Corporate Social Responsibility

Corporate Governance

Surapon Foods Public Company Limited has always put a strong emphasis on the good corporate governance to take care of all Stakeholders' interest. The Company issued the 1st version of Corporate Governance Policy on August 2005 then the Board of Directors improved the Policy continuously totaling 9 times. The latest version of the Policy is approved according to the Board meeting no.6/2013 on December 18, 2013. Currently Corporate Governance Policy consists of 7 sections. The Company publicizes the Policy through the Company's website. The implementation complying to the Policy in the year 2015 can be summarized as the followings:

1. The Board of Directors

1.1 The Board of Directors consists of experts with knowledge, skill, and experience to operate the business totaling 11 persons, 3 persons are Executive Directors, 3 persons are non-Executive Directors, and 5 persons are Independent Directors. The number of Independent Director is in line with the SEC regulation as specified that "The Board shall consist of Independent Director at least one-third and not less than 3 persons".

1.2 The director nomination process will follow the Nomination of Director Policy and will be considered by the Nomination and Remuneration Committee prior to propose to Board of Directors and Shareholders for consideration. The nomination process of director shall conform to the Nomination Policy which the Company publicizes on the website. To consider the nominated director, the Board of Directors examine the qualifications, skills, experiences which are necessary to the Company along with Nomination Policy. Nominating the Directors, who replace the vacant position before expiring the term in office, will follow the resolution of the Board of Directors. Whereas nominating the Directors, who replace the Director retired by rotation, will follow the resolution of Shareholders. In 2015, there was no nomination of Directors to replace the vacant position before expiring term in office.

1.3 The Company's definition of Independent Directors is the person who holds the Company's share not more than 1% of the total number of shares with voting right. Independent Directors must also carry the qualifications of Independent Director as specified in the regulations of relevant regulatory organizations. Currently, none of Independent Director holds any share of the Company and also has any related business transactions or provides any services to the Company, subsidiaries, major shareholders or controlling person. Moreover there are no Independent Directors or Management been the employee or been the partner of the Company's auditor.

1.4 Directors shall not inaugurate in other listed companies more than 5 companies. Term of the Board, according to the Company's Articles of Association, at every AGM, one-thirds of the Directors shall retire by rotation. If the member of directors is not a multiple of three then the number nearest to one-third shall retire. Whenever the director is retired by rotation, the director might be re-appointed. The Sub-Committee has two years term in the office from either the appointed date or the Board's resolution which can be re-appointed after the term in the office is completed. In 2015, there was no Director who inaugurates in the other listed companies more than 5 companies. However, directors and CEO must inform in the Board meeting about their posting in other companies.

1.5 The Board meeting must be held with the specific agenda distributed in advance. In 2015 there are 7 times Board of Directors Meetings where all directors attended the meeting regularly more than 80% of total times of the meeting. Quorum of the Board meeting must not less than two-third of total Board members. The Company Secretary will send the agenda and meeting documents to every director 7 days prior to the meeting date and submit minutes of the meeting to the Board for consideration within 7 days after meeting date. Evaluation of the meeting has been set up in every meeting which follows the criteria of IOD. Average score of the Board meeting evaluation in 2015 is 94.95 from 100.

1.6 The Board has established the specific committees reach up to 5 sub-committees with responsibility for specific matters in order to support and supervise the Board duties. The Board has also set up the sub-committee charter as a guideline for the scope of responsibilities of each sub-committee. In 2015, Audit Committee held the meeting 6 times, Nomination and Remuneration Committee 2 times, Corporate Governance Committee 3 times, Risk Management Committee 4 times, and Executive committee 12 times.

1.7 The Board carefully considered the conflict of interest and related transaction complied with the conflict of interest policy. Directors and executives must report about their possible related transactions to the Company. In addition, the Company also publicizes the conflict of interest policy in the Company's website.

1.8 The Board has formulated the business code of conduct manual for being the guideline practice for all directors, executive, and staffs. The business code of conduct is formed from Corporate Governance policy and acknowledge by the employee. The business code of conduct had been reviewed regularly to keep it suitable and the Company always conveys the good understanding on the business code of conduct to all employees.

1.9 The Board participated in consideration of vision, mission, annual business plan, and business goals. In addition, the Management shall submit the summary of monthly performance report to all director, quarterly performance report shall be proposed to the Board meeting. The Management presented the annual business plan of year 2015 and the Board had the resolution to approve the business plan at the Board meeting no. 6/2014 on December 16, 2014.

2. Shareholders Right and Equal Treatment

2.1 The Board respects the right of all shareholders equally and responsible for taking care of shareholder's interest. Shareholder has rights to make decision on important issues. Shareholders have equal right on profit sharing. The Company has a policy to pay the dividend approximately 60% of net profit after tax from separate financial statement, except when investment or cash flow is needed – the Board may propose the shareholder's meeting to pay the dividend as appropriate. In 2015, The Company paid dividend at the rate of Baht 0.27 per share or equivalent to 69.24% of net profit after tax of separate financial statement which is under the Company's dividend policy.

2.2 The Board emphasizes on decision making of any significant matters and disclosure information for shareholders, investors and public. In 2015, The Company has managed to support the rights of shareholder including the facilitation for the shareholders as follows:

1) To disclose via SET website regarding the resolution of the Board's meeting no.1/2015 on February 20, 2015 Re: Convening the AGM included agenda and important details. The disclosure of information had been done within the day of which the Board has a resolution to convene the AGM.

2) The Company has a great emphasis on organizing the AGM by complying with the laws and regulations. The Company recognizes that all information, are disclosed accurately, completely, transparently on a timely basis.

3) **Before the AGM date:** the Company sent out the notice of AGM, supporting documents and annual report to all shareholders and all regulatory organizations. Details as specified in the notice are in accordance with the laws and regulations as well as AGM checklist. The Company posted the AGM document through the Company's website 30 days prior to the AGM date as well as notified the shareholders through SET website. The notice of AGM was also publicized through daily local newspapers for consecutive 3 days prior to the meeting date. Shareholder, thus, would have enough time for consideration.

4) **On AGM date:** The Company provides 2 hours registration prior to convening the meeting as well as arranged proper facilities and receptions. Chairman of the Board presided Chairman of AGM meeting. All Board members, CEO, Executives, Chairman of each sub-committee, Auditor and Legal advisor attended the meeting. The chronology of the meeting agenda ran respectively as specified in the AGM notice. No additional agenda was considered in the meeting.

5) **Before starting the meeting:** Chairman informed the number of attendant, quorum of the meeting and introduced the Board, the Management, Auditor, Legal Advisor, Company Secretary. Company Secretary explained the process of voting, counting, and declaring voting result. The Company used the computerized system counting the vote for correctness. Furthermore, The Company had invited legal advisor to be the witness for counting process for trustworthiness and transparency.

6) During the meeting: Chairman allowed Shareholders inquire and express their opinions and recommendations. The Company Secretary would record all important questions and answers in the minutes.

7) **After finished the meeting:** The Company disclosed the meeting resolutions through SET website on the same date of the AGM. The completed minutes of the meeting was submitted to the regulatory organizations and also posted on the Company's website within 14 days after the meeting date

8) The Company has a policy to disclose significant information/events to shareholders through SET website which are accurate and adequate in a timely manner and on a regular basis according to the requirement of regulatory organizations.

2.3 The Company's website has been used for facilitating shareholders to reach the Company where the shareholders would like to propose an agenda for AGM during September 30, 2015 to December 31, 2015 but no proposal submitted.

2.4 The Company has emphasized the management of conflict of interest and related transaction. The decision of transaction will be considered with care, fair, according to general business term as well as in compliance with the Company's conflict of interest policy and regulations. In case of significant transaction, Audit Committee will consider and give their opinion for the Board's consideration. The Directors and executives will have to inform their possible conflict of interest and related person to the Company.

3. Stakeholders Right

3.1 The Board recognizes with due care to the rights of all stakeholders. The Board monitors and supervises the management ensuring that the Company has responsibility for all stakeholders. Furthermore the Company established CSR policy, Business code of conduct to be the manual guidelines for the Directors, Executives and staffs. The Company prepared the progress summary report regarding the implementation under CSR policy and also CSR report. Both of reports had been publicized through the Company's website.

3.2 The Company's Code of conduct consists of ethical guidelines for all staffs which are relating to all stakeholders. Code of conduct manual had been distributed and communicated to all staffs. Moreover for the annual performance evaluation of each employee, the business ethic was set as one of the criteria either.

3.3 The Board set up the channel which shareholders and all stakeholders can suggest their concerns/suggestions to the Company by sending to Chairman of the Audit Committee via whistle-blowing @surapon.com. In addition, the Company also publicizes the whistle blowing policy through the Company's website. The Management shall summarize the suggestions received and report to the Audit Committee at every end of quarter.

4. Information Disclosure and Transparency

4.1 The Board ensures that all important information relevant to the Company both finance and non-finance concerning business and operation are accurate, complete and timely. This distribution of information covers various communication channels such as Information Report (56-1), Annual Report (56-2), the Company's website, and SET website.

4.2 The Board has the policy to treat for information both positive and negative equally. The Board shall concern the equal accession of information as well as keeping confidentiality of important information. The disclosure of information will comply with requirements of the regulatory organizations such as SET and SEC. The Company has assigned Investor Relation function to communicate the information to shareholders and investors.

4.3 The Board monitor closely to internal information usage to encourage Good Corporate Governance. The Board approved the Internal Information Usage Controlling Policy. The main objective is to prevent the use of internal information for private interest. The Company also informed to the Directors, Executives and stakeholders and also publicizes the policy through the Company's website. In 2015, there is no case of usage of non-disclosed internal information for private interest. Furthermore, Directors and Executives have to disclose their stock trading transaction in the Board meeting. All Executives and employees who involve with the Company's important information must sign in the confidentiality agreements.

4.4 Directors' remuneration is considered according to the Company's remuneration of Directors and Executives policy by considering responsibilities, capacity and type of business, and other companies in same business with the appropriate, competitive level in order to motivate and keep those qualified Directors.

5. Internal Control and Risk Management

5.1 The Board supports and encourages all staffs to realize the importance of internal control and internal audit system. The Company assigned Internal Audit Department to be responsible for auditing all important activities to be in line with the Company's policy and Power of Authority. Internal Audit Department work independently and directly report to Audit Committee. Audit Committee has the authority to approve the appointment or dismissal of the head of Internal Audit Department.

5.2 The Board set up the Internal Audit and Internal Control Policy to be the guideline for operations. The Company employs the follow-up process to make sure that the important activities have set the effective internal control system. The Board arranged an evaluation report for adequacy and suitability of the Internal Control system by followed the SEC notification. The Company disclosed the Board's opinion about adequacy and suitability of Internal Control system in the information report (56-1) and annual report (56-2).

5.3 The Company pays attention to an efficiency of risk management system. The Board established the Risk Management Committee and Risk Management Department in order to assess and monitor the overall risk management system. Moreover, risk management policy and risk management handbook which were publicized on the Company's website is set up to be guidelines for all departments' implementation.

6. Development of the Directors and Executives

6.1 The Board encourages and facilitates training for the Directors to enhance the efficiency and potentiality of the Board by providing the Board's handbook, BOD practices manual, organizing the training and site visit to the Company and its subsidiaries, furnish the opportunity to exchange and share opinion with the Executives.

6.2 The Board encourages the director's development by supporting them to attend the training program. In 2015, the directors attended the trainings/seminars as follows:-

1) Mr. Kosol Chantikul participated in the Luncheon Briefing: Anti-Corruption Act on August 27, 2015 organized by IOD.

2) Mr. Sathaporn Kotheeranurak participated in the seminar: Challenges of Audit Committees in the role of financial and non - financial audits on February 11, 2015 organized by SEC and participated in the CG Forum : Effective Risk Oversight & Governance - the Board's Ability to Enhance Stakeholder Value on September 9, 2015 organized by SET

3) Mr. Paiboon Kangvonkit participated in training program on How to Develop a Risk Management Plan on March 26-27, 2015 organized by IOD and participated in CG Forum in Effective Risk Oversight & Governance - the Board's Ability to Enhance Stakeholder Value on September 9, 2015 organized by SET .

4) Miss Malai Wongwatroj participated in the Luncheon Briefing : Anti-Corruption on August 27, 2015 organized by IOD and participated in CAC Conference "Anti-Corruption in Thailand : Sustaining the Momentum" on October 15, 2015 organized by IOD .

6.3 The Board conducts annual performance evaluation both whole group and individual. The Company applies the guidelines proposed by SET for whole group evaluation. The result of the whole group performance evaluation is 92.88 with good level, whereas individual performance evaluation in average of 91.18. There will be the discussion of the evaluation results to improve the Directors' performance.

6.4 The sub-committees are also had an annual performance evaluation in order to improve the committee performance. For the evaluation of CEO performance will be evaluated by the evaluation committee appointed by the Board of Directors. All CEO evaluation committee members are Independent Directors.

6.5 The Board consider the nominating of the Board member by concerning the required qualifications and skills in order to create the best benefits for the Company.

6.6 The Board has emphasis on well preparation of human resources development especially general manager to top management positions which will be an important person who drive the business. The succession planning for general manager to top management will be considered from the business operation, knowledge, performance, experience and potential. The Board had assigned the Nomination and Remuneration Committee to considers and settle plan for succession of CEO and assigns CEO to define succession plan for general manager level.

6.7 The Company assigned Corporate Human Resources Department and Human Resources Department of every business unit to take responsibility to manage human resources development. The major goals are to supports staffs for knowledge development, potential, and career development including the appropriate remuneration benefit calculated based on the KPIs and the Company's overall operation both short term and long term.

7. The Policy to Support Good Corporate Governance

The Board had established policies to be guidelines and in order to strengthen good corporate governance. The Board regularly reviews the policies. The Board approved and agreed to implement the policies as follow:

1. Policy of Nomination of Directors and Chief Executive Officer
2. Policy of Remuneration of Directors and Chief Executive Officer
3. Policy of Internal Audit and Internal Control
4. Policy of Risk Management
5. Code of Business Ethics
6. Policy of Internal Information Usage Control
7. Policy of Corporate Social Responsibility
8. Policy of Prevention of Conflict of Interest
9. Policy of Facilitating the Shareholders to attend Shareholders' Meeting
10. Policy of Whistle Blowing
11. Policy of Anti-Corruption
12. Criteria for the Shareholders to propose AGM agenda

All the above policies are already provided on the Directors handbook and publicized on the Company's website.

According to IOD report, the Company attained the 2015 Corporate Governance Assessment Score of 86 out of 100 equivalent to "very good" level and also placed in the group of Top Quartile Listed Company with the market capitalization between 1,000-2,999 million Baht.

Anti-Corruption

The Company realizes an importance of anti-corruption. The Board approved policies related to anti-corruption protection and prevention as follows:-

1. Anti-Corruption Policy
2. Political Contribution Policy
3. Charity and Sponsorship Policy
4. Human Resource Management Policy to support anti-corruption
5. Whistle Blowing Policy which included the channel and countermeasure controls

The Company also publicizes details of all above policies and guidelines through the Company's website.

The Company had set up the implementation procedure concern to the anti-corruption practices along with the well communication to all staffs for keep in mind and follows the procedure. Moreover the Company had put the risk assessment on anti-corruption occurrence covering the audit system, the follow up control in order that all the business activities are not involve to the corruption. The Company built up the organizational culture to keep realizes the anti-corruption practices by performed such activities:

1. In September 2015, the Company arranged the Anti-Corruption Day activity. On that day there are many activities which are mainly to communicate the anti-corruption policy to all employees along with the creating of the employee participation in the anti-corruption.

2. The Company arranged in house training course regarding the Corporate Governance knowledge, internal control policy, risk management and anti-corruption policy.

3. The Company redefines the criteria of staff performance by assessing the business ethics in every staff level and every position.

4. The Company communicates the corporate value to all staffs. The corporate value is redefined as “PROUD to be Surapon Foods :

- P stands for Proactive
- R stands for Responsibilities
- O stands for Open-mindedness
- U stands for Unity
- D stands for Development

5. Audit Committee assigns Internal Audit Unit to audit and review internal control system in most significant activities in order to ensure that the operation has set up the adequate and suitable internal control system of preventing corruption.

6. Risk Management Committee assesses the risk of corruption as well as determines the risk management measure.

7. The Board of Directors appointed the anti-corruption monitoring committee to be responsible for anti-corruption duties.

In January 2015, the Company was certified by CAC Council to be the member of private sector against anti-corruption.

Corporate Social Responsibility

The Company aware and concern of social, environment responsibility and stakeholders. The Board's meeting no.3/2011 approved CSR policy to be the implementation guideline to all concerned stakeholders as follow:-

1. Policy and Guidelines of implementation on safety and sanitation in workplace
2. Policy and Guidelines of implementation on employee's remuneration and welfare.
3. Policy and Guidelines of implementation on employees' knowledge development.
4. Policy and Guidelines of implementation on human rights
5. Policy and Guidelines of implementation on customers
6. Policy and Guidelines of implementation on competitors
7. Policy and Guidelines of implementation on partners
8. Policy and Guidelines of implementation on creditors
9. Policy and Guidelines of implementation on intellectual property and copyright
10. Policy and Guidelines of implementation on anti-corruption and bribery
11. Policy and Guidelines of implementation on contribution to social and community
12. Policy and Guidelines of implementation on effective resources usage and environmental management

The Company also publicizes details of all above policies and guidelines through the Company's website.

Internal Control and Risk Management

The Company is highly aware of the importance on internal control. We put emphasized on internal control and risk management, to cover all activities, sufficiently and appropriate for Company's operation. Board of Directors has arranged the annual assessment program to evaluate the adequacy and suitability of Internal Control system. In 2015, the Audit Committee employed the assessment form as suggested by the Office of Securities and Exchange Commission and proposed to the Board of Directors for consideration.

At the Board of Directors' Meeting No.7/2015 comprising 5 independent directors together with all members of the Audit Committee has unanimously resolved that the Company's internal control system is sufficient and suitable with the current business operation. The Company arranged and appointed the sufficient and proficient staffs to monitor, control and sustain the internal control system. The control system procedures are ensuring that there are no use of resources and assets by virtual of inside Company's concerned person. The control systems closely monitored the related transaction between the related parties ensuring it's transparent. Moreover the Board of Directors gives precedence to the auditor opinion given in the Auditor Report which reveals no significant weaknesses in the Company's internal control. In addition, the Management has provided best support to develop and improve the internal control system continuously by using internal control guidelines under standard of The Committee of Sponsoring Organization of the Treadway Commission (COSO) and Enterprise Risk Management applied to the Company's operations aimed the efficiency and effectiveness to all stakeholders in order to make sure the Company's internal control system is operating properly. The internal control system assessment can be summarized as follows;

1. Environment Control

The Company has a suitable organization structure and good environment which is beneficial for the effective internal control system and objective evaluation. The Company has a strong commitment to operate its business honestly and ethically. The organization structure, line of command and power of authority have been set to comply with the job function and key responsibilities. The human resources functions are also focused on conserving the high potential employees. The Company keep emphasize on communicating all employees regarding the disadvantage and corruption risk as well as conflict of interest through various communication activities in order to promote awareness of anti-corruption as a part of corporate culture. In January 2015, the Company was certified by CAC Council to be the member of private sector against anti-corruption.

2. Risk Assessment

The Company established the efficient internal control and risk management systems. The Company appointed the Risk Management Committee to monitor, consider and define the risk management measures. The Risk Management Committee has duties to assess the corporate risks: strategic risk, financial risk, operation risk, disaster risk, compliance risk, and corruption risk. There will be continuous monitoring, assessing and reporting the risk factor management to the Management. Risk Management Department shall monitor the results of risk management according to the Company's risk management manual. Internal Audit Department shall regularly audit the implementation of risk management.

3. Control Activities

The Company has designed the internal control system which is suitable for working environment and business operation in order to mitigate risk to acceptable level. The scope of work and segregation of authorities have been clearly determined. Working instruction and manual guide have been generated in order to ensure that the approval of transaction shall be considered by concerning the best benefits of the Company.

4. Information & Communication

The Company set up various communication channels both internal and external. All concerned parties can access to accurate, updated and adequate information for their activities control.

5. Activities Monitoring

The Company generates the monitoring system to ensure that the internal control in all operation activities is efficient and effective as well as to achieve the business target. If there is an issue concerned to the defective of internal control systems, the channel to inform such issue has been created. Such issues are directly reported to the responsible person. The Company has a proper reporting method to ensure that the performance under the internal control has been reported continuously to the Management and the Board of Directors.

Dividend Payment Policy

The Board of Directors' meeting no. 4/2006 on July 14, 2006 had passed the resolution to add a sub-section 2.1.6 regarding the dividend payment policy in the Corporate Governance Policy in Section 2 (Shareholders' rights and the equal treatment). The Board of Directors' meeting no.8/2009 on December 17, 2009 has passed the resolution to adjust some wordings to make it clearer. The Company's dividend payment policy as mentioned in the Corporate Governance policy sub-section 2.1.6 is "The Company's policy is to pay the dividend approximately 60% of annual net profit after tax of Separate Financial Statement, except when investment or cash flow is needed - the Board of Directors could present the shareholders' meeting to pay the dividend as it fits"

Related Transaction

In business operation, the Company may have related transaction with related person and/or juristic person. The Company, however, carefully makes decision of the related transaction by concerning the Company's best benefits with care and fair as well as to be in line with the laws and regulations. In addition, the Audit Committee has reviewed and given the opinion to the Board of Directors. In case the Company enters into related transaction with the Directors and/or Executives, the involved Directors will not vote for this transaction.

In the Board of Directors' meeting no.4/2008, the meeting has passed the resolution of entering into related transaction that the Board of Directors approves in principle to allow the Company and subsidiaries can enter into related transaction with the director, executive or related persons. The management can approve in case general trading conditions as specified by the Notification of the Board of Governors of the Stock Exchange of Thailand.

Disclosure of related transaction shall comply with the requirements of SET and Capital Market Supervisory Board as well as Generally-accepted Accounting Standard. The related transaction has been also disclosed in note of the financial statement as specified in the annual report for the year ended December 31, 2015.

Management Discussion and Analysis

Overall Performance for the year 2015

In 2015, Surapon Foods Public Company Limited and its subsidiaries' total revenue from sale of goods were 5,007 Million Baht, an increase of 26 Million Baht or 1% when compare to the year 2014. The cost of sale of goods as percentage of sales were 86%, a decrease from 89% in the year 2014.

The consolidated profit for the year 2015 was 344 Million Baht, an increase of 15 Million Baht or 4% from the year 2014. The profit attributable to owners of the Company was 172 Million Baht, a decrease of 0.3 Million Baht from 172.3 Million Baht in the year 2014.

In the year 2015, the local frozen shrimp industry continued to experience shortage in supplies due to the impact from Early Mortality Syndrome (EMS). The supplies of shrimp continued to decrease since 2011. In 2015, the situation improved slightly, however the supply of Thai Vannamei shrimp was still not sufficient to meet the demand. In addition, on the demand aspect, the slowdown in economy of our partner countries and effects from trade policy such as the measure on Illegal, Unregulated and Unreported fishing (IUU) from European Union and United States' Trafficking in Persons (TIP) placement of Thailand in tier 3. These issues led to a slowdown in Thai frozen seafood business. As a result, the Company's frozen shrimps sales declined. Revenue from sales of goods in separate financial statements decreased by 142 Million Baht or 8% when compare to the year 2014. However, the Company has made adjustments such as reducing shrimp raw materials in production and continuously developing new products with alternative raw material as substitutes for shrimps while Surapon Nichirei Foods Company Limited's chicken production business continued to expand.

In 2015, current investments decreased by 88 Million Baht from sales of fixed income funds to invest in temperature controlled storage facilities of a subsidiary, Mobile Logistics Company Limited. The start of operation is expected to be in the third quarter of 2016.

Performance and Profitability

The analysis of Surapon Foods Public Company Limited and its subsidiaries' performance for the year 2015 and its profitability are as follows:

Income

The Company and its subsidiaries posted total income of 5,121 Million Baht, a decrease of 62 Million Baht or 1% from the year 2014. The decrease was due largely from decrease in net foreign exchange gain by 92 Million Baht. The fluctuation of Thai Baht in 2015 and appreciation of Thai Baht against the Japanese Yen while the Company hedged against the fluctuation with forward contracts, resulted in reduction of the foreign exchange gain.

Expenses

The Company and its subsidiaries' total expenses were 4,750 Million Baht, a decrease of 76 Million Baht or 1.6% from the year 2014. The major factors are as follows:

Cost of sale of goods decreased by 115 Million Baht or 2.6% from the year 2014. The improvement was mainly from the decrease in main raw material prices and the development and sales of new products with less shrimp based raw materials or with other substitute raw materials. The Company also controlled production to balance with customer orders by focusing on profitability. The cost of sale of goods as percentage of sales improved from 89% in 2014 to 86% in 2015.

Selling and administrative expenses increased by 38 Million Baht. The major increase was the export expenses increased 11 Million Baht, which is the direct result from the increase in sales volume. The employee benefit expenses increased by 9 Million Baht.

Profitability

From the continuous management of production such as substitute raw materials and new products with alternative raw material as substitutes for shrimps and inventory control, resulting in the profit of 344 Million Baht, an increase of 4% from 2014. The Company and its subsidiaries' profit attributable to owners of the Company was 172 Million Baht, a decrease of 0.3 Million Baht from profit of 172.3 Million Baht in the year 2014.

Profitability Ratios	2015	2014
Gross Profit Margin (%)	13.6	10.8
Net Profit Margin (%)	6.9	6.6
EBITDA (%)	12.0	11.7
Return on Assets (ROA) (%)	11.0	11.0
Return on Equity (ROE) (%)	15.3	16.0

Financial Position

Assets

The Company and its subsidiaries' total assets as at 31 December 2015 were 3,188 Million Baht, an increase of 141 Million Baht or 5% from the year 2014. The major changes in assets were as follows:

- Trade accounts receivable as at 31 December 2015 was 260 Million Baht, a decrease of 0.1 Million Baht from the year 2014. The accounts receivable not yet due was 242 Million Baht and overdue over 90 days was 0.4 Million Baht. The overdue amount was from the domestic sales and the Company recorded the allowance for doubtful accounts of 0.7 Million Baht. The allowance is assessed by the management based on analysis of payment histories and expectations of customer payments as at the financial statement date. The average collection period in 2015 was 19 days, which is comparable to the collection period in 2014 of 20 days.
- Current Investments as at 31 December 2015 were 109 Million Baht. This is an investment in short term fixed income instruments, in order to manage for higher return than bank deposits. The Company expects to use the fund to invest in plant and equipment in the future.
- Other receivables as at 31 December 2015 were 35 Million Baht, a decrease of 6 Million Baht. The change was due largely to the decrease of foreign currency forward contracts by 16 Million Baht. Advance payment for imported product according to payment term decreased by 3 Million Baht and value added tax receivable increased by 14 Million Baht.
- Inventories as at 31 December 2015 were 512 Million Baht, an increase of 27 Million Baht from the year 2014. The finished goods and work in progress inventories increased by 72 Million Baht, while raw materials decreased by 39 Million Baht. The increase in finished goods inventory was for sales in the beginning of 2016 and increase in imported trading products inventories to support the sales volume. The allowance for decline in value of inventories was 8 Million Baht in consolidated financial statements and 3 Million Baht in separate financial statements. The risks that the market price may be lower than costs from highly competitive international markets and fluctuations in local raw material prices were still apparent. The allowance is assessed and deemed as appropriate and sufficient by the management. The inventory turnover in 2015 was 42 days, an increase from 39 days in 2014 due to the increase in finished goods and work in progress inventories.
- Property, plant and equipment as at 31 December 2015 were 1,668 Million Baht, an increase of 213 Million Baht from the year 2014. The Company and its subsidiaries' purchased land and built temperature controlled storage facilities and purchased machines and equipment totaled 355 Million Baht. The surplus on revaluation of land was 76 Million Baht. Depreciation of 215 Million Baht and sales of property, plant and equipment of 3 Million Baht.

Liabilities

The Company and its subsidiaries' total liabilities as at 31 December 2015 were 825 Million Baht, a decrease of 87 Million Baht or 10% from the year 2014. The major changes in liabilities were as follows:

- Short-term loans from financial institutions as at 31 December 2015 were 179 Million Baht, a decrease of 23 Million Baht. This is due to the decrease in subsidiaries' needs of cash for improvements of production lines, which were in 2014.
- Trade accounts payable as at 31 December 2015 were 185 Million Baht, a decrease of 13 Million Baht from the year 2014. The average payment period in 2015 was 16 days when compare to 15 days in 2014
- Long-term loans from financial institutions (including the current portion of long-term loans from financial institutions) as at 31 December 2015 were 26 Million Baht, a decrease of 52 Million Baht from the payment of loans in accordance with loan agreements.
- Finance lease liabilities (including the current portion of finance lease liabilities) as at 31 December 2015 were 85 Million Baht, a decrease of 28 Million Baht from the payment in accordance with loan agreements

Equity

The Company and its subsidiaries' total equity as at 31 December 2015 were 2,362 Million Baht, an increase of 228 Million Baht or 11% from the year 2014. The increase was due largely to profit for the year of 344 Million Baht, less dividends paid to owners of the Company amount 72.9 Million Baht and dividends of subsidiary paid to non-controlling interests of 159.1 Million Baht.

Liquidity

The Company and its subsidiaries' cash and cash equivalents as at 31 December 2015 were 451.6 Million Baht, an increase of 0.9 Million Baht from the year 2014. The current investments amount 109 Million Baht to manage for higher returns than bank deposits. The Company managed funding and liquidity of the company in the satisfactory level. The liquidity ratios in 2015 are comparable to 2014. The Company and its subsidiaries managed funding for working capital and balance cash flow activities carefully and continuously strive for the most appropriate source of funds.

Financial Ratios	2015	2016
Debt to Equity Ratio (D/E)	0.3	0.4
Current Ratio	2.3	2.2
Cash Cycle (Days)	45	44
Interest Coverage	40.4	40.8

Conclusion

In 2015, the Company and its subsidiaries posted profit for the year of 344 Million Baht, an increase of 15 Million Baht from the previous year. The profit attributable to owners of the Company was 172 Million Baht. Basic earnings per share was 0.64 Baht, The Company and its subsidiaries improved in profitability by continuously developed new products to adapt to fluctuation in current raw material situation. The Company also controlled production to balance with customer orders by focusing on profitability, which results in lower cost of sale of goods. The overall performance in 2015 is satisfactory.

Report of Audit Committee to the Shareholders

The Company's Audit Committee consists of three Independent Directors namely Mr. Sathaporn Kotheeranurak; Chairman of the Committee, Mrs.Boonperm Jiamtiranart and Mr.Pisanu Rienmahasarn as the Committee whereas Mrs.Suree Nuntatikul, head of Internal Audit unit, serves as the secretary. All members are knowledgeable and have qualifications as required by the Audit Committee charter which is complied with the regulations and notifications of the regulatory organizations.

The Audit Committee has performed the duties under scope of work, duties and responsibilities independently without limitation of information access including good cooperation with the Management and staffs.

In 2015, there were 6 meetings of the Audit Committee, one time meeting with the external auditor without the Management. The Audit Committee attended all 3 persons for all the meetings. Summary of the performance can be summarized as follow:

1. Financial Statement Review and Audit

There were meetings with the external auditor, the management, and internal auditor to consider financial statement, accounting policy, changes in important accounting policy, discuss with the management before presented to the Board of Directors for approval. Besides, there was 1 time meeting without the Management to consult and seek advices from the external auditor. The Audit committee considered and viewed that financial statement as at December 31, 2015 is correct and adequate according to the Generally-accepted Accounting Principles. Certified Auditor has operated and shown independent opinion on the Financial Statement.

2. Internal Control System Review

To consider efficiency and effectiveness of internal control system through quarterly internal audit report. The report covered important activities. The report from external auditor was also taken into account. The result of internal control system report was not found any significant weakness. The Audit committee viewed that the Company's internal control system is adequate, appropriate, and efficient according to the composition of internal control system.

3. Operation Review to be in accordance with Laws and Regulations

Operation review to ensure the compliance with relevant business laws and regulations through the quarterly report from laws and regulations monitoring working committee under Risk Management Committee. Moreover, Internal Audit unit had regularly done the audit sampling. The Audit Committee had an opinion that the Company has the adequate and proper monitoring system.

4. Related Transaction and Conflict of Interest Transaction Review

The Audit Committee gave an opinion that the consideration of related transaction and conflict of interest transaction has a process in good transparency, equitable and for overall benefit of the Company. The disclosure of information was accurate and adequate.

5. Internal Audit System Review

The Audit Committee considered independence, scope of work, duty and responsibility of Internal Audit unit concordantly with international standard, reviewed the auditor charter, considered the internal auditor's self-assessment, approved the annual audit plan which has been settle based upon the risk assessment criteria, reviewed the auditor report and also evaluated performance of Internal Auditor unit and head of Internal Audit unit including considering the appropriateness of head of Internal Audit's qualification. The Audit Committee viewed that the Company's Internal Audit System is independent, sufficient, and efficient. The Company's Internal Audit system was set to be in line with the business target as well as professional standard.

6. Risk Management System Review

To follow up an efficiency of risk management system by considering the Risk Management Committee's minutes of meeting quarterly. The Audit Committee viewed that risk management system is appropriate and suitable.

7. Appointment of the Company's auditor and consideration of the auditing fee for the year 2015

To appoint the Company's auditor, The Audit Committee considered the reliability, working standard, independence, quality of works and services with satisfactory and efficient results. The Audit Committee also considered the suitable auditing fee prior proposes to the Board of Directors' Meeting and Shareholders' Meeting. The Audit Committee recommended to appoint KPMG Phoomchai Audit Ltd. to be the Company's auditor for the year 2015.

8. Whistle-Blowing

In the year 2015, there is no whistle-blowing case to be submitted to Audit Committee for consideration as specified in the Company's Whistle-Blowing policy.

9. Annual Performance Assessment of Audit Committee for the year 2015

To ensure that the Committee performance is completely done as specified in the charter of Audit Committee and complied with guideline from SET. The Audit Committee's overall assessment result is equivalent to very good level.

In conclusion, Audit Committee viewed that the Board of Directors, the Executives and employees have strong commitment with their duties and responsibilities to try achieving the Company's goals by concerning good corporate governance principle and transparency. The Company's internal control system and risk management system are appropriate and sufficient.



Mr.Sathaporn Kotheeranurak
Chairman of Audit Committee



Mrs.Boonperm Jiamtiranat
Member of Audit Committee



Mr.Pisanu Rienmahasarn
Member of Audit Committee

Report of the Board of Directors' Responsibilities for Financial Reporting

The Board of Directors of Surapon Foods Public Company Limited is responsible for the Company's financial statement which has been prepared in accordance with the Generally-accepted Accounting Standards in Thailand. The policies pursued are deemed appropriate and applied consistently with adequate disclosure of important information in the notes to the financial statements. The Board has appointed the Audit Committee to provide effective oversight of finances and the internal control system to ensure that accounting records are accurate, complete and timely. The views of the Audit Committee are reported in the Audit Committee's report in the Company's annual report.

The Board assessed sufficiency of internal control system and views that the internal control system of the Company presents accurately as well as transparent. The Board creates confidence on financial statements as at December 31, 2015.



(Mr. Kosol Chantikul)
Chairman



(Mr. Surapon Vongvadhanaroj)
Chief Executive Officer

Audit Fee

The Company's Certified Auditor in 2015 named Miss Boonsri Chotpaiboonpun CPA No. 3756 of KPMG Phoomchai Audit Ltd. The actual payment of audit fee in 2015 is as follows:-

Auditor's Remuneration	Amount (Baht)
Audit Fee	
- Audit Fee for Surapon Foods PLC.	1,135,000
- Audit Fee for the Subsidiaries (6 companies)	1,489,000
Non Audit Fee	0

Financial Statements and Independent Auditor's Report

To the Shareholders of Surapon Foods Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Surapon Foods Public Company Limited and its subsidiaries (the "Group") and of Surapon Foods Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

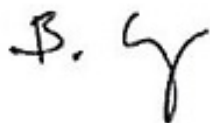
My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2015 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



(Boonsri Chotpaiboonpun)
Certified Public Accountant
Registration No. 3756

KPMG Phoomchai Audit Ltd.
Bangkok
19 February 2016

Statement of financial position

Surapon Foods Public Company Limited and its Subsidiaries

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2015	2014	2015	2014
(in Baht)					
Current assets					
Cash and cash equivalents	5	451,595,572	450,670,929	62,882,434	89,083,092
Current investments	6	109,303,611	197,495,967	45,315,251	197,485,484
Trade accounts receivable	4, 7	260,350,616	260,449,287	121,585,175	133,995,147
Other receivables	4, 8	34,668,326	40,964,257	27,446,206	13,771,486
Inventories	9	511,615,114	484,674,010	270,497,685	255,452,211
Total current assets		1,367,533,239	1,434,254,450	527,726,751	689,787,420
Non-current assets					
Investments in associates	4, 10	23,458,595	22,964,294	17,550,000	17,550,000
Investments in subsidiaries	11	-	-	444,277,974	227,037,535
Other long-term investments	13	-	-	-	-
Investment properties	14	94,915,571	92,993,607	5,000,000	5,000,000
Property, plant and equipment	15	1,667,549,987	1,454,318,850	540,311,253	490,006,787
Intangible assets	16	8,773,068	11,446,000	4,070,211	6,188,121
Deferred tax assets	17	19,744,590	23,392,275	-	-
Other non-current assets	18	5,759,341	7,036,506	3,528,334	3,770,387
Total non-current assets		1,820,201,152	1,612,151,532	1,014,737,772	749,552,830
Total assets		3,187,734,391	3,046,405,982	1,542,464,523	1,439,340,250

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

Statement of financial position

Surapon Foods Public Company Limited and its Subsidiaries

		Consolidated financial statements		Separate financial statements	
		31 December 2015	31 December 2014	31 December 2015	2014
Liabilities and equity	<i>Note</i>				
		<i>(in Baht)</i>			
Current liabilities					
Short-term loans from financial institutions	19	179,000,000	202,292,590	-	-
Trade accounts payable	4, 20	184,852,797	197,674,984	61,091,065	78,978,887
Other payables	4, 21	164,554,100	166,347,474	66,384,807	79,445,304
Current portion of long-term loans from financial institutions	19	25,706,700	49,480,650	3,000,000	6,000,000
Current portion of finance lease liabilities	19	31,854,447	30,514,427	1,418,680	756,471
Income tax payable		16,409,309	12,434,874	-	-
Total current liabilities		602,377,353	658,744,999	131,894,552	165,180,662
Non-current liabilities					
Long-term loans from financial institutions	19	-	27,726,325	-	3,000,000
Finance lease liabilities	19	53,071,898	82,119,440	3,938,516	2,622,053
Deferred tax liabilities	17	60,385,875	53,541,905	27,035,996	24,104,656
Employee benefit obligations	22	109,529,752	90,453,334	64,381,276	45,442,353
Total non-current liabilities		222,987,525	253,841,004	95,355,788	75,169,062
Total liabilities		825,364,878	912,586,003	227,250,340	240,349,724
Equity					
Share capital	23				
Authorised share capital		270,000,000	270,000,000	270,000,000	270,000,000
Issued and paid-up share capital		269,999,000	269,999,000	269,999,000	269,999,000
Additional paid-in capital	23				
Premium on ordinary shares		270,000,000	270,000,000	270,000,000	270,000,000
Retained earnings					
Appropriated					
Legal reserve	24	27,000,000	27,000,000	27,000,000	27,000,000
Unappropriated		922,027,833	838,351,878	542,357,039	460,497,509
Other components of equity		304,988,652	256,000,492	205,858,144	171,494,017
Equity attributable to owners of the Company		1,794,015,485	1,661,351,370	1,315,214,183	1,198,990,526
Non-controlling interests		568,354,028	472,468,609	-	-
Total equity		2,362,369,513	2,133,819,979	1,315,214,183	1,198,990,526
Total liabilities and equity		3,187,734,391	3,046,405,982	1,542,464,523	1,439,340,250

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

Statement of comprehensive income

Surapon Foods Public Company Limited and its Subsidiaries

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2015	2014	2015	2014
		(in Baht)			
Income					
Revenue from sale of goods	4, 25, 34	5,006,990,367	4,980,903,200	1,596,500,709	1,738,994,879
Net foreign exchange gain		34,869,311	127,323,371	3,182,635	4,099,666
Investment income	4, 26	20,734,137	17,864,430	188,380,443	97,019,367
Other income	4, 27	58,864,820	57,186,729	22,943,888	18,507,373
Total income		5,121,458,635	5,183,277,730	1,811,007,675	1,858,621,285
Expenses					
Cost of sale of goods	4	4,326,429,590	4,440,976,192	1,405,559,013	1,521,835,152
Selling expenses	4, 28	251,125,301	227,430,287	130,400,203	121,367,253
Administrative expenses	4, 29	163,038,739	148,795,508	107,504,380	106,166,839
Finance costs	32	9,466,610	8,965,400	755,749	815,283
Total expenses		4,750,060,240	4,826,167,387	1,644,219,345	1,750,184,527
Share of profit (loss) of associates	4, 10	494,301	(49,445)	-	-
Profit before income tax expense		371,892,696	357,060,898	166,788,330	108,436,758
Income tax benefit (expense)	33	(27,606,382)	(27,565,830)	2,121,940	(3,150,553)
Profit for the year		344,286,314	329,495,068	168,910,270	105,286,205
Other comprehensive income					
Items that will never be reclassified to profit or loss					
Revaluation surplus	15	61,026,849	-	38,084,000	-
Defined benefit plan actuarial losses	22, 33	(15,448,449)	-	(14,151,010)	-
		45,578,400	-	23,932,990	-
Items that are or may be reclassified to profit or loss					
Fair value changes in available-for-sale investments		(3,543,112)	1,518,529	(3,719,873)	1,518,322
		(3,543,112)	1,518,529	(3,719,873)	1,518,322
Other comprehensive income for the year, net of income tax		42,035,288	1,518,529	20,213,117	1,518,322
Total comprehensive income for the year		386,321,602	331,013,597	189,123,387	106,804,527
Profit attributable to:					
Owners of the Company		171,983,999	172,304,483	168,910,270	105,286,205
Non-controlling interests		172,302,315	157,190,585	-	-
Profit for the year		344,286,314	329,495,068	168,910,270	105,286,205
Total comprehensive income attributable to:					
Owners of the Company		205,563,845	173,823,012	189,123,387	106,804,527
Non-controlling interests		180,757,757	157,190,585	-	-
Total comprehensive income for the year		386,321,602	331,013,597	189,123,387	106,804,527
Basic earnings per share	35	0.64	0.64	0.63	0.39

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

Statement of changes in equity

Surapon Foods Public Company Limited and its Subsidiaries

	Note	Retained earnings		Other components of equity					Equity attributable to owners of the Company	Non-controlling interests	Total equity
		Share premium	Legal reserve	Unappropriated	Revaluation surplus	Fair value changes in available-for-sale investments	Total other components of equity				
								(in Baht)			
Year ended 31 December 2014											
Balance at 1 January 2014		270,000,000	27,000,000	760,547,045	252,058,393	2,423,570	254,481,963	1,582,028,008	401,986,324	1,984,014,332	
Transactions with owners, recorded directly in equity	36										
Distributions to owners of the Company		-	-	(94,499,650)	-	-	-	(94,499,650)	-	(94,499,650)	
Total distributions to owners of the Company		-	-	(94,499,650)	-	-	-	(94,499,650)	-	(94,499,650)	
Changes in ownership interests in subsidiaries											
Investment in subsidiary		-	-	-	-	-	-	-	200	200	
Dividends of subsidiary to non-controlling interests		-	-	-	-	-	-	-	(86,708,500)	(86,708,500)	
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	(86,708,300)	(86,708,300)	
Total transactions with owners, recorded directly in equity		-	-	(94,499,650)	-	-	-	(94,499,650)	(86,708,300)	(181,207,950)	
Comprehensive income for the year											
Profit		-	-	172,304,483	-	-	-	172,304,483	157,190,585	329,495,068	
Other comprehensive income		-	-	-	-	1,518,529	1,518,529	1,518,529	-	1,518,529	
Total comprehensive income for the year		-	-	172,304,483	-	1,518,529	1,518,529	173,823,012	157,190,585	331,013,597	
Balance at 31 December 2014		270,000,000	27,000,000	838,351,878	252,058,393	3,942,099	256,000,492	1,661,351,370	472,468,609	2,133,819,979	

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

Statement of changes in equity

Surapon Foods Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements							Total equity	
		Retained earnings		Other components of equity				Equity attributable to owners of the Company		Non-controlling interests
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Revaluation surplus	Fair value changes in available-for-sale investments <i>(in Baht)</i>			
Year ended 31 December 2015										
Balance at 1 January 2015		269,999,000	270,000,000	27,000,000	838,351,878	252,058,393	3,942,099	256,000,492	1,661,351,370	472,468,609
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Dividends to owners of the Company	36	-	-	-	(72,899,730)	-	-	-	(72,899,730)	-
<i>Total distributions to owners of the Company</i>		-	-	-	(72,899,730)	-	-	-	(72,899,730)	-
<i>Changes in ownership interests in subsidiaries</i>										
Acquisition of shares of subsidiary from non-controlling interests		-	-	-	-	-	-	-	-	(744,188)
Dilution of the Company's interest in a subsidiary without a change in control		-	-	-	-	-	-	-	-	75,000,000
Dividends of subsidiary to non-controlling interests		-	-	-	-	-	-	-	-	(159,128,150)
<i>Total changes in ownership interests in subsidiaries</i>		-	-	-	-	-	-	-	-	(84,872,338)
Total transactions with owners, recorded directly in equity		-	-	-	(72,899,730)	-	-	-	(72,899,730)	(84,872,338)
Comprehensive income for the year										
Profit		-	-	-	171,983,999	-	-	-	171,983,999	172,302,315
Other comprehensive income		-	-	-	(15,408,314)	52,575,432	(3,587,272)	48,988,160	33,579,846	8,455,442
Total comprehensive income for the year		-	-	-	156,575,685	52,575,432	(3,587,272)	48,988,160	205,563,845	180,757,757
Balance at 31 December 2015		269,999,000	270,000,000	27,000,000	922,027,833	304,633,825	354,827	304,988,652	1,794,015,485	568,354,028
										2,133,819,979

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

Statement of changes in equity

Surapon Foods Public Company Limited and its Subsidiaries

Separate financial statements

	Note	Retained earnings					Other components of equity			Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	(in Baht)	Revaluation surplus	Fair value changes in available-for-sale investments	Total other components of equity	
Year ended 31 December 2014										
Balance at 1 January 2014		269,999,000	270,000,000	27,000,000	449,710,954		167,552,304	2,423,391	169,975,695	1,186,685,649
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Dividends to owners of the Company	36	-	-	-	(94,499,650)		-	-	-	(94,499,650)
<i>Total distributions to owners of the Company</i>		-	-	-	(94,499,650)		-	-	-	(94,499,650)
Total transactions with owners, recorded directly in equity		-	-	-	(94,499,650)		-	-	-	(94,499,650)
Comprehensive income for the year										
Profit		-	-	-	105,286,205		-	-	-	105,286,205
Other comprehensive income		-	-	-	-		-	1,518,322	1,518,322	1,518,322
Total comprehensive income for the year		-	-	-	105,286,205		-	1,518,322	1,518,322	106,804,527
Balance at 31 December 2014		269,999,000	270,000,000	27,000,000	460,497,509		167,552,304	3,941,713	171,494,017	1,198,990,526

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

Statement of changes in equity

Surapon Foods Public Company Limited and its Subsidiaries

Separate financial statements

	Note	Retained earnings					Other components of equity			Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	(in Baht)	Revaluation surplus	Fair value changes in available-for-sale investments	Total other components of equity	
Year ended 31 December 2015										
Balance at 1 January 2015		269,999,000	270,000,000	27,000,000	460,497,509		167,552,304	3,941,713	171,494,017	1,198,990,526
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Dividends to owners of the Company	36	-	-	-	(72,899,730)		-	-	-	(72,899,730)
<i>Total distributions to owners of the Company</i>		-	-	-	(72,899,730)		-	-	-	(72,899,730)
Total transactions with owners, recorded directly in equity		-	-	-	(72,899,730)		-	-	-	(72,899,730)
Comprehensive income for the year										
Profit		-	-	-	168,910,270		-	-	-	168,910,270
Other comprehensive income		-	-	-	(14,151,010)		38,084,000	(3,719,873)	34,364,127	20,213,117
Total comprehensive income for the year		-	-	-	154,759,260		38,084,000	(3,719,873)	34,364,127	189,123,387
Balance at 31 December 2015		269,999,000	270,000,000	27,000,000	542,357,039		205,636,304	221,840	205,858,144	1,315,214,183

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

Statement of cash flows

Surapon Foods Public Company Limited and its Subsidiaries

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
Note	2015	2014	2015	2014
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	344,286,314	329,495,068	168,910,270	105,286,205
<i>Adjustments for</i>				
Depreciation	214,860,393	212,959,342	50,240,778	52,946,520
Amortisation of intangible assets	3,440,599	3,582,113	2,628,107	2,780,282
Reversal of impairment loss on investment property	(1,959,948)	-	-	-
Dividend income	-	-	(170,871,850)	(83,691,500)
Employee benefits	10,388,125	12,344,609	5,417,700	5,272,848
Finance costs	9,466,610	8,965,400	755,749	815,283
Allowance for doubtful debt expense	-	400,000	-	400,000
Allowance for impairment losses of investments in subsidiaries	177,300	-	7,503,749	9,600,000
Allowance for decline in value of inventories (reversal)	5,519,110	(382,340)	1,039,219	1,147,385
Unrealised loss (gain) on exchange rate	16,560,129	(53,654,726)	977,469	(3,102,123)
Loss (gain) on disposal and written-off plant and equipment	(464,826)	(1,432,152)	(58,597)	279,299
Written-off withholding tax	807,597	784,523	801,566	765,404
Share of loss (profit) of associates	(494,301)	49,445	-	-
Income tax expense (benefit)	27,606,382	27,565,830	(2,121,940)	3,150,553
	630,193,484	540,677,112	65,222,220	95,650,156
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	1,380,393	21,031,304	12,551,179	62,211,644
Inventories	8,412,909	(9,777,147)	5,160,921	(5,053,108)
Other receivables	(32,460,214)	(28,569,846)	(16,084,693)	(49,741,220)
Other non-current assets	4,322,884	(3,441,116)	(778,814)	(1,358,062)
Trade accounts payable	(13,081,147)	30,625,773	(17,889,757)	(4,567,534)
Other payables	(28,534,889)	2,751,815	(18,256,464)	9,744,113
Employee benefit obligations paid	(10,628,526)	(4,282,728)	(4,167,540)	(1,379,492)
Cash generated from operating activities	559,604,894	549,015,167	25,757,052	105,506,497
Income taxes paid	(23,608,868)	(20,965,883)	-	-
Net cash from operating activities	535,996,026	528,049,284	25,757,052	105,506,497

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

Statement of cash flows

Surapon Foods Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014	2015	2014
		<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>					
Dividends received		-	400,000	151,884,500	83,691,500
Purchase of current investments		(325,000,000)	(260,000,000)	(165,000,000)	(260,000,000)
Sale of current investments		408,763,468	252,961,232	312,520,393	252,961,232
Purchase of property, plant and equipment		(340,375,065)	(93,750,259)	(46,028,340)	(22,211,261)
Sales of plant and equipment		4,066,382	68,768,640	1,102,385	477,175
Cash outflow on acquisition of subsidiaries		(744,188)	-	(224,744,688)	(3,213,800)
Cash inflow on disposal of subsidiaries		500	-	500	-
Purchase of intangible assets		(538,270)	(525,690)	(280,800)	(42,500)
Net cash from (used in) investing activities		(253,827,173)	(32,146,077)	29,453,950	51,662,346
<i>Cash flows from financing activities</i>					
Finance costs paid		(10,567,135)	(9,862,306)	(757,681)	(824,262)
Dividends paid to owners of the Company		(72,899,730)	(94,499,650)	(72,899,730)	(94,499,650)
Dividends paid to non-controlling interests		(158,115,500)	(86,708,500)	-	-
Decrease in short-term loans					
from financial institutions		(23,292,590)	(60,707,600)	-	-
Finance lease payments		(37,900,105)	(31,754,713)	(1,754,249)	(1,423,754)
Repayment of long-term loans					
from financial institutions		(53,468,650)	(30,421,225)	(6,000,000)	(6,000,000)
Acquisition of non-controlling interests		74,999,500	200	-	-
Net cash used in financing activities		(281,244,210)	(313,953,794)	(81,411,660)	(102,747,666)
Net increase (decrease) in cash and cash equivalents		924,643	181,949,413	(26,200,658)	54,421,177
Cash and cash equivalents at 1 January		450,670,929	268,721,516	89,083,092	34,661,915
Cash and cash equivalents at 31 December	5	451,595,572	450,670,929	62,882,434	89,083,092

Non-cash transactions:

During the year 2015, the Group acquired property, plant and equipment at total cost of Baht 355.4 million (2014: Baht 188.2 million) of which Baht 340.4 million was made by cash payment (2014: Baht 93.7million), Baht 3.9 million was made by finance lease agreements (2014: Baht 84.1 million), and Baht 11.1 million was outstanding as payable for purchases of machinery and equipment as at 31 December 2015 (2014: Baht 10.4 million).

During the year 2015, the Company acquired plant and equipment at total cost of Baht 54.0 million (2014: Baht 30.1 million) of which Baht 46.0 million was made by cash payment (2014: Baht 22.2 million), Baht 3.9 million was made by finance lease agreements (2014: Baht 3.7 million), and Baht 4.1 million was outstanding as payable for purchases of machinery and equipment as at 31 December 2015 (2014: Baht 4.2 million).

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

Notes to the financial statements

Surapon Foods Public Company Limited and its Subsidiaries

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 19 February 2016.

1 General information

Surapon Foods Public Company Limited, the “Company”, is incorporated in Thailand.

Presently, the Company has registered offices located at the following addresses:

- (a) Head Office : 247 Moo 1, Theparak Road, Amphur Muang, Samutprakarn Province
- (b) Factory 1 : 247 Moo 1, Theparak Road, Amphur Muang, Samutprakarn Province
- (c) Factory 2 : 509 Moo 9, Nongki, Amphur Kabinburi, Prachinburi Province

The Company was listed on the Stock Exchange of Thailand in September 1989.

The Company’s major shareholders during the financial year were the groups of Vongvadhanaroj, Kraisithisirin, and Jiengwareewong who hold an approximate total 70 % shareholding in the Company.

The principal activities of the Company and its subsidiaries are the manufacturing and distribution of seafood, finished and semi-finished frozen foods. Details of the Company’s direct subsidiaries as at 31 December 2015 and 2014 are given in note 11.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS), guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 41.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement bases</i>
Available-for-sale financial assets	Fair value
Land	Fair value
Net defined benefit liability	Present value of the defined benefit obligation, limited as explained in note 3 (p)

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 11 Consolidation: whether the Group has de facto control over an investee

(ii) Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 14 Fair value of investment properties
Note 15 Measurement of land
Note 17 Current and deferred tax
Note 22 Measurement of defined benefit obligations
Note 37 Valuation of financial instruments

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 14 – Investment property;
- Note 15 – Measurement of land; and
- Note 37 – Financial instruments

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Interests in equity-accounted investees

The Group’s interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) *Foreign currency transactions*

Transactions in foreign currencies are translated to the functional currency at exchange rates the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date. Foreign exchange differences arising on translation are recognised in the profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

(c) *Derivative financial instruments*

Derivative financial instruments are used to manage exposure to foreign exchange risk arising from operational activities. Derivative financial instruments are not used for trading purposes. However, derivatives do not qualify for hedge accounting are accounted for as trading instruments.

(d) *Hedging*

Hedge of foreign currency

The Group has a policy to mitigate the foreign exchange risk by entering into forward exchange contracts covering foreign currency monetary transactions. In this regard, all monetary transactions are translated to Thai Baht at the rates prevailing at the reporting date, adjusted by net receivables/payables arising from the related forward exchange contracts and the remaining deferred forward premium/discount. The related forward premium/discount is recorded as income/expense over the forward contract term. The amortised forward premium/discount and gains/losses on the forward exchange contracts covering foreign currency monetary transactions are offset against the related exchange losses or gains on the foreign currency monetary transactions being hedged.

(e) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

Deposits at financial institutions that have a restriction of use are presented separately as “Restricted fixed deposits at financial institutions” under “Other non-current assets” in the statement of financial position.

(f) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value.

Raw materials, packing materials and supplies are calculated using first-in, first-out method or average cost principle. Work in progress and finished goods are calculated using average cost principle. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate average cost.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(h) Investments

Investments in subsidiaries and associates

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

Investments in equity securities

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses, are recognised directly in equity. Impairment losses are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(i) *Investment properties*

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Investment property	5 to 20 years
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(j) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for land which is stated at their revalued amount. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment, considering as property, plant and equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Machinery and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in “Revaluation surplus” in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. The revaluation surplus is utilised by reference to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset’s original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Subsequent costs

The cost of replacing a part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. The estimated useful lives are as follows:

Land improvements	20 years
Buildings and improvements	5 to 20 years
Freezing buildings and equipment	5 to 20 years
Prawn pond and improvements	5 and 20 years
Machinery and equipment	5 to 20 years
Electrical and water systems	5 to 20 years
Transportation equipment	5 years
Furniture, fixtures and office equipment	3 and 5 years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Computer software	3 and 10 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(l) Leasehold right

Leasehold right is stated at cost less accumulated amortisation.

Amortisation

Leasehold right is charged to profit or loss on a straight-line basis over the term of lease period of 30 years.

(m) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the assets' value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) *Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(o) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(p) *Employee benefits*

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(r) Revenue

Revenue excludes value added tax and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

Investments

Revenue from investments comprises rental income from investment properties and dividend and interest income from investments and bank deposits.

Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

Compensation income on exported goods

Compensation income on exported goods is recognised as income when sales are recognised, delivery has taken place and transfer of risks and rewards has been completed.

(s) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, fair value losses on financial assets at fair value through profit or loss and loss on impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(t) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(u) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(w) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 *Related parties*

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries and associates are described in notes 10 and 11. Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Nichirei Foods Inc.	Japan	Shareholder of a subsidiary
Nichirei Australia Pty, Ltd.	Australia	Shareholding by Nichirei Foods Inc.
Nichirei Foods U.S.A. Inc.	U.S.A.	Shareholding by Nichirei Foods Inc.
Nichirei Fresh Inc.	Japan	Shareholding by Nichirei Foods Inc.
Nichirei Europe S.A.	Netherlands	Shareholding by Nichirei Foods Inc.
GFPT Nichirei (Thailand) Company Limited	Thailand	Shareholding by Nichirei Foods Inc.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sales of goods	Cost plus margin
Purchases of raw materials and goods	Prices are determined based on the terms and conditions in normal business comparable to those of non-related parties
Interest income	Contractually agreed prices
Dividend income	The declared amount
Management, selling and marketing assistance income	Contractually agreed prices
Technical assistance fee	Contractually agreed prices
Management assistance fee	Contractually agreed prices
Marketing support fee	Contractually agreed prices
Key management personnel compensation	As defined by the Nomination and Remuneration Committee and the Company's policy

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sale of goods	-	-	6,147	28,032
Interest income	-	-	1,533	-
Dividend income	-	-	170,872	83,292
Management, selling and marketing assistance income	-	-	17,621	14,155
Purchases of raw materials and goods	-	-	350,590	370,003

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Associates				
Dividend income	-	400	-	400
Shares of profits (loss) of associates	494	(50)	-	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	44,316	45,022	41,861	43,057
Post-employment benefits	194	181	194	181
Total key management personnel compensation	44,510	45,203	42,055	43,238
Other related parties				
Sale of goods	3,448,559	3,339,507	166,099	184,951
Purchase of raw materials and goods	54,487	116,667	-	-
Technical assistance fee	15,413	14,491	-	-
Management assistance fee	4,312	4,641	-	-

In February 2015, a subsidiary (Surapon Nichirei Foods Company Limited) declared the payment of dividends totaling Baht 310.0 million (2014: Baht 170.0 million). Such dividend was paid to the Company of Baht 151.9 million (2014: Baht 83.3 million) and non-controlling interests of Baht 158.1 million (2014: Baht 86.7 million) in March and September 2015.

In December 2015, a subsidiary (Surat Seafoods Company Limited) declared the payment of dividends totaling Baht 20.0 million (2014: -nil-). Such dividend was payable to the Company of Baht 18.9 million (2014: -nil-). The Company presented the amount under “Other receivables” in the statement of financial position as at 31 December 2015 and non-controlling interests of Baht 1.1 million (2014: -nil-). The dividend will be paid in March 2016.

As at 31 December 2015, the Company had commitments for the purchase of investments of two subsidiaries (Chantaburi Marine Farm Company Limited and Punpin Company Limited) which have not yet been called-up totaling Baht 36.7 million (2014: Baht 36.7 million).

Balances as at 31 December with related parties were as follows:

Trade accounts receivable from related parties	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Subsidiary				
Surat Seafoods Company Limited	-	-	1,390	171
Other related parties				
Nichirei Foods Inc.	127,236	122,832	3,730	-
Nichirei Australia Pty, Ltd.	9,529	14,814	9,529	14,814
Total	136,765	137,646	14,649	14,985

Other receivables from related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Subsidiaries				
Surat Seafoods Company Limited	-	-	19,723	74
Mobile Logistic Company Limited	-	-	3	-
Surapon Nichirei Foods Company Limited	-	-	541	493
Total	-	-	20,267	567

Trade accounts payable to related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Subsidiaries				
Surat Seafoods Company Limited	-	-	5,672	12,837
Surapon Nichirei Foods Company Limited	-	-	3,251	2,418
Surapon Aquaculture Company Limited	-	-	-	307
Other related parties				
Nichirei Foods Inc.	12,525	6,682	-	-
GFPT Nichirei (Thailand) Company Limited	-	800	-	-
Total	12,525	7,482	8,923	15,562

Other payables to related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Subsidiary				
Surat Seafoods Company Limited	-	-	-	1
Surapon Aquaculture Company Limited	-	-	1	-
Other related party				
Nichirei Foods Inc.	19,992	18,878	-	-
Total	19,992	18,878	1	1

Significant agreements with related parties

On 7 October 1988, the Company entered into a sales agreement for main raw materials with a subsidiary (Surapon Nichirei Foods Company Limited) whereby the Company is the exclusive supplier of the main raw materials to such subsidiary at the agreed price which is close to the market price.

The Company has entered into management, selling and marketing assistance agreements with several subsidiaries for a period of one year, whereby the Company agreed to provide management assistance services to those subsidiaries. These agreements may be notified to terminate by either party giving 30 days advance written notices. Otherwise, these agreements shall be automatically renewed for successive periods of one year each. In consideration thereof, these subsidiaries agreed to pay management fees at the amounts prescribed in the agreements.

A subsidiary (Surapon Nichirei Foods Company Limited) has a technical support agreement with Nichirei Foods Inc. of Japan, whereby the latter provides technical know-how, and assistance including consultations in relation to the manufacture of certain products. Under this agreement, the subsidiary agrees to pay service fee at certain percentage of F.O.B. Bangkok port value for the export products to Japan except fritter, tempura shrimp, and frozen breaded. The agreement expired on 31 December 2002 and is automatically renewable for successive period of one year each unless either party notifies to terminate or amend the agreement one month prior to the due date.

On 10 July 1995, a subsidiary (Surapon Nichirei Foods Company Limited) entered into a management assistance agreement with Nichirei Foods Inc. of Japan, whereby the latter provides management and administration assistances to the subsidiary. Under the term of the agreement, the subsidiary agrees to pay service fee as specified in the agreement. This agreement is effective until terminated by either party by giving advance written notice.

A subsidiary (Surapon Nichirei Foods Company Limited) has a marketing support agreement with Nichirei Foods Inc. of Japan. Under the term of the agreement, the subsidiary agrees to pay service fee at certain percentage of F.O.B. Bangkok value for products sold to North America.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(in thousand Baht)		
Cash on hand	241	239	100	100
Cash at banks - current accounts	37,037	94,771	2,851	17,004
Cash at banks - savings accounts	103,522	124,907	59,931	71,979
Highly liquid short-term investments	310,796	230,754	-	-
Total	451,596	450,671	62,882	89,083

The currency denomination of cash and cash equivalents as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(in thousand Baht)		
Thai Baht (THB)	451,570	433,642	62,859	72,057
United States Dollars (USD)	23	17,026	22	17,026
Japanese Yen (JPY)	3	3	1	-
Total	451,596	450,671	62,882	89,083

6 Other investments

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(in thousand Baht)		
Current investments				
Equity securities available for sale	109,304	197,496	45,315	197,486
Total	109,304	197,496	45,315	197,486

Other investments of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht.

Movements during the years ended 31 December of marketable equity securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Current investments				
Available-for-sale securities				
At 1 January	197,496	188,559	197,486	188,549
Purchases during the year	325,000	260,000	165,000	260,000
Sales during the year	(408,763)	(252,961)	(312,521)	(252,961)
Valuation adjustment	(4,429)	1,898	(4,650)	1,898
At 31 December	109,304	197,496	45,315	197,486

7 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Related parties	4	136,765	137,646	14,649	14,985
Other parties		124,286	123,503	107,636	119,710
		261,051	261,149	122,285	134,695
Less allowance for doubtful accounts		(700)	(700)	(700)	(700)
Net		260,351	260,449	121,585	133,995
Doubtful debts expenses for the year		-	400	-	400

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	136,587	137,583	14,649	14,970
Overdue:				
Less than 30 days	-	-	-	15
Over 30 days to 60 days	-	-	-	-
Over 60 days to 90 days	-	-	-	-
Over 90 days	178	63	-	-
	<u>136,765</u>	<u>137,646</u>	<u>14,649</u>	<u>14,985</u>
Less allowance for doubtful accounts	-	-	-	-
Net	<u>136,765</u>	<u>137,646</u>	<u>14,649</u>	<u>14,985</u>
Other parties				
Within credit terms	105,782	103,002	89,132	99,215
Overdue:				
Less than 30 days	18,092	19,744	18,092	19,738
Over 30 days to 60 days	223	169	223	169
Over 60 days to 90 days	10	116	10	116
Over 90 days	179	472	179	472
	<u>124,286</u>	<u>123,503</u>	<u>107,636</u>	<u>119,710</u>
Less allowance for doubtful accounts	(700)	(700)	(700)	(700)
Net	<u>123,586</u>	<u>122,803</u>	<u>106,936</u>	<u>119,010</u>
Total	<u>260,351</u>	<u>260,449</u>	<u>121,585</u>	<u>133,995</u>

The normal credit term granted by the Group ranges from 30 days to 65 days.

The currency denomination of trade accounts receivable as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	70,873	79,028	72,094	79,176
Japanese Yen (JPY)	140,930	156,417	28,837	33,585
United States Dollars (USD)	48,548	25,004	20,654	21,234
Total	<u>260,351</u>	<u>260,449</u>	<u>121,585</u>	<u>133,995</u>

8 Other receivables

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Related parties	4	-	-	20,267	567
Other parties					
Value added tax receivable		20,547	7,047	36	-
Other accounts receivable, net		3,494	7,174	1,070	1,193
Advance payment for goods		2,502	5,594	2,502	5,594
Prepaid expenses		2,287	2,437	1,593	933
Accrued income		4,059	888	595	660
Forward contract receivable		93	16,181	-	3,472
Others		1,686	1,643	1,383	1,352
		34,668	40,964	7,179	13,204
Total		34,668	40,964	27,446	13,771

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Finished goods	236,052	209,550	112,213	80,265
Work in progress	140,621	95,481	86,485	56,827
Raw materials	102,979	142,393	62,490	108,459
Packing materials and supplies	35,908	38,052	11,978	11,530
Goods in transit	4,059	1,682	-	-
Total	519,619	487,158	273,166	257,081
Less allowance for decline in value of inventories	(8,004)	(2,484)	(2,668)	(1,629)
Net	511,615	484,674	270,498	255,452

10 Investments in associates

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
At 1 January		22,964	23,414	17,550	17,550
Share of net profit (loss) of investments					
- equity method	4	494	(50)	-	-
Dividend income	4	-	(400)	-	-
At 31 December		23,458	22,964	17,550	17,550

Investments in associates as at 31 December 2015 and 2014, and dividend income from those investments for the years then ended were as follows:

Consolidated financial statements															
Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity method		Impairment		At equity - net		Dividend income	
		2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
		(in thousand Baht)													
Associates															
BIC Marine Resources Development Company Limited	Assets lessor and culturing prawn	Thailand	50	50	94,400	94,400	50,950	50,950	19,981	19,634	-	-	19,981	19,634	-
Independent Consultant Company Limited	Insurance consulting	Thailand	20	20	2,000	2,000	400	400	3,477	3,330	-	-	3,477	3,330	-
Total							51,350	51,350	23,458	22,964	-	-	23,458	22,964	400

Separate financial statements

	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
			2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
			(in thousand Baht)											
Associates														
BJC Marine Resources Development Company Limited	Assets lessor and culturing prawn	Thailand	50	50	94,400	94,400	50,950	50,950	(33,800)	(33,800)	17,150	17,150	-	-
Independent Consultant Company Limited	Insurance consulting	Thailand	20	20	2,000	2,000	400	400	-	-	400	400	-	400
Total							51,350	51,350	(33,800)	(33,800)	17,550	17,550	-	400

None of the Group's equity-accounted investees are publicly listed and consequently do not have published price quotations.

Associates

The following table summarises the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarized financial information to the carrying amount of the Group's interest in these companies

	BJC Marine Resources Development Company Limited		Independent Consultant Company Limited	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Revenue	1,147	1,355	38,084	23,948
Profit from continuing operations	694	868	751	(2,852)
Total comprehensive income	694	868	751	(2,852)
Attributable to NCI	347	434	601	(2,282)
Attributable to investee's shareholders	347	434	150	(570)
Current assets	15,069	14,109	99,020	103,342
Non-current assets	10,632	10,632	18,711	13,709
Current liabilities	(699)	(431)	(94,776)	(94,817)
Non-current liabilities	(432)	(432)	(5,578)	(5,591)
Net assets	24,570	23,878	17,377	16,643
Attributable to NCI	12,285	11,939	13,902	13,314
Attributable to investee's shareholders	12,285	11,939	3,475	3,329
Group's interest in net assets of investee at 1 January	19,634	19,200	3,330	4,214
Total comprehensive income (loss) attributable to the Group	347	434	147	(484)
Dividends received during the year	-	-	-	(400)
Carrying amount of interest in investee at 31 December	19,981	19,634	3,477	3,330

11 Investments in subsidiaries

	Separate financial statements	
	2015	2014
	<i>(in thousand Baht)</i>	
At 1 January	227,038	233,424
Increase of investments in subsidiaries	224,744	3,214
Allowance for impairment	(7,504)	(9,600)
At 31 December	444,278	227,038

On 20 October 2014, the Board of Directors of Surapon Aquaculture Company Limited approved to call-up additional capital from the Company amounting to Baht 2.2 million, which was paid in November 2014.

On 25 November 2014, the Company incorporated Mobile Logistic Company Limited with share capital of Baht 1 million (10,000 shares at Baht 100 par value). The Company fully paid-up the shares, resulting in the Group's interest in the company being 100% as at 31 December 2014.

On 7 April 2015, the Company acquired additional 2,625 shares of a subsidiary (Surat Seafoods Company Limited) from non-controlling interest at Baht 283.5 per share (net book value as at 31 March 2015), amounting to Baht 744,188. The ownership interest of the Company in Surat Seafoods Company Limited increased from 94% to 95%.

On 7 August 2015, a wholly-owned subsidiary (Mobile Logistics Company Limited) registered the increase of the share capital from Baht 1 million (10,000 shares, of Baht 100 par value) to Baht 300 million (3,000,000 shares, of Baht 100 par value). The Company paid up for additional share capital at par value totaling Baht 224 million (2,240,005 shares, of Baht 100 par value) on 5 August 2015. The remainder of the increased share capital of Baht 75 million was acquired by non-controlling interests. Therefore, the ownership interest of the Company in Mobile Logistic Company Limited was diluted from 100% to 75%.

Investments in subsidiaries as at 31 December 2015 and 2014, and dividend income from those investments for the years then ended were as follows:

Type of business	Separate financial statements										Dividend income		
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net			2015	2014
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014			
	(in thousand Baht)												
Subsidiaries													
Punpin Company Limited	Distribution of finished and semi-finished frozen food	100	100	30,150	30,150	30,150	30,150	(18,692)	(18,692)	11,458	11,458	-	-
Surapon Aquaculture Company Limited	Assets lessor and culturing prawn	95	95	85,000	85,000	201,740	201,740	(201,740)	(194,236)	-	7,504	-	-
Chantaburi Marine Farm Company Limited	Assets lessor	100	100	79,590	79,590	281,807	281,807	(203,000)	(203,000)	78,807	78,807	-	-
Surat Seafoods Company Limited	Frozen seafoods exporter	95	94	40,000	40,000	79,949	79,205	-	-	79,949	79,205	18,987	-
Surapon Nichirei Foods Company Limited	Frozen foods exporter	49	49	100,000	100,000	49,065	49,065	-	-	49,065	49,065	151,885	83,292
Mobile Logistic Company Limited	Logistic and warehouse	75	100	300,000	1,000	224,999	999	-	-	224,999	999	-	-
Total						867,710	642,966	(423,432)	(415,928)	444,278	227,038	170,872	83,292

The Company has de facto control over Surapon Nichei Foods Company Limited.

All subsidiaries are incorporated in Thailand.

12 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	31 December 2015			
	Surapon Nichirei Foods Company Limited	Other individually immaterial subsidiaries <i>(in thousand Baht)</i>	Intra-group eliminations	Total
Non-controlling interest percentage	51			
Current assets	690,790			
Non-current assets	809,563			
Current liabilities	(431,215)			
Non-current liabilities	(113,474)			
Net assets	955,664			
Carrying amount of non-controlling interest	485,910	83,017	(573)	568,354
Revenue	3,424,863			
Profit	340,096			
Other comprehensive income	15,905			
Total comprehensive income	356,001			
Profit allocated to non-controlling interest	173,449	(574)	(573)	172,302
Other comprehensive income allocated to non-controlling interest	8,112	343	-	8,455
Cash flows from operating activities	520,026			
Cash flows from investing activities	(61,050)			
Cash flows from financing activities (dividends to non-controlling interest: Baht 158.1 million)	(425,534)			
Net increase in cash and cash equivalents	33,442			

	31 December 2014			
	Surapon Nichirei Foods Company Limited	Other individually immaterial subsidiaries <i>(in thousand Baht)</i>	Intra-group eliminations	Total
Non-controlling interest percentage	51			
Current assets	677,644			
Non-current assets	872,719			
Current liabilities	(480,601)			
Non-current liabilities	(160,098)			
Net assets	909,664			
Carrying amount of non-controlling interest	462,473	10,002	(6)	472,469
Revenue	3,374,586			
Profit	309,426			
Other comprehensive income	-			
Total comprehensive income	309,426			
Profit allocated to non-controlling interest	157,807	(610)	(6)	157,191
Other comprehensive income allocated to non-controlling interest	-			
Cash flows from operating activities	412,797			
Cash flows from investing activities	1,598			
Cash flows from financing activities (dividends to non-controlling interest: Baht 86.7 million)	(292,117)			
Net increase in cash and cash equivalents	122,278			

13 Other long-term investments

Other long-term investments as at 31 December 2015 and 2014, and dividend income from those investments for the years then ended were as follows:

Consolidated and separate financial statements												
Type of business	Ownership interest (%)		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	(in thousand Baht)											
Pure Refined Oil Company Limited												
Palm oil producer	6.0	6.0	250,000	250,000	15,000	15,000	(15,000)	(15,000)	-	-	-	-
In Arm Group Company Limited	10.0	10.0	10,000	10,000	1,000	1,000	(1,000)	(1,000)	-	-	-	-
Shrimp Culture Research and development	0.4	0.4	30,000	30,000	98	98	(98)	(98)	-	-	-	-
Development Company Limited												
Total					16,098	16,098	(16,098)	(16,098)	-	-	-	-

14 Investment properties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Cost				
At 1 January	220,944	220,944	5,000	5,000
Additions	-	-	-	-
At 31 December	220,944	220,944	5,000	5,000
Accumulated depreciation and impairment losses				
At 1 January	127,950	127,912	-	-
Depreciation charge for the year	38	38	-	-
Reversal of impairment loss	(1,960)	-	-	-
At 31 December	126,028	127,950	-	-
Net book value				
At 1 January 2014		93,032		5,000
At 31 December 2014 and at 1 January 2015	92,994	92,994	5,000	5,000
At 31 December 2015	94,916		5,000	

Investment properties were revalued as at 31 December 2015 and 2014 by General Valuation and Constant Company Limited, a firm of independent professional valuers, at open market values on an existing use basis. The appraised value in September 2015 was Baht 123.4 million for the consolidated financial statements and Baht 8.5 million for the separate financial statements (2014: Baht 110.6 million for the consolidated financial statements and Baht 5.3 million for the separate financial statements).

Investment properties comprise a number of commercial properties, plant and equipment that are leased to third parties and land held for future project. Each of the leases contains an initial period of 2 years. These agreements are effective until terminated by either party by giving advance written notice as prescribed in the agreements.

Measurement of fair value

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio every five year basis.

The fair value measurement for investment property of Baht 123.4 million has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

15 Property, plant and equipment

	Land and improvements	Buildings and improvements	Freezing buildings and equipment	Prawn pond and improvements	Machinery and equipment <i>(in thousand Baht)</i>	Electrical and water systems	Transportation equipment	Furniture, fixtures and office equipment	Assets under construction and installation	Total
Revaluation										
At 1 January 2014	484,182	-	-	-	-	-	-	-	-	484,182
At 31 December 2014	484,182	-	-	-	-	-	-	-	-	484,182
and 1 January 2015	76,284	-	-	-	-	-	-	-	-	76,284
Surplus on revaluation	15,647	-	-	-	-	-	-	-	-	15,647
Transfer from land at cost	576,113	-	-	-	-	-	-	-	-	576,113
At 31 December 2015										
Cost										
At 1 January 2014	58,934	588,387	211,653	23,858	1,854,651	268,009	53,520	192,665	14,834	3,266,511
Additions	-	2,328	1,051	-	97,701	1,709	3,886	3,658	77,869	188,202
Transfers	-	10,840	2,491	-	58,807	3,583	80	5,403	(81,204)	-
Disposals	-	(3,029)	(1,304)	-	(114,275)	(3,110)	(2,589)	(5,425)	-	(129,732)
At 31 December 2014										
and 1 January 2015	58,934	598,526	213,891	23,858	1,896,884	270,191	54,897	196,301	11,499	3,324,981
Additions	113,792	1,310	624	-	23,921	1,252	3,789	5,842	204,842	355,372
Transfers	1,349	19,832	4,382	-	54,595	4,032	-	4,857	(89,047)	-
Transfer to land at appraised value	(15,647)	-	-	-	-	-	-	-	-	(15,647)
Disposals	-	(8,493)	(1,337)	-	(40,871)	(2,692)	(12,427)	(5,148)	-	(70,968)
At 31 December 2015	158,428	611,175	217,560	23,858	1,934,529	272,783	46,259	201,852	127,294	3,593,738

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	Land and improvements	Buildings and improvements	Freezing buildings and equipment	Prawn pond and improvements	Machinery and equipment	Electrical and water systems	Transportation equipment	Furniture, fixtures and office equipment	Assets under construction and installation	Total
<i>(in thousand Baht)</i>										
Accumulated depreciation										
Cost										
At 1 January 2014	29,762	368,608	149,832	23,604	1,269,683	163,395	36,032	163,402	-	2,204,318
Depreciation charge for the year	2,361	25,853	7,315	80	147,520	11,178	7,316	11,298	-	212,921
Disposals	-	(3,029)	(1,281)	-	(47,168)	(2,976)	(2,589)	(5,352)	-	(62,395)
At 31 December 2014										
and 1 January 2015	32,123	391,432	155,866	23,684	1,370,035	171,597	40,759	169,348	-	2,354,844
Depreciation charge for the year	2,273	24,023	6,992	80	154,288	11,220	4,943	11,004	-	214,823
Disposals	-	(6,709)	(1,336)	-	(39,427)	(2,692)	(12,125)	(5,077)	-	(67,366)
At 31 December 2015	34,396	408,746	161,522	23,764	1,484,896	180,125	33,577	175,275	-	2,502,301
Net book value										
At 1 January 2014										
Owned assets	513,354	219,779	61,821	254	527,162	104,614	6,987	28,689	14,834	1,477,494
Assets under finance leases	-	-	-	-	57,806	-	10,501	574	-	68,881
	513,354	219,779	61,821	254	584,968	104,614	17,488	29,263	14,834	1,546,375
At 31 December 2014 and 1 January 2015										
Owned assets	510,993	207,094	58,025	174	424,987	98,594	3,037	26,541	11,499	1,340,944
Assets under finance leases	-	-	-	-	101,862	-	11,101	412	-	113,375
	510,993	207,094	58,025	174	526,849	98,594	14,138	26,953	11,499	1,454,319
At 31 December 2015										
Owned assets	700,145	202,429	56,038	94	374,705	92,658	2,257	26,327	127,294	1,581,947
Assets under finance leases	-	-	-	-	74,928	-	10,425	250	-	85,603
	700,145	202,429	56,038	94	449,633	92,658	12,682	26,577	127,294	1,667,550

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	Land and improvements	Buildings and improvements	Freezing buildings and equipment	Machinery and equipment	Electrical and water systems (in thousand Baht)	Transportation equipment	Furniture, fixtures and office equipment	Assets under construction and installation	Total
Revaluation									
At 1 January 2014	250,360	-	-	-	-	-	-	-	250,360
Additions	-	-	-	-	-	-	-	-	-
At 31 December 2014 and 1 January 2015	250,360	-	-	-	-	-	-	-	250,360
Additions	47,605	-	-	-	-	-	-	-	47,605
At 31 December 2015	297,965	-	-	-	-	-	-	-	297,965
Cost									
At 1 January 2014	11,502	214,682	109,244	504,553	68,053	12,867	58,765	10,380	990,046
Additions	-	984	162	9,966	440	1,645	1,232	15,644	30,073
Transfers	-	522	200	19,219	1,365	80	426	(21,812)	-
Disposals	-	(2,946)	(248)	(20,305)	(897)	(560)	(4,053)	-	(29,009)
At 31 December 2014 and 1 January 2015	11,502	213,242	109,358	513,433	68,961	14,032	56,370	4,212	991,110
Additions	-	945	257	9,434	1,161	3,084	1,401	37,700	53,982
Transfers	-	4,267	4,381	28,813	299	-	44	(37,804)	-
Disposals	-	(2,687)	(1,239)	(18,642)	(1,277)	(3,190)	(900)	-	(27,935)
At 31 December 2015	11,502	215,767	112,757	533,038	69,144	13,926	56,915	4,108	1,017,157

Separate financial statements

	Land and improvements	Buildings and improvements	Freezing buildings and equipment	Machinery and equipment	Electrical and water systems	Transportation equipment	Furniture, fixtures and office equipment	Assets under construction and installation	Total
<i>(in thousand Baht)</i>									
Accumulated depreciation									
Cost									
At 1 January 2014	8,653	153,174	82,306	373,117	51,055	9,813	48,651	-	726,769
Depreciation charge for the year	497	10,559	3,117	30,989	2,688	1,034	4,062	-	52,946
Disposals	-	(2,945)	(238)	(19,590)	(897)	(560)	(4,022)	-	(28,252)
At 31 December 2014 and 1 January 2015	9,150	160,788	85,185	384,516	52,846	10,287	48,691	-	751,463
Depreciation charge for the year	350	8,428	2,932	31,081	2,684	1,244	3,521	-	50,240
Disposals	-	(2,603)	(1,239)	(17,685)	(1,277)	(3,190)	(898)	-	(26,892)
At 31 December 2015	9,500	166,613	86,878	397,912	54,253	8,341	51,314	-	774,811
Net book value									
At 1 January 2014	253,209	61,508	26,938	130,112	16,998	1,516	10,114	10,380	510,775
Owned assets	-	-	-	1,324	-	1,538	-	-	2,862
Assets under finance leases	253,209	61,508	26,938	131,436	16,998	3,054	10,114	10,380	513,637
At 31 December 2014 and 1 January 2015	252,712	52,454	24,173	127,885	16,115	1,364	7,679	4,212	486,594
Owned assets	-	-	-	1,032	-	2,381	-	-	3,413
Assets under finance leases	252,712	52,454	24,173	128,917	16,115	3,745	7,679	4,212	490,007
At 31 December 2015	299,967	49,154	25,879	133,557	14,891	1,080	5,601	4,108	534,237
Owned assets	-	-	-	1,569	-	4,505	-	-	6,074
Assets under finance leases	299,967	49,154	25,879	135,126	14,891	5,585	5,601	4,108	540,311

The land stated at appraised value is detailed as follows:

Company	Latest appraised year	Revaluation method	Consolidated financial statements		Separate financial statements	
			Appraised value	Cost model	Appraised value	Cost model
(in thousand Baht)						
Surapon Foods Public Company Limited	2015	Market comparison method	297,965	40,920	297,965	40,920
Surat Seafood Company Limited	2015	Market comparison method	16,000	1,546	-	-
Surapon Nichirei Foods Company Limited	2015	Market comparison method	223,648	43,765	-	-
Surapon Aquaculture Company Limited	2015	Market comparison method	38,500	29,491	-	-
			576,113	115,722	297,965	40,920

During the year 2015, the value of the Group's land was reappraised by General Valuation & Consultants Co., Ltd., an independent professional valuer, by applying market comparison approach as shown in the appraiser's reports dated during 20 to 28 August 2015. The Group recorded its land at the reappraised value, with a revaluation surplus of land net of income tax for the Group and the Company amounting to Baht 61.0 million and Baht 38.1 million, respectively, in the account "Revaluation surplus", under other component of equity under "Equity" in the statement of financial position.

The gross carrying amount of fully depreciated plant and equipment that was still in use as at 31 December 2015 amounted to Baht 1,591.7 million for the Group and Baht 559.7 million for the Company (2014: Baht 1,488.1 million for the Group and Baht 468.7 million for the Company).

The Company and subsidiaries are committed to comply with certain conditions and restrictions prescribed in the long-term loan agreements, such as additional mortgages of land and buildings are not allowed (see note 19).

Measurement of fair value

Fair value hierarchy

The fair value of land was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's land portfolio every five years basis.

The fair value measurement for land of Baht 576.1 million has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

16 Intangible assets

	Consolidated financial statements Computer software (in thousand Baht)
<i>Cost</i>	
At 1 January 2014	34,954
Additions	526
At 31 December 2014 and 1 January 2015	35,480
Additions	538
At 31 December 2015	36,018
<i>Accumulated amortization</i>	
At 1 January 2014	20,681
Amortization charge for the year	3,353
At 31 December 2014 and 1 January 2015	24,034
Amortization charge for the year	3,211
At 31 December 2015	27,245
<i>Net book value</i>	
At 1 January 2014	14,273
At 31 December 2014 and 1 January 2015	11,446
At 31 December 2015	8,773
	Separate financial statements Computer software (in thousand Baht)
<i>Cost</i>	
At 1 January 2014	26,926
Additions	42
At 31 December 2014 and 1 January 2015	26,968
Additions	281
At 31 December 2015	27,249
<i>Accumulated amortization</i>	
At 1 January 2014	18,229
Amortization charge for the year	2,551
At 31 December 2014 and 1 January 2015	20,780
Amortization charge for the year	2,399
At 31 December 2015	23,179
<i>Net book value</i>	
At 1 January 2014	8,697
At 31 December 2014 and 1 January 2015	6,188
At 31 December 2015	4,070

17 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

Consolidated financial statements			
	Assets		Liabilities
	2015	2014	2015
	<i>(in thousand Baht)</i>		
Total	51,886	49,625	(92,527)
Set off of tax	(32,141)	(26,233)	32,141
Net deferred tax assets (liabilities)	19,745	23,392	(60,386)

Separate financial statements			
	Assets		Liabilities
	2015	2014	2015
	<i>(in thousand Baht)</i>		
Total	24,572	19,470	(51,608)
Set off of tax	(24,572)	(19,470)	24,572
Net deferred tax assets (liabilities)	-	-	(27,036)

Movements in total deferred tax assets and liabilities during the years ended 31 December 2015 and 2014 were as follows:

Consolidated financial statements			
	(Charged) / Credited to:		
	At 1 January 2015	Profit or loss	Other comprehensive income
		<i>(in thousand Baht)</i>	
			At 31 December 2015
Deferred tax assets			
Trade accounts receivable <i>(allowance for doubtful accounts)</i>	140	-	-
Other receivables <i>(allowance for doubtful accounts)</i>	63	-	-
Inventories <i>(allowance for decline in value)</i>	411	255	-
Property, plant and equipment <i>(allowance for impairment)</i>	4,883	(392)	-
Property, plant and equipment <i>(depreciation gap)</i>	-	236	-
Employee benefit obligations	15,205	(28)	3,868
Unrealised loss on derivative	9	255	-
Loss carry forward	28,914	(1,933)	-
Total	49,625	(1,607)	3,868
Deferred tax liabilities			
Available-for-sale investments <i>(valuation adjustment)</i>	(986)	-	886
Property, plant and equipment <i>(depreciation gap)</i>	(220)	(111)	-
Property, plant and equipment <i>(revaluation)</i>	(76,822)	-	(15,256)
Unrealised gain on derivative	(1,747)	1,729	-
Total	(79,775)	1,618	(14,370)
Net	(30,150)	11	(10,502)

Consolidated financial statements			
(Charged) / Credited to:			
	At 1 January 2014	Profit or loss Other comprehensive income	At 31 December 2014
	(in thousand Baht)		
Deferred tax assets			
Trade accounts receivable (allowance for doubtful accounts)	60	80	140
Other receivables (allowance for doubtful accounts)	63	-	63
Inventories (allowance for decline in value)	368	43	411
Property, plant and equipment (allowance for impairment)	4,883	-	4,883
Employee benefit obligations	14,175	1,030	15,205
Unrealised loss on derivative	671	(662)	9
Loss carry forward	32,913	(3,999)	28,914
Total	53,133	(3,508)	49,625
Deferred tax liabilities			
Available-for-sale investments (valuation adjustment)	(606)	-	(986)
Property, plant and equipment (depreciation gap)	(221)	1	(220)
Property, plant and equipment (revaluation)	(76,822)	-	(76,822)
Unrealised gain on derivative	-	(1,747)	(1,747)
Total	(77,649)	(1,746)	(79,775)
Net	(24,516)	(5,254)	(30,150)

	At 1 January 2015	Separate financial statements (Charged) / Credited to:		At 31 December 2015
		Profit or loss	Other comprehensive income	
		(in thousand Baht)		
Deferred tax assets				
Trade accounts receivable (allowance for doubtful accounts)	140	-	-	140
Other receivables (allowance for doubtful accounts)	63	-	-	63
Inventories (allowance for decline in value)	306	196	-	502
Employee benefit obligations	8,543	235	3,538	12,316
Unrealised loss on derivative	-	204	-	204
Loss carry forward	10,418	929	-	11,347
Total	19,470	1,564	3,538	24,572
Deferred tax liabilities				
Available-for-sale investments (valuation adjustment)	(986)	-	930	(56)
Property, plant and equipment (depreciation gap)	(7)	(136)	-	(143)
Property, plant and equipment (revaluation)	(41,888)	-	(9,521)	(51,409)
Unrealised gain on derivative	(694)	694	-	-
Total	(43,575)	558	(8,591)	(51,608)
Net	(24,105)	2,122	(5,053)	(27,036)

	At 1 January 2014	Separate financial statements (Charged) / Credited to:		At 31 December 2014
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable (allowance for doubtful accounts)	60	80	-	140
Other receivables (allowance for doubtful accounts)	63	-	-	63
Inventories (allowance for decline in value)	75	231	-	306
Employee benefit obligations	7,811	732	-	8,543
Unrealised loss on derivative	479	(479)	-	-
Loss carry forward	13,577	(3,159)	-	10,418
Total	22,065	(2,595)	-	19,470
Deferred tax liabilities				
Available-for-sale investments (valuation adjustment)	(606)	-	(380)	(986)
Property, plant and equipment (depreciation gap)	(145)	138	-	(7)
Property, plant and equipment (revaluation)	(41,888)	-	-	(41,888)
Unrealised gain on derivative	-	(694)	-	(694)
Total	(42,639)	(556)	(380)	(43,575)
Net	(20,574)	(3,151)	(380)	(24,105)

18 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Leasehold rights, net	1,791	2,020	1,791	2,020
Deferred charges	163	913	226	251
Restricted fixed deposits at financial institution	2,000	2,000	-	-
Refundable deposits and others	1,805	2,104	1,511	1,499
Total	5,759	7,037	3,528	3,770

(a) Leasehold right

This represented payment of leasehold right to the lessor. The Company has a lease agreement for building area with a local company. The lease agreement is for a period of 30 years, expiring in 2023.

(b) Restricted fixed deposits at financial institution

This represented fixed deposits at financial institution of a subsidiary with a local financial institution of Baht 2.0 million (2014: Baht 2.0 million), which has been pledged as collateral for bank guarantees issued by the said financial institution.

19 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Current				
Short-term loans from financial institutions				
secured	19,000	11,500	-	-
unsecured	160,000	190,793	-	-
Short-term loans from financial institutions	179,000	202,293	-	-
Current portion of long-term loans from financial institutions				
secured	-	2,004	-	-
unsecured	25,707	47,477	3,000	6,000
	25,707	49,481	3,000	6,000
Current portion of finance lease liabilities	31,854	30,514	1,419	756
	236,561	282,288	4,419	6,756
Non-current				
Long-term loans from financial institutions				
secured	-	3,988	-	-
unsecured	-	23,738	-	3,000
	-	27,726	-	3,000
Finance lease liabilities	53,072	82,119	3,939	2,622
	53,072	109,845	3,939	5,622
Total	289,633	392,133	8,358	12,378

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Within one year	204,707	251,774	3,000	6,000
After one year but within five years	-	27,726	-	3,000
Total	204,707	279,500	3,000	9,000

As at 31 December 2015, promissory notes bore interest at rates ranging from 2.35% to 3.2% per annum (2014: ranging from 0.78% to 3.4% per annum).

Long-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		<i>(in thousand Baht)</i>		
Local financial institutions	3,000	14,992	3,000	9,000
Foreign financial institutions	22,707	62,215	-	-
	25,707	77,207	3,000	9,000
Less current portion	(25,707)	(49,481)	(3,000)	(6,000)
Net	-	27,726	-	3,000

Long-term loans from financial institutions

Local financial institutions

The Company entered into loan agreements with a local financial institution for periods of from five to seven years. The loans mainly bear interest rates ranging from MLR to MLR minus 1% per annum and are repayable in monthly installments until 2016. The outstanding loan balance as at 31 December 2015 amounted to Baht 3 million (2014: Baht 9 million).

A subsidiary entered into loan agreement with a local financial institution for Baht 10 million for a period of five years. The interest rate is MLR minus 1.5% per annum for the first year, MLR minus 1.25% per annum for the second year and MLR minus 1.0% per annum thereafter. The loan is repayable monthly at Baht 0.17 million for each installment, commencing from January 2013 up to December 2017. These loans were fully paid in 2015 (2014: Baht 6 million).

Foreign financial institutions

In April 2013, a subsidiary entered into loan agreements with a financial institution for Japanese Yen 100 million for a period of three years. The interest rates are fixed at 1.1% per annum for the first year and six months and at 1.2% per annum thereafter. The loans are repayable every six months at Japanese Yen 25 million for each installment, commencing from October 2014 up to April 2016. The outstanding loan balance as at 31 December 2015 amounted to Baht 7.6 million (2014: Baht 20.7 million).

In May 2013, a subsidiary entered into loan agreements with a financial institution for Japanese Yen 200 million for a period of three years. The interest rates are fixed at 1.2% per annum for the first year and six months and at 1.3% per annum thereafter. The loans are repayable every six months at Japanese Yen 50 million for each installment, commencing from November 2014 up to May 2016. The outstanding loan balance as at 31 December 2015 amounted to Baht 15.1 million (2014: Baht 41.5 million).

As at 31 December 2015, unutilised credit facilities totalled Baht 1,880.2 million and U.S. Dollars 12.4 million for the Group and Baht 1,296.5 million for the Company (2014: Baht 1,915.1 million and U.S. Dollars 12.8 million for the Group and Baht 1,307.5 million for the Company).

The Company and subsidiaries are committed to comply with certain conditions and restrictions prescribed in the loan agreements such as maintaining the debt to equity and the debt service coverage ratio, no additional mortgages of land and buildings (see note 15), etc.

These credit facilities of subsidiaries are principally collateralised by the Company and/or a related company.

Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

Consolidated financial statements						
	2015			2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	35,109	(3,255)	31,854	35,070	(4,556)	30,514
After one year but within five years	55,890	(2,818)	53,072	87,896	(5,777)	82,119
Total	90,999	(6,073)	84,926	122,966	(10,333)	112,633

Separate financial statements						
	2015			2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	1,772	(353)	1,419	1,062	(306)	756
After one year but within five years	4,474	(536)	3,938	3,215	(593)	2,622
Total	6,246	(889)	5,357	4,277	(899)	3,378

As at 31 December 2015 and 2014, the Company and subsidiaries had entered into finance lease agreements with several local leasing companies to purchase vehicles, forklifts, machinery and equipment. Such lease agreements have terms expiring up to 2020, and bear interest at rates ranging from 2.15% to 42.35% per annum in 2015 (2014: ranging from 3.22% to 42.35% per annum). Most of the agreements are repayable in 48 installments and 60 installments starting from October 2011.

The ownership of the vehicles, forklifts, machinery and equipment purchased under finance lease agreements will be transferred to the Company and its subsidiaries when the last installments are made.

The currency denomination of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	266,926	139,126	8,358	12,378
Japanese Yen (JPY)	22,707	253,007	-	-
Total	289,633	392,133	8,358	12,378

20 Trade accounts payable

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Related parties	12,525	7,482	8,923	15,562
Other parties	172,328	190,193	52,168	63,417
Total	184,853	197,675	61,091	78,979

The currency denomination of trade accounts payable as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	167,404	165,371	60,854	53,357
Japanese Yen (JPY)	15,806	7,920	25	1,238
United States Dollars (USD)	1,643	24,384	212	24,384
Total	184,853	197,675	61,091	78,979

21 Other payables

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Related parties	19,992	18,878	1	1
Other parties				
Accrued operating expenses	35,020	30,849	13,243	11,766
Other payables	39,682	35,251	26,075	27,308
Accrued wage and bonus expenses	49,157	65,971	15,522	31,541
Others	20,703	15,398	11,544	8,829
	144,562	147,469	66,384	79,444
Total	164,554	166,347	66,385	79,445

The currency denomination of other current liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	151,837	156,709	59,188	74,194
Japanese Yen (JPY)	4,579	4,387	-	-
United States Dollars (USD)	8,138	5,251	7,197	5,251
Total	164,554	166,347	66,385	79,445

22 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Statement of financial position				
Statement of financial position				
obligations for:				
Employee benefit				
Post-employment	105,801	84,707	63,084	42,898
Other long-term	3,729	5,746	1,297	2,544
Total	109,530	90,453	64,381	45,442

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
For the year ended 31 December				
Statement of comprehensive income				
Recognised in profit or loss:				
Employee benefits	10,388	12,344	5,418	5,273
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	19,317	-	17,689	-

The Group and the Company operate defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration, length of service and long service award based on the Company's policy.

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Defined benefit obligation at 1 January	90,453	82,392	45,442	41,549
Include in profit or loss:				
Current service cost	6,461	8,617	3,405	3,400
Interest on obligation	3,927	3,727	2,013	1,873
	10,388	12,344	5,418	5,273
Included in other comprehensive income				
Actuarial loss	19,317	-	17,689	-
Other				
Benefits paid	(10,628)	(4,283)	(4,168)	(1,380)
Defined benefit obligation at 31 December	109,530	90,453	64,381	45,442

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Demographic assumptions	741	-	7,276	-
Financial assumptions	322	-	(590)	-
Experience adjustment	18,254	-	11,003	-
Total	19,317	-	17,689	-

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as averages).

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in percentage)</i>			
Discount rate	3.5 – 4.03	4.13 - 4.47	3.5 -3.96	4.13 - 4.18
Future salary growth	0.71 – 6.91	3.38 - 7.06	5.00	4.26 - 7.06

Assumptions regarding future mortality are based on published statistics and Thai Mortality tables 2008 (TMO08).

At 31 December 2015, the average duration of the defined benefit obligation was 18 years (2014:18 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	(in thousand Baht)			
Defined benefit obligation 31 December 2015	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(7,508)	8,439	(4,276)	4,780
Future salary growth (1% movement)	8,105	(7,358)	4,635	(4,229)
Employee turnover rate (1% movement)	(8,599)	9,195	(4,786)	5,306

23 Share capital

	Par value per share (in Baht)	2015		2014	
		Number	Amount	Number	Amount
		(thousand shares / thousand Baht)			
<i>Authorised</i>					
At 1 January					
- ordinary shares	<i>1</i>	270,000	270,000	270,000	270,000
At 31 December					
- ordinary shares	<i>1</i>	270,000	270,000	270,000	270,000
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	<i>1</i>	269,999	269,999	269,999	269,999
At 31 December					
- ordinary shares	<i>1</i>	269,999	269,999	269,999	269,999

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

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

24 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Revaluation surplus

The revaluation surplus account within equity comprises the cumulative net change in the valuation of property, plant and equipment included in the financial statements at valuation until such property, plant and equipment is sold or otherwise disposed of.

25 Segment information

The Group operates in a single line of business, namely the manufacturing and trading of frozen foods products, finished and semi-finished frozen foods, which is an integrated line of product. As a result, management considers that the Group operates in a single line of business. Hence, all of revenue, operating profit and assets as reflected in these financial statement were derived from frozen foods products, finished and semi-finished frozen foods.

26 Investment income

	Consolidated		Separate	
	financial statements		financial statements	
Note	2015	2014	2015	2014
	(in thousand Baht)			
Dividend income	4	-	170,872	83,692
Rental income		11,058	13,533	9,262
Others		9,676	4,331	8,246
Total		20,734	17,864	188,380
				97,019

27 Other income

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Income from sales of raw material scraps		38,228	44,704	751	956
Management, selling and marketing assistance income	4	-	-	17,621	14,155
Compensation income on exported goods		1,158	1,172	1,026	1,063
Others		19,479	11,311	3,546	2,333
Total		58,865	57,187	22,944	18,507

28 Selling expenses

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Freight charges		77,182	69,033	15,135	15,508
Employee benefit expenses		58,082	52,755	49,512	45,405
Advertising and sales promotion expenses		21,626	18,072	21,624	18,060
Export expenses		32,336	29,548	2,928	3,279
Technical assistance fees	4	15,413	14,491	-	-
Others		46,486	43,531	41,201	39,115
Total		251,125	227,430	130,400	121,367

29 Administrative expenses

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Employee benefit expenses		109,383	105,624	71,352	70,394
Impairment losses on investments		-	-	7,504	9,600
Depreciation and amortisation		12,820	14,983	6,136	6,472
Management assistance fees	4	4,312	4,641	-	-
Others		36,524	23,548	22,512	19,701
Total		163,039	148,796	107,504	106,167

30 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Management					
Salaries		33,420	29,652	33,420	29,652
Others		11,090	15,551	8,635	13,586
	4	44,510	45,203	42,055	43,238

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Other employees				
Salaries and wages	526,216	515,901	246,552	247,780
Others	273,330	268,888	84,378	88,074
	799,546	784,789	330,930	335,854
Total	844,056	829,992	372,985	379,092

31 Expenses by nature

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress		71,642	18,269	61,607	12,535
Raw materials and consumables used		3,019,634	3,134,431	586,992	670,030
Employee benefit expenses	30	844,056	829,992	372,985	379,092
Depreciation		214,860	212,960	50,241	52,947
Amortisation		3,441	3,582	2,628	2,780
Others		586,961	617,968	569,011	631,985
Total cost of sale of goods, selling expenses and administrative expenses		4,740,594	4,817,202	1,643,464	1,749,369

32 Finance costs

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Finance costs:				
Financial institutions	4,831	4,604	356	708
Others	4,636	4,361	400	107
Total	9,467	8,965	756	815

33 Income tax benefit (expense)

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Current income tax benefit (expense)				
Current year	(27,617)	(22,312)	-	-
	(27,617)	(22,312)	-	-
Deferred income tax expense				
Movements in temporary differences	11	(5,254)	2,122	(3,151)
Total income tax benefit (expense)	(27,606)	(27,566)	2,122	(3,151)

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	Before tax	2015 Tax (expense) benefit	Net of tax	Before tax	2014 Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Available-for-sale financial assets	(4,429)	886	(3,543)	1,898	(380)	1,518
Revaluation surplus	76,283	(15,256)	61,027	-	-	-
Defined benefit plan actuarial losses	(19,317)	3,868	(15,449)	-	-	-
Total	52,537	(10,502)	42,035	1,898	(380)	1,518

	Separate financial statements					
	Before tax	2015 Tax (expense) benefit	Net of tax	Before tax	2014 Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Available-for-sale financial assets	(4,650)	930	(3,720)	1,898	(380)	1,518
Revaluation surplus	47,605	(9,521)	38,084	-	-	-
Defined benefit plan actuarial losses	(17,689)	3,538	(14,151)	-	-	-
Total	25,266	(5,053)	20,213	1,898	(380)	1,518

Reconciliation of effective tax rate

Consolidated financial statements				
	2015		2014	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		371,893		357,061
Income tax using the Thai corporation tax rate	20	74,379	20	71,412
Income not subject to tax		(51,979)		(51,846)
Expenses not deductible for tax purposes		2,659		3,030
Temporary differences for which no deferred tax asset was recognised		2,861		4,970
Over provided in prior period		(314)		-
Total	7.4	27,606	7.7	27,566

Separate financial statements				
	2015		2014	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		166,788		108,437
Income tax using the Thai corporation tax rate	20	33,358	20	21,687
Income not subject to tax		(37,595)		(21,533)
Expenses not deductible for tax purposes		2,429		2,611
Temporary differences for which no deferred tax asset was recognised		-		386
Over provided in prior period		(314)		-
Total	(1.3)	(2,122)	2.9	3,151

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction of the corporate tax rate to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the statutory corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

The Group has applied the tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

34 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act B.E. 2520, the Company and a subsidiary (Surapon Nichirei Foods Company Limited) were granted certain privileges by the Board of Investment relating to the manufacturing of ready-to-eat frozen foods, finished and semi-finished frozen foods. The privileges granted include:

- (a) the Company and subsidiary have exemption from payment of income tax for certain operations for a period of 8 years from the date on which the income is first derived from such operations.
- (b) the subsidiary has been granted 50% reduction in the normal income tax on the net profit derived from certain operations for a period of 5 years commencing from the expiry date in (a) above.
- (c) the subsidiary has exemption from the import duty on machinery approved by the Board.
- (d) the subsidiary is allowed to deduct for double amount of transportation and utility expenses for a period of 10 years from the date on which the income is first derived from such operations.

As promoted companies, the Company and the subsidiary must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenues from promoted and non-promoted businesses were as follows:

Consolidated financial statements						
	2015			2014		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
	<i>(in thousand Baht)</i>					
Export sales	2,174,876	2,170,401	4,345,277	2,128,097	2,187,344	4,315,441
Local sales	921	981,982	982,903	217	1,038,374	1,038,591
Eliminations	(25)	(321,165)	(321,190)	(16)	(373,113)	(373,129)
Total revenue	2,175,772	2,831,218	5,006,990	2,128,298	2,852,605	4,980,903

Separate financial statements						
	2015			2014		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
	<i>(in thousand Baht)</i>					
Export sales	45,697	900,997	946,694	57,667	996,101	1,053,768
Local sales	48	649,759	649,807	110	685,117	685,227
Total revenue	45,745	1,550,756	1,596,501	57,777	1,681,218	1,738,995

35 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2015 and 2014 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate Financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (Basic)	171,984	172,304	168,910	105,286
Number of ordinary shares outstanding	269,999	269,999	269,999	269,999
Basic earnings per share (<i>in Baht</i>)	0.64	0.64	0.63	0.39

36 Dividends

At the annual general meeting of the shareholders of the Company held on 22 April 2015, the shareholders approved the appropriation of dividends of Baht 0.27 per share, amounting to Baht 72.9 million. The dividend was paid to shareholders in May 2015.

At the annual general meeting of the shareholders of the Company held on 4 April 2014, the shareholders approved the appropriation of dividends of Baht 0.35 per share, amounting to Baht 94.5 million. The dividend was paid to shareholders in April 2014.

37 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result for operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows from fixed interest rate loan. The Group is primarily exposed to interest rate risk from its borrowings (see note 19). Management, however, consider that the interest rate risk is not material hence, the Group has no hedging agreements to protect against such risk.

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature were as follows:

Consolidated financial statements					
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2015					
Current					
Loans from financial institutions	2.18 - 3.2	179,000	-	-	179,000
Non-current					
Loans from financial institutions	1.23 - 6	25,707	-	-	25,707
Total		204,707	-	-	204,707
2014					
Current					
Loans from financial institutions	0.78 - 3.4	202,293	-	-	202,293
Non-current					
Loans from financial institutions	1.1 - 6	49,481	27,726	-	77,207
Total		251,774	27,726	-	279,500
Separate financial statements					
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2015					
Non-current					
Loans from financial institutions	6	3,000	-	-	3,000
Total		3,000	-	-	3,000
2014					
Non-current					
Loans from financial institutions	6	6,000	3,000	-	9,000
Total		6,000	3,000	-	9,000

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated sales, denominated in foreign currencies, for the current and subsequent period.

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
Japanese Yen					
Cash and cash equivalents	5	3	3	1	-
Trade accounts receivable	7	140,930	156,417	28,837	33,585
Trade accounts payable	20	(15,806)	(7,920)	(25)	(1,238)
Other payables	21	(4,579)	(4,387)	-	-
Loans from financial institutions	19	(22,707)	(253,007)	-	-
Gross financial position exposure		97,841	(108,894)	28,813	32,347
Estimated forecast sales		277,224	316,507	41,513	41,988
Gross exposure		375,065	207,613	70,326	74,335
Currency forwards		(410,331)	(473,024)	(70,428)	(75,674)
Net exposure		(35,266)	(265,411)	(102)	(1,339)
United States Dollars					
Cash and cash equivalents	5	23	17,026	22	17,026
Trade accounts receivable	7	48,548	25,004	20,654	21,234
Trade accounts payable	20	(1,643)	(24,384)	(212)	(24,384)
Other payables	21	(8,138)	(5,251)	(7,197)	(5,251)
Gross financial position exposure		38,790	12,395	13,267	8,625
Estimated forecast sales		24,303	19,271	-	19,271
Gross exposure		63,093	31,666	13,267	27,896
Currency forwards		(43,108)	(43,669)	-	(40,563)
Net exposure		19,985	(12,003)	13,267	(12,667)

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fair values of financial assets and liabilities

Fair values of financial assets and liabilities, together with the carrying values shown in the consolidated and separate statement of financial position at 31 December were as follows:

Consolidated financial statements					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2015					
Current					
Investment units - available for sale	109,304	-	109,304	-	109,304
Net payables from forward exchange contracts (presented under “Other payables”)	(2,587)	-	-	(15,621)	(15,621)
Loan from financial institutions	(204,707)	-	-	(204,707)	(204,707)
Separate financial statements					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2015					
Current					
Investment units - available for sale	45,315	-	45,315	-	45,315
Net payables from forward exchange contracts (presented under “Other payables”)	(1,022)	-	-	(1,206)	(1,206)
Loan from financial institutions	(3,000)	-	-	(3,000)	(3,000)
Consolidated financial statements					
	Fair value	Carrying amount	Fair value	Carrying amount	
		(in thousand Baht)			
31 December 2014					
Current					
Investment units - available for sale	197,496	197,496	197,485		197,485
Net receivables from forward exchange contracts (presented under “Other receivables”)	28,674	16,136	3,792		3,472
Loan from financial institutions	(251,774)	(251,774)	(6,000)		(6,000)
Non-current					
Loan from financial institutions	(27,726)	(27,726)	(3,000)		(3,000)

Financial instruments carried at fair value

Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

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

Level 2 fair values for over-the-counter investment units are based on net asset values from asset management companies.

The level 3 fair value for forward exchange contracts were calculated using the rates quoted by the Company's banker which were based on market conditions existing at the statement of financial position date.

38 Commitments with non-related parties

Capital commitment

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<i>Contracted but not provide for</i> Building and other constructions	138.4	-	-	-

Other commitments

As at 31 December 2015, the Group had outstanding forward exchange contracts covering periods less than one year as follows:

	Consolidated financial statements		Separate financial statements	
	Amount in foreign currencies <i>(in million)</i>	Equivalent to Baht <i>(in million Baht)</i>	Amount in foreign currencies <i>(in million)</i>	Equivalent to Baht <i>(in million Baht)</i>
Forward contracts to sell foreign currencies				
Japanese Yen	1,384.1	410.3	237.6	70.4
United State Dollars	1.2	43.1	-	-
Total		453.4		70.4

As at 31 December 2014, the Group had outstanding forward exchange contracts covering periods less than one year as follows:

	Consolidated financial statements		Separate financial statements	
Currencies	Amount in foreign currencies (in million)	Equivalent to Baht (in million Baht)	Amount in foreign currencies (in million)	Equivalent to Baht (in million Baht)
Forward contracts to sell foreign currencies				
Japanese Yen	1,744.4	473.0	279.1	75.7
United State Dollars	1.3	43.7	1.2	40.5
Total		516.7		116.2

39 Contingent liabilities

As at 31 December 2015, the Group had contingent liabilities for:

- letters of guarantee issued by banks to certain government agencies and private sector for the Company and subsidiaries totalling approximately Baht 11.3 million for the Group and Baht 7.6 million for the Company.
- joint guarantee for credit facilities which financial institutions extended to certain subsidiaries totalling approximately Baht 374.1 million.

40 Events after the reporting period

At the Board of Directors meeting of the Company held on 19 February 2016, the Board approved the appropriation of dividends based on the operating profit for the year 2015 of Baht 0.43 per share, amounting to Baht 116.1 million. The dividend is subject to approval by the shareholders at the annual general meeting to be held on 21 April 2016.

41 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2016, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures

TFRS	Topic
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 15 (revised 2015)	Operating Leases – Incentives
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 32 (revised 2015)	Intangible Assets – Web Site Costs
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.



บริษัท สุรพลฟู้ดส์ จำกัด (มหาชน) มุ่งมั่นในการผลิตสินค้าที่มีคุณภาพ และปลอดภัย ที่ได้รับความไว้วางใจ และความน่าเชื่อถือจากผู้บริโภคทั้งภายในประเทศ และต่างประเทศมากกว่า 30 ปี พร้อมทั้งได้ดำเนินงานภายใต้ปรัชญาที่ว่า Your Total Quality ได้แก่ การบูรณาการคุณภาพในทุกขั้นตอน เพื่อมอบสินค้าและบริการที่ดีที่สุดให้กับลูกค้าโดยทางบริษัทมีขั้นตอนการบริหารงานที่เป็นระบบและใส่ใจในทุกๆ เรื่องโดยเริ่มต้นจาก



1. การวิจัย และพัฒนาสินค้า

บริษัทฯ มุ่งมั่นใส่ใจในการลงทุนด้านงานวิจัยเพื่อพัฒนาผลิตภัณฑ์ อย่างต่อเนื่อง เพื่อให้ผลิตภัณฑ์มีความทันสมัย ปลอดภัย และ พัฒนาสินค้าให้เป็นไปตามความต้องการของผู้บริโภคโดยสอดคล้องกับกฎระเบียบ และมาตรฐานการที่มีความแตกต่างสำหรับลูกค้าแต่ละรายทั่วโลก รวมถึงมีการดำเนินธุรกิจอย่างเป็นมิตรกับสิ่งแวดล้อม



2. การคัดสรรวัตถุดิบ

ทางบริษัทได้ให้ความสำคัญกับกระบวนการคัดเลือกวัตถุดิบเป็นอย่างมาก เพราะเราใส่ใจและตระหนักในเรื่องของความปลอดภัยของอาหาร ตั้งแต่กระบวนการคัดเลือกวัตถุดิบจากแหล่งที่มีมาตรฐานรับรอง โดยหน่วยงานราชการที่น่าเชื่อถือและมีคุณภาพ โดยผ่านขั้นตอนการตรวจสอบอย่างเข้มงวดภายใต้มาตรฐานการตรวจรับวัตถุดิบ ณ โรงงานก่อนรับเข้าสู่สายการผลิตของโรงงาน



3. การผลิตสินค้า

ผลิตภัณฑ์ของเราจะถูกผลิตโดยขั้นตอนการผลิตที่มีประสิทธิภาพ และมีความทันสมัยภายใต้การควบคุมคุณภาพและระบบการผลิตอาหารให้ปลอดภัยที่มีการตรวจสอบอย่างเข้มงวด ตามมาตรฐาน Hazard Analysis and Critical Control Point (HACCP) , Good Manufacturing Practice (GMP) และมาตรฐาน ISO 22000 และระบบการทวนสอบผลิตภัณฑ์ที่มีความสามารถทวนสอบกลับได้ถึงแหล่งที่มาของวัตถุดิบ ส่วนผสม บรรจุภัณฑ์ ซึ่งเราเน้นเรื่องความปลอดภัย และคุณภาพที่สม่ำเสมอของอาหาร



4. ระบบ Logistics

เพื่อที่จะส่งมอบสินค้าคุณภาพถึงมือผู้บริโภค เราจึงใช้ระบบการจัดเก็บสินค้า และการขนส่งที่ทันสมัย ซึ่งสามารถควบคุมอุณหภูมิสำหรับผลิตภัณฑ์อาหารแช่เยือกแข็งให้อยู่ในระดับที่ต่ำกว่า - 18 องศาเซลเซียส โดยเราเน้นการส่งมอบสินค้าอย่างรวดเร็ว ปลอดภัย และมีคุณภาพ แก่ผู้บริโภค เพื่อสร้างความพึงพอใจสูงสุด



5. ทีมงานที่มีความเชี่ยวชาญ

มีทีมงานที่มีความเชี่ยวชาญในด้านต่างๆ ไม่ว่าจะเป็นทีมงานบริการลูกค้า และทีมฝ่ายขายที่สามารถให้คำปรึกษาเกี่ยวกับสินค้าที่เหมาะสมกับความต้องการของลูกค้าแต่ละราย ประกอบกับผู้บริหารที่มีวิสัยทัศน์ที่กว้างไกลและทันสมัยของบริษัท จึงให้ความสำคัญกับการพัฒนาบุคลากรเป็นอย่างมากเพื่อสร้างทีมงานที่สามารถให้บริการที่ประทับใจอย่างยั่งยืน

6. CSR

เพื่อเป็นการแสดงเจตนารมณ์ในการเป็นผู้ประกอบการ ที่ตระหนักถึงความสำคัญของการอยู่ร่วมกันได้ของการดำเนินธุรกิจ และการเป็นอยู่ที่ดีของสิ่งแวดล้อมทั้งในด้านสังคม และสิ่งแวดล้อมตามธรรมชาติ บริษัทมีการจัดโครงการต่างๆ มากมาย เพื่อส่งเสริมสังคม ความเป็นอยู่ของชุมชน และการอนุรักษ์สิ่งแวดล้อมตามธรรมชาติ เพื่อให้องค์กรได้เติบโตไปพร้อมกับสังคม และธรรมชาติอย่างยั่งยืน หรือเรียกว่า Corporate Social Responsibility (CSR)



Since 1977

บริษัท สุรพลฟู้ดส์ จำกัด (มหาชน)

Surapon Foods Public Company Limited

247 หมู่ที่ 1 ถนนเทพารักษ์ ตำบลเทพารักษ์ อำเภอเมือง

จังหวัดสมุทรปราการ 10270

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GMP Certificate

HACCP Certificate

BRC Certificate

ISO 22000

ISO/IEC 17025: 2005

Traceability System from Farm to Table

CAC Certified Company

Certificate of Compliance for Japan

Green Ticket for U.S.A.

Prime Minister's Export Award 1994

Prime Minister's Export Award 1998

Superbrands Thailand 2005

**“ Your Total Quality
ทุกขั้นตอนคุณภาพเพื่อคุณ ”**

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