

Malee®

ANNUAL REPORT 2014

MOVING BEYOND THAILAND



Vision

Innovative and healthy products leveraged through environmentally-friendly production processes dedicated to our customers' sustainable well-being.

Malee[®]

NATURAL,
HEALTHY
PRODUCTS



INTERNATIONAL
CONSUMERS



ZERO
WASTE



ZERO
DEFECT



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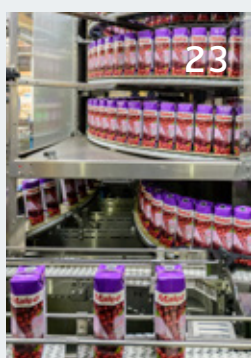
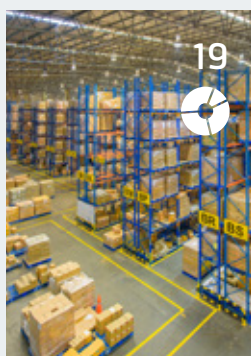
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Natural, Healthy Products





Creation of Top Quality Products for Your Health

With almost 40 years of experience and professional expertise in our business field, Malee Sampran strives to create products to nourish healthy lifestyle of domestic and international consumers.

MARKET SHARE

Market share of
Premium fruit juice

23%

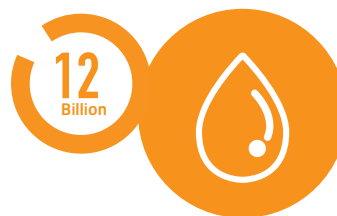
Market share of
canned fruit

52%

* As of 31 December 2014

MARKET VALUE

Fruit Juice Market



Excellence in Operations



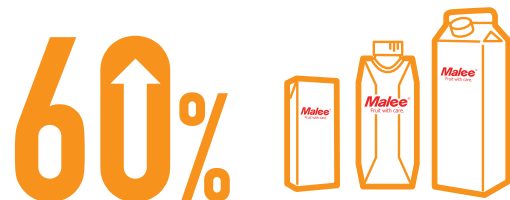


Best in Class

The Company set its targets to improve manufacturing quality and optimize costs of production, to stand out of the crowd of domestic and international competitors. In addition, we prioritize to maintaining standards of food safety on continual basis.

Brand and Contract Manufacturing

Revenue derived from Malee brand sales



World Recognized Standards



Regional Brand





Strive to become Regional Beverage Brand

We carry on seeking for new opportunities both in local and international territories to step forward as a leading beverage brand of the Southeast Asia.

Export Market

Export revenue proportion

22% ^{+26%} Growth of the Previous Year





Social
Responsibility

Environment Friendly and Society Responsible

The Company put its emphasis on direct and indirect positive social impact to surrounding communities and environment by utilizing existing internal and external resources for the good harmony and peaceful society.

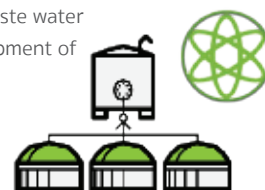
SPIRULINA ALGAE

Laboratory project-join hand with Bioscience Research Dept. from Thailand Institute of Scientific and Technological Research (TISTR) plant the algae with waste water/biogas disposed from the fruit juice factories.



BIO GAS

Project development- using waste water and waste vegetable in development of biogas into electrical power
UASB PONDS



WASTE WATER TREATMENT

Breeding fish in processed waste water - through our waste water treatment system. The Company enabled to breed 9,999 fish and released them to ThaCheen River.



Waste Water Treatment

Message from Chairman



The year 2014
our net profit reached
THB 307 million or
7% growth increase
comparing to the
previous year.

2014 was another challenging year for the Company, especially during the first half of the year when Thailand still encountered prolonged political conflict which started in year end of 2013. The political crisis bore adverse impacts on the consumer confidence and overall economic inevitably. Therefore, the GDP growth of 2014 rose by only 0.8% per annum.

Despite the political instability and severe economic recession during the past year, with support from executives and employees, the Company managed to adjust operative plan to survive though the year 2014. Our net profit reached THB 307 million or 7% growth increase comparing to the previous year.

In 2014, the Company continued its plan to operate business as a manufacturer and distributor of UHT fruit juices, pasteurized fruits, canned fruits and other healthy drinks under “Malee” brand. Furthermore, the Company, as a response to Healthy Lifestyle trend, planned to launch new healthy drink products.

However, during the first half of 2014, launch of new product was postponed due to political situation. The launch of new products in the third quarter received well feedback from consumers. After all, the Company sales growth leaped constantly.

The Company was more concentrated on the export section where the business continued to grow constantly with up to 26% comparing to 2013. To achieve a leadership of regional brand, the Company also looked for opportunity to expand the export market particularly in emerging markets i.e. ASEAN countries.

To achieve the greater development result in 2015, the Company’s goal is to maintain quality of manufacturing reliability and adherence to industry standards including food safety which is certified to the

level of the Worldwide recognized and the best safety class standards. With determination of the management and employees to exercise work inflection toward target of the Company; to improve production process to generate greater efficiency; to reduce costs, as well as to develop constantly and process all corporate social responsibilities, I do believe that the Company will continue to grow steadily and will bring appropriate return for its stakeholders while ensuring stable and sustainable growth.

In addition, aiming to generate best profit to shareholders, the Company realizes the importance of running business under corporate governance and corporate social responsibilities. The Company hosted “Sampran People, We Care” project to release 9,999 fish to ThaCheen river. The fish were bred in the water which has been cleaned by treatment of sewage system within the Company’s factories. Project was completed with collaboration and presence of government authority and surrounding communities.

On behalf of the Board of Directors, Management and all employees, I would like to express my gratitude to our valued customers, partners, business alliances and all related parties for all their ongoing support. The Company will continue to develop its products to meet the consumers’ expectations and requirements, ensure safety standards to consumers while adhering to corporate governance, transparent business operations as well as social and environment responsibilities.



Mr. Chatchai Boonyarat
Chairman

MALEE SAMPRAN PUBLIC COMPANY LIMITED

Financial Highlights

Financial Summary

	Unit	2012	2013	2014
Total Revenue	Million Baht	6,286	5,209	4,852
Sale Revenue	Million Baht	6,157	5,088	4,767
Gross Profit	Million Baht	1,667	1,451	1,585
Net Profit	Million Baht	533	287	307
Earnings Per Share	Baht	3.9	2.0	2.2
Book Value Per Share	Baht	5.4	5.9	7.3
Total Asset	Million Baht	2,429	2,405	2,992
Total Liabilities	Million Baht	1,667	1,572	1,976
Shareholders' Equity	Million Baht	762	832	1,016

Key Financial Ratio

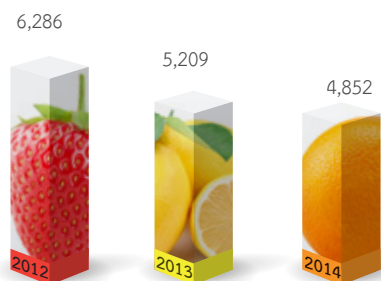
Liquidity Ratio	Unit	2012	2013	2014
Current Ratio	Time	1.0	1.0	1.0
Quick Ratio	Time	0.5	0.5	0.5
Cash Flow from Operation Ratio	Time	0.3	(0.0)	0.0
A/R Turnover Ratio	Time	9.7	8.2	7.0
Average Collection Period	Days	37.8	44.6	52.3
Inventory Turnover Ratio	Time	7.6	5.1	4.2
Average Age of Inventory	Days	48.1	70.9	87.7
A/P Turnover Ratio	Time	4.0	4.2	4.9
Average Payment Day	Days	92.3	87.6	74.9
Cash Cycle	Days	(6.5)	27.9	65.1

Profitability Ratio	Unit	2012	2013	2014
Gross Profit Margin	Percentage	27.1	28.5	33.2
Net Profit Margin	Percentage	8.5	5.5	6.3
Return on Equity (ROE)	Percentage	81.5	36.0	33.2

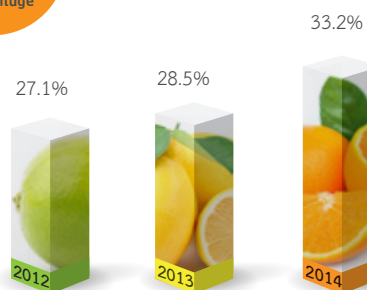
Efficiency Ratio	Unit	2012	2013	2014
Return on Assets Ratio (ROA)	Percentage	33.0	16.9	15.5
Return on Fixed Assets Ratio	Percentage	54.7	30.8	28.4
Assets Turnover Ratio	Time	2.7	2.2	1.8

Financial Policy Ratio	Unit	2012	2013	2014
Debt to Equity Ratio	Time	2.2	1.9	1.9
Interest Coverage Ratio	Time	49.3	24.0	11.47
Dividend Payout Ratio	Percentage	38.2	52.0	50.2

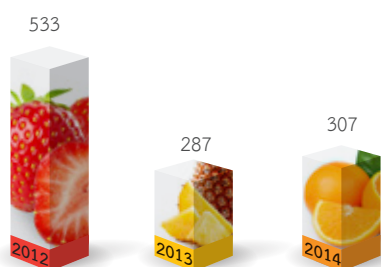
Total Revenue
Million Baht



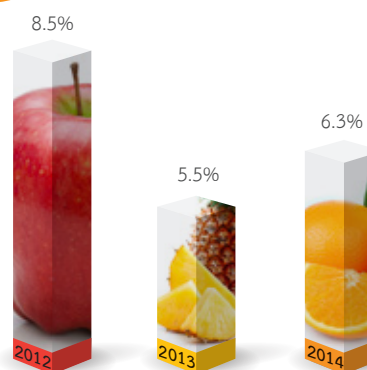
Gross Profit Margin
Percentage



Net Profit
Million Baht



Net Profit Margin
Percentage



Malee®
Nutrient

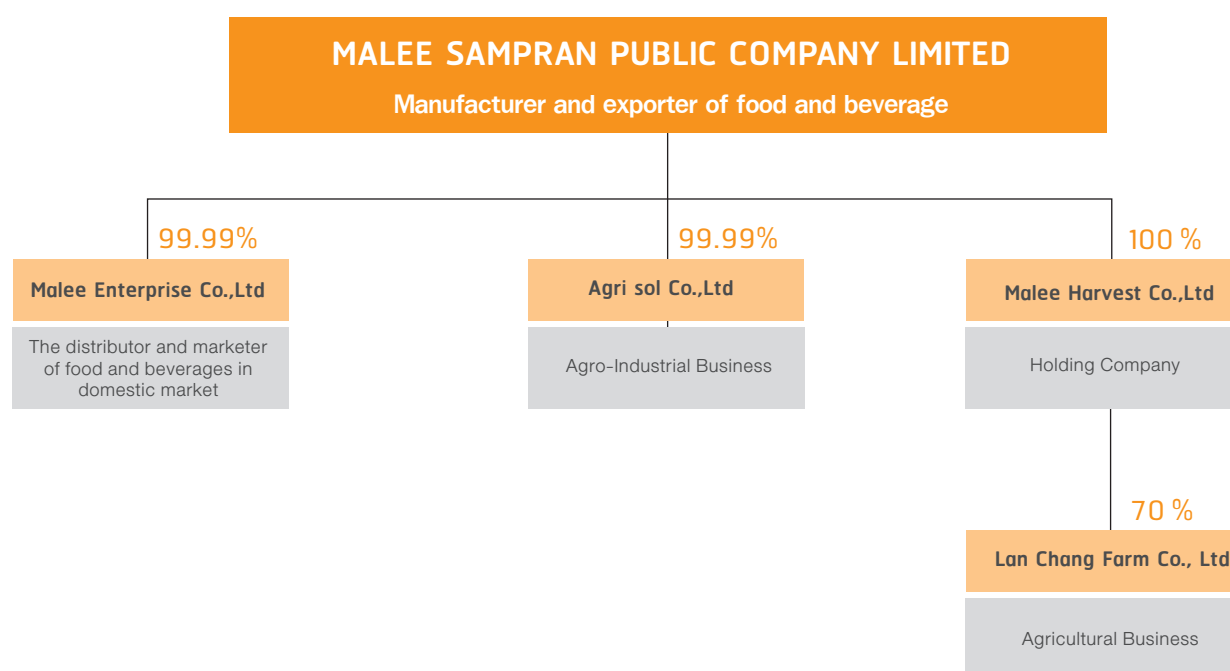
อร่อย...อิ่มท้อง เต็มคุณค่ากับ
มาลี นิวเทรียนท์

อุดมไปด้วยสารอาหารที่ร่างกายต้องการครบในกล่องเดียว
ช่วยให้คุณอิ่มท้องในช่วงเช้าหรือระหว่างวัน



General Information

Malee Sampran Public Company Limited (“the Company”) and its subsidiaries structure as of December 31st, 2014



Malee[®]
Fruit with care.

	1 Factory
	1,440 Employees
	4,852 Revenues (Million Baht)
	307 Net profit (Million Baht)

Malee Sampran Public Company Limited

Registration No.	0107535000079
Address	Abico Building, 401/1 Phaholyothin Road, Lumlookka, Pathumthani 12130, Thailand
Telephone	+66(2) 992-5800 to 15
Fax	+66(2) 992-5850 (Head office), +66(2) 992-5817-9 (Export Department)
Website	http://www.malee.co.th
Factory Address	26/1 Sampran Road, Sampran, Nakornprathom, 73110, Thailand
Business	The manufacturer and distributor UHT/ Pasteurized Fruit Juices, UHT / Pasteurized Milk and Beverages, Canned Fruits, Canned Sweet Corn, Canned Pineapple.
No. of Share and Par Value	140,000,000 shares, Par value of 1 Baht
Contact Person	Ms. Naharuthai Chuachalad Tel: +66(2) 992-5800 Ext 4010 E-mail: naharuthai_chu@malee.co.th

Subsidiaries Company

Malee Enterprise Company Limited

Registration No.	1105535109621
Address	Abico Building, 401/1 Phaholyothin Road, Lumlookka, Pathumthani 12130, Thailand
Telephone	+66(2) 992-5821 to 32,
Fax.	+66(2) 992-5833 (Head Office), +66(2) 992-5834 to 5 (Domestic Distributor)
Website	http://www.malee.co.th
Business	The distributor of UHT/Pasteurized Fruit Juice, UHT/Pasteurized Milk, Beverages and Canned Fruits
No. of Share and Par Value	10,000,000 Shares, Par value of 10 Baht
Number of shares held by the Company	The Company held 9,998,800 shares (99.99%)

Agri Sol Company Limited

Registration No.	0135551007374
Address	Abico Building, 401/1 Phaholyothin Road, Lumlookka, Pathumthani 12130, Thailand
Telephone	+66(2) 992-5800 to 14,
Fax.	+66(2) 992-5819 (Domestic Distributor)
Website	http://www.malee.co.th
Factory	110 Moo 9, Tambol Bangpaeng, Amphoe Banpaeng, Nakornphanom 48140, Thailand
Business	Agro-Industrial business with care of environment, the manufacturer and distributor of Canned Sweet Corn. Currently, this company is dormant.
No. of Share and Par Value	14,500,000 shares, Par value of 10 Baht
Number of shares held by the Company	The Company held 14,499,994 shares (99.99%)

Malee Harvest Co., Ltd

(Previously Prime Agrico Co., Ltd)

Registration No.	0135556014948
Address	Abico Building, 401/1 Phaholyothin Road, Lumlookka, Pathumthani 12130, Thailand.
Telephone	+66(2) 992-5800 to 15
Business	Holding Company in agricultural business. Currently invest in Lan Chang Farm Co.,Ltd 70%.
No. of Share and Par Value	400,000 ordinary shares par value Baht 100
Number of shares held by the Company	The Company held 400,000 shares (70.00%)

Other Reference

Registrar

Thailand Securities Depository Co., Ltd.

Address	4 th Floor, The Stock Exchange of Thailand Bldg. 62 Rajadapisek Road, Klongteoy Bangkok 10110
Telephone	+66(2) 229-2800, +66(2) 654-5599

Auditor

Mrs. Kesree Narongdej	Certified Public Accountant No. 76
Mrs. Natsarak Sarochanunjeen	Certified Public Accountant No. 4563 (2011 – 2014, total 3 Years)
Mr. Chaityut Agsuvitaya	Certified Public Account No. 3885 (2011 – 2014, total 3 Years)

A.M.T. & Associates

(2011 – 2014 Total 4 Years)

Address	491/27 Silom Plaza, Silom Road, Bangruak, Bangkok 10500
Telephone	+66(2) 2234-1676

Legal Advisor

Bunchong and Vidhya Law Office Limited

Address	33/35, 33/39-40 Wall Street Tower Bldg., Fl. 9 Surawong Rd., Kwaeng Suriyawong, Khet Bangrak, Bangkok 10500
Telephone	+66(2) 236-2334 or +66(2) 233-1666 Ext. 3910-1
Fax	+66(2) 236-3916
Email address	bcvidhya@bcvidhya.com

Contact Person

Ms. Naharuthai Chuachalad

Telephone	+66(2) 992-5800 ext. 4010
Email address	naharuthai_chu@malee.co.th

Shareholding Structure

Top 10 Shareholders

as of March 16, 2015

No.	Name of Shareholders	No. of Share	Percentage
1.	Abico Holdings Public Company Limited	35,681,400	25.49
2.	Mrs. Kamolchat Jeungrungreungkit	21,904,500	15.65
3.	Thai NDVR Company Limited	17,931,996	12.81
4.	Mr. Pichai Chirathivat	13,195,800	9.43
5.	HSBC (SINGAPORE) NOMINEES PTE LTD	4,734,957	3.38
6.	KBC SECURITIES N.V.	4,397,700	3.14
7.	Mr. Songphol Taechakarin	4,385,600	3.13
8.	STATE STREET BANK AND TRUST COMPANY	2,088,000	1.49
9.	Malee Sampran Public Company Limited	2,021,100	1.44
10.	Mr. Surasak Burapadecha	1,800,000	1.29

Board of Director Shareholding

as of 31 December 2014

Name	31 December 2013	Change	31 December 2014
1. Mr. Chatchai Boonyarat	-	-	-
2. Mrs. Chintana Boonyarat	-	-	-
3. Mr. Pichai Chirathivat	9.43%	-	9.43%
4. Mr. Kobchai Chirathivat	-	-	-
5. Mr. Kitti Vilaivarangkul	-	-	-
6. Ms. Roongchat Boonyarat	-	0.06 %	0.06%
7. Ms. Nattharin Talthong	-	-	-
8. Ms. Nart Fongsmut	-	-	-
9. Mr. Krizz Chantjiraporn	-	-	-



Dividend Policy

“The company has the policy to pay dividends at the rate of not less than 50% of the net profit from normal operation according to consolidated financial statement after deduction of tax revenue and legal reserve. However, actual payments will be depending on the Company’s cash flow, Company’s investment plan including affiliate company and other necessities as the Board of Director consider appropriate”

Major Development in 2014

2014

JAN



January 2014

The Company has implemented new ERP system in working procedures and production process with aim to improve operation efficiency.

FEB



February 2014

The treasury stock project was completed on 27 February 2014

MAR

APR

MAY

JUN

JUL

AUG



August 2014

The Board of Directors passed resolution to increase its investment of another 50% in Prime Agrico Co., Ltd (PAC) (now the name has been changed to Malee Harvest Co., Ltd.), a joint venture where previously the Company held 50% of shares. PAC has put its investment in Lanchang Farm Co., Ltd., - a manufacturer and distributor of non-toxic agricultural products (hydroponics).

SEP



September 2014

The Company has introduced new products “Malee Nutrient” in response to the consumers’ demand for cereal drink, and “Malee Light”, the first beverage innovation brought to Thailand the low-calorie juice mixed with stevia leaf extract to meet the needs of consumers who want to take care of their weight and health.

OCT

NOV

DEC



December 2014

Malee Enterprise Co., Ltd., a subsidiary moved its existing warehouses from Puttamonthon Sai 7 to a bigger warehouse in Bang Yai which is under operation of DHL (Thailand) Co., Ltd. The larger warehouse allows the company to support the future business growth to reduce transportation cost and to improve warehouse management system efficiency.



Company Policy and Business Overview



Business Overview and Development

Malee Sampran Public Company Limited or previously named Malee Sampran Factory Co., Ltd., incorporated as a limited company on 2 February 1978, with registered capital of THB 10 million. A startup business has been concentrated on production and distribution of canned food and fruit. Upon growth of business, in the 1981, the Company expanded its production base by constructing a factory on the area of 30 rai, located on Sampran district, Nakhon Pathom province. Later on 13 March 1992, the Company has been listed in the Stock Exchange of Thailand. In April 1984, the Company went through a change in shareholder structure when Abico Holding Public Co., Ltd., acquired from the existing shareholders, 10,000,000 shares or 40% of the THB 250 million registered capital. On 15 May 1998 the Company has changed its name to Malee Sampran Public Co., Ltd. Subsequently, to support continual business growth, the Company increased its capital from THB 500 million to THB 999.99 million, with total paid up capital of THB 700 million on 9 December 1998.

Later on 9 April 2013 the Company decreased its registered capital to THB 182,000,000 million, with paid up capital of THB 140,000,000 million. In 2014 the Company again decreased its registered capital to THB 140,000,000 million, with total paid up capital of THB 140,000,000 million.

At present, Malee Sampran Public Co., Ltd., involves in business as a manufacturer and distributor of canned fruit and vegetable juices under “Malee” brand, UHT and pasteurized milk under “Farm Chokchai” brand etc. In addition, the Company also engages in Contract Manufacturing Business in which the Company produces beverage products in accordance with domestic and international customers’ requirements. The main business of the Company can be divided as follows:

1. Production and distribution of products under Malee brand for domestic and international market.
2. Contract Manufacturing Business (CMG) in which the Company produces beverage products in accordance with domestic and international customers’ requirements.

The Company operates its business taking into account the production standards, quality, health and safety as well as daily life hygiene of the consumers. Our production process is accepted and recognized by many competent institutes both domestic and international i.e. BRC (Global Standard for Food Safety) IFS: International Food Standard, HACCP Codex Alimentarius Commission, Halal Certificate, Khosher Certificate, GMP Codex Alimentarius Commission Recommended International Code of Practice General Principles of Food Hygiene, ISO22000 and Food Safety System Certification 22000



1.1 Vision and Target

“Innovative and healthy products leveraged through environmentally-friendly production processes dedicated to our customers’ sustainable well-being.”

Target of the Business Operation

The target of business operation is set as follows:

Increase sale volume and release new product lines to customers

In addition to manufacturing of canned fruit and fruit juice, the Company targets to develop new products in response to consumers demand by concentrating on healthcare products for the healthy diet of consumers.

In each year, the Company has set its target to increase sale volume based on different factors such as general economic situation, direction and trend of beverage consumption, competition. Prior to release new products, as well as production plan in each year, Company formulating its market plan upon analysis of previous years, plus trends forecast. However, the Company has put more emphasis on development of products under Malee brand, and to seek for new opportunities in both domestic market and overseas. In regard to overseas market, the Company targets to become a regional beverage brand of the Southeast Asia.

Target in Production, Research and Development

The Company is well aware of its product as a direct consumption type. Hence, the quality of production process must ensure of its safety. With strong commitment, the Company targets to maintain its existing standards of safety, as well as to continue development of manufacturing process to be consistent with current and future changes.

The Company also determines improve production performance to reduce cost of production which will then enable the Company to compete in domestic and international producers, and lead the Company to achieve its business goal.

Target of Internal Operation

The Company places importance on its internal operation as the driving force that leads the Company toward goal. It is our target to improve working procedures in line with standards. Hence, we have implemented the new ERP system to all departments. Financial plan are executed strictly within regulation frames of the Company. In regard to Human Resource which is considered as the crucial factor of the Company’s operation, we provide training courses, as well as set clear work target for each department.

Malee Group of Companies

Abico Holdings Public Company Limited is the major shareholder with 25.49 % of total shares.

As at 31 December 2014 the Company has its subsidiaries as follows:

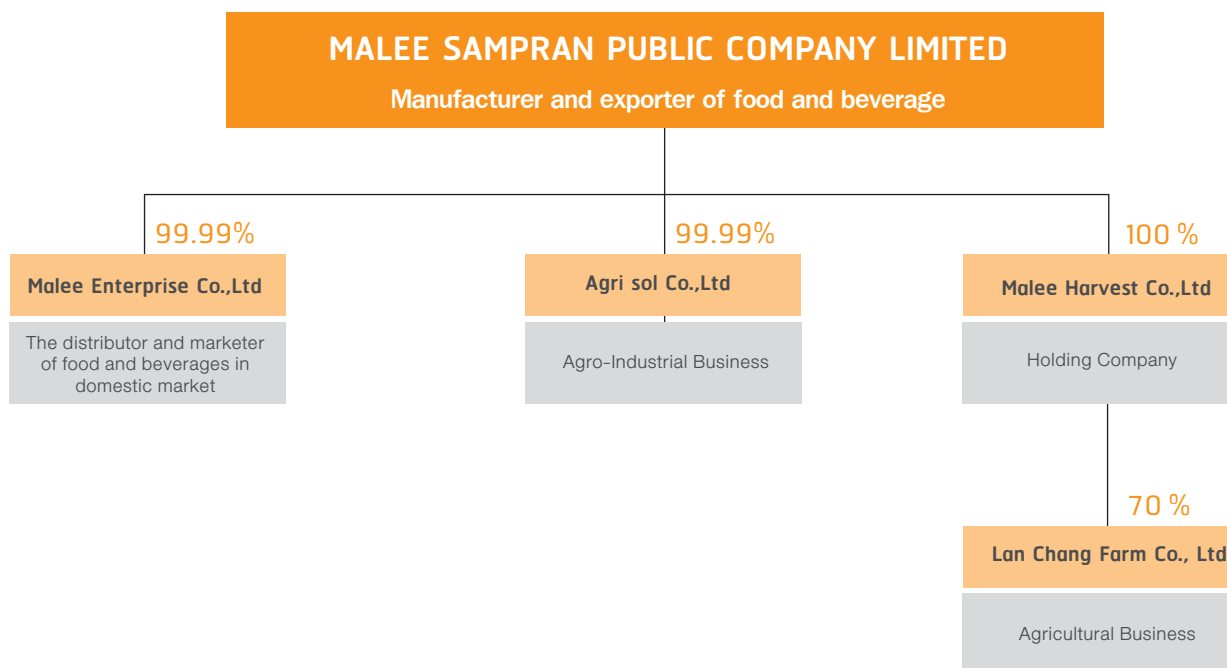
1. Malee Enterprise Co., Ltd. the company operates marketing and distribution within the country. The distribution is performed by sale persons from the company and agents nationwide.

2. Agri Sol Co., Ltd. a manufacturer of canned sweet corn. The company has stopped its production since year end of 2013

3. Malee Harvest Co., Ltd. the company engage in investmesnt in other firms. Currently, Malee Harvest has invested in 70% of shares of Lanchang Farm Co., Ltd., the company engaging in hydroponics agriculture, based in Chiang Mai.

Malee Sampran and its subsidiaries

as of 31 December 2014



Nature of Business

Relation with business group of the major shareholders

The relations between the Company and its major shareholders are as follows:

Abico Holdings Public Company Limited holds 25.49% of shares

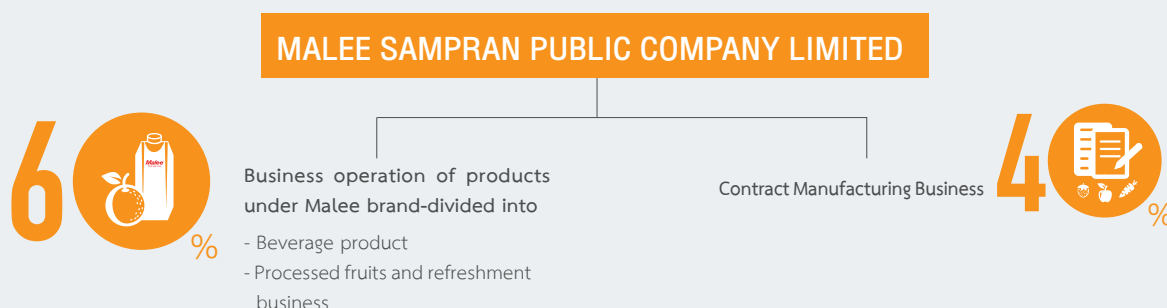
Nature of business : Investment in other companies such as agriculture business, contract manufacturer of beverages and milk

Relation : The Company conducts between subsidiaries of Abico Holdings Public Co., Ltd., in purchase and sale of dairy products and pasteurized fruit juices.

Revenue structure classified by sale territories is as follows

	2014		2013		2012	
	(THB Million)	%	(THB Million)	%	(THB Million)	%
Total revenue from domestic sale	3,703	77.68 %	4,244	83.41%	5,263	85.47%
Total revenue from export sale	1,064	22.32 %	844	16.59%	895	14.53%

1. Products



Malee Sampran Plc., produces and distributes its products domestically and internationally. The main business is classified as follows:

1. Own Brand Business is separated into 2 business units as follows:

Beverage product

includes vegetable juice, UHT and pasteurized fruit juice under “Malee”, “Malee Veggies”, “Malee Healti Plus”, “Malee Nutrient”, “Malee Juize Mix”, “Malee Food Service”, “Malee Tropical” and “Malee COCO”, as well as coffee and drinking water packaged in can, UHT box and PET plastic bottles under “Malee” brand, fresh cow milk both pasteurized and UHT under “Farm

Chokchai” brand, “Malee I-Corn” corn milk, “TurBusta Max” canned coffee, and “Howdy” fruit juice.

Processed fruits and refreshment business

canned seasonal fruit (rambutan, rambutan stuffed with pineapple, lychee, longan, truffle, toddy palm seed, mango, etc), canned sweet corn, canned pineapple, mixed canned fruits under “Malee” brand, “First Choice” brand, “Farmer” brand, and “Malee Food Service”.

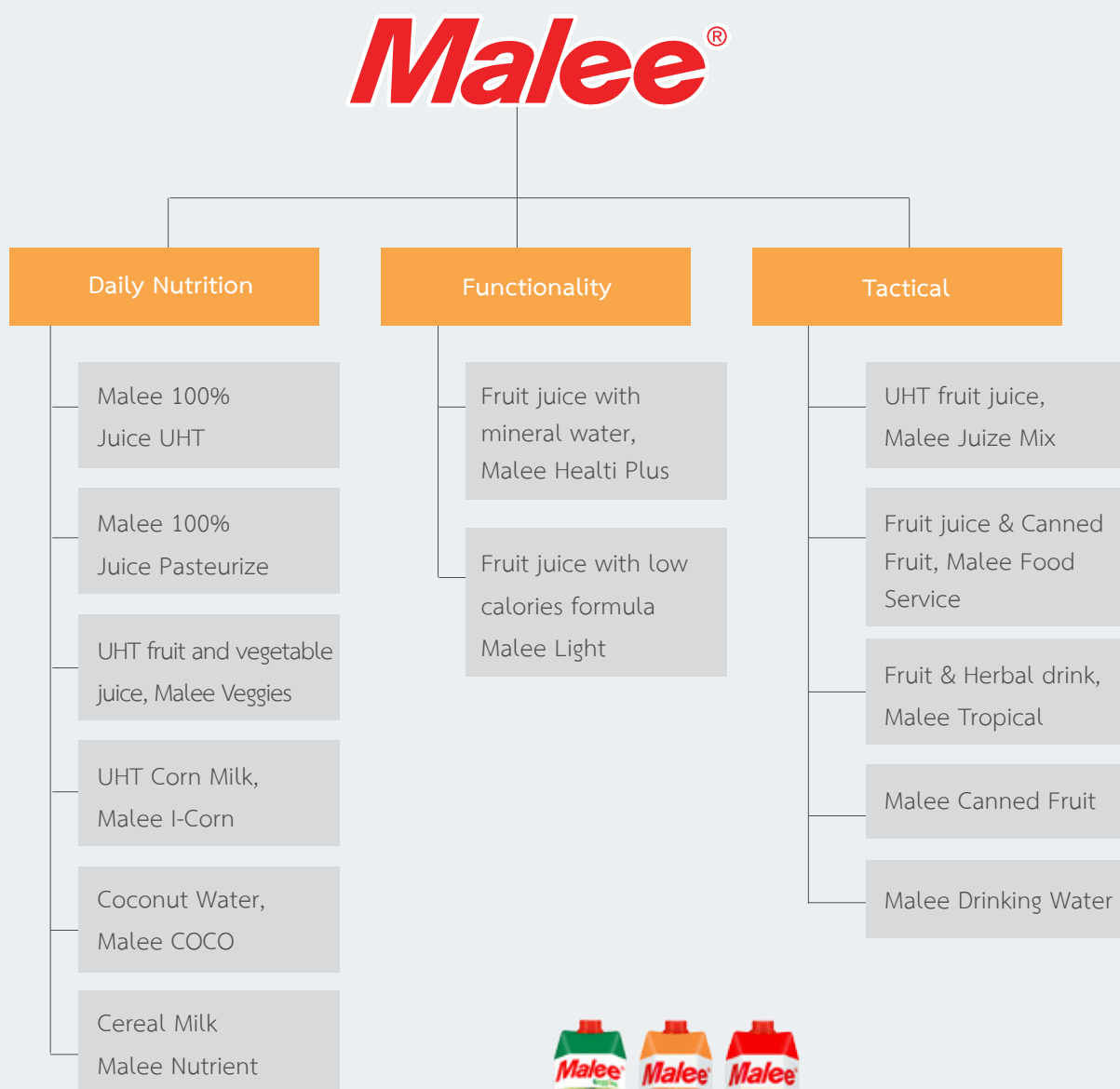
The products are distributed in domestic and international fields through different sale channels of the Company.

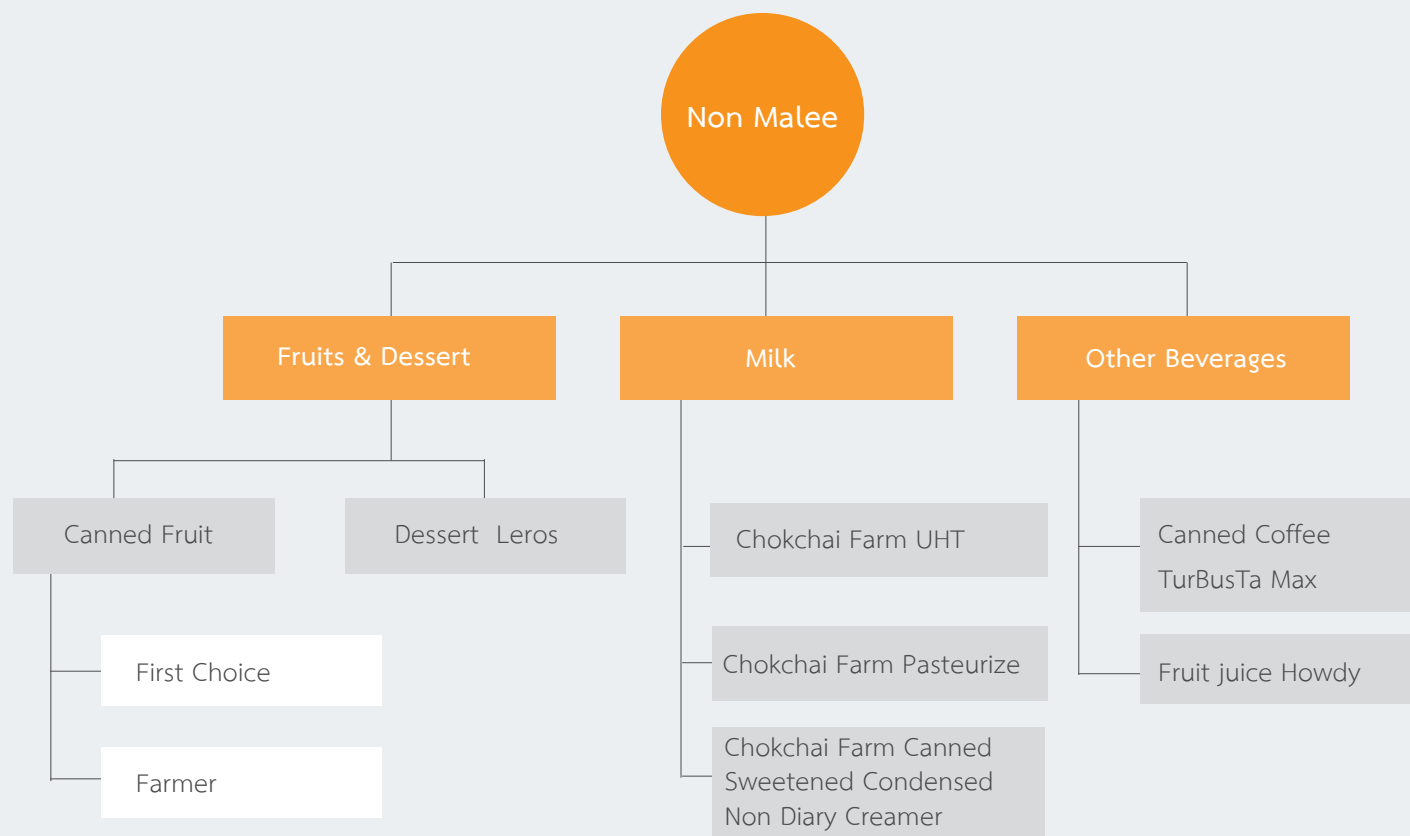
2. Contract Manufacturing Business the Company produces beverage products in accordance with domestic and international customers' requirements. Such products are distributed and marketed under customers' brand names.

At Malee, we believe that good health comes together with good products. Therefore, we have re-structured

the product categories based on benefit pertained each product. 1) Daily consumer product-the non-seasoning products which itself contains vitamins or nutrition necessary for daily intake. 2) Functional product - is the food which has added vital nutrition and vitamin for consumers who need additional nutrition to maintain healthy diet. 3) Mass-is the product for those who need refreshing during the day or at any time, for consumers of all ages.

The products classified by its use is as follows:





2. Market and Competition

Export Business is the one the major factors what contributing to the growth of Malee Sampran for years. Our products are exported to more than 30 countries worldwide such as USA, Canada, Guam, Venezuela, Australia, Fiji, England, Russia, Switzerland, Netherland, France, Sweden, India, Pakistan, Bangladesh, China, Japan, Macau, Hong Kong, Taiwan, North Korea, South Korea, Laos, Myanmar, Vietnam, Cambodia, Malaysia, Indonesia, Brunei, Philippines. Total sales volume in 2014 reached Baht 1,064 million, presenting 22% of the total revenue and grew by 26% comparing to the previous year.

In the past, the Company exported its products to more than 50 countries worldwide to provide comprehensive distribution at its large extend, bringing to light the products under Malee brand. However, we found that the overseas distribution did not meet the local demand due to lack in marketing activities and long term branding. As a result, the business growth in some countries was inconsistent and even dropped. Therefore, the Company concentrates on certain

countries, canceling distribution in the countries where demand was not consistent with our long term plan. In the meanwhile, the Company has put more emphasis on branding development to achieve the sustainable growth toward the future. Currently, the countries where we are focusing on are Philippines, Indonesia, China and CLMV which consists of Cambodia, Lao, Myanmar and Vietnam; particular marketing strategy is assigned to suit specific country; arrangement of products to meet requirement of local consumers; launch of marketing activities to stimulate consumption. The Company always prepares itself to changes of market trends, competitors and business growth.

In regard to year 2015, the Company continues to concentrate on development and expansion of export business by looking for new business partners or launching aggressive marketing campaigns to generate business growth in high potential territories, especially among emerging markets. To implement marketing strategy to particular country, the Company consider number of population, portion of middle class citizens

Malee 100% Juice Pasteurize



Malee 100% Juice UHT



UHT Corn Milk, Malee I-Corn



Fruit juice with mineral water, Malee Healti Plus



Coconut Water, Malee COCO



Fruit juice with low energy formula UHT fruit and vegetable Malee Light



Malee Canned Fruit



Chokchai Farm Pasteurize and UHT



Fruit juice Malee Food Service Brand



Fruit & Herbal drink, Malee Tropical



Cereal Milk Malee Nutrient



Chokchai Farm Canned Sweetened Condensed Non Dairy Creamer



Fruit juice Howdy



UHT fruit juice, Malee Juice Mix



Dessert Leros



Canned Coffee TurBusta Max



who has purchasing power and looking for quality product, rate of consumption, immature market and business growth opportunity based on feasibility study. The Company firmly confides that upon implementation of marketing promotion policy, coupling with supporting factors from AEC economic

zone, 2015 will be a year of successful export business expansion. In addition, since many firms are now concentrating more on overseas business, we aim to create long term competitiveness capability not only to compete within domestic market but toward regional territory as well.



Vegetable and fruit juice

2014 was another year of concern among consumers and government agencies, about the health. In the mean time healthy drink market continued to grow. The government, in response to this concern, launched different projects to aware its population of unhealthy diet i.e. sweet or salty food, as well as encouragement to exercise. It is a significant challenge to our industry. We understand and recognize that obesity is a complex public health issue. Subsequently, in 2014 consumers would read product labels, nutrition facts before buying, focusing on impact of the food toward health to assure that the beverage they buy is actually good to health. In addition, ready to drink fruit juice is an excellent choice in terms of convenience where consumers don't have to spend that time in peeling, squeezing just to get a cup of juice, and also can be sure of nutrition, safety and hygiene. As the population shifts more towards aging population, consumers are more knowledgeable regarding their health and tend to spend more time



World of food Beijing by Anuga 26-28 Nov 2014

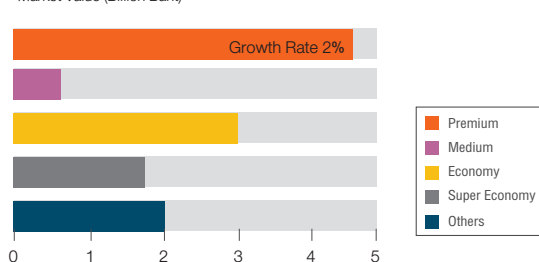
to conduct research and look for data regarding food nutrition and healthy drinks to ensure that their health is properly maintained. Consumers tend to learn more about various kinds of health products and need to consider which kinds and brands of health products are more appropriate for them. Nevertheless, the political turmoil in the early year plus economic recession has impacted the purchase power of middle-lower class Thai population. Consumers then limit their purchase to only necessary products with reasonable price. Consequently, the growth of fruit juice business in 2014 was not increased as in the previous years.

In 2014, the total market size for the ready-to-drink fruit juice market was approximately THB 12 billion, with total consumption volume for the entire year of 311.59 million liters. The size of the Premium Market segment (100% fruit juice) was THB 4.52 billion, or total consumption volume of 65.64 million liters, with

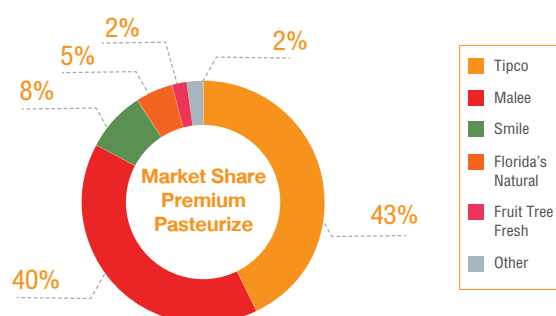
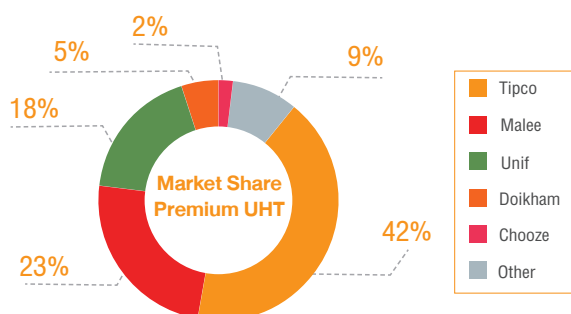
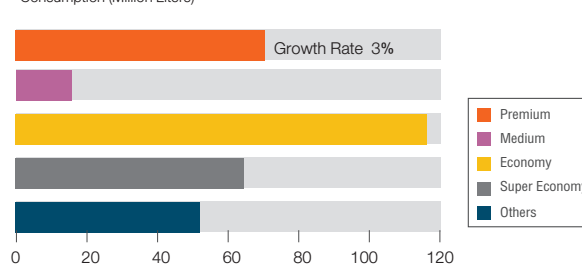
annual growth of 2%. The Premium Market segment was classified into the UHT market, with total size of THB 4.05 billion, with an annual growth of 2%. Malee held a market share of 23% in this sub-segment. Pasteurized sub-segment accounted of THB 0.47 billion, with reduction of growth by 3%. Malee held a market share of 40%. Ready-to-drink fruit juice 40-99% market - Medium Market with total size of THB 0.74 million, or with total consumption volume of 15.40 million liters. Ready-to-drink-Economy Market in total size and consumption volume accounted of THB 3.3 billion or total consumption volume of 116.72 million liters. Super Economy Markets (concentrate less than 19%), with total market size of THB 1.79 million or

consumption value of 64.49 million liters. The rest was segmented in other markets which accounted of THB 2 billion or 49.3 million liters. Despite the market slowdown in 2014, we still saw the continual growth. Statistically, Thai population drink fruit juice of approx. 5 liters/person/year. The number is considered as very low comparing to other countries. The trend of healthcare continues to increase among consumers. Competition in fruit juice market started to be active with prediction to be more intense in 2015 because variety of new released products for health, fruit juice from domestic and international fields, or even competitors from other categories that aim to share the market segment.

Market Value (Billion Baht)



Consumption (Million Liters)



In the past years, the domestic ready-to-drink fruit juice market experienced a continuous robust growth, and even reached 10% in some particular years. Few positive factors comprised to such growth were consumers' behavior, new competitors, ongoing advertisement from main competitors and sale promotion campaigns. However, the unfavorable market situation in 2014 affected purchase power of lower consumers as their household debt remained at high rate. Meanwhile, the upper consumers, despite being able to afford the purchase, were very careful with consumption as the cost of living raised.

Furthermore, even the economic is slowly recovered and oil price has been lowered, most of the consumers still are careful with their expenses. These facts directly impacted fruit juice market. The market share of Economy Market dramatically dropped. On the other hand, the consumption rate raised in another drink category which offer refreshing feeling such as carbonated drink or green tea where the market is highly competitive with ongoing promotion and marketing. Overall growth of the fruit juice product was increased by 2% (source: Nielsen, Dec 2014). Nevertheless, we still see good signs as



the healthcare trend are concerned among consumers where healthy drink is on high demand. Besides, with many new domestic and international competitors, it is predicted that the business of ready-to-drink fruit and vegetable juice will be definitely growing well. The Company continued to release innovative products focusing on variety of healthcare drink for a certain groups of customers. Marketing promotion campaigns were launch intensively all though the past year with aim to stimulate consumption rate of Malee brand, generate higher sale volume and market share. Mainly the market campaigns were conducted on premium fruit juice (100%). The Company also released new drink which are Malee Healti Plus and Malee Light in response to consumers who prefer genuine healthy drink.

Our activities in 2014 were mainly conducted to create relation between Malee and consumers, as well as to expand customer base. The campaign “Malee Exclusive Trip to Hong Kong” with guests, Louis Scott and Jack Methas, the popular celebrities received well feedback from consumers. The campaign increased sale volume and generated new customer group - “working age”. During the World Cup festival, Malee emphasized its brand identity of healthy drink by launching different activities under concept “Malee to go World Class” where buyers got free glasses and bags of World Class theme when buying Malee products. Consumers were also encouraged to join online activity through Facebook

Malee Society where they can vote on their favourite footballer.

The Company enlarged the sale channel for its Malee Healti Plus-Acerolacherry, Yusu orange, and blackcurrant flavor to more than 100 branches of McCafé countrywide to serve customers who take care of their health. MALEE Healti Plus, presents innovative fruit juice with mixture of tow premium quality fruit and the best quality mineral from Thailand. The Company collaborated with tiang Jirathiwat Foundation joining in “Central Volunteer for Community Development” producing “Nanglae Pineapple Juice Malee Tropical”, the juice which is favorite among Thai and foreign customers. The product is available in supermarket under support of Central Food Retail Co., Ltd. “Nanglae Pineapple” is considered as a local plant according to Geographical Indications. The fruit is planted in Nanglae district, Chiang Rai by groups of local agriculturists. With aim to develop sustainable occupation and continual income among local people and expand sale channels the Company accepted to buy fresh pineapple which oversupply for fresh consumption to process into Nanelae pineapple juice –ready-to-drink under Malee Tropical brand. Besides, consumer would be able to taste delicious nutrition of pineapple juice. The Company joined hand with Central Marketing Group of CMG, the brand manager of attire product “MANGO”, in creating mango juice mixed with multi-fruit juice 100%. The product is ranked as an “exclusive” targeting customer with modern lifestyle.

Together with MANGO, the juice represent modern and healthy figure for consumer. The campaign enlarged customer base for Malee and adjusted its image to be more contemporary.

In addition to the marketing activities aforesaid, the Company has developed new products in response to healthcare trend among consumers of all groups and ages which are:

- >> Malee innovative fruit juice mixed with mineral water and vital vitamins “Malee Healti Plus” for group of customers who are health and beauty-conscious (in particular of their skin) released new formula – Lemon Lime with added Hyaluronic Acid - an extraction from White Ear Mushroom which enhance condition and keep moisturized skin what has brightening property due to vitamin C.
- >> Herbal drink –Malee Tropical 3 new flavor which are Crysanthemum mixed with Luo Han Guo fruit, roselle juice, and zǎ liǎng juice. The juice are 100% made from natural ingredients (Thai herbs); drink which reached 24% of growth (with selling price at 15 baht per 350 ml bottle). Drink is refreshing and easily extinguishes thirstiness.

In 2014 the Company launched new beverage product called “Malee Light”, the first low-calorie fruit juice in Thailand. The juice is composed of sweet taste extracted from stevia and 100% fruit juice, the identity of Malee. Juice is made with aim to serve customers that taking

care of their health, exercise and are concern about diet, especially sugar level. With refreshing and non-artificial substances included, the juice contains only 30 kilocalories, 3 flavors: mandarin orange with pulpy, red grape and pomegranate with mixed fruit juice. Malee Light has expanded customer base to cover all target group and well serve those who looking for not-too-sweet fruit juice, or new consumers who avoid drinking fruit juice due to its sweet taste. Malee Light is the excellent choice for consumers who looking for alternative drink for health instead of sweetened drink generally found in the market. In regard to marketing the Company plan to have an aggressive campaign through different channels which are 1) short movie to create recognition of the product identity and memory of the new brand among consumers 2) different customer relation activities i.e. giving free sim card in supermarket and office building all through Bangkok, roadshow in fitness centers, public park and sport events, 3) new product introduction which launched both in Bangkok and regional areas 3) Online and Social media to have direct communication with consumers of targeted groups.



Canned Fruit



Canned Fruit

Characteristic of the canned fruit market

According to the fact that seasonal agricultural product is hard to predict as it is depended on climate of the particular year. In some years, the fresh fruits volume might be insufficient for consumption and cause shortage in production of canned fruit where domestic and international demand cannot be served. Consequently, canned fruit or even fresh fruit are required to be import from overseas. The premium market of canned fruit in 2014 accounted its value at THB 900 million, the growth rate slowdown by 2%. Nonetheless, canned fruit industry has low competition rate due to many factors that refrain new manufacturers which are 1) only a few brands is recognized and accepted in premium market 2) high cost of investment 3) competent skills in selecting raw materials required 4) require large amount of labor with skill in processing fruits 4) uncertain season of fruit which directly impact the raw material supply.

Industry Trend

Canned fruit business is directly related to the amount of agricultural output, which means that if there is occurrence of natural disasters such as a flood, drought abnormal season, or unexpected yield, it will adversely affected the quantity of the particular fruit. Given the number of young generation of farmers continues to decrease; this has also diminished the number of planting areas from year to year. Another factor is metal cans which are used for packaging of the products. Suppliers of tin cans packaging have strong bargaining power over its customers due to a limited number of suppliers in

the country. Tin can is the only kind of packaging that can be used in the canned fruit business to preserve the quality of fruits for a period of 2 years. In the event when the cost of tin plate rises, this will directly affect the cost of the finished goods.

Competition

The domestic canned fruit market is divided into 3 sub-segments: Premium, Medium, and Economy.

- >> The Premium Market: There are 2 key players- Malee under Malee Sampran Public Company Limited and UFC under Universal Foods Company Limited. Rather than price competition, firms in this sub-segment compete in terms of product quality, distribution, packing, and other promotional campaigns.
- >> The Medium Market: Since the quality of products is average and pricing is lower, there are various players in this sub-segment i.e. First Choice, Pigeon, Thai AD and other house brands.
- >> The Economy Market: Players in this sub-segment are in significant amount including Farmer, Chao Doi, and many other house brands. Pricing is the key concern in the Economy Market.

The overall competition in the 2014 of the premium market was neutral since most firms tended to focus on promotional campaigns at point of sales during key

festivals such as Chinese New Year or Chinese festival of the Ancestors when the sale volume of canned fruit leap up. The campaign was also launched in form of offering premium gift to stimulate the consumption, from time to time. However, it is crucial that competing firms need to maintain a balance between sales amount and sufficient stock of products throughout the year. Malee continued to be the sole supplier of premium canned fruits in 7-Eleven. In addition, the Company has added several products to 7-11 to diversified types of product and offer more choices to consumers who looking for quality product with affordable price. The Company released its new product –Thai Refreshment and snack which are supplied solely to 7-11. The Thai Refreshment distributed under Lerros brand, in forms of package and cup. The Lerros brand consists of various Thai Refreshment menu such as taro in coconut milk, pumpkin in coconut milk, toddy palm in syrup, with selling price at 20 baht each. Product can be stored for 1 year outside the refrigerator. With taste of original Thai cuisine, the consumers can enjoy the snack to take away. To expand consumption scope among consumers and not to limit to seasonal or festival purchase only, Malee launched its cuisine show through TV program to recommend and introduce new menu by using its products as an ingredients.

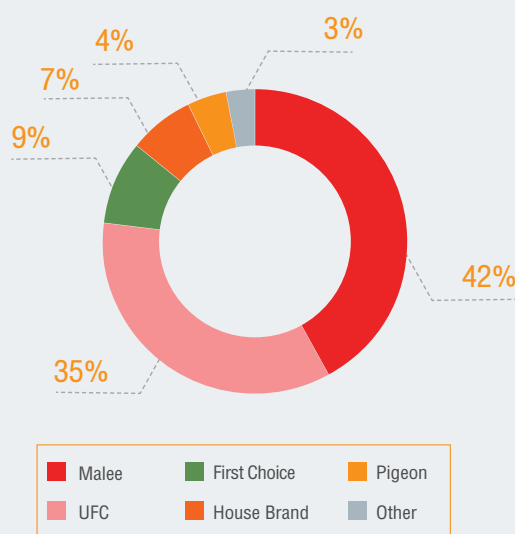


The Company's Position in the Market

Malee is the market leader in the domestic canned fruit business. Malee stimulates the market growth by releasing new products in response to changing lifestyle of consumers who prefer convenience, hosted promotional activities to encourage the demand from time to time, especially during the fruit harvesting season with the aim to reduce over stocking.

Market Share

Company	Market Share
Malee	42%
UFC	35%
First Choice	9%
House Brand	7%
Pigeon	4%
Others	3%





Cereal Drink Business

The growth of healthy drink remained steady. As people tend to be more health conscious, they seek and research for supplementary information related to the beverage from product labels or even from internet source. Advanced medical technology and latest notification of the Food and Drug Organization which stated that beverage manufacturers must put the warning statement regarding ingredient that could cause allergy have grown concern among consumers. Cereal drinks becomes another choice for consumers who are allergic to cow milk or gluten as well as vegetarians. As it highly safe for consumption, the trend of cereal drink keeps growing. The market value accounted at approx. THB 2,500 million while the growth rate increased to 15% in 2014. In regard to competition, the competitors from other segments tended to develop their product into cereal drinks business while the existing competitors in cereal drink constantly released new products, new sizes and packages, as well as put huge amount on advertisement to stimulate the consumption. Currently, the main competitors in cereal drink business are V-fit, Pro-fit and Dutch Mill. Positive support from vegetarian festival during the second half of 2014 maintained the growth of cereal drink in good level.

The Company strived to push the growth of sale volume in 2014 by 70% upon launch of new product “Malee Nutrient” which has been distributed in 7-Eleven. Malee Nutrient, the Cereal Drink for your morning. One doze give you all vital vitamin: A, E, B1,B2, B6, B12. Malee Nutrient, 330 ml. has 3 flavors: corn milk, dark rice milk



mixed with black sesame and oat milk mixed with millet at 230 ml volume size. Pasteurized sweet corn milk, 20 baht each. The product first was launched during vegetarian festival, which received well feedback. Low fat, rich with vitamin E and A, 16 baht per bottle, for consumers who like the sweet taste of fresh corn.



**UHT and
Pasteurized
Milk Business****UHT and Pasteurized Milk Business**

The UHT and Pasteurized Milk Business maintain its growth through ongoing healthcare trend which has been running for years. The average domestic consumption of milk stands at 14 liters/person/year. This indicated the huge gap for business expansion comparing to ASEAN average at 60 liters/person/year or global average at 103.9 liters/person/year. In 2014 our competitors emphasized on releasing new products to stimulate the market, and also conducted its marketing activities as follows: 1) release new product coupling with expanding and improving sale channel 2) direct sale with aim to reach more customers through different channel such as kiosk selling simple set of breakfast served with milk product 3) emphasis on brand identity by creating recognition of brand among consumers, stimulate the consumption on continual basis in order to strengthen the brand. Many firms put emphasis on encouraging Thai consumers to drink milk for health by providing relevant knowledge and stimulate the drinking habit in all ages. As people have higher education and healthcare trend is growing to communities and all levels of societies, it made Thailand the high potential territory for milk business growth. The total market value of ready-to-drink milk accounted around THB 56,000 million, with growth of 3%, and likely to growth constantly. The positive factors consist of 1) variety of milk flavors offered from different brands 2) releases of premium milk, 3) expansion of sale channel 4) more marketing activities 5) multi-channels of communication 6) consumers trend where people become more aware

of healthcare 7) encouragement and support of milk consumption from state and private sectors.

The pricing of ready-to-drink milk market is controlled by government, and classified into different types based on raw material used as well as production process;

- >> UHT ready-to-drink milk accounts for approximately 29% of total market size (Source: Nielsen, December 2014). Milk with plain flavor accounted highest portion of this segment comparing to other flavors. Milk and dairy products are classified into UHT milk for families, adults and kids. Average annual growth for this sector was 3%.
- >> Pasteurized milk accounted for approximately 12% of total market size (Source: Nielsen, December 2014). Average annual growth reached 10%.
- >> Ready-to-drink yoghurt milk accounted for approximately 22% of total market size (Source: Nielsen, December 2014). Average annual growth reached 8%.
- >> Soy milk accounted for approximately 27% of total market size (Source: Nielsen, December 2014). Average annual growth reached 7%.
- >> Cereal drink accounted for approximately 5% of total market size (Source: Nielsen, December 2014). Average annual growth reached 15%.
- >> Milk for adult accounted for approximately 5% of total market size (Source: Nielsen, December 2014). Average annual growth reached 3%.

In 2014 the cost of raw milk has increased all through the year. Company experienced higher cost of raw material, plus severe competition in the milk market. To expand the growth of milk business, stimulating consumption of milk is another approach. In this circumstance, majors brands released their advertisement on continual basis through different channels such as hiring celebrity as a presenter, installing display figures in shopping malls. Sale promoting activity, offering of discount and free gifts are carried on continual basis to maintain leadership and market share. Unfortunately, such marketing campaigns from major firms adversely affected the performance of small firms which cannot compete on pricing strategy and also have to bear the higher cost of raw milk. In 2014 the Company has set its business growth on UHT and pasteurizes under Farm Chokchai brand by expand customer base, adjust new marketing strategy which focusing on growth in local shops where the cost of distribution is lower. To increase the consumption rate, we offered consumers with 100% milk, good taste and competitive price. Moreover, to stimulate the consumption and seek for new target groups, we released new flavoured milk in UHT category under Farm Chokchai brand which are: - Banana flavoured UHT milk 200ml. - Malt-Chocolate- Banana flavoured UHT milk 200ml. - Malt-White Chocolate flavoured UHT milk 200ml. - Low fat UHT milk 200ml. - UHT milk 1000 ml.

All of our products are made from real fresh cow milk, containing high calcium which is vital for bone and teeth, vitamin B1,2,6,12 to improve performance of neural

and brain. The Company concentrated on proving easy access of products to consumers by expanding more sale channels for UHT and pasteurized milk.

3. Our Production

The main production base is located at no. 26/1 Yaicha sub-district, Sampran district, Nakhon Pathom on the area of 36 rai. The main production concerns canned fruit, fruit and vegetable juice, can drink, UHT and PET bottle, concentrated pineapple juice.

4. Procurement of products or services

We procure raw material from sources over the globe i.e. concentrated fruit juice, sugar, including packaging materials - cans and paper cartons. The Company has no policy to be depended on one particular suppliers. On the other hand, our procurement department is assigned to purchase, plan and seek for quality suppliers in order to have multiple suppliers as a backup.

5. Production Standards and Awards earned

Malee Sampran PLC is well aware that the product is for eating, therefore, the food safety is considered as the priority that we adhere. With determination to develop product and packaging to be in line with international standards on continual basis, the Company takes into account the safety and hygiene of consumers. As a trophy for our effort, we have received many certifications by national and international standarization bodies as follows:



The Company has established its own Inovation Center at Sampran factory, Nakhon Pathom province. The Innovation Center is a project aimed to develop new products and to maintain our production standards as well as safety of food. The Innovation Center has been officially opened on 21 January 2015.

All these standard and awards we have received reflect well on our success and will be a driving force to encourage our personnel to maintain standards and commit to improve their performance to achieve the higher success together.

ในน้ำ

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และสารสกัดจากเห็ดหูหนูขาว สูตร
เลมอนไลม์

Malee®

Healtri Plus



Quality Assurance and Awards

At Malee Sampran, we are well aware that priority factor in production is the food safety. Therefore, production process and technologies are developed continually to enable competitiveness potential in

international markets. The Company also target for better manufacturing reliability and adherence to quality standards to ensure that every single product of Malee is made in compliance with international standard. With best effort on putting our priority in food safety, consumers' health and hygiene, we are acclaimed wide ranges of standard certification by domestic and international organizations such as

Quality System and Awards	Details
>> BRC (Global Standard for Food Safety) British Retail Consortium	The Company was certified by Tuv Nord on Dec 15 th , 2014.
>> IFS: International Food Standard Version 6	The Company was certified by Tuv Nord on Dec 28 th , 2014.
>> HACCP Codex Alimentarius Commission (FAO/WHO) Hazard Analysis and Critical Control (HACCP) Guideline Annex to CAC/RCP-1 (2512) Version 4 (2546) Analysis dangerous and critical control points HACCP.	The Company was certified by Tuv Nord on Dec 9 th , 2014.
>> Halal Certificate	The Company was certified by The Central Islamic Committee of Thailand on June 26 th , 2013.
>> Kosher Certificate	The Company was certified by Thai Kashrut Services Limited on October 1 st , 2014.
>> GMP Codex Alimentarius Commission Recommended International Code of Practice General Principles of Food Hygiene, CAC/RCP 1 (2512) Version 4 (2546)	The Company was certified by Tuv Nord on Dec 9 th , 2014.
>> SGS: ISO 22000 : 2005	The Company was certified on July 7 th , 2014.
>> SGS: Food Safety System Certification 22000:2010	Besides, ISO 22000: 2005, ISO/TS 22002-1 & Additional FSSC 22000 requirements was certified on July 7 th , 2014 also.
>> Good Laboratory Practice / Department of Industrial Works, GLP/DIW	Certified by the Department of Industrial .
>> Certificate in the Program of Industrial Production Process Improvement with Cleaner Technology	Certified by the Mahidol University with NSTDA (National Science and Technology Development Agency)

In addition , the company also received awards from different organizations from both domestic and international operations.

Awards earned from different competent organizations:



Trusted Brand 2003–2013

The Company received “Trusted Brand Award 2013” for the category of fruit juice products from Reader’s Digest Magazine for 11 consecutive years due to Malee Brand’s strong awareness, not only in Thailand but throughout the Asia region. As “Malee” is a brand being accepted across Asian region of its quality and standards, Reader’s Digest joined hand with Ipsos, the world leading market research about consumption trend.

Awards “200 Asia’s Best Under A Billion 2013

The Company was selected by FORBES magazine to be one of the “200 Asia’s Best under a Billion” companies as one of the best small- and medium-sized companies in the Asia Pacific Region from more than 15,000 companies throughout Asia. The Company was the only Thai Fast Moving Consumer Goods (FMCG) company that was selected due to its strong and continuous growth and capability to generate high revenue for shareholders.

Winner of Thailand Energy Awards 2008

from the Ministry of Energy, in category of Off-Grid biogas projection system “UASB: (pond type project) which is reprocessed from waste water and fruit garbage, thus helping to substantially save electricity expenses and fuel oil costs. The Project was launched by Department of Alternative Energy and Efficiency (DEDE), Ministry of Energy. During the same year, the company was also awarded the runner-up in ASEAN Energy Awards 2008.

The “Great Agriculture Dietary Product” Award acclaiamed by the Department of Industrial on 10 January 2012, in Development of Waste Management Technology in Agricultural Dietary Product Industrial year 2011, is another medal for the Company.

All these standard and awards we have received reflect well on our success and will be a driving force to encourage our personnel to maintain standards and commit to improve their performance to achieve the even higher success together.



Risk Factors

1. Risks from volatility of the raw material prices

At present, domestic and global climates have substantially changed. This has resulted in uncertain amount and quality of many kinds of agriculture raw materials as well as fluctuation in raw material prices from year to year. The Company has managed the risk by looking for new sources of high-quality raw materials, contract farming, and placing orders with reliable suppliers.

2. Risks from Competition

The beverage industry is nowadays highly competitive. Many of major manufacturers lower price as one of the strategic movement. The Company has a policy to compete with our competitors in terms of good product quality, strong brand image, advertising / promotional campaigns and various marketing campaigns rather than the price cutting method. On addition to domestic competitors, the free tariff zone from AEC increases even more challenge in the market from overseas competitors. To enhance product and service quality as well as good image of the brand, the Company constantly develops new products to meet customers' requirements in terms of health, launch marketing activity to increase sale volume, as well as distributes our products via variety distribution channels to ensure we could reach our target customers efficiently.

3. Risks from Modern Trade

Modern Trade accounts, including supermarkets, discount stores, and convenience stores, have strong bargaining power and require suppliers to spend a substantial amount on selling expenditures. To counter this risk, the Company continues to distribute its products via various channels including Traditional Trade, Food Services and Modern Trade to create a balance in terms of distribution channels as well as efficiently manage operating and marketing expenses.

4. Risks from Dependency on Contract Manufacturing Clients

The Company has engaged in the contract manufacturing business for more than 20 years. It has managed this business well and has diversified operating risk in terms of clients and products to ensure well-balanced revenues. We provide variety of products ranges including tea, coffee, fruit juice, functional drinks, and canned fruits. The Company has provided various contract manufacturing services in accordance with customer requirements ranging from product development, to production process. With close cooperation and frequent communication between the Company and clients starting from the product development phase, it is less likely that the clients will switch manufacturers and more likely to extend production contracts. The Company negotiates with its clients to obtain an appropriate term for its production services.

5. Risks from Currency Exchange

With dynamic changes in global economic situations, the exchange rate is very volatile. To manage foreign exchange risk, the Company has used currency forward to hedge some of its foreign cash flows when appropriate and used some of its foreign cash flows from export sales to settle for cost of imported raw materials and packaging (Natural Hedge). Besides, the export section is mostly executed in Thai baht.



นอ. 376/2556



มาลีดูแลคุณ ด้วยน้ำผลไม้ที่เราดูแลมาอย่างดี
คัดพันธุ์ เลือกแหล่ง คัดพล เลือกคน ใส่ใจทุกขั้นตอนโดยครอบครัวมาลี



Board of Directors



1. Mr. Chatchai Boonyarat

Chairman of the Board of Director/
Chairman of the Executive Director

2. Mrs. Chintana Boonyarat

Director/ Member of Executive Director/ Member of
the Nominating and Remuneration Committee

3. Mr. Pichai Chirathivat

Director/ Member of the Executive Director

4. Mr. Kobchai Chirathivat

Director

5. Mr. Kitti Vilaivarangkul

Director/ Member of the Executive Director/
Member of the Risk Management Committee



6. Ms. Roongchat Boonyarat

Director/ Member of the Executive Director

7. Ms. Nattharin Talthong

Director/ Chairman of Audit Committee / Member of the Risk Management Committee/ Member of the Nominating and Remuneration Committee/ Independent Director

8. Ms. Nart Fongsmut

Director/ Chairman of Nomination and Remuneration Committee/ Member of Audit Committee/ Member of the Risk Management Committee / Independent Director

9. Mr. Krizz Chantjiraporn

Director/ Chairman of the Risk Management Committee/ Member of Audit Committee/ Member of the Nominating and Remuneration Committee/ Independent Director

10. Mr. Paitoon Eiamsirikulmit

Company Secretary

Management Structure

Board of Directors

1. Mr. Chatchai Boonyarat	Chairman of the Board of Director/ Chairman of the Executive Director
2. Mrs. Chintana Boonyarat	Director/ Member of Executive Director/ Member of the Nominating and Remuneration Committee
3. Mr. Pichai Chirathivat	Director/ Member of the Executive Director
4. Mr. Kobchai Chirathivat	Director
5. Mr. Kitti Vilaivarangkul	Director/ Member of the Executive Director/ Member of the Risk Management Committee
6. Ms. Roongchat Boonyarat	Director/ Member of the Executive Director
7. Ms. Nattharin Talthong	Director/Chairman of Audit Committee / Member of the Risk Management Committee/ Member of the Nominating and Remuneration Committee/ Independent Director
8. Ms. Nart Fongsmut	Director/ Chairman of Nomination and Remuneration Committee/ Member of Audit Committee/ Member of the Risk Management Committee/ Independent Director
9. Mr. Krizz Chantjiraporn	Director/ Chairman of the Risk Management Committee/ Member of Audit Committee/ Member of the Nominating and Remuneration Committee/ Independent Director
10. Mr. Paitoon Eiamsirikulmit	Company Secretary

Remark : - Mr. Khemadhat Sukondhasingha Director / Chairman of the Risk Management Committee / Member of the Audit Committee/ Independent Committee (Retired by rotation on May 9th, 2014 to comply Good Corporate Governance)
- Mr. Narongchai Akrasanee Director / Independent Director / Chairman of the Audit Committee
(Retired on August 29th, 2014 due to other obligation)

The Authority And Duties of The Board of Director

The Board of Directors is comprised of Executive Director and Non-Executive Directors of the company. The Board of Directors has the power and duties to manage the Company in accordance with the laws, objectives, Articles of Association and resolutions of shareholder meetings. To perform in accordance with its authority and responsibilities, the Board of Directors may appoint director or directors or other persons to perform any tasks on behalf of directors. The Board of Directors shall hold a meeting at least once in every three (3) months. Two authorized directors to bind the Company shall be authorized to sign with the Company's seal affixed in

documents, instruments or other significant letters to bind the Company. The shareholders meeting or the meeting of the Board of Directors may determine and amend the directors' name authorized to sign to bind the Company with the Company's seal affixed. No director shall operate any business or become a partner in ordinary partnerships or become a partner with unlimited liability in limited partnerships or become a director of other juristic persons which have the same nature as and are in competition with the business of the Company, unless he notifies the shareholders meeting prior to the resolution for his appointment. A director shall notify the Company without

delay if he has an interest in a contract entered into with the Company or holds shares or debentures in an increased or decreased amount of the Company or an affiliate company. Specific management accountabilities are as follows:

- >> Review and assess the company's strategy, major operational plan, risk assessment policy, annual budget and business plans. Follows up on the implementation of the plans, monitors the company performance. Monitors major investment expenditure, including joint venture agreements, and divestment of business.
- >> Nominate, determine the remuneration for, and evaluate management performance on a regular basis, (or if necessary, terminate the management). Review to ensure continuous management succession plan.
- >> Review the remuneration for Directors and management. Ensure that the Nomination process is done officially and transparency.

- >> Ensure the controlling system for finance and accounting is reliable. Including the assurance that the internal audit, risk assessment, financial control, and legal compliance process are adequate.
- >> Audit and resolve the issues of conflict of interest among management, the Board of Directors, and shareholders. This must also include the issues of misuse of the company's assets and inappropriate related party's transaction.
- >> Appoint a suitable qualified person as a Director. Ensure that the structure and operational procedures comply with good governance and appropriate ethical standards.
- >> The Directors should make decision for the company's business with good judgment, being independent from the influence from management and other beneficiary group. They should allocate adequate time for the business and be attentive in performing their duties according to their responsibility.

The Audit Committee

Ms. Nattharin Talthong
Ms. Nart Fongsmut
Mr. Krizz Chantjiraporn

Chairman of Audit Committee
Member of Audit Committee
Member of Audit Committee

The Authority And Duties Of The Audit Committee

- >> Reviewed the quarterly and annual financial statements with Company's management to present to the Board of Directors. To ensure the accuracy and creditability of the financial information as well as sufficient and timely disclosure of significant matters.
- >> Reviewed Company performance to ensure the Company's compliance with the securities and stock exchange laws, the Stock Exchange of Thailand's rules and regulations.
- >> Considered and supported the disclosure of any connected transactions which may cause conflicts of interest.
- >> To ensure that internal control system was performed properly and effectively.
- >> Considered and proposed the appointment of external auditor.
- >> Considered and approved the annual internal audit plan. Acknowledged the internal auditor's report, monitored the company's investment projects and provided useful recommendations.
- >> Reviewed company risk management and made suggestion to help minimize those risks.

Executive Committee

Mr. Chatchai Boonyarat	Chairman of the Executive Director
Mrs. Chintana Boonyarat	Director
Mr. Pichai Chirathivat	Director
Mr. Kitti Vilaivarangkul	Director
Ms. Roongchat Boonyarat	Director

The Authority And Duties of Executive Committee

- >> Assist the Board of Directors in overseeing management, operation and policies of business and also issuing policies in order to achieve the targeted budget and strategy as approved by the Board of Directors.
- >> Consider the Company's annual budget before submission to the Board of Directors for approval.
- >> Prepare and propose strategy, business and operation plan to the Board of Directors for approval.
- >> Consider new business startup in compliance with the Company's policy before submission to the Board of Directors for approval.
- >> Periodically review normal and non-normal courses of businesses operated by business departments.
- >> Review and comment on monthly profit and loss report presented by management.
- >> Perform any other act delegated by the Board of Directors and approved by the Executive Committee.

The Nominating And Remuneration Committee

Ms. Nart Fongsmut	Chairman of Nomination and Remuneration Committee
Mrs. Chintana Boonyarat	Director
Ms. Nattharin Talthong	Director
Mr. Krizz Chantjiraporn	Director

Authority And Duty of Nominating and Remuneration Committee

- >> Consider the selection and screening of individuals of individuals with suitable qualifications for appointment as Directors of the Company and propose names of candidates for the Board of Directors. Presentation to the Shareholders' Meeting authorization accordingly.
- >> Review the selection and screening of individuals with suitable qualifications for appointment as President of the Company and proposal of candidates for the Board of Directors authorization accordingly.
- >> Present guidelines for the determination of Executive management level remuneration.
- >> Consider and screen remuneration for Directors, for subsequent proposal to the Board of Directors and eventual authorization by the Shareholders' Meeting.
- >> Consider and screen remuneration for the President, for approval by the Board of Director.
- >> Recommend guidelines for the issue of warrants under the Directors and employees share purchase program, for authorization by the Board of Directors, Shareholders and the Securities Exchange Commission.

- >> Oversee the allocation of warrants for Director and employee share purchase plans as authorized, to Directors and employees in accordance with the objectives of the program.

Nomination of Directors

The appointment of the Company's directors shall be made by the Shareholder meeting. The Directors of the Company shall be a qualified person and not prohibited by law. The Board of Directors has a minimum of five directors appointed by the shareholder meeting. The selection criteria and procedures of the Board of Directors are provided below:

1. Each shareholder shall have a number of votes equal to the number of shares held.
2. The appointment of a director may be processed by voting to elect one or several persons as director or directors as deemed appropriate by the shareholder meeting. However, each shareholder must exercise all the votes he has under item 1 and cannot divide his votes to any person particularly.
3. The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be elected as directors equivalent to be elected. If there is a tie in the last to be elected and this exceeds the said number of directors, the presiding Chairman shall have an additional casting vote. At the every annual general meeting of shareholders, one third of the directors shall be retired. If the number is not a multiple of three, then the number nearest to one-third shall be retired. A retiring director is eligible for re-election.

In the case of a vacancy on the Board of Directors for reasons otherwise than by rotation, the Board of Directors shall elect any person who is qualified and not subject to the prohibited qualifications under law on public limited company as the substitute director at the subsequent Board of Directors meeting, unless the remaining term of office of the said director is less than

two (2) months. The aforesaid substitute director shall retain his office only for the remaining term of office of the director whom he replaces. The resolution of the Board of Directors under the first paragraph shall consist of votes of not less than three-fourths (3/4) of the remaining directors.

Principles For Nominating Independent Directors

- >> Individuals must possess the qualification for as determined
- >> Director must be able to perform their duties and express opinions using independent, individual judgment. This must be conducted with ethics and a primary concern for the organization's interests.
- >> Candidates must possess all the qualifications as specified by the Stock Exchange of Thailand, as follows
- Must not hold more than 1 percent of the total number of shares with voting rights of the Company, companies within the group, associated companies or persons with potential conflict of interest (including persons related parties in accordance with Measure 258 of the securities Act)
 - Has no participation in management, Is not an employee, staff member or consultant receiving a regular salary; nor is an individual with controlling authority in the Company, companies within the Group associated companies or persons with potential conflict of interest. This includes relationships involving persons providing professional service to the Company or companies within the Group, such as auditors or legal counsel. Individuals must not have previously had benefits or interests as aforementioned, for a period of not less than 1 year.
 - Candidates must not have relationships of a business nature, such as being a customer, raw material supplier, creditor / debtor, have

accounts receivables or payables with relation to relation to borrowings. Individuals must not have benefits or interests - whether directly or indirectly - with regard to both the finances and management of the Company, companies within the Group, associated companies or persons with potential conflict of interest of a nature that comprises independence.

- Individuals must not be close relatives with management or majority shareholder of the Company, companies within the Group, associated companies or persons with potential conflict of interest. Nominees must not have appointed as representatives to safeguard the interests of Directors or majority shareholders.
- Individuals must not possess any other characteristics which would compromise the independence of the Board of Directors

The Risk Management Committee

Mr. Krizz Chantjiraporn	Chairman of the Risk Management Committee
Ms. Nattharin Talthong	Member of the Risk Management Committee
Ms. Nart Fongsmut	Member of the Risk Management Committee
Mr. Kittti Vilaivarangkul	Member of the Risk Management Committee

The authority and duties of risk management committee

- >> Assist the Board of Directors to set out the strategies and measures to control the Company's risk.
- >> Review the risk exposures of the Company's businesses, identify the acceptable level of risk, and control effectively.
- >> Review with management the strategies, frameworks and procedures that lead to the mitigation of material risk.
- >> Review reports from management of the steps that it has taken to monitor, mitigate and control the risk.
- >> Perform any other act delegated by the Board of Directors and approved by the Risk Management Committee.

Company Secretary

Mr. Paitoon Eiamsirikulmit	Company Secretary
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By Securities and Exchange Act (No. 4) B.E.2551 to proclaim that the board of director of company shall appoint a company secretary responsible for the company matters on behalf of the company or the board of directors. The company appointed individuals with the requisite qualifications and experience to assume the duties of company secretary. The qualifications, characteristic and responsibilities of the position have been determined as follows:

Qualification

- >> Bachelor degree
- >> Knowledge of legal principles in related to the Company and the SEC
- >> Good human relations and communications skills
- >> Prior experience in this position
- >> Knowledge of Corporate Governance issues

Responsibilities

- >> Preparing and keeping the following documents
 - A register of directors
 - A notice calling director meeting, a minute of meeting of the board of directors and an annual report of the company:
 - A notice calling shareholder meeting and minute of shareholders' meeting
- >> Keeping a report on interest filed by a director or an executive.
- >> Performing any other acts as specified in the notification of the Capital Market Supervisory Board.
- >> Supervise the disclosure of information and reporting in accordance with law and related regulations pertaining to good corporate governance

Remuneration for Directors and Management

- >> Directors' remuneration in 2014, for 11 persons, was Baht 4,260,000
- >> Executive directors and Management's remuneration in 2014, for 14 persons, was Baht 30,781,258 (as of 31 December 2014, total managements are 9 persons including with Executive directors for 5 persons)

Other remuneration

- >> Provident Fund of Management for 8 persons in 2014, was Baht 520,340.40



Company's Committee, Number of Attendance and Remuneration for year 2014

	Name of Director	Duration of Tenure	Number Of Attendance Of Meeting (time)						Meeting Periderm				Total
			BOD	AC	EXCOM	RM.	NR.	BOD	AC	EXCOM	RM.	NR.	
1	Mr. Chatchai Boonyarat	2013	5/5	-	12/12	-	-	340,000	-	480,000	-	-	820,000
2	Mrs. Chintana Boonyarat	2014	5/5	-	12/12	-	3/3	210,000	-	240,000	-	30,000	480,000
3	Mr. Kitti Vilaivarangkul	2014	5/5	-	12/12	4/4	-	210,000	-	240,000	40,000	-	490,000
4	Mr. Pichai Chirathivat	2012	5/5	-	11/12	-	-	210,000	-	230,000	-	-	440,000
5	Mr. Kobchai Chirathivat	2014	4/5	-	-	-	-	200,000	-	-	-	-	200,000
6	Ms. Roongchat Boonyarat	2013	5/5	-	12/12	-	-	210,000	-	240,000	-	-	450,000
7	Ms. Nattharin Talkhong	2013	5/5	5/5	-	4/4	3/3	210,000	220,000	-	60,000	50,000	540,000
8	Ms. Nart Fongsmut	2014	3/3	3/3	-	3/3	1/1	110,000	65,000	-	30,000	20,000	225,000
9	Mr. Krizz Chantjiraporn	2014	1/1	1/1	-	1/1	-	10,000	10,000	20,000	-	-	40,000
10	Mr. Khemadhat Sukondhasingha	2013	2/2	2/2	-	1/1	2/2	100,000	90,000	-	20,000	20,000	230,000
11	Mr. Narongchai Akrasanee	2012	3/3	3/3	-	-	-	150,000	195,000	-	-	-	345,000
Total			1,960,000						580,000	1,430,000	170,000	120,000	4,260,000

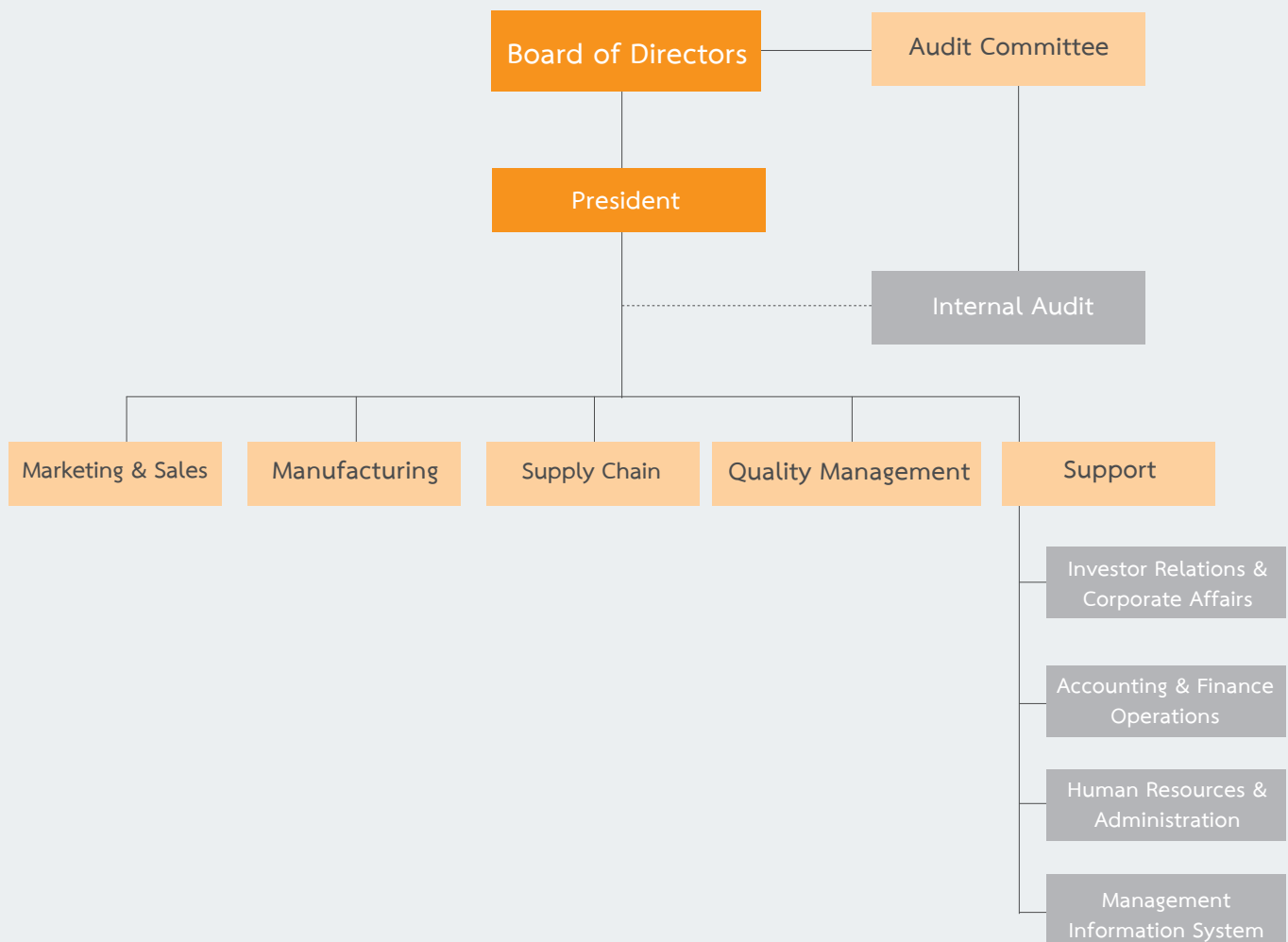
Remark : Mr. Khemadhat Sukondhasingha Director / Chairman of the Risk Management Committee / Member of the Audit Committee/ Independent Committee (Retiredby rotation on May 9th , 2014 to comply Good Corporate Governance)

Mr. Narongchai Akrasanee Director / Independent Director / Chairman of the Audit Committee (Retired on August 29th , 2014, due to other obligation)

BOD = BOARD OF DIRECTOR EXCOM= EXECUTIVE COMMITTEE AC = AUDIT COMMITTEE NR= NOMINATING AND REMUNERATION COMMITTEE RM = RISK MANAGEMENT COMMITTEE

Organization Structure

Organization Structure Malee Sampran Public Company Limited



Corporate Governance

Policy on Corporate Governance

The Board of Directors of Malee Sampran Public Company Limited deems the good corporate governance as the Company's policy which contains principles and best practices as follows:

1. Operates with consideration to the rights and equality of shareholders and other stakeholders, such as employees, trading partners, community, and creditors, by:

- 1.1 Protecting the shareholders' interest, and treating all shareholders equally. Refrain from limiting shareholders to have access to the company information, and to attend shareholders' meeting. In 2013, the Shareholders' Meeting had been held on 24 April 2014, 10:00 a.m. at MAGIC 3 room 2nd Floor Miracle Grand Convention Hotel 99 Kamphaeng Phet 6 Road, Talad-Bangkhon, Laksi, Bangkok 10210, Thailand. The members of the Board of Directors including the Chairman of the Audit Committee participated the Meeting. The company followed the correct procedure for convening the Meeting as specified by Laws, from the summons to attend the Meeting, the distribution of relevant documents and the agenda; and the provision of sufficient information and time for shareholders to consider the details prior to the Meeting date. The company also offered options to the shareholders who were unable to attend the Meeting by assigning their right of proxy to the independent Directors to participate and vote on their behalf. The proxy documents and instructions for appointing a proxy. The documents are sent to all shareholders 14 days prior to the Meeting date. The Chairman of the Meeting further informed the shareholders as to the method for voting using ballots, prior to commencement of the Meeting. During the process of counting votes, The Independent

Director and external auditor representatives were witnesses in conjunction with company employees. Furthermore, all shareholders were given equal opportunity to inspect details of the company's operations, raise questions and express opinions. The Minutes are also presented on the company's website.

- 1.2 Ensuring that those rights of the stakeholders are protected and well practiced.
- 1.3 Providing written documents to show the company's responsibilities to stakeholders.
- 1.4 Presenting the timely information on important issues, which have significant impacts to stakeholders. The reports must be presented with simplicity and consistency.

2. Structure, Roles, Duties, Responsibilities and Independence of the Board of Directors

- 2.1 The Board of Directors is comprised of Executive Director and Non-Executive Directors. A number of the Non-Executive Directors will be assigned by the Board of Directors to independently review and give comments against the conflicts of interest, which may occur. The tasks are such as reporting on the company financial matters by the Audit Committee, nomination of Board members by the Nomination Committee, remuneration for Directors and the management by the Remuneration Committee.
- 2.2 To practice in accordance to the law, and the objectives, rules and regulations of Malee Sampran Public Co., Ltd.
- 2.3 Accountable to manage important and specific issues as follows:
 - >> Review and assess the company's strategy, major operational plans, risk assessment policy, annual budget and business plans. Follows up on the implementation of the plans, monitors the company performance.

Monitors major investment expenditure, including joint venture agreements, and divestment of business.

- >> Nominate, determine the remuneration for, and evaluate management performance on a regular basis, (or if necessary, terminate the management). Review to ensure continuous management succession plan.
- >> Review the remuneration for Directors and management. Ensure that the nomination process is done officially and with transparency.
- >> Ensure the controlling system for finance and accounting is reliable. Including the assurance that the internal audit, risk assessment, financial control, and legal compliance processes are adequate.
- >> Audit and resolve the issues of conflict of interest among management, the Board of Directors, and shareholders. This must also include the issues of misuse of the company's assets, and inappropriate related party's transaction.
- >> Appoint a suitable and qualified person as a Director. Ensure that the structure and operational procedures comply with good governance and appropriate ethical standards.
- >> The Directors should make decision for the company's business with good judgment, being independent from the influence from management and other beneficiary group. They should allocate adequate time for the business and be attentive in performing their duties according to their responsibility.

3. Information disclosure and transparency

To ensure that the Company properly discloses the significant information in time, and with transparency, the Board of Directors should provide an investor relation unit to represent the company in communicating with institutional investors, shareholders, general analysts and state agencies concerned. The Board should provide adequate resources to develop knowledge and communication skill of the investor relation officer, so that the presentation could be made properly.

4. Controlling and risk management system

The Board of Directors has the responsibility to identify risks in the business, and to ensure that the company has the process to manage the risks, by:

- 4.1 Providing an efficient internal control system, measures for operational control and to manage the risks. Attention must be given to the early warning signals.
- 4.2 Providing an efficient communication among independent auditors, shareholders, the Board of Directors, and the management, which have been linked altogether by the Audit Committee.
- 4.3 Internal Audit Office has significant roles in the management control and financial reporting system. The Company must set up the internal audit activities as a separate unit within the company.

5. Business Ethics

The company should provide code of ethical conduct for all the Directors, management, and employees to ensure that they understand the standard practices as expected by the Company and stakeholders such as shareholders, trading partners, creditors, and community etc. The Board should fully support this code of ethics, and distribute to all employees.

Code of Ethics of Malee Group

Objectives of Malee Group are to produce goods of high quality, to be sold at reasonable prices, to establish relationship with all stakeholders, and to be responsible for the environment, community and society. The best practices are therefore set up as the guiding principle for the Directors, management, and employees.

Control of Insider Information

The company has put in place a system where all company directors and management must report their share purchasing activities to ensure that they do not

use insider information for personal gain in trading of Company shares. Furthermore, the Company has also informed all directors and management of the personal legal liabilities and punishment associated with such act.

Employees

Number of Employees as at 31 December 2014

1,440 persons

Employee payroll for the year 2014

385,727,632 Baht



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CROWN Bevcan and Closures (Thailand) Company Limited

405 Bangpoo Industrial Estate, Sukhumvit Rd., Samutprakarn 10280, Thailand. Tel: 66(0) 2709 3971-5 Fax: 66(0) 2323 9513

Audit Committee Report

The Audit Committee of Malee Sampran Public Company Limited is composed of 3 independent directors who are independent and qualified as the Stock Exchange of Thailand's requirements. Ms. Nattarin Talthong serves as Chairman of the Audit Committee, while Ms. Nart Fongsmut and Mr. Krizz Chanjiraporn serve as members of the Audit Committee.

In 2014, the Audit Committee held 5 meetings with the external auditor, internal auditor, and the Company's executive management to perform its duties and responsibilities in compliance with the regulations of the Stock Exchange of Thailand and as assigned by the Board of Directors. The significant tasks could be summarized as follows:

1. Reviewed the quarterly financial statements and the audited financial statements for the year 2014 with the external auditor and the Company's management to present to the Board of Directors, and found that the financial information is conformed to generally accepted accounting principles as well as sufficient and credible disclosures of significant matters.
2. Considered and approved the 2014 internal audit plan. Also supported and encouraged internal auditors to perform internal audit activities according to meet an international standard. It found that the appropriate and effective internal control systems were in place. No significant weaknesses were found.
3. Reviewed risk management system by appointing Mr. Krizz Chanjiraporn serves as Chairman of Risk Management, Ms. Nattarin Talthong, Mr. Kitti Vilaivarangkul and Ms. Nart Fongsmut be members of Risk management by recommending the utmost advantage and reducing all risks from operation, instructive a special lecture of risk management for the integration in sustainability.

4. In compliance with the regulations of the Stock Exchange of Thailand and other relevant laws, and found that the Company complied with such regulations and laws.
5. Reviewed connected transactions or transactions that may lead to conflict of interest, and found that the Company accurately and adequately disclosed in compliance with the regulations of the Stock Exchange of Thailand.
6. Considered the Company's auditor and audit fee, and proposed to the Board of Directors.

Through contemplations of the aforementioned performance reports, The Audit Committee has concluded that for the year 2014, the company's financial statement is accurate in the respects of the generally accepted accounting principles with adequate disclosure of complete and trustworthy information. The company has in place appropriate and efficient internal control and internal audit systems as well as risk management. The company abides by relevant laws and regulations, which also includes adequately and transparently operates in line with good corporate governance system.

On behalf of the Audit Committee



(Ms. Nattarin Talthong)

Chairman of the Audit Committee

February 26, 2015

Internal Control System and Risk Management

In accordance with the principles of good corporate governance, the Board of Directors has continuously put emphasis on the internal control system by assigning the Audit Committee, which consists of independent directors, to review the Company's internal control system. The Company has instituted an internal audit department which is independent from management and directly reports to the Audit Committee to review the operations and working systems of each department of the Company and its subsidiaries in accordance with the annual audit plan.

This is to ensure the Company's business objectives could be achieved. It is the view of the Board of Directors

and management that the Company's internal control system is sufficient and effective in the following areas:

1. The Company's objectives could be achieved efficiently and effectively.
2. The Company's risk management system covers all aspects and is effective.
3. The Company's information system, important financial data, management and operation systems are trustworthy, complete accurate and timely.
4. System to safeguard assets, human resources and data in information system is appropriate.
5. The Company's operation is in compliance with policies, rules, regulations, and requirements related to the Company's businesses.



Malee®
Fruit with care.

Related Parties Transactions

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

Related parties are these parties linked to companies in the Group as follow:

Related Companies	Business Type	Relationship
Direct subsidiaries		
Malee Enterprise Company Limited	Distributor	Shareholders/Co - Directors
Agri Sol Company Limited	Manufacture and distributor	Shareholders/Co - Directors
Malee Supply Company Limited	Distributor (Dormant)	Shareholders/Co - Directors
Icon Foods LLC	Distributor (Dormant)	Shareholders/Co - Directors
Malee Harvest Company Limited (Formerly the name of “Prime Agrico Company Limited”)	Investment	Shareholders/Co - Directors
Indirect subsidiary		
Lanchang Farm Company Limited (held by Malee Harvest Company Limited 70%)	Manufacture and distributor for agricultural crops	Co - Directors
Related parties		
Abico Holdings Public Company Limited	Holding company (investment)	Company’s shareholder/ Co - Directors
Abico Land Company Limited	Real estate developer	Co - Directors
Abico Dairy Farm Company Limited	Produce service of ready to drink milk and fruit juices	Group of companies/Co - Director
Chokchai Milk Company Limited	Original owner of Chokchai brand (Dormant)	Relate with Abico Holdings Public Company Limited
PPO Farm Company Limited	Agriculture and dairy farm	Co - Directors
Central World Company Limited	Department store	Co - Directors

(A) On April 30, 2014, the shareholders had approved the dissolution of Malee Supply Co., Ltd. and registered with the Ministry of commerce on May 14, 2014.

During the years, the Company had significant trading transactions with its subsidiaries and related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

		Baht			
		Consolidated financial statements		Separate financial statements	
	Transfer Pricing policy	2014	2013	2014	2013
Transactions with subsidiaries					
(Eliminated in the consolidated financial statements)					
Sales of goods	Cost plus margin	-	-	1,464,354,664	1,388,207,477
Others income	Cost plus margin	-	-	1,021,252	1,610,960
Revenues from service	Contract price	-	-	15,120,000	11,340,000
Guarantee fee	1.75 percent of the guarantee amount	-	-	3,096,301	2,858,334
Interest income	Contract price	-	-	39,881	-
Purchase of goods	Cost plus margin	-	-	14,493,543	2,567,636
Purchase of raw material and others	Cost plus margin	-	-	112,235,920	59,006,067
Marketing support expenses	Contract price	-	-	-	6,283,165
Guarantee income	1.75 percent of the guarantee amount	-	-	-	1,750,000
Transactions with related parties					
Sales of goods	Cost plus margin	20,952	29,215	-	-
Produce service	Cost plus margin	103,026,662	112,292,841	103,026,662	112,292,841
Building rental expenses	Contract price	13,214,400	12,014,000	7,250,400	7,250,400

The balances of the accounts as at December 31, 2014 and 2013 between the Company and its subsidiaries and those related companies are as follows:

		Baht			
		Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Trade receivables					
Subsidiaries					
Malee Enterprise Co., Ltd.		-	-	239,243,084	261,924,115
Related parties					
Abico Daily Farm Co., Ltd.		71,091	610,053	-	-
Centralworld Co.,Ltd.		12,301	5,932	-	-
Total		83,392	615,985	-	-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Other receivables				
Subsidiary				
Malee Enterprise Co., Ltd.	-	-	9,580,501	4,992,100
Agri Sol Co., Ltd.	-	-	5,739,801	2,494,801
Total	-	-	15,320,302	7,486,901
Related party				
Abico Daily Farm Co., Ltd.	1,335,867	661,639	1,335,867	661,639
Long - term loans				
Subsidiary				
Malee Harvest Co., Ltd	-	-	5,342,227	-
LanchangFam Co., Ltd	-	-	18,658,792	-
Total	-	-	24,001,019	-
Deposits				
Related parties				
Abico Land Co., Ltd.	8,424,800	8,424,800	5,451,800	5,451,800
Trade payables				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	571,997	346,683
Agri Sol Co., Ltd.	-	-	75,573,765	10,004,986
Total	-	-	76,145,762	10,351,669
Related party				
Abico Daily Farm Co., Ltd.	16,290,844	7,395,468	16,290,844	7,379,686
Other payables				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	647,814	2,858,334
Agri Sol Co., Ltd.	-	-	1,194,059	2,746,016
Total	-	-	1,841,873	5,604,350
Related parties				
Abico Land Co., Ltd.	139,742	92,285	97,156	60,091
Abico Daily Farm Co., Ltd.	15,515	-	-	-
Total	155,257	92,285	97,156	60,091

Corporate Social Responsibility: CSR

Malee Sampran Public Company Limited conducts its internal and external business activities taking into account factors what can have an influence on stakeholders.

The Company is fully aware of taking care of direct and indirect social behaviors and expectations within surrounding communities as well as environment what is a part of sustainable growth. We consume materials and resources with the aim to be a part of the society based on the following principles:

1. Good Corporate Governance

The Company commits to and supports good corporate governance. Its internal management system put emphasis on equal, fair, efficient, and transparent working procedures and systems to create trust and confidence among shareholders, investors, stakeholders and all involved parties. (For further details, please refer to Corporate Governance section 9).

In addition, fair business operation is the one of the areas in Malee's code of best practices and conduct. The Company has put emphasis on fair business operation, taking into account and understanding the

interests of customers and trading partners including raw material suppliers and farmers as well as surrounding communities, to create their trust in the Company. This will generate sustainable benefits for both the Company and all stakeholders.

2. Anti-Corruption

Since 2011, the Company has joined more than 20 organizations, led by the Thai Chamber of Commerce and Board of the Trade of Thailand to establish Anti-Corruption Network of Thailand. The Company has taken part in many anti-corruption campaigns to raise awareness and support such campaigns on a continuous basis. In regard to internal practices, the Company has trained its staffs with the aim to ensure they work with conscious and integrity. Moreover, the staff who well practices his duties will be honorably awarded to reward and to encourage other staffs to follow.

In 2013, the Company marked its continual practice by joining the Collective Action Coalition of Thai Private Sector to Anti-Corruption established by the Institute of Thai Directors, the Thai Chamber of Commerce, the International Chamber of Commerce, Association of Thai Listed Companies, Association of Thai Banks, Federal of Thai Capital Market Associations and the Federation of Thai Industries.



Currently, the Company is in the progress of formulating its anti-corruption statement in written form to pass on the information to directors, executives and staffs, as well as to implement the guideline into practice.

3. Respect to Human Rights

The Company has clear and efficient working system to ensure that the issues of human right, fair labor treatment, including registration of foreign labor as stipulated by the labor law, compensation, welfares are accurately conducted. In addition, the Company provided different training courses which allow staffs to exercise their knowledge and competency while supporting their knowledge enhancement and recognizing their participation role. As a reflection of how due care we have to the human resources, the Company have received Certificate from The Department of Labor Protection and Welfare from The Ministry of Labor.

4. Fair Treatment to Labor

Human resource is one of the key factors for the Company to improve and create value-added production results. Thus the Company has strong determination to provide best condition for its employees through fair treatment, opportunities, compensation, welfare and skill development programs.

Furthermore, the Company has continued to improve and promote internal working environment to ensure good life quality, including health and safety at work. The Company has recieved Honor Certificate from

participation in different program such as “Zero-Accident” campaign launched by the Ministry of Labor.

Furthermore, to allow our staffs understanding agriculture which is the main source of raw material, the Company has launched “Grow Vegetables, Grow Your Happiness Project. Our staff will have opportunity to visit and join the course with experts agriculturists, as well as to learn and try growing vegetables by themselves. Not only gaining new knowledge, our staffs also save cost of food, and to spend more time together with their families while enjoying the plantation. The project was well attended and received great feedback from staff in head office and factories. Another benefit of the project is the

5. Responsibilities to Consumers

Being the manufacturer and distributor of consumer products, the Company has commitment to produce and sell merchandise in the way that meets all required safety standards. The Company has been well accepted for its high quality products and ability to fulfill all required standards. It obtained many domestic and international certificates including Certificate in the Program of Industrial Production Process Improvement with Cleaner Technology from Mahidol University with cooperation from NSTDA and HACCP, GMP, KOSHER, Q Mark, IFS, BRC and Halal Certificate from international organizations. Furthermore, the Company has a Consumer Hot Line at 02 532 3572 as another channel to receive customers’ complaint to take responsibilities for our products.



6. Responsibilities to Communities, Society and Environment

The Company realizes that healthy communities and societies with sustainable development are a key factors that will allow the Company to run its operation and business successfully. Thus the Company has taken part in many campaigns aimed to promote and support the existence of such communities and societies. For instance, support local culture and tradition or to render assistant to community where the need of hand is required.

In 2014, the Company hosted “Sampran People, We Care” project to honor the King Bhumibol on Occasion of Celebration of His Majesty’s birthday on 5 December. Total of 9,999 fish were released to Tha Cheen river. The fish were bred in the water which has been cleaned by treatment of sewage system within the Company’s factories. Project was completed with collaboration and presence of government authority and more than 300 people from surrounding communities.

The Company, in collaboration with Tiang Chirathivat, supports pineapple plantation by purchasing fresh Nanglae pineapple to use as a feedstock in production of pineapple juice. The project is aimed to develop sustainable business to local agriculturists, as well as to conserve the “Nanglae” spicy which has been registered as a local plant originally grown in Thailand.

7. Environment Care

Increase of global population coupled with continuous economic growth not only cause substantial consumption of natural resources but also release huge amount of pollutions, waste, toxic, and subsequently, causing global warming.

After implementation of waste water treatment technology into internal system, the Company has been granted from prominent institutions, accolades and recognitions. In 1994, 1995 and 1997 we received “Outstanding Production Factory” in the area of efficient waste water treatment and management in Industrial Factory Contest, in Nakhon Pathom, and “Outstanding Production Factory” in the area of water environment protection in the 1994 from the Committee of Environmental Protection, while on 15 May 2009, the Company was awarded “Social Responsibility Mark Award” by the Ministry of Commerce.

According to the renewable energy produced from waste water and fruit waste created by the Company, we also received the winner award of “Thailand Energy Awards 2008” from the Ministry of Energy, for its off-grid renewable energy campaigns.

Another reflection of our effort is the First runner-up award in “Asean Energy Awards 2008” from development of biogas project system in the UASB Type (pond type) by reprocessing waste water and fruit garbage.



Both projects were aimed to protect environment by getting rid of waste from the production process of agricultural products without causing any impacts to the environment. In addition, alternative energy-the byproduct from this project can be used as an additional power supply in the factories. The Company can save the cost of electricity, energy up to ten million baht per annum-significant solution toward our sustainable production. The “Great Agriculture Dietary Product” Award acclaimed by the Department of Industrial on 10 January 2012, in Development of Waste Management Technology in Agricultural Dietary Product Industrial year 2011, is another medal for the Company.

The Company started its algae planting project which is conducted with concept to minimize waste from the feeding process to zero. At present, the waste (fluent) from production process reaches 1000 cubic meter per day, plus massive amount of flue gas which is result of stream production. With effort to turn waste into use, the Company considered to conduct a laboratory of planting algae using fluent and flue gas as food. The purpose is to reduce amount of waste released to the environment

while improving public use. In addition, the Company considered to disseminate the knowledge to the public, which requires professional skill and inside. Therefore, the Company has hired research team from Bioscience Research Dept. from Thailand Institute of Scientific and Technological Research (TISTR) to conduct the research, develop the procedure of planting algae through co-process with the research team of the Company. The knowledge and information derived from the research is then passed on to the research team of the Company for deeper analysis and to distribute to public.

8. Culture Sharing from Innovation of Corporate Social Responsibilities

With large scope of knowledge and experience derived from business operation, the Company has willingly to share such knowledge to companies and agencies that might be interested. Receiving well response, we received frequent request from firms and agencies to visit our projects. For example, UASB Biogas Project (pond type)-production of biogas from waste water and waste from agricultural products. The energy derived from the project substantially saves electricity expenses and fuel oil costs in each year.



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Management Discussion and Analysis: MD&A

Factors and major events which impact the business operation

In 2014, the Company experienced many major events which caused different impacts to the Company. The buyback project was accomplished on 27 February 2014, with the amount of buyback share at 2,021,100 or 1.44% of the registered capital and paid-up capital of the Company respectively. Later in August 2014, the Company increased another 50% investment in Prime Agrico Co., Ltd. (company name changed to Malee Harvest Co., Ltd.). Such change has transformed Malee Harvest Co., Ltd., into one of the Company's subsidiaries. Presently, Malee Harvest Co., Ltd., has invested in Lanchang Farm Co., Ltd., (a firm engaged in hydroponic planting) located in Chiang Mai.

The Company experienced successful operation of Malee brand which accounted 60% of total sale volume of the Company. In the meantime, the Contract Manufacturing

Business slightly dropped to normal growth from the previous peak as the competitor's factory was damaged due to the impact of flood disaster in the year end of 2011, and prolonged until the third quarter of 2013. The Company maintained to manage the cost of production and cost of management with full efficiency.

On 18 December 2014, the Board of Directors approved changes in accounting policy in the part of the fixed assets - the revaluation of the building and machines was changed to the capital cost. The change became effective from fiscal year of 2014 onwards. The Company's auditors have re-adjusted the financial statement to indicate the such change within the past 3 years.

All these factors signify major impact to the business operation and financial statement of the Company in 2014.

Analysis on profit and expenses

	2013 (Revised)		2014		Changed %
	Mil. Baht	%	Mil. Baht	%	
Revenues from sales	5,087.6	97.7	4,767.3	98.3	-6.3
Other income	121.8	2.3	84.7	1.7	-30.5
Total revenues	5,209.4	100.0	4,852.1	100.0	-6.9
Cost of sales	3,636.4	69.8	3,182.7	65.6	-12.5
Selling expenses	784.3	15.1	888.2	18.3	13.2
Administrative expenses	379.2	7.3	360.5	7.4	-4.9
Finance costs	17.0	0.3	36.5	0.8	114.7
Total expenses	4,816.8	92.5	4,468.0	92.1	-7.2
Shares of profit (loss) of associate	(1.8)	0.0	(3.1)	-0.1	72.2
Profit (loss) before income tax expenses	390.8	7.5	381.1	7.9	-2.5
Tax expenses (income)	103.8	2.0	74.6	1.5	-28.1
Profit (loss) for the years	287.0	5.5	306.5	6.3	6.8
Profit (loss) for the years attributable to : Equity holders of the parent	287.0	5.5	307.0	6.3	6.9

Total sales revenue

Total sales revenue of the Company and its subsidiaries was Baht 4,767.3 million, and increased by Baht 320.2 million or 6.3%. The reason was reduction of sales revenue from production contracting business. The reduction is a subsequence of improved situation of manufactureres affected by flood disaster during year end of 2011 - the first and third quarter of 2013. Meanwhile, the sales volume of brand business increased by 9.8%.

Cost of sales

Cost of sales of the Company and its subsidiaries was Baht 3,182.7 million or 66.8% of sales revenue, which is 4.7% lower than the total cost in the previous year. The lowering cost result in changes of sales proportion in each business segment and product as well as efficiency of cost management on raw materials and production.

Gross profit and rate of gross profit

Total gross profit stood at 1,584.7 million Baht, representing 33.2 % of total sales revenue. When comparing with the previous year, the gross profit increased by 4.7%. This was because increase in sales revenue from brand business.

Selling expenses

Selling expenses totaled in 888.2 million Baht, an increase by Baht 103.9 million or 18.3% comparing to the previous year. This was because of increase in domestic promotions and selling expenses commensurate with rise in domestic sales and launch of new products during the third and fourth quarter of 2014.

Administrative expenses

Administrative expenses accounted Baht 360.5 million, a drop by Baht 18.6 million or 4.9% comparing to the year 2013 where the expenses was high due to closure of sweet corn factory of one of subsidiary.

Irregular transactions

The Company recognized loss from investment in Lanchang Farm Co., Ltd., the joint venture as per investment proportion at Baht 3.1 million.

Net profit and primary earnings per share

The Company's pre-tax income stood at Baht 381.5 million, representing a net margin of 8.0% of total sales revenue. Total income tax expense was Baht 74.6 million. The Company's total net earnings was Baht 307.0 million, representing 6.4% of total sales revenue, an increase of Baht 20 million or 7.0%. The Company's primary earnings per share stood at Baht 2.22 per share, increase by Baht 0.17 or 8.2% from the previous year.

Financial analysis

Assets

	2013 (Revised)		2014		Changed %
	Mil. Baht	%	Mil. Baht	%	
Cash and Cash Equivalents	67.7	3	50.5	2	-25
Trade Receivables	580.5	24	784.6	26	35
Inventories	729.9	30	799.8	27	10
Investment and loans	19.3	1	14.0	0	-27
Non - current assets held for sale	-	-	27.6	1	-
Property plant and equipment	834.6	34	1,132.7	38	36
Intangible Assets	41.3	2	54.6	2	32
Other Assets	102.0	4	128.3	4	26
Total Assets	2,404.7	100	2,992.1	100	24

As of 31 December 2014, total asset's valuation was at Baht 2,992.1 million, an increase by Baht 587.4 million or 24% from 30 December 2011. The main reasons was because of an increase in account receivable and quantity of properties, plant and equipment (PP&E). The details of changes are as follows:

- Cash and cash equivalents valued Baht 50.5 million, a decrease of Baht 17.2 million.
- An increase in account receivables of Baht 204.1 million, as a result of raised sale volume in the fourth quarter comparing to the year 2013.
- The increase of inventory of Baht 69.9million from seasonal ready-made-canned fruit, new products and raw materials in beverage category under Malee brand and contract manufacturing business.
- Non-current asset hold for sale valued at Baht 27.6 million is categorized as machine of the subsidiary. The machine is acquired through sale contract after the subsidiary has dissolved.
- Property, plant and equipment, intangible assets increased by Baht 282.1 million
 - o Property assessment of the Company and its subsidiaries as of 31 December 2014 increased by Baht 94.8 million
 - o The Company acquired 70% of shares in Malee Harvest (former name is Prime Agrico Co., Ltd.) which holding 70% of shares in Lanchang Farm Co., Ltd. As a result, the net fixed assets of the Company increased to Baht 75.3million, with

rate of goodwill stood at Baht 13.4million in consolidated financial statement.

- o Investment of Baht 201million in the machines and equipment to extend the production performance
- Deduct by depreciation of year 2014 and disposal of unused assets
- Increase of other assets at Baht 26.3million from advanced payment and other payables

Asset quality

Receivables

As of 31 December 2014, the net receivables of the Company accounted Baht 785.6million, accrued receivables accounted at million237.2 Baht, an increase of Baht 52.9million, comparing to the total accrued receivables as of 31 December 2013. Most of the account receivables are paid within 3 months. The change in numbers in receivables was because of increase in domestic sale volume of brand business and contract manufacturing business during the fourth quarter. The debt collection is executed in accordance with payment schedule.

Some of the accounts receivable overdue were related to foreign sales, and the Company is in the process of collecting such debts. The Company's management reviewed the amount of allowance for such doubtful debts as of 31 December 2014 and deemed that it is sufficient.

Liabilities

	2013 (Revised)		2014		Changed %
	Mil. Baht	%	Mil. Baht	%	
Bank Overdrafts and Short-term Loans	674.8	43	1,023.5	52	52%
Trade Payables and Other Payables	658.8	42	647.3	33	-2%
Trade Payable under Compromise Agreement	78.3	5	0	0	-100%
Other Current Liabilities	59.3	4	89.4	5	51%
Liabilities under finance lease agreements	9.7	1	81.0	4	735%
Other Non - Current Liabilities	91.3	6	135.1	7	48%
Total Liabilities	1,572.3	100	1,976.2	100	26%

As of 31 December 2014, total liability of the Company accounted Baht 1,976.2 million, an increase of Baht 404.4 million or 25.7%. The main cause was due to an increased of payable from finance institution and short-term loans and financial leases. The details of changes are as follows:

- Overdrafts and short-term loans increased by Baht 348.7 million due to cash expenditure on supporting production of seasonal canned fruit, adjustment on the payment with trading partners to receive discount, additional investment in fixed asset, and acquisition of business
- an increase of account payable under settlement agreement at Baht 78.3million as a result of total payment of the loan capital in the second quarter.
- Other current liability increased at Baht 30million. The main reason is from advance payment from customers under normal trading course
- an increase of financial lease liability at Baht 71.2 million as a result of investment in machines.
- Other non-current liability increase at Baht 43.8million due to acquisition of shares in Malee Harvest Co., Ltd. (former name Prime Agrico Co., Ltd.), the firm holding 70% of shares in Lanchang Farm Co., Ltd. As a result, the Company's liability increase to net Baht 27.5million, and deferred income tax increased Baht 21.5million.

Shareholders' equity

As of 31 December 2014, the Company's restated shareholders' equity is Baht 1,015.8million, an increase by Baht 183.5million from year 2013, the profit loss increased to Baht 306.9million. Property evaluation increased by Baht 75.9million, deducted dividend at the amount of Baht 144.9million, buyback stock of Baht 58.6million.

Analysis of the Company's liquidity

	2013 (Revised)	2014
Cash flows from (used in) operating activities	(62.6)	56.1
Cash flows from (used in) investing activities	(102.2)	(207.4)
Cash flows from (used in) financing activities	174.1	134.1
Net increase (decrease) in cash and cash equivalents	9.3	(17.2)
Cash and cash equivalents at beginning of years	58.4	67.7
Cash and cash equivalents at end of years	67.7	50.5

For the year 2014, the Company's net cash flow decreased of Baht 17.2M million. At the beginning of the year, the cash and net cash equivalent was valued on Baht 67.7 million and Baht50.5 million in the year end.

- Cash flows derived from operating activities accounted Baht56.1 million, an increase of Baht118.6 million, comparing to year 2013. The main reason was an increase in profit from operation, and decrease of income tax payment.
- Cash flows from (used in) investing activities amounting to Baht207.4 million, an increase by Baht105.2 million, comparing to year 2013. The investment concerns building machinery and equipment in order to support new clients and products. The Company also invested in its subsidiaries and cash at bank with guarantees.
- Cash flows from (used in) funding activities stood at Baht 134.1million, a decrease by Baht39.9million, comparing to the year 2013 due to reduction of loan from financial institutions, comparing to the previous year.

The Optimal Capital Structure

The Company underwent re-organization of business structure, operation and financial structure as shown in the statement of financial position. As of 31 December 2013, the debt to equity ratio was 1.95:1, while the debt to equity ratio as of 31 December 2013 stood at 1.89:1.

The Profile of the Board of Directors

1. Mr. Chatchai Boonyarat

Position	- Chairman of the Board of Director - Chairman of the Executive Director
Age	67 years
Education	>> Bachelor's Degree in Chemical Engineering, Chulalongkorn University >> Master's Degree in Manufacturing Engineering, Boston University in USA.
Director Accreditation Program	>> Chairman 2000 Program, Thai Institute of Directors Association (IOD) >> Leader Program (Class 11), The Capital Market Academy (CMA)
Experience	1995 – Present Chairman, Malee Sampran Public Company Limited 1997 – Present Chairman, Abico Holdings Public Company Limited
Position in Other Listed Companies	>> Chairman, Abico Holdings Public Company Limited
Date of First Director's Appointment	June 2 nd , 1995
(%) Shareholding as at December 31 st , 2014	None
Stock Trading During the Year 2014	None

2. Mrs. Chintana Boonyarat

Position	- Director - Member of Executive Director - Member of the Nominating and Remuneration Committee
Age	63 years
Education	>> Bachelor's Degree in Business Administration, Menlo College, USA
Director Accreditation Program	>> Directors Certification Program (DCP 5/2000), Thai Institute of Directors Association (IOD) >> Role of Chairman Program (RCP 15/2011), Thai Institute of Directors Association (IOD) >> Top Executive Program in Commerce and Trade (TEPCoT 3), The University of the Thai Chamber of Commerce
Experience	1999 – Present Director, Malee Sampran Public Company Limited 1994 – Present Director, Tiger Eyes Trading (Thailand) Co., Ltd. 1992 – Present Director, Abico Holdings Public Company Limited 2013 – Present Executive Director, Central Marketing Group Co., Ltd.
Position in Other Listed Companies	>> Director, Abico Holdings Public Company Limited
Date of First Director's Appointment	August 17 th , 1999
(%) Shareholding as at December 31 st , 2014	None
Stock Trading During the Year 2014	None

3. Mr. Pichai Chirathivat

Position	- Director - Member of Executive Director
Age	54 years
Education	>> Bachelor's Degree in Business Administration, Claremont College, USA >> Master's Degree in Business Administration, Pitzer College, USA
Director Accreditation Program	>> Strategic Planning & Management in Retailing Program, IGDS >> PSA Program (Class 98), The Psychological Security Association of Thailand >> NCD Program (Class 53), National Defence College of Thailand
Experience	1999 – Present Managing Director, Central Trading Co., Ltd. 2012 – Present Director, Malee Sampran Public Company Limited
Position in Other Listed Companies	-
Date of First Director's Appointment	April 5 th , 2012
(%) Shareholding as at December 31 st , 2014	9.43%
Stock Trading During the Year 2014	None

4. Mr. Kobchai Chirathivat

Position	- Director
Age	60 years
Education	>> Bachelor's Degree in LL.B. (Law), Chulalongkorn University >> Master's Degree in M.A. (Political Science), University of Norte Dame, U.S.A. >> Master's Degree in Business Administration, University of Chicago, Graduate School of Business, U.S.A. >> National Defence College, The Joint State-Private Sectors Course, Class 21
Director Accreditation Program	>> Directors Certification Program (DCP 5/2001), Thai Institute of Directors Association (IOD)
Experience	2012 - Present Director, Malee Sampran Public Company Limited 1995 - Present Director, Central Pattana Public Company Limited 1981 - Present Executive Director, Central Group of Companies Co., Ltd. 1998 - Present Director, Sakura Restaurant Co., Ltd. Present Director, Central Advance System Co., Ltd.
Position in Other Listed Companies	>> Director, Central Pattana Public Company Limited
Date of First Director's Appointment	May 9 th , 2012
(%) Shareholding as at December 31 st , 2014	None

5. Mr. Kitti Vilaivarangkul

Position	- Director - Member of Executive Director - Member of the Risk Management Committee
Age	58 years
Education	>> Bachelor's Degree in Accounting (2 nd Class Honors), Ramkhamhaeng University >> Master's Degree in Business Administration, Thammasat University
Director Accreditation Program	>> Directors Accreditation Program (DAP 2005), Thai Institute of Directors Association (IOD) >> Directors Certification Program (DCP 2010), Thai Institute of Directors Association (IOD)
Experience	2003 – Present Director, Malee Sampan Public Company Limited 2003 – Present Director, Malee Enterprise Co., Ltd. 1999 – Present Director, Abico Holdings Public Company Limited 1999 – Present Director, Abico Land Co., Ltd. 1997 – Present Director, Abico Dairy Farm Co., Ltd. 2007 – Present Director, PPO Farm Co., Ltd.
Position in Other Listed Companies	>> Director and Managing Director, Abico Holdings Public Company Limited
Date of First Director's Appointment	May 6 th , 2003
(%) Shareholding as at December 31 st , 2014	None
Stock Trading During the Year 2014	None

6. Ms. Roongchat Boonyarat

Position	- Director - Member of the Executive Director
Age	30 years
Education	>> Bachelor's Degree in Art in Economics, Bowdoin College, USA >> Master's Degree in Business Administration, Sasin Graduate Institute, Chulalongkorn University
Director Accreditation Program	>> Directors Certification Program DCP (195/2010), Thai Institute of Directors Association (IOD)
Experience	2013 – Present Director, Malee Sampan Public Company Limited 2013 – Present Director, Malee Enterprise Co., Ltd.
Position in Other Listed Companies	None
Date of First Director's Appointment	March 29 th , 2013
(%) Shareholding as at December 31 st , 2014	0.06%
Stock Trading During the Year 2014	83,500 shares

7. Ms. Nattharin Talthong

Position	<ul style="list-style-type: none"> - Director - Chairman of Audit Committee - Member of the Risk Management Committee - Member of the Nominating and Remuneration Committee - Independent Director
Age	46 years
Education	<ul style="list-style-type: none"> >> Bachelor's Degree in Economics and Business Administration, Kasetsart University >> Master's Degree of Science in France, University of Colorado, Denver, USA
Director Accreditation Program	<ul style="list-style-type: none"> >> The Capital Market Academy Leader program (CMA) Class 11 >> Directors Accreditation Program (DAP), Class 69 from The Institute of Directors Association (IOD) >> Rebuilding Private Bank after Crisis by VRL Institute, Singapore >> Private Banking Strategies & Techniques for Growth by Euromoney Training, London, United Kingdom >> Leadership Greatness - Great Leader, Great Team, Great Results >> Top Executive Program in Commerce and Trade (TEPCoT), Class 7/2014 >> Advanced Audit Committee Program (AACP), Class18/2015
Experience	<p>2014 – Present The Panel of Expert Market for Alternative Investment (MAI)</p> <p>2013 - Present Director / Independent Director MaleeSampran Public Company Limited</p> <p>2010 - 2013 Executive Chairman Kasikorn Securities Public Company Limited</p> <p>2010 - 2013 Head of K Group Private Banking Business, Kasikornbank Public Company Limited, Kasikorn Securities Public Company Limited</p> <p>2005 – 2010 Managing Director Brokerage Business of Kasikornbank Public Company Limited</p>
Position in Other Listed Companies	None
Date of First Director's Appointment	March 29 th , 2013
(%) Shareholding as at December 31st, 2014	None
Stock Trading During the Year 2014	None

8. Ms. Nart Fongsmut

Position	<ul style="list-style-type: none"> - Director - Chairman of Nomination and Remuneration Committee - Member of Audit Committee - Member of the Risk Management Committee - Independent Director
Age	52 years
Education	<ul style="list-style-type: none"> >> Bachelor's Degree in Doctor of Medicine (M.D.), Chulalongkorn University >> Master's Degree in Business Administration, School of Management, Boston University, USA.
Director Accreditation Program	None
Experience	1990 – Present Director, Thepwatana Co., Ltd. 2001 – Present Managing Director, Nap Nutriscience Co., Ltd. 1997 – Present Executive Director, The Thai Red Cross Society 2007 – Present Managing Director, Granular Corporation 2012 – Present Director, Mater Dei Alumnae Association 2014 – Present Director, Malee Sampan Public Company Limited
Position in Other Listed Companies	None
Date of First Director's Appointment	May 9 th , 2014
(%) Shareholding as at December 31st, 2014	None
Stock Trading During the Year 2014	None

9. Mr. Krizz Chantjiraporn

Position	<ul style="list-style-type: none"> - Director - Chairman of the Risk Management Committee - Member of Audit Committee - Member of the Nominating and Remuneration Committee - Independent Director
Age	63 years
Education	<ul style="list-style-type: none"> >> Bachelor's degree in BBA, Business Administration from Southeast Asia Union College (SAUC), Singapore >> Master's degree in MA, Business Communication and Management, (English Program), The University of the Thai Chamber of Commerce >> Graduate Diploma in Management Consulting & Change, The University of Hong Kong, The Poon Kam Kai Institute of Management >> Executive Program, J.L. Kellogg Graduate School of Management at Northwestern University, USA (a Sasin Program) >> Ph.D, Supply Chain Management, (Supply Chain Traceability Management), N. Washington University, USA
Director Accreditation Program	None
Experience	<p>2014 – Present Director of Malee Sampran Public Company Limited</p> <p>2008 – Present Director of Lucky Glass Co., Ltd.</p> <p>2008 – Present CEO and Director of SCM International Training Center For Professional Qualifications (SCM-ITC)</p> <p>2003 - 2007 Executive Vice President – Agro Supply Chain & Exports of Malee Sampran Public Company Limited</p> <p>2002- 2003 Director, Consulting Services, Operations Effectiveness Management (OES) of Pricewaterhouse Coopers Thailand.</p> <p>1998 - 2002 Chief Executive Director of GS1 Thailand The Federation of Thai Industries</p>
Position in Other Listed Companies	None
Date of First Director's Appointment	November 12 th , 2014
(%) Shareholding as at December 31st, 2014	None
Stock Trading During the Year 2014	None

10. Mr. Paitoon Eiamsirikulmit

Position	- Company Secretary
Age	50 years
Education	>> Bachelor of Science (Agricultural Economics) (Agricultural), Kasetsart University >> Master of Science (Agricultural Economics) (Agricultural), Kasetsart University
Director Accreditation Program	>> Company Secretary Program (Class 57/2014), Thai Institute of Directors Association (IOD) >> Board Report Program (Class 13/2014), Thai Institute of Directors Association (IOD) >> Company Reporting Program (CRP 9/2014), Thai Institute of Directors Association (IOD)
Experience	2013 – Present Company Secretary, Malee Sampan Public Company Limited 2012, - Present Vice President of Corporate Finance and Corporate Affairs, Malee Sampan Public Company Limited 2010 – Present Vice President of Supply Chain Management, Malee Sampan Public Company Limited 2009 – 2010 Vice President of Financial Management, Malee Sampan Public Company Limited
Position in Other Listed Companies	None
Date of Company Secretary Appointment	May 13 th , 2014
(%) Shareholding as at December 31st, 2014	None
Stock Trading During the Year 2014	None

Malee Sampran Public Company Limited and Its Subsidiaries

Financial Statements

For the Year Ended December 31, 2014
and Independent Auditor's Report



Independent Auditor's Report

To The Shareholders and Board of Directors of Malee Sampran Public Company Limited

I have audited the accompanying consolidated financial statements of Malee Sampran Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2014, the related consolidated statements of changes in shareholders' equity, income, comprehensive income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and I have also audited the separate financial statements for the same year of Malee Sampran Public Company Limited.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of 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 financial statements based on my audit. I conducted my audit in accordance with 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 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 financial statements present fairly, in all material respects, the consolidated financial position of Malee Sampran Public Company Limited and its subsidiaries as of December 31, 2014, and the result of their operations and their cash flows for the year then ended and the financial position of Malee Sampran Public Company Limited as of December 31, 2014, the results of its operations and its cash flows for the year then ended in accordance with financial reporting standards.



(NATSARAK SAROCHANUNJEEN)

Certified Public Accountant

Registration No. 4563

A.M.T. & ASSOCIATES
Bangkok, Thailand
February 26, 2015

Malee Sampran Public Company Limited And Its Subsidiaries

Statements Of Financial Position

As at December 31, 2014

		ASSETS					
		Baht					
		Consolidated financial statements			Separate financial statements		
Note		As at December	As at December	As at January	As at December	As at December	As at January
		31, 2014	31, 2013	1, 2013	31, 2014	31, 2013	1, 2013
			(Restated)	(Restated)		(Restated)	(Restated)
CURRENT ASSETS							
Cash and cash equivalents	6	50,471,987	67,704,925	58,385,266	34,517,270	39,875,029	31,155,152
Trade receivables							
Subsidiaries	7	-	-	-	239,243,084	261,924,115	370,280,338
Related parties	7	83,392	615,985	532,653	-	-	513,554
Unrelated parties		788,876,924	583,878,417	666,216,317	291,971,768	156,198,790	249,758,071
Less : Allowance for doubtful accounts	8	(4,346,384)	(4,013,578)	(4,529,132)	(3,974,299)	(3,974,299)	(4,487,853)
: Allowance for contingent loss due to a subsidiary							
may not be able to pay for the purchased good:	8	-	-	-	-	-	(26,395,494)
Trade receivables, net	8	784,613,932	580,480,824	662,219,838	527,240,553	414,148,606	589,668,616
Other receivables	7 and 9	51,937,221	44,758,589	68,677,102	49,067,554	48,594,374	64,599,572
Inventories, net	10	799,764,903	729,940,356	682,423,838	656,017,814	533,730,006	505,283,657
Other current assets		25,401,789	8,401,363	12,666,132	22,415,102	4,569,927	8,860,564
Non - current assets held for sale	15	27,609,394	-	-	-	-	-
TOTAL CURRENT ASSETS		1,739,799,226	1,431,286,057	1,484,372,176	1,289,258,293	1,040,917,942	1,199,567,561
NON - CURRENT ASSETS							
Investments in associate	11	-	18,195,851	-	-	20,000,000	-
Investments in subsidiaries, net	12	-	-	-	282,125,535	244,988,000	145,000,000
Long - term loans to subsidiaries	7 and 13	-	-	-	24,001,019	-	-
Loan to employees under welfare programme		6,764	137,878	4,680,420	6,764	79,737	3,077,150
Restricted bank deposits	14 and 30	14,001,006	1,000,000	1,000,000	13,001,006	-	-
Property, plant and equipment, net	4, 15 and 30	1,132,726,424	864,030,441	834,577,002	1,011,143,271	783,359,167	746,167,949
Land not used in operation, net	16	-	-	22,547,995	-	-	-
Goodwill	5	13,382,839	-	-	-	-	-
Intangible asset, net	17	41,212,563	41,258,977	16,122,112	41,015,657	40,688,436	15,789,821
Deferred tax assets	27	25,498,984	24,853,658	44,175,060	17,279,344	17,932,058	40,470,324
Other non - current assets							
Deposits	7	22,137,960	19,882,421	16,102,916	13,703,550	13,922,673	10,558,191
Others		3,305,567	4,042,776	5,247,511	3,241,018	4,042,776	5,247,511
TOTAL NON - CURRENT ASSETS		1,252,272,107	973,402,002	944,453,016	1,405,517,164	1,125,012,847	966,310,946
TOTAL ASSETS		2,992,071,333	2,404,688,059	2,428,825,192	2,694,775,457	2,165,930,789	2,165,878,507

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

Malee Sampran Public Company Limited And Its Subsidiaries

Statements Of Financial Position (Cont.)

As at December 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht					
		Consolidated financial statements			Separate financial statements		
Note		As at December 31, 2014	As at December 31, 2013	As at January 1, 2013	As at December 31, 2014	As at December 31, 2013	As at January 1, 2013
			(Restated)	(Restated)		(Restated)	(Restated)
CURRENT LIABILITIES							
Bank overdrafts and short - term loans from							
financial institutions	18 and 30	1,023,466,172	595,837,247	168,952,004	978,447,777	595,837,247	168,952,004
Trade payables							
Subsidiaries	7	-	-	-	76,145,762	10,351,669	37,812,082
Related party	7	16,290,844	7,395,468	10,717,261	16,290,844	7,379,686	10,685,214
Unrelated parties		395,390,709	433,477,545	822,552,545	389,871,765	414,247,856	777,411,065
Other payables	7 and 19	235,655,104	217,967,124	253,182,105	83,629,722	89,903,531	110,991,541
Factoring payables	8	-	78,935,812	92,559,693	-	-	-
Current portion of long - term loans from							
- financial institutions	21.1	2,277,196	-	-	-	-	-
- others	21.2	8,029,540	-	-	-	-	-
Current portion of trade payable under							
a compromise agreement	31.4	-	43,765,608	33,878,452	-	43,765,608	33,878,452
Current portion of liabilities under financial lease agreements	20	16,641,906	4,824,647	4,217,279	16,159,589	4,398,466	3,603,881
Income tax payable		30,391,424	32,287,665	63,227,714	22,884,606	16,681,952	44,743,335
Other current liabilities							
Advances received for goods		30,709,436	13,452,364	24,876,902	30,709,436	13,434,784	24,863,154
Accrued dividends payment		2,883,415	3,427,463	7,158,199	2,883,415	3,427,463	7,158,199
Others		15,071,389	10,155,773	12,111,086	10,376,642	4,727,029	8,692,571
TOTAL CURRENT LIABILITIES		1,776,807,135	1,441,526,716	1,493,433,240	1,627,399,558	1,204,155,291	1,228,791,498
NON - CURRENT LIABILITIES							
Long - term loans, net of current portion from							
- financial institutions	21.1	7,193,740	-	-	-	-	-
- others	21.2	11,517,137	-	-	-	-	-
Trade payable under a compromise agreement,							
net of current portion	31.4	-	34,541,572	78,307,180	-	34,541,572	78,307,180
Liabilities under financial lease agreements,							
net of current portion	20	64,321,914	4,904,198	5,925,718	64,037,099	4,573,029	5,168,368
Deferred tax liabilities	4 and 27	62,713,846	41,225,718	39,574,359	56,896,601	36,402,315	33,962,188
Employee benefit obligation	22	53,663,180	50,105,199	49,606,408	45,406,370	43,127,936	42,413,225
TOTAL NON - CURRENT LIABILITIES		199,409,817	130,776,687	173,413,665	166,340,070	118,644,852	159,850,961
TOTAL LIABILITIES		1,976,216,952	1,572,303,403	1,666,846,905	1,793,739,628	1,322,800,143	1,388,642,459

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

Malee Sampran Public Company Limited And Its Subsidiaries

Statements Of Financial Position (Cont.)

As at December 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		Baht					
		Consolidated financial statements			Separate financial statements		
Note		As at December 31, 2014	As at December 31, 2013	As at January 1, 2013	As at December 31, 2014	As at December 31, 2013	As at January 1, 2013
			(Restated)	(Restated)		(Restated)	(Restated)
SHAREHOLDERS' EQUITY							
Share capital	23						
Authorized share capital							
140,000,000 ordinary shares of Baht							
1.00 each as at December 31, 2014 and							
182,000,000 ordinary shares of Baht 1.00 each							
as at December 31, 2013 and as at January 1, 2013		140,000,000	182,000,000	182,000,000	140,000,000	182,000,000	182,000,000
Issued and fully paid - up share capital							
140,000,000 ordinary shares of Baht 1.00 each		140,000,000	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000
Retained earnings (deficit)							
Appropriated							
- Legal reserve	25	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
- Treasury shares reserve	23.2	66,484,975	7,891,025	-	66,484,975	7,891,025	-
Unappropriated							
(after quasi - reorganization in June, 2012)		656,394,978	552,906,938	480,361,118	550,466,578	566,115,091	500,220,493
Other components of equity	4	201,338,780	125,477,718	127,617,169	196,569,251	123,015,555	123,015,555
Less : Treasury shares	23.2	(66,484,975)	(7,891,025)	-	(66,484,975)	(7,891,025)	-
Total equity of parent Company's shareholders		1,011,733,758	832,384,656	761,978,287	901,035,829	843,130,646	777,236,048
Non - controlling interests		4,120,623	-	-	-	-	-
TOTAL SHAREHOLDERS' EQUITY		1,015,854,381	832,384,656	761,978,287	901,035,829	843,130,646	777,236,048
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,992,071,333	2,404,688,059	2,428,825,192	2,694,775,457	2,165,930,789	2,165,878,507

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

Malee Sampran Public Company Limited And Its Subsidiaries

Statements Of Changes In Shareholders' Equity

For the year ended December 31, 2014

Consolidated financial statements (Baht)										
	Note	Issued and fully paid - up share capital	Retained earnings (deficit)			Other components of equity		Total equity of parent Company's shareholders	Non - controlling interests	Total shareholder's equity
			Appropriated -		Unappropriated	Other comprehensive income (loss)	Revaluation surplus			
			Treasury shares	Legal reserve						
Balances as at January 1, 2014		140,000,000	(7,891,025)	14,000,000	7,891,025	552,906,928	125,477,728	832,384,656	-	832,384,656
Shares repurchased	23.2	-	(58,593,950)	-	-	-	-	(58,593,950)	-	(58,593,950)
Treasury shares reserve	23.2	-	-	-	58,593,950	(58,593,950)	-	-	-	-
Total comprehensive income (loss) for the year	4	-	-	-	-	306,957,850	75,861,052	382,818,902	(490,051)	382,328,851
Dividend paid	24	-	-	-	-	(144,875,850)	-	(144,875,850)	-	(144,875,850)
Purchase of investments in subsidiaries		-	-	-	-	-	-	-	4,610,674	4,610,674
Ending balances as at December 31, 2014		140,000,000	(66,484,975)	14,000,000	66,484,975	656,394,978	201,338,780	1,011,733,758	4,120,623	1,015,854,381
Balances as at January 1, 2013 - as previously reported		140,000,000	-	14,000,000	-	480,361,118	378,026,076	1,012,387,194	-	1,012,387,194
Cumulative effect of change in accounting policy regarding to income tax	4 and 24	-	-	-	-	-	(250,408,907)	(250,408,907)	-	(250,408,907)
Balance as of January 1, 2013 - as restated		140,000,000	-	14,000,000	-	480,361,118	127,617,169	761,978,287	-	761,978,287
Shares repurchased	23.2	-	(7,891,025)	-	-	-	-	(7,891,025)	-	(7,891,025)
Treasury shares reserve	23.2	-	-	-	7,891,025	(7,891,025)	-	-	-	-
Transferred to retained earnings (deficit)		-	-	-	-	2,139,441	(2,139,441)	-	-	-
Total comprehensive income (loss) for the year	4	-	-	-	-	286,989,994	-	286,989,994	-	286,989,994
Dividend paid	24	-	-	-	-	(208,692,600)	-	(208,692,600)	-	(208,692,600)
Ending balances as at December 31, 2013		140,000,000	(7,891,025)	14,000,000	7,891,025	552,906,928	125,477,728	832,384,656	-	832,384,656

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

Malee Sampran Public Company Limited And Its Subsidiaries

Statements Of Changes In Shareholders' Equity

For the year ended December 31, 2014

Separate financial statements (Baht)								
Note	Issued and fully paid - up share capital	Treasury shares	Retained earnings (deficit)		Other components of equity			Total shareholder's equity
			Appropriated -		Unappropriated	Revaluation surplus	Other comprehensive income (loss)	
			Legal reserve	Treasury shares reserve				
Balances as at January 1, 2014								
	140,000,000	(7,891,025)	14,000,000	7,891,025	566,115,091	123,015,555	843,130,646	
23.2	-	(58,593,950)	-	-	-	-	(58,593,950)	
23.2	-	-	-	58,593,950	(58,593,950)	-	-	
4	-	-	-	-	187,821,287	73,553,696	261,374,983	
24	-	-	-	-	(144,875,850)	-	(144,875,850)	
Ending balances as at December 31, 2014								
	140,000,000	(66,484,975)	14,000,000	66,484,975	550,466,578	196,569,251	901,035,829	
Balances as at January 1, 2013 - as previously reported								
	140,000,000	-	14,000,000	-	500,220,493	336,817,517	991,038,010	
Cumulative effect of change in accounting policy regarding to income tax								
4 and 24	-	-	-	-	-	(213,801,962)	(213,801,962)	
Balances as at January 1, 2013 - as restated								
	140,000,000	-	14,000,000	-	500,220,493	123,015,555	777,236,048	
23.2	-	(7,891,025)	-	-	-	-	(7,891,025)	
23.2	-	-	-	7,891,025	(7,891,025)	-	-	
4	-	-	-	-	282,478,223	-	282,478,223	
24	-	-	-	-	(208,692,600)	-	(208,692,600)	
Ending balances as at December 31, 2013								
	140,000,000	(7,891,025)	14,000,000	7,891,025	566,115,091	123,015,555	843,130,646	

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

For the year ended December 31, 2014

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		For the years ended December 31,		For the years ended December 31,	
		2014	2013	2014	2013
			(Restated)		(Restated)
REVENUES					
Revenues from sales	7	4,767,349,598	5,087,568,756	3,745,070,760	4,177,966,166
Other income					
- Adjustment for decrease in contingent loss due to a subsidiary may not be able to pay for the purchased goods	8	-	-	-	26,395,495
- Adjustment for decrease in impairment loss on investments		-	-	-	99,988,000
- Gain on exchange rate		3,943,055	-	3,934,923	-
- Gain on sales of assets		26,586	15,403,788	-	3,985,649
- Others	7	80,768,973	106,377,604	86,425,703	108,420,152
TOTAL REVENUES		4,852,088,212	5,209,350,148	3,835,431,386	4,416,755,462
EXPENSES					
Cost of sales		3,182,679,044	3,636,352,313	3,149,888,838	3,611,264,168
Selling expenses		888,172,431	784,284,221	140,341,238	161,752,778
Administrative expenses		360,549,290	379,162,511	275,623,963	276,882,544
Finance costs		36,549,739	16,966,824	33,577,839	15,613,046
TOTAL EXPENSES	1.2 and 7	4,467,950,504	4,816,765,869	3,599,431,878	4,065,512,536
SHARE OF PROFIT (LOSS) OF ASSOCIATE		(3,080,823)	(1,804,149)	-	-
PROFIT (LOSS) BEFORE INCOME TAX EXPENSES		381,056,885	390,780,130	235,999,508	351,242,926
TAX EXPENSES (INCOME)	27	74,589,086	103,790,136	48,178,221	68,764,703
PROFIT (LOSS) FOR THE YEARS		306,467,799	286,989,994	187,821,287	282,478,223
PROFIT (LOSS) FOR THE YEARS ATTRIBUTABLE TO :					
EQUITY HOLDERS OF THE PARENT		306,957,850	286,989,994	187,821,287	282,478,223
NON - CONTROLLING INTERESTS		(490,051)	-	-	-
		306,467,799	286,989,994	187,821,287	282,478,223
BASIC EARNINGS PER SHARE	3.26				
Profit attributable to equity holders of the parent		2.22	2.05	1.36	2.02
The weighted average number of ordinary shares (shares)	28	138,500,105	139,995,425	138,500,105	139,995,425

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

Malee Sampran Public Company Limited And Its Subsidiaries

Statements of Comprehensive Income

For the year ended December 31, 2014

		Baht			
		Consolidated financial statements		Separate financial statements	
		For the years ended December 31,		For the years ended December 31,	
	Note	2014	2013	2014	2013
			(Restated)		(Restated)
Profit (loss) for the years		306,467,799	286,989,994	187,821,287	282,478,223
Other comprehensive income (loss)					
Gain on revaluation of land		94,826,315	-	91,942,120	-
Deferred tax relating to other components of equity	27	(18,965,263)	-	(18,388,424)	-
Other comprehensive income (loss) for the years		75,861,052	-	73,553,696	-
Total comprehensive income (loss) for the years		382,328,851	286,989,994	261,374,983	282,478,223
Total comprehensive income (loss) for the years					
Attributable to :					
Equity holders of the parent		382,818,902	286,989,994	261,374,983	282,478,223
Non - controlling interests		(490,051)	-	-	-
		382,328,851	286,989,994	261,374,983	282,478,223

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

Malee Sampran Public Company Limited And Its Subsidiaries

Statements Of Cash Flows

For the year ended December 31, 2014

Note	Baht			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2014	2013	2014	2013
		(Restated)		(Restated)
Cash flows from (used in) operating activities				
Profit (loss) for the years	306,467,799	286,989,994	187,821,287	282,478,223
Adjustments to reconcile profit (loss) to net cash provided by (paid from) operating activities:				
Adjustment for increase (decrease) in contingent loss due to a subsidiary may not be able to pay for the purchased goods	-	-	-	(26,395,494)
Bad debt and allowance for doubtful accounts (reversal)	(6,150,690)	(2,000)	(6,272,144)	-
Loss on obsolete inventories	6,150,039	20,313,323	5,014,551	10,678,446
Allowance for devaluation of inventories (reversal)	(18,223,753)	27,783,231	(3,834,001)	13,549,683
Depreciation	73,010,831	72,928,121	60,179,732	61,390,711
Allowance for impairment loss (reversal)	(1,220,157)	(58,677)	-	(58,677)
Amortization - other assets	8,736,196	4,673,154	6,658,123	3,139,423
Adjustment for increase (decrease) in impairment on investments	-	-	-	(99,988,000)
Write - off property, plant and equipment	43,364	169,238	-	169,236
Loss (gain) on sales of property, plant and equipment	(26,586)	(15,403,788)	28,805	(3,985,649)
Unrealised loss (gain) on exchange rate	(3,934,923)	(27,124)	(3,934,924)	(20,247)
Shares of loss (profit) of associate	3,080,823	-	-	-
Employee benefit obligation	5,434,199	10,874,876	4,154,652	1,501,481
Interest income	(401,991)	(571,773)	(277,253)	(390,786)
Finance costs	36,549,739	16,966,824	33,577,839	15,613,046
Tax expense (income)	74,589,086	103,790,136	48,178,221	68,764,703
Profit (loss) from operating activities before changes in operating assets and liabilities	484,103,976	528,425,535	331,294,888	326,446,099
Operating assets decrease (increase)				
Trade receivables	(197,982,418)	81,741,014	(106,819,803)	201,915,504
Other receivables	(7,178,632)	23,918,513	(473,180)	16,005,198
Loan to subsidiaries	-	-	(24,001,019)	-
Inventories	(57,750,833)	(95,613,072)	(123,468,358)	(52,674,480)
Other current assets	(17,000,426)	1,257,174	(17,845,176)	711,489
Loan to employees under welfare programme	131,114	4,542,542	72,973	2,997,413
Other non - current assets	(7,988,913)	(6,981,876)	(3,745,263)	(5,101,332)

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

Malee Sampran Public Company Limited And Its Subsidiaries

Statements Of Cash Flows (Cont.)

For the year ended December 31, 2014

Note	Baht			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2014	2013	2014	2013
		(Restated)		(Restated)
Operating liabilities increase (decrease)				
Trade payables	(29,191,460)	(392,369,669)	50,329,160	(392,387,966)
Other payables	19,499,982	(39,094,540)	(4,461,807)	(26,221,932)
Trade payables under a compromise agreement	(78,307,180)	(33,878,452)	(78,307,180)	(33,878,452)
Other current liabilities	22,662,740	(14,312,095)	22,924,264	(15,385,714)
Employee benefit obligation paid	(1,876,218)	(10,376,085)	(1,876,218)	(786,771)
Cash flows from (used in) operating activities	129,121,732	47,258,989	43,623,281	21,639,056
Net cash paid to income tax	(73,058,603)	(109,843,717)	(39,216,990)	(68,268,628)
Net cash flows from (used in) operating activities	56,063,129	(62,584,728)	4,406,291	(46,629,572)
Cash flows from (used in) investing activities				
Decrease (increase) in restricted bank deposits	(13,001,005)	-	(13,001,005)	-
Cash paid for investment in associate	-	(18,195,851)	-	(20,000,000)
Cash paid for business acquisition - net of cash received	(15,056,513)	-	(17,137,535)	-
Proceeds from purchase of non - controlling interests	387,764	-	-	-
Acquisition of property, plant and equipment	(180,257,161)	(142,820,648)	(121,872,252)	(138,362,487)
Proceeds from sales of property, plant and equipment	2,326,470	72,815,324	2,205,179	38,461,419
Decrease (increase) in intangible assets	(2,219,200)	(14,539,875)	(2,219,200)	(14,538,416)
Interest income received	401,991	571,773	277,253	390,786
Net cash flows from (used in) investing activities	(207,417,654)	(102,169,277)	(151,747,560)	(134,048,698)
Cash flows from (used in) financing activities				
Increase (decrease) in bank overdrafts and short - term loans				
from financial institutions	431,563,848	426,885,243	386,545,453	425,364,306
Long - term loans from financial institutions	9,470,936	-	-	-
Long - term loans from others	19,546,677	-	-	-
Increase (decrease) in factoring payable	(78,935,812)	(13,623,881)	-	-
Cash paid for liabilities under finance lease agreement	(5,148,474)	(5,786,071)	(5,158,255)	(5,172,673)
Cash paid for treasury shares	(58,593,950)	-	(58,593,950)	-
Cash paid for finance costs	(38,361,740)	(20,978,290)	(35,389,840)	(18,370,149)
Dividend paid	(145,419,898)	(212,423,337)	(145,419,898)	(212,423,337)
Net cash flows from (used in) financing activities	134,121,587	174,073,664	141,983,510	189,398,147
Net increase (decrease) in cash and cash equivalents	(17,232,938)	9,319,659	(5,357,759)	8,719,877
Cash and cash equivalents at beginning of years	67,704,925	58,385,266	39,875,029	31,155,152
Cash and cash equivalents at end of years	50,471,987	67,704,925	34,517,270	39,875,029

6

Supplemental disclosures of cash flows information :

Activities not effecting cash :

1) For the year ended December 31, 2013

- Payable - Treasury stock increased by 7.89 million baht from the share repurchasing, as described in Note 23.2 to the financial statements.

2) For the year ended December 31, 2014

- Increase in revaluation surplus of Baht 75.86 million (the Company only of Baht 73.55 million), increase in deferred tax liabilities of Baht 18.97 million (the Company only of Baht 18.39 million) and increase in land of Baht 94.83 million (the Company only of Baht 91.94 million) due to gain on revaluation of land for the year 2014.

Malee Sampran Public Company Limited And Its Subsidiaries

Notes To Financial Statements

For the year ended December 31, 2014

1. GENERAL INFORMATION**1.1 Corporate information**

Malee Sampran Public Company Limited (“The Company”) is a public company incorporated and domiciled in Thailand. The Company and its subsidiaries are principally engaged in the manufacture and distribution of canned agriculture products, fruit juices and non - alcohol beverage and its registered address is 401/1, Moo 8, Phaholyothin Road, Kookod, Lumlookka, Pathumthani, Thailand 12130.

1.2 Expenses by nature

The significant expenses classified by nature for the years ended December 31, 2014 and 2013 are as follows :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Changes in inventories of finished goods				
decrease (increase)	(34,574,738)	23,536,609	(103,394,592)	59,653,666
Purchase finished goods	429,895,477	264,756,002	382,281,160	315,858,368
Raw materials and consumables used	2,514,577,823	2,934,108,644	2,564,477,302	2,910,860,154
Employee benefits expenses	394,479,124	357,153,196	287,340,472	241,002,720
Directors and management benefit expenses	30,781,258	34,202,837	23,940,502	27,497,554
Depreciation and amortization expenses	81,747,027	77,601,275	66,837,855	64,530,134
Loss on sale of fix assets	-	-	28,806	-
Write - off property, plant and equipment	43,364	169,238	-	169,236
Loss from defective and obsolete inventories	6,150,039	48,096,554	5,014,551	24,228,131
Loss on exchange rate	-	2,792,646	-	2,756,974

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

2.1 Basis for preparation of financial statements

These financial statements have been prepared in accordance with financial reporting standards and guidelines promulgated by the Federation of Accounting profession.

These financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict of difference in understanding, the financial statements in Thai language shall prevail.

2.2 Adoption of new financial reporting standards

(A) Financial reporting standards which are effective for the current year

During the year, the Company and its subsidiaries adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, which are effective for financial statements year beginning on or after January 1, 2014 and relevant to the Group's business as follows :

Accounting Standard

TAS	1	Presentation of Financial Statements (revised 2012)
TAS	7	Statement of Cash Flows (revised 2012)
TAS	12	Income Taxes (revised 2012)
TAS	17	Leases (revised 2012)
TAS	18	Revenue (revised 2012)
TAS	19	Employee Benefits (revised 2012)
TAS	21	The Effects of Changes in Foreign Exchange Rate (revised 2012)
TAS	24	Related Party Disclosures (revised 2012)
TAS	28	Investments in Associates (revised 2012)
TAS	34	Interim Financial Reporting (revised 2012)
TAS	36	Impairment of Assets (revised 2012)
TAS	38	Intangible assets (revised 2012)

Financial Reporting Standard

TFRS	3	Business Combinations (revised 2012)
TFRS	5	Non - current Assets Held for Sale and Discontinued Operations (revised 2012)
TFRS	8	Operating Segments (revised 2012)

Financial Reporting Standard Interpretations

TFRIC	10	Interim Financial Reporting and Impairment
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Adoption of the above financial reporting standards in the current year do not have material effect on the financial statements.

(B) Financial reporting standards which are not effective for the current year

During the year to present, the Federation of Accounting Professions has issued the revised and new accounting standard, financial reporting standards, accounting standard interpretation and financial reporting standard interpretations, which are effective for financial statements period beginning on or after January 1 in the year indicated as follows:

			<u>Year effective</u>
Accounting Standard			
TAS	1	Presentation of Financial Statements (revised 2014)	2015
TAS	2	Inventories (revised 2014)	2015
TAS	7	Statement of Cash Flows (revised 2014)	2015
TAS	8	Accounting Policies, Changes in Accounting Estimates and Errors (revised 2014)	2015
TAS	10	Events After the Reporting Period (revised 2014)	2015
TAS	11	Construction Contracts (revised 2014)	2015
TAS	12	Income Taxes (revised 2014)	2015
TAS	16	Property, Plant and Equipment (revised 2014)	2015
TAS	17	Leases (revised 2014)	2015
TAS	18	Revenue (revised 2014)	2015
TAS	19	Employee Benefits (revised 2014)	2015
TAS	20	Accounting for Government Grants and Disclosure of Government Assistance (revised 2014)	2015
TAS	21	The Effects of Changes in Foreign Exchange Rates (revised 2014)	2015
TAS	23	Borrowing Costs (revised 2014)	2015
TAS	24	Related Party Disclosures (revised 2014)	2015
TAS	26	Accounting and Reporting by Retirement Benefit Plans (revised 2014)	2015
TAS	27	Separate Financial Statements (revised 2014)	2015
TAS	28	Investments in Associates and Joint Ventures (revised 2014)	2015
TAS	29	Financial Reporting in Hyperinflationary Economics (revised 2014)	2015
TAS	33	Earnings per Share (revised 2014)	2015
TAS	34	Interim Financial Reporting (revised 2014)	2015
TAS	36	Impairment of Assets (revised 2014)	2015
TAS	37	Provisions, Contingent Liabilities and Contingent Assets (revised 2014)	2015
TAS	38	Intangible assets (revised 2014)	2015
TAS	40	Investment Property (revised 2014)	2015

			<u>Year effective</u>
Financial Reporting Standard			
TFRS	2	Share - Based Payment (revised 2014)	2015
TFRS	3	Business Combinations (revised 2014)	2015
TFRS	4	Insurance Contracts (revised 2014)	2016
TFRS	5	Non - current Assets Held for Sale and Discontinued Operations (revised 2014)	2015
TFRS	6	Exploration for and Evaluation of Mineral Resources (revised 2014)	2015
TFRS	8	Operating Segments (revised 2014)	2015
TFRS	10	Consolidated Financial Statements	2015
TFRS	11	Joint Arrangements	2015
TFRS	12	Disclosure of Interests in Other Entities	2015
TFRS	13	Fair Value Measurement	2015
Accounting Standard Interpretations			
TSIC	10	Government Assistance - No Specific Relation to Operating Activities (revised 2014)	2015
TSIC	15	Operating Leases - Incentives (revised 2014)	2015
TSIC	25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders (revised 2014)	2015
TSIC	27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease (revised 2014)	2015
TSIC	29	Service Concession Arrangements (revised 2014)	2015
TSIC	31	Revenue - Barter Transactions Involving Advertising Services (revised 2014)	2015
TSIC	32	Intangible Assets - Web Site Costs (revised 2014)	2015
Financial Reporting Standard Interpretations			
TFRIC	1	Changes in Existing Decommissioning, Restoration and Similar Liabilities (revised 2014)	2015
TFRIC	4	Determining whether an Arrangement contains a Lease (revised 2014)	2015
TFRIC	5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (revised 2014)	2015
TFRIC	7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies (revised 2014)	2015
TFRIC	10	Interim Financial Reporting and Impairment (revised 2014)	2015
TFRIC	12	Service Concession Arrangements (revised 2014)	2015
TFRIC	13	Customer Loyalty Programmes (revised 2014)	2015
TFRIC	14	TAS 19 (revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	2015

Year effective

Financial Reporting Standard Interpretations

TFRIC	15	Agreements for the Construction of Real Estate (revised 2014)	2015
TFRIC	17	Distributions of Non-cash Assets to Owners (revised 2014)	2015
TFRIC	18	Transfers of Assets from Customers (revised 2014)	2015
TFRIC	20	Stripping Costs in the Production Phase of a Surface Mine	2015

The management of the Company has assessed that TAS 1, TAS 2, TAS 7, TAS 8, TAS 10, TAS 12, TAS 16, TAS 17, TAS 18, TAS 19, TAS 21, TAS 23, TAS 24, TAS 27, TAS 28, TAS 33, TAS 34, TAS 36, TAS 37, TAS 38 and TFRS 3, TFRS 5, TFRS 8, TFRS 10, TFRS 11 and TFRS 12 will not have material impact on the financial statements when it is applied. For the other TAS, TFRS, TSIC and TFRIC are not relevant to the Group's business, therefore they do not have impact on the financial statement when they are applied.

2.3 Basis of consolidation

2.3.1 These consolidated financial statements include the financial statements of Malee Sampran Public Company Limited and its subsidiaries ("the Group" and "the Company and its subsidiaries") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended December 31, 2013 as follow:

Company's name	Nature of business	Percentage of shareholding		Country of incorporation	Assets as a percentage to the consolidated total assets		Revenues as a percentage to the consolidated total	
		2014	2013		2014	2013	2014	2013
Held by the Company								
Malee Enterprise Company Limited	Distributor	99.99	99.99	Thailand	23.14	24.30	51.25	44.05
Malee Supply Company Limited	Distributor							
	(Dormant)	-	97.60	Thailand	-	-	-	-
Icon Foods, LLC.	Distributor							
	(Dormant)	99.00	99.00	USA	-	-	-	-
Agri Sol Company Limited	Manufacture							
	and distributor	100.00	100.00	Thailand	5.83	7.50	2.98	2.32
Malee Harvest Company Limited	Manufacture							
(Formerly “Prime Agrico Company Limited”)	and distributor							
and its subsidiary is Lanchang Farm Company Limited	for agricultural crops							
(70% owned)		100.00	-	Thailand	2.72	-	0.04	-

2.3.2 The financial statements of an overseas subsidiary are translated into Thai Baht at the average closing exchange rate as to assets and liabilities, and at monthly average exchange rates as to revenues and expenses. The resultant differences have been shown under the caption of "Exchange difference on translating financial statement" in other components of equity.

- 2.3.3 Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- 2.3.4 Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control is lost.
- 2.3.5 In the 2nd quarter of year 2014, a small subsidiary had been dissolved which has not effected to the group structure as discussed in note 12 to the financial statements and in the 3rd quarter of year 2014, the Company made an additional investment in Malee Harvest Company Limited (Formerly the name of “Prime Agrico Company Limited”) (PAC) from 50% to 100 % of share capital, resulting status of PAC change from an associate to be a subsidiary of the Company. As a result, the Company’s consolidated financial statement have included PAC’s statement of financial position as of December 31, 2014 and statement of income and comprehensive income for the year from September 1, 2014 to December 31, 2014.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue and expenses recognition

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts.

Other incomes are recognised base on accrual basis.

Expenses are recognised base on accrual basis.

3.2 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Company takes into consideration potential voting rights that are currently exercisable.

The Company measures goodwill at the acquisition date as :

- the fair value of the consideration transferred; plus
- the recognized amount of any non - controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the fair value of the identifiable assets acquired and liabilities assumed

When the excess is positive, goodwill is recognized and if the excess is negative, a gain on business acquisition is recognized immediately in the statements of income.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are costs that the Company incurs in connection with a business combinations which are recognized as expenses as incurred.

3.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cheque in hand, cash at bank and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

3.4 Trade receivables

Trade receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally base on collection experiences and analysis of the debtor aging.

3.5 Inventories

Finished goods, work in process, raw materials, packing materials, spare parts and factory supplies are valued at the lower of standard cost (which approximates actual cost by weighted average method) or net realisable value. Standard cost includes all production costs and attributable factory overheads.

Raw materials, packing materials, spare parts and factory supplies are charged to production costs whenever consumed.

Allowance for stock obsolescence is set up for old, obsolete, slow - moving or deteriorated inventories.

3.6 Non - current assets held for sale

The Group shall classify a non - current assets as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use which the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable.

Assets are classified as non - current assets held for sale to be measured at the lower of carrying amount and fair value less costs to sell.

3.7 Investments

Investments in subsidiaries and associate are accounted for in the separate financial statements under the cost method less allowance for impairment loss on the investments, if any. The Company recognizes impairment loss on the investments in the statements of income.

Investment in associate is accounted for in the consolidated financial statement using the equity method.

3.8 Export incentive receivable

Export incentive, in the form of tax coupons, is recognized as revenue when the relevant export shipment is made. Export incentive is calculated by multiplying of the determined percentage and invoicing value based on F.O.B. basis.

3.9 Property, plant and equipment and depreciation

Measurement of land, plant and equipment

Land is stated at revalued amount. The others except land are stated at cost less accumulated depreciation and impairment loss (if any).

At the end of year 2014, the Group have changed the accounting policy regarding measurement of plants and machineries from the revaluation model to cost model. The effects of the change on the financial statements are disclosed in note 4 to the financial statements.

Recognition method of land on revaluation cost

Land is initially recorded at cost and subsequently revalued by an independent appraiser to its fair value. Revaluations are to be made regularly every five years to ensure that the carrying amount does not differ materially from the fair value at the statements of financial position date.

The differences arising from land revaluation are dealt in the financial statements as follows:

- When the carrying amount of land is increased as a result of the revaluation, such increase is credited directly to equity under “Revaluation surplus”. However, a revaluation increase will be recognized as income only to the extent that it reverses a revaluation decrease of the same land previously recognized as an expense.
- When the carrying amount of land is decreased as a result of the revaluation, such decrease is recognized as an expense. However, a revaluation decrease will be charged directly against the related “Revaluation surplus” if the decrease does not exceed any credit balance existing in the revaluation surplus in respect of that land. If not, the excess will be recognized as an expense in the statements of income.

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

Depreciation

Depreciation of plants and equipment are calculated by the estimated useful lives of each part of an item of plants, machineries and equipment. The estimated useful lives are as follows:

	Method		Year	
	New	Old	New	Old
Land improvement	Straight - line	Straight - line	5	5
Buildings improvement	Straight - line	Straight - line	25	5
Building acquired prior to 1990	Straight - line	Declining	40	20
Building acquired since 1990	Straight - line	Straight - line	20, 40	20
Machinery	Straight - line	Straight - line	15, 20	5, 10
Equipment and furniture	Straight - line	Straight - line	5, 10	5, 10
Motor vehicles	Straight - line	Straight - line	5	5

No depreciation is provided for land and construction in progress.

3.10 Goodwill

The Group records the initial value of goodwill at cost, representing the excess of the acquisition costs over the fair value of the net assets acquired. Where the fair value of the net assets exceeds the cost of acquisition at the acquisition date, the difference is recognized as a gain in the statements of income immediately.

The Group recognizes goodwill at cost less accumulated impairment losses. The Group will carry out a test for impairment of goodwill at least once a year or when there are factors indicating that an investment might be impaired.

To test for impairment, the Group allocates goodwill from business combinations to each cash-generating unit (or group of cash-generating units) that is expected to benefit from the synergies of the combination. The Group evaluates the recoverable amount of each cash-generating unit (or group of cash-generating units) and if it is lower than the carrying amount of the unit, the Group recognizes impairment losses in the statements of income. Allowance for impairment of goodwill will not be reversed.

3.11 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Company and its subsidiaries. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Company and its subsidiaries takes into consideration potential voting rights that are currently exercisable.

The Company and its subsidiaries measures goodwill at the acquisition date as :

- the fair value of the consideration transferred; plus
- the recognized amount of any non - controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed

When the excess is negative, a gain on business acquisition is recognized immediately in the statements of income.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Company and its subsidiaries incurs in connection with a business combinations are expensed as incurred.

3.12 Borrowing cost

Borrowing cost of loans for fixed asset procurement is recorded in cost of fixed assets until the assets are ready for use.

3.13 Amortization

Pallets and packages are stated at cost less accumulated amortization. Amortization of pallets and packages is calculated on the straight - line method over periods of 1 and 3 years.

3.14 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

3.15 Finance lease agreement

Leases of property, plant and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased property or the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long - term payables, while the interest element is charged to the statements of income over the lease period. If there is no reasonable certainty that the lessees will obtain ownership by the end of the lease term, the asset acquired under finance lease shall be fully depreciated over the shorter of the useful life of the asset or the lease term.

3.16 Operating Lease

Lease of assets under which all the risks and reward of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense on a straight - line basis over the lease term.

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

3.17 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.18 Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the statements of income. An asset's recoverable amount is the higher of fair value less costs to sell and value in use.

3.19 Employee benefits

Salaries, wages, bonuses, contributions to the social security fund, provident fund and other benefits are recognized as expenses when incurred.

Severance Payment as specified in Thai Law are recognized as expenses in the income statement along the service period of employees. The Company and its subsidiaries's post - employment benefit obligations are estimated by a qualified actuary under the actuarial assumption using the Projected Unit Credit Method.

However, the actual benefit obligation may be different from the estimate.

The Company and its subsidiaries recognized the actuarial gains or losses arising from defined benefit plan in the period incurred in other comprehensive income.

3.20 Income tax

Income tax for the year comprises current and deferred tax. Current and deferred tax are recognized in the statement of income except to the extent that they relate to business combination or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the reporting date.

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

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. 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 realized.

3.21 Derivatives

The Company enters into forward exchange contracts to reduce its exposure from exchange rate on cash flow of apart of account receivable that dominated in foreign currency. As at the entered date of forward exchange contracts, the Company records its obligation on assets and liabilities in statement of financial position and recognizes its variance on exchange rate under account “Premium or discount on cash flow hedging deferred account” which will be amortized on straight - line method through a term of its forward exchange contract. Exercised foreword exchange contracts that occurred during the year are translated into Baht at the rates ruling on the transaction dates and recognized its realized gain/loss when delivered currency in determining income of incurring year. Forward exchange contracts outstanding at the statements of financial position date are presented as net transaction under account “Forward exchange contracts receivable/payables” and its unrealized gain/loss resulting from currency translation at the statements of financial position are included in determining earnings.

3.22 Foreign currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Assets and liabilities dominated in foreign currencies outstanding at the statements of financial position date are translated into Baht at the exchange rates ruling on the statements of financial position date.

Gains and losses on exchange are included in determining earnings.

3.23 Using of Accounting Estimation

The preparation of financial statements in conformity with generally accepted accounting principles in Thailand requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual realizations may differ from those estimates. The significant estimates are as follows:

Property, plant and equipment

Management determines the estimated useful lives and residual values for the Company's property, plant and equipment. Management will revise the depreciation charge as the useful lives and residual values change and write off or write down technically obsolete, abandoned or sold assets.

3.24 Treasury shares

Treasury shares are stated at cost and presented as a deduction from shareholders' equity. If the selling price of treasury shares is greater than the purchase price of treasury shares, the Company recognizes the difference under the caption of "Premium on treasury shares". If the selling price of treasury shares is less than the purchase price of treasury shares, the difference is initially deducted from premium on treasury shares, with the remainder deducted against retained earnings.

3.25 Financial instruments

The Company and its subsidiary have no policy to speculate in or engage in the trading of any statement of financial position derivative instruments.

3.26 Basic Earnings per share

Basic earnings per share is determined by dividing profit (loss) attributable to equity holders of the parent for the year by the weighted average number of ordinary shares outstanding.

4 EFFECT OF THE CHANGES IN ACCOUNTING POLICIES

In year 2014, the Company and its subsidiary have changed the accounting policy regarding measurement of plants and machineries from the revaluation model to cost model according to the Notification of the Federation of Accounting Professions (FAP) No. 18/2554, which is applied retrospectively on the previous period's financial statements. Based on the Company and its subsidiary's opinion, the cost model is more appropriate since it represents the Company and its subsidiary's actual operating results than revaluation model.

The amounts of adjustments affecting the statement of financial position as of December 31, 2013 and January 1, 2013 are summarized below.

Million Baht								
Consolidated financial statements								
As of December 31, 2013					As of January 1, 2013			
	As previously reported	Effect of the changes in accounting policy	Reclassification	As restated	As previously reported	Effect of the changes in accounting policy	Reclassification	As restated
Asset								
Deferred tax assets	1,147	(272)	(11)	864	1,150	(316)	-	834
Liabilities								
Deferred tax liabilities	96	(55)	-	41	105	(65)	-	40
Shareholders' equity								
Other components of equity								
- Revaluation surplus	342	(217)	-	125	378	(251)	-	127

Million Baht								
Consolidated financial statements								
As of December 31, 2013					As of January 1, 2013			
	As previously reported	Effect of the changes in accounting policy	Reclassification	As restated	As previously reported	Effect of the changes in accounting policy	Reclassification	As restated
Asset								
Deferred tax assets	1,024	(230)	(11)	783	1,013	(267)	-	746
Liabilities								
Deferred tax liabilities	82	(46)	-	36	87	(53)	-	34
Shareholders' equity								
Other components of equity								
- Revaluation surplus	307	(184)	-	123	337	(214)	-	123

The amounts of adjustments affecting the statements of income and statements of comprehensive income for the year ended December 31, 2013 are summarised below.

Million Baht						
Consolidated Financial Statements				Separate Financial Statements		
	As previously reported	Effect of the changes in accounting policy	As restated	As previously reported	Effect of the changes in accounting policy	As restated
Statements of comprehensive income						
Depreciation of increment in assets	(39)	39	-	(33)	33	-
Deferred tax relating to other components of equity	9	(9)	-	7	(7)	-
Statements of income						
Gain (loss) on sales of assets	11	4	15	-	4	4

The amounts of adjustments affecting the statements of income and statements of comprehensive income for year ended December 31, 2014 are summarised below.

	Million Baht	
	Consolidated Financial Statements	Separate Financial Statements
Income (loss) for the years before change in accounting policy	306	188
Effect of change in accounting policy	-	-
Income (loss) for the years after change in accounting policy	306	188
Decrease in Earning per share (Baht)	-	-
Other comprehensive income (loss) for the years before change in accounting policy	44	48
Effect of change in accounting policy	32	26
Other comprehensive income (loss) for the years after change in accounting policy	76	74

5 BUSINESS ACQUISITIONS

In year 2013, the Company agreed to establish Malee Harvest Company Limited (Formerly the name of “Prime Agrico Company Limited”) for the purpose of investment holding company, holds a 50% shareholding (share capital Baht 40 million comprise of 400,000 ordinary shares at Baht 100 each). Later, on August 22, 2014, the Company entered into agreement to purchase additional ordinary share 50% of share capital from partnership as a result, the Company holds 100% of share capital. The acquisition transaction completion date is on August 31, 2014.

The Acquisition qualifies for treatment as a business combination in accordance with TFRS 3 (revised 2012) Business Combinations, which requires that the assets acquired and liabilities assumed be recorded at their fair values, together with goodwill, if any. The Company has engaged an independent appraisers to determine the fair values of the assets acquired and liabilities assumed. At the present the fair value exercise has not been completed. Accordingly, the Company recognised the provisional amount of the net assets acquired based on cash book values at the acquisition date which approximated to fair values and measured the acquisition - date fair value of the Company’s previously - held equity interest in the acquire based on book value of the investment at the acquisition date. However, the Company is continuing their review of the identifiable assets and liabilities, as permitted under TFRS 3 (revised 2012) during a measurement period of 12 months. If new information is obtained about facts and circumstances that existed at the acquisition date which would require further adjustment to the values initially recognised, then such adjustments would be recorded when this information becomes available.

At the acquisition date, the non - controlling interest in the acquiree was measured at the non - controlling interest’s proportionate share of the acquiree’s identifiable net assets.

At the acquisition date, the consideration transferred and the recognition of amounts of assets acquired and liabilities assumed, non - controlling interest in the acquiree and the Company’s previously - held equity interest in the acquiree are as follows :

	Million Baht
	Recognized value
- Consideration transferred	17.14
<u>Add</u> Non - controlling interest in the acquiree	15.12
Total	32.26
<u>Less</u> Net amounts of assets acquired and liabilities assumed	
<u>Identifiable Assets</u>	
- Cash and cash equivalents	2.47
- Trade receivables	1.20
- Other receivables	0.14
- Inventories (Spare part and factory supplies)	2.39
- Property, plant and equipment - net	74.76
- Other non - current assets	0.12
- Deferred tax assets	4.05
<u>Identifiable liabilities</u>	
- Trade payables	(1.54)
- Other payables	(3.26)
- Short - term longs from related party	(20.69)
- Other current liabilities	(0.62)
- Liabilities under financial lease agreements	(11.26)
- Long - term longs from financial institutions	(10.22)
- Long - term longs from other parties	(8.36)
- Long - term loans from financial institutions	(2.22)
- Employee benefit obligation	(0.42)
- Deferred tax liabilities	(3.05)
- Non - controlling interests	(4.61)
Net identifiable assets and liabilities - acquired	18.88
Goodwill	13.38

Factors that effect to perception value of goodwill are the production technology and expertise of Hydroponic & Seed in establishing and developing future business and expanding market to fresh vegetables, seeds and other relevant products to the existing perceived value market. The current business has also gained investment privileges from BOI. Larn Chang Farm Co., Ltd. is considered the training center for learning. With a systematic farm model can leads to effective and prompt expansion by networking distribution in the region.

Net cash payment for the business acquisition as follows:

	Million Baht
Consideration transferred	17.14
<u>Less</u> Cash and cash equivalents in proportionate to the share holding	
- Malee Harvest Co., Ltd.	
(Formerly the name of "Prime Agrico Company Limited") (1.18 x 100%)	(1.18)
- Lanchang Farm Co., Ltd. (1.29 x 70%)	(0.90)
Business acquisition cost net of cash and cash equivalents received	15.06

The Company incurred acquisition costs of Baht 0.20 million related.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Petty cash	152,042	179,636	60,624	80,000
Cash at banks - current accounts	3,634,671	7,001,829	1,149,750	3,679,309
- saving accounts	44,500,423	52,683,959	33,306,896	36,115,720
- fixed accounts	2,954	2,918	-	-
Cheque in hand	2,181,897	7,836,583	-	-
Total	50,471,987	67,704,925	34,517,270	39,875,029

7. RELATED PARTY TRANSACTIONS

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

Related parties are these parties linked to companies in the Group as follow:

Related Companies	Business Type	Relationship
Direct subsidiaries		
Malee Enterprise Company Limited	Distributor	Shareholders/Co - directors
Agri Sol Company Limited	Manufacture and distributor	Shareholders/Co - directors
Malee Supply Company Limited (A)	Distributor (Dormant)	Shareholders/Co - directors
Icon Foods LLC	Distributor (Dormant)	Shareholders/Co - directors
Malee Harvest Company Limited (Formerly the name of "Prime Agrico Company Limited")	Investment	Shareholders/Co - directors
Indirect subsidiary		
Lanchang Farm Company Limited (held by Malee Harvest Company Limited 70%)	Manufacture and distributor for agricultural crops	Co - directors
Related parties		
Abico Holding Public Company Limited	Holding company (investment)	Company's shareholder/Co - directors
Abico Land Company Limited	Real estate developer	Co - directors
Abico Dairy Farm Company Limited	Produce service of ready to drink milk and fruit juices	Group of companies/Co - director
Chokchai Milk Company Limited	Original owner of Chokchai brand (Dormant)	Relate with Abico Holding Public Company Limited
PPO Farm Company Limited	Agriculture and dairy farm	Co - directors
Centralworld Company Limited	Department store	Co - directors

(A) On April 30, 2014, the shareholders had approved the dissolution of Malee Supply Co., Ltd. and registered with the Ministry of commerce on May 14, 2014.

During the years, the Company had significant trading transactions with its subsidiaries and related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

		Baht			
		Consolidated financial statements		Separate financial statements	
Transfer Pricing policy		2014	2013	2014	2013
<u>Transactions with subsidiaries</u>					
(Eliminated in the consolidated financial statements)					
Sales of goods	Cost plus margin	-	-	1,464,354,664	1,388,207,477
Others income	Cost plus margin	-	-	1,021,252	1,610,960
Revenues from service	Contract price	-	-	15,120,000	11,340,000
Guarantee fee	1.75 percent of the guarantee amount	-	-	3,096,301	2,858,334
Interest income	Contract price	-	-	39,881	-
Purchase of goods	Cost plus margin	-	-	14,493,543	2,567,636
Purchase of raw material and others	Cost plus margin	-	-	112,235,920	59,006,067
Marketing support expenses	Contract price	-	-	-	6,283,165
Guarantee income	1.75 percent of the guarantee amount	-	-	-	1,750,000
<u>Transactions with related parties</u>					
Sales of goods	Cost plus margin	20,952	29,215	-	-
Produce service	Cost plus margin	103,026,662	112,292,841	103,026,662	112,292,841
Building rental expenses	Contract price	13,214,400	12,014,000	7,250,400	7,250,400

The balances of the accounts as at December 31, 2014 and 2013 between the Company and its subsidiaries and those related companies are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Trade receivables</u>				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	239,243,084	261,924,115
Related parties				
Abico Daily Farm Co., Ltd.	71,091	610,053	-	-
Centralworld Co., Ltd.	12,301	5,932	-	-
Total	83,392	615,985	-	-
<u>Other receivables</u>				
Subsidiary				
Malee Enterprise Co., Ltd.	-	-	9,580,501	4,992,100
Agri Sol Co., Ltd.	-	-	5,739,801	2,494,801
Total	-	-	15,320,302	7,486,901
Related party				
Abico Daily Farm Co., Ltd.	1,335,867	661,639	1,335,867	661,639
<u>Long - term loans</u>				
Subsidiary				
Malee Harvest Co., Ltd	-	-	5,342,227	-
Lanchang Fam Co., Ltd	-	-	18,658,792	-
Total	-	-	24,001,019	-
<u>Deposits</u>				
Related parties				
Abico Land Co., Ltd.	8,424,800	8,424,800	5,451,800	5,451,800
<u>Trade payables</u>				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	571,997	346,683
Agri Sol Co., Ltd.	-	-	75,573,765	10,004,986
Total	-	-	76,145,762	10,351,669
Related party				
Abico Daily Farm Co., Ltd.	16,290,844	7,395,468	16,290,844	7,379,686
<u>Other payables</u>				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	647,814	2,858,334
Agri Sol Co., Ltd.	-	-	1,194,059	2,746,016
Total	-	-	1,841,873	5,604,350
Related parties				
Abico Land Co., Ltd.	139,742	92,285	97,156	60,091
Abico Daily Farm Co., Ltd.	15,515	-	-	-
Total	155,257	92,285	97,156	60,091

Currently, Chokchai Milk Company Limited does not directly relate to the Company, either through having common shareholders and/or common directors. However, Chokchai Milk Company Limited relates to Abico Holding Public Company Limited as the company major shareholder.

The Company is a manufacturer and distributor of the product under “Chokchai Farm” brand, license of Chokchai Milk Company Limited. However, there is no charges of licensing. And since at January 2, 2013, it transferred ownership of license in “Chokchai Farm” brand to other company, therefore the Company has signed a license agreement with that company in order to be a manufacturer and distributor of the product under “Chokchai Farm” brand and has been committed to pay fees at Baht 500,000 per year. Under the agreement, the Company shall comply with various conditions for a period of 1 year including a renewal option.

Since at December 31, 2006, the allowance for doubtful accounts amounted to Baht 35 million accounts was set aside in the account for Chokchai Milk Company Limited. Later, in the year 2007, the Central Bankrup Court agreed with the business restructuring plan of Chokchai Milk Company Limited. Under this restructuring plan, the total stipulated debt amount that the Company shall receive was Baht 1.09 million. As a result, in 2007, the Company had written off the remainder of the debt into bad debt of Baht 34 million and December 31, 2009, the Company considered to set allowance for doubtful accounts for above accounts receivable fully amounted to Baht 1.09 million. In the 4th quarter of year 2012, the Company received Baht 0.57 million and in the 1st quarter of year 2013, the Company had written off the remainder of the debt into bad debt of Baht 0.51 million.

Directors and management benefit expenses

Directors and management benefit expenses represent the benefits paid to the directors and the Company’s management such as salaries and related benefit including the benefit paid by other means. The directors and the Company’s management are the persons who are defined under the Securities and Exchange.

Directors and management benefit expenses for the years ended December 31, 2014 and 2013 are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short - term employee benefits	30,327,370	33,748,949	23,564,554	27,121,606
Post - employment benefits	453,888	453,888	375,948	375,948
Total	<u>30,781,258</u>	<u>34,202,837</u>	<u>23,940,502</u>	<u>27,497,554</u>

Guarantee obligations with related party

The Company has outstanding guarantee obligations with a subsidiary and its subsidiary has outstanding guarantee obligations with the Company, as described in note 31.3 to the financial statements.

Distributorship agreement

The Company entered into an agreement with a subsidiary to be the sold distributor in Thailand to distribute its products under “Malee” brand and other brands. The Company has to comply with certain conditions contained in the agreement for a period of 1 year including a renewal option. Subsequently, on April 1, 2013 the Company and its subsidiary entered into a memorandum attached agreement collecting the Company has not paid marketing support expenses to the subsidiary since April 1, 2013 onward.

Service agreements

The Company entered into 2 service agreements with 2 subsidiaries to manage in each function specified in the agreements by receiving total fees amount of Baht 1.26 million per month for a period of 1 year including a renewal option commencing from April 1, 2013. The Company has to comply with certain conditions contained in the agreements.

8. TRADE RECEIVABLES, NET

The outstanding balances of trade receivables as at December 31, 2014 and 2013 are aged, based on due date, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Age of receivables</u>				
Not yet due	551,755,444	400,123,852	294,186,442	310,204,549
Past due				
Up to 3 months	228,078,401	159,302,411	227,799,688	82,871,341
3 - 6 months	1,742,179	20,160,660	1,484,173	20,355,501
6 - 9 months	2,624,900	-	3,117,124	-
Longer than 9 months	4,759,392	4,907,479	4,627,425	4,691,514
Total	788,960,316	584,494,402	531,214,852	418,122,905
<u>Less</u> : Allowance for doubtful accounts	(4,346,384)	(4,013,578)	(3,974,299)	(3,974,299)
: Allowance contingent loss due				
to a subsidiary may not be able				
to pay for the purchased goods	-	-	-	-
Trade receivables, net	784,613,932	580,480,824	527,240,553	414,148,606

Included in the trade receivables of the Company and its subsidiaries as at December 31, 2014 and 2013 were approximately Baht - million and Baht 100.27 million, respectively, in the consolidated financial statements and Baht - million and Baht - million, respectively, in the separate financial statements, which have been sold with recourse to financial institutions at a discount. Factoring payables were approximately Baht - million and Baht 78.94 million, respectively, in the consolidated financial statements and Baht - million and Baht - million, respectively, in the separate financial statements.

The changes of allowance doubtful accounts during the years as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance	(4,013,578)	(4,529,132)	(3,974,299)	(4,487,853)
Increased during the years	(6,483,495)	-	(6,272,144)	-
Received during the years	6,150,689	2,000	6,272,144	-
Decreased due to write - off	-	513,554	-	513,554
Ending balance	(4,346,384)	(4,013,578)	(3,974,299)	(3,974,299)

The change of allowance for contingent loss due to a subsidiary may not be able to pay for the purchased goods during the years as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance	-	-	-	(26,395,494)
Decreased (increased) during the years	-	-	-	26,395,494
Ending balance	-	-	-	-

9. OTHER RECEIVABLES

Other receivables, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Accrued other income	25,453,790	35,235,822	38,657,634	41,739,269
Advance payment	1,236,363	1,400,383	220,681	1,342,164
Prepaid expense	17,564,709	3,458,956	5,083,016	1,868,795
Advances payment for goods	2,576,136	1,019,282	-	-
Excise tax	5,106,223	3,644,146	5,106,223	3,644,146
Total	51,937,221	44,758,589	49,067,554	48,594,374

10. INVENTORIES, NET

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Finished goods	526,466,066	491,891,328	390,795,741	287,401,149
Raw materials	102,675,866	102,904,585	102,675,867	102,882,486
Packing materials	24,416,482	123,246,638	113,264,003	121,579,968
Spare parts and factory supplies	113,967,148	37,916,928	37,481,870	32,799,431
Goods in transit	45,647,920	5,517,122	24,416,482	5,517,123
Total	813,173,482	761,476,601	668,633,963	550,180,157
<u>Less</u> : Allowance for stock obsolescence	(13,408,579)	(31,536,245)	(12,616,149)	(16,450,151)
Inventories, net	<u>799,764,903</u>	<u>729,940,356</u>	<u>656,017,814</u>	<u>533,730,006</u>

The changes of allowance for obsolete stock during the years as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance	(31,536,245)	(3,753,014)	(16,450,151)	(2,900,467)
Decreased (increased) during the years	18,127,666	(27,783,231)	3,834,002	(13,549,684)
Ending balance	<u>(13,408,579)</u>	<u>(31,536,245)</u>	<u>(12,616,149)</u>	<u>(16,450,151)</u>

11. INVESTMENT IN ASSOCIATE

Company's name	Baht							
	Paid - up capital		hareholding percentage		Consolidated financial statements		Separate financial statements	
					Equity method		Cost method	
	2014	2013	2014	2013	2014	2013	2014	2013
Investment in associate								
Malee Harvest Ltd.	-	Baht 40 million	-	50.00	-	18,195,851	-	20,000,000
(Expansion investing in agriculture and food business cover domestic and aboard - Holding Company)								

On September 3, 2013, the Company invested in a new established company namely Malee Harvest Ltd.(Formerly the name of “Prime Agrico Company Limited”). In the consolidated statements, the Company recorded investment in associate, as of August 22, 2014, using the equity method which was based on the unaudited financial statement of associate.

12. INVESTMENTS IN SUBSIDIARIES, NET

These represent investments in ordinary shares of the following subsidiary companies.

Company's name	Separate financial statements					
	Paid - up capital		Shareholding percentage		Cost method (Baht)	
	2014	2013	2014	2013	2014	2013
Investments in subsidiary companies						
Malee Enterprise Company Limited	Baht 100 million	Baht 100 million	99.99	99.99	99,988,000	99,988,000
Malee Supply Company Limited (A)	Baht 1.75 million	Baht 1.75 million	97.60	97.60	-	1,708,000
Icon Foods Company Limited	USD 50,500	USD 50,500	99.00	99.00	1,291,000	1,291,000
Agri Sol Company Limited	Baht 145 million	Baht 145 million	100.00	100.00	145,000,000	145,000,000
Malee Harvest Limited (B)	Baht 40 million	-	100.00	-	37,137,535	-
					283,416,535	247,987,000
Less : Impairment loss on investment					(1,291,000)	(2,999,000)
Investments in subsidiaries, net					282,125,535	244,988,000

(A) On April 30, 2014, the shareholders had approved the dissolution of Malee Supply Co., Ltd. and registered with the Ministry of commerce on May 14, 2014.

(B) On August 30, 2014 the Company increased in proportion of investment in Malee Harvest Co., Ltd. (Formerly the name of "Prime Agrico Company Limited") to be 100% of share capital according to the resolution of the Board of directors, resulting the status of PAC changed from an associate to a subsidiary.

13. LONG - TERM LOANS TO SUBSIDIARIES

	Baht			
	Separate financial statements			
	As at December 31, 2013	Increase	Decrease	As at December 31, 2014
Short - term loans to subsidiaries	-	24,001,019	-	24,001,019

Loans to 2 subsidiaries, which is unsecured and without interest bearing are call loans.

14. RESTRICTED BANK DEPOSITS

These represent fixed deposits pledged with the banks to secure credit facilities.

[illegible]

Separate financial statements

	Baht							
	Land	Buildings and buildings improvement	Land improvement	Machineries and equipment	Motor vehicles	Furniture, fixtures and office equipment	Construction in progress	Total
Cost amount:								
As at December 31, 2013	52,017,556	232,505,155	11,758,906	1,285,875,944	22,235,000	61,174,111	236,479,372	1,902,046,044
Increasing	47,270,880	43,700	-	3,333,786	10,955,567	1,105,141	135,546,626	198,255,700
Disposals	-	-	-	(84,300)	(5,223,800)	(2,647,693)	-	(7,955,793)
Transfer in (out)	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	(5,031,025)	-	(5,031,025)
As at December 31, 2014	99,288,436	232,548,855	11,758,906	1,289,125,430	27,966,767	54,600,534	372,025,998	2,087,314,926
Accumulated depreciation:								
As at December 31, 2013	-	184,781,003	8,800,866	991,296,562	10,977,783	53,491,203	-	1,249,347,417
Depreciation for the year	-	3,986,112	712,526	48,193,527	4,245,762	3,041,804	-	60,179,732
Depreciation on disposals	-	-	-	(62,006)	(3,119,141)	(2,584,026)	-	(5,765,173)
Transfer in (out)	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	(4,987,661)	-	(4,987,661)
As at December 31, 2014	-	188,767,115	9,513,391	1,039,428,084	12,104,404	48,961,321	-	1,298,774,315
Allowance for impairment loss:								
As at December 31, 2013	-	4,118,147	-	1,377,843	-	-	17,612,914	23,108,904
Increasing	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	-	-	-
As at December 31, 2014	-	4,118,147	-	1,377,843	-	-	17,612,914	23,108,904
Net book value:								
As at December 31, 2013	52,017,556	43,606,005	2,958,040	293,201,538	11,257,217	7,682,908	218,866,458	629,589,723
As at December 31, 2014	99,288,436	39,663,593	2,245,515	248,319,503	15,862,363	5,639,213	354,413,084	765,431,707
Incremental amount:								
As at December 31, 2013								
- as previously reported	153,769,444	75,276,558	-	284,129,807	-	-	-	513,175,809
Effect of change in accounting policy	-	(75,276,558)	-	(284,129,807)	-	-	-	(359,406,365)
As of December 31, 2013 (restated)	153,769,444	-	-	-	-	-	-	153,769,444
Increasing (decreasing)	91,942,120	-	-	-	-	-	-	91,942,120
Disposals	-	-	-	-	-	-	-	-
Transfer in (out)	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	-	-	-
As at December 31, 2014	245,711,564	-	-	-	-	-	-	245,711,564
Accumulated depreciation of incremental amount:								
As at December 31, 2013								
- as previously reported	-	15,175,175	-	113,675,959	-	-	-	128,851,134
Effect of change in accounting policy	-	(15,175,175)	-	(113,675,959)	-	-	-	(128,851,134)
As of December 31, 2013 (restated)	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer in (out)	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	-	-	-
As at December 31, 2014	-	-	-	-	-	-	-	-
Incremental value, net:								
As at December 31, 2013 (restated)	153,769,444	-	-	-	-	-	-	153,769,444
As at December 31, 2014	245,711,564	-	-	-	-	-	-	245,711,564
Revaluation basis assets, net:								
As at December 31, 2013 (restated)	205,787,000	43,606,005	2,958,040	293,201,538	11,257,217	7,682,908	218,866,458	783,359,167
As at December 31, 2014	345,000,000	39,663,593	2,245,515	248,319,503	15,862,363	5,639,213	354,413,084	1,011,143,271
Depreciation for the years ended December 31,								
2013								61,390,711
2014								60,179,732

As at December 31, 2014 and 2013 the Company and its subsidiaries have vehicles and machineries acquired under finance lease agreements, with net book value amounting to approximately Baht 20.52 million and Baht 14.23 million, respectively (the Company only: amounted to approximately Baht 19.43 million and Baht 14.80 million, respectively).

As at December 31, 2014 and 2013 certain buildings, vehicles and equipment items of the Company and its subsidiaries have been fully depreciated but they are still in use. The original cost in those assets amounted to approximately Baht 147.53 million and Baht 70.12 million, respectively (the Company only: amounted to approximately Baht 146.79 million and Baht 63.06 million, respectively).

On January 14, 2015, a subsidiary had entered into sale agreement of machineries taken out of use with a Company, therefore the subsidiary classified machineries from presentation under property, plant and equipment to presentation under non - current assets held for sale at its carrying amount.

Increment per assets appraisal

In December 2009, the Company and its subsidiary hired a local independent appraiser namely; 15 Business Advisory Company Limited, to appraise the value of lands, buildings and machineries under revaluation basis as shown in the accounting policies.

For appraisal of land, building and machineries are as follows:

In case of appraisal of lands, the Company's lands locate at Sampran District, Nakornpratom Province, the lands space is in total of 39 rai 0 ngam 65 square wah and the subsidiary's land locates at Banpaeng District, Nakornpratom Province, the land space is in total of 118 rai 3 ngam 79 square wah, at the total cost amounting to Baht 41.62 million (the Company only: amounted to Baht 31.42 million). The Company and its subsidiary appraised the lands for the second time in the year 2004 at appraisal price of the lands in the amount of Baht 212.63 million, and the third time in the year 2009 at appraisal price in the amount of Baht 198.68 million (the Company only: amounted to Baht 185.19 million). Increment per assets appraisal for the second and the third appraisal were amounted to Baht 171.01 million and Baht 156.83 million, respectively (the Company only: amounted to Baht 171.01 million and Baht 153.77 million, respectively), which were presented in the revaluation surplus under the caption of the other components of equity.

However, the Company and its subsidiary do not depreciate the increment of land revaluation.

The changes of revaluation surplus during the years are as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		(Restated)		(Restated)
Beginning balance				
- as previously reported	(125,478)	(378,026)	(123,016)	(336,818)
Effect from the change in accounting policy	-	250,409	-	213,802
Transferred directly to				
retained earnings (deficit)	-	2,139	-	-
Decrease (Increase) during the years	(75,861)	-	(73,553)	-
Ending balance after				
of change in accounting policy	(201,339)	(125,478)	(196,569)	(123,016)

16. LAND NOT USED IN OPERATION, NET

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Land not used in operation, cost	-	20,303,170	-	-
Deduction of difference amounts per lands appraisal	-	2,244,825	-	-
Net	-	22,547,995	-	-
Add : Acquisitions	-	-	-	-
Less : Disposals	-	(22,547,995)	-	-
Land not used in operation, net	-	-	-	-

Land not used in operation lands locate at Baan - muang district, Sakonnakorn province, the land space is in total of 1,258 rai 1 ngarn 12 square wah. The lands have been acquired since the year 2003, at the cost amounting to Baht 26.61 million, the appraisal prices of the lands from independent appraiser were in the amount of Baht 24.93 million which was made as second time in June 2004. Since quarterly 1, 2009 the Company had sold such land to its subsidiary, Agri Sol Co., Ltd. at book value price of Baht 24.93 million which is over than the latest appraisal price before the selling date; on July 17, 2007, for lands building and other construction; and on August 2, 2007 for machineries and equipment. However, the management had decided to sale at book value in accordance with the resolution of the Board of Director Meeting No. 3/2551 dated July 21, 2008. As a result, have no gain or loss in this transaction.

Later, Agri Sol Co., Ltd. has made an assessing for the land in December, 2009 the appraisal value was of Baht 28.66 million, which is presented in the consolidated financial statements. This lasted appraisal value is presented at higher value, compared to the acquisition cost in the amount of Baht 2.05 million, which was presented in the revaluation surplus under the caption of the other components of equity. The allowance for impairment loss that was ever recorded for the second appraisal was reversed in the amount of Baht 1.68 million in statement of income for the year ended December 31, 2009. Currently, the lands were charged as non - operated lands.

On August 19, 2010, Agri Sol Co., Ltd. purchased 3 parcels of land located near former land which has space in total of 85 rai 1 ngarn 47 square wah, at the cost of Baht 1.44 million. Purchase of such land was done according to Board of Director Meeting No. 1/2553 held on August 9, 2010.

Following in April, 2011, Agri Sol Co., Ltd. had sold certain plots of lands, which purchased from the Company, to the Company at Baht 1.72 million and the Company sold them to outsiders at the same price.

Following in March, 2012, Agri Sol Co., Ltd. had sold certain plots of lands, which purchased from the Company, to the Company at book value price of Baht 5.78 million and the Company sold them to outsiders at Baht 4.30 million.

In August, 2013, Agri sol co., Ltd and nad sold the rest of land to outsider at Baht 33.21 million.

The changes of revaluation surplus during the years are as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance, after effect of change in accounting policy	-	(1,523)	-	-
Decrease (increase) during the years:				
- Transferred directly to retained earnings (deficit)				
due to derecognized assets	-	1,972	-	-
- Deferred tax expenses (income)	-	(449)	-	-
Total decrease (increase) during the years	-	1,523	-	-
Ending balance	-	-	-	-

17. INTANGIBLE ASSETS, NET

	Baht		
	Consolidated financial statements		
	Computer software	Computer software under development	Total
<u>Cost</u>			
As at December 31, 2013	48,073,601	36,049,580	84,123,181
Increase	2,219,200	-	2,219,200
Decrease	-	-	-
Transfer in (out)	-	-	-
As at December 31, 2014	50,292,801	36,049,580	86,342,381
<u>Accumulated amortization</u>			
As at December 31, 2013	42,864,204	-	42,864,204
Increase	2,265,614	-	2,265,614
Decrease	-	-	-
As at December 31, 2014	45,129,818	-	45,129,818
<u>Net book value</u>			
As at December 31, 2013	5,209,397	36,049,580	41,258,977
As at December 31, 2014	5,162,983	36,049,580	41,212,563

	Baht		
	Separate financial statements		
	Computer software	Computer software under development	Total
Cost			
As at December 31, 2013	47,434,851	36,049,580	83,484,431
Increase	2,219,200	-	2,219,200
Decrease	-	-	-
Transfer in (out)	-	-	-
As at December 31, 2014	49,654,051	36,049,580	85,703,631
Accumulated amortization			
As at December 31, 2013	42,795,995	-	42,795,995
Increase	1,891,979	-	1,891,979
Decrease	-	-	-
As at December 31, 2014	44,687,974	-	44,687,974
Net book value			
As at December 31, 2013	4,638,856	36,049,580	40,688,436
As at December 31, 2014	4,966,077	36,049,580	41,015,657

18. BANK OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

As at December 31, 2014 and 2013 bank overdrafts and short - term loans from financial institutions were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Bank overdrafts				
Promissory notes				
(interest rate of 3.60% - 6.38% p.a.				
as at December 31, 2014 and 3.90 - 6.88%				
p.a. as at December 31, 2013)	769,958,753	530,400,000	724,940,358	530,400,000
Discounted bill of exchange				
(interest rate of 3.80% p.a.)	200,000,000	-	200,000,000	-
Trust receipts	53,507,419	65,437,247	53,507,419	65,437,247
Total	1,023,466,172	595,837,247	978,447,777	595,837,247

19. OTHER PAYABLES

Other payables, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Accrued expenses	107,056,296	210,076,099	49,598,710	82,012,506
Payable - treasury shares	-	7,891,025	-	7,891,025
Other - payable	128,598,808	-	34,031,012	-
Total	235,655,104	217,967,124	83,629,722	89,903,531

20. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Liabilities under finance lease agreements	100,133,185	10,905,596	99,289,889	10,020,278
<u>Less</u> : deferred interest	(19,144,543)	(1,118,832)	(19,093,201)	(1,048,783)
deferred VAT	(24,822)	(57,919)	-	-
	80,963,820	9,728,845	80,196,688	8,971,495
<u>Less</u> : current portion due within one year	(16,641,906)	(4,824,647)	(16,159,589)	(4,398,466)
Liabilities under finance lease agreements, net of current portion	64,321,914	4,904,198	64,037,099	4,573,029

	Consolidated financial statements (Baht)							
	2014				2013			
	Principal	Deferred interest	Deferred VAT	Total	Principal	Deferred interest	Deferred VAT	Total
1 - 5 years	64,321,914	11,738,346	8,274	76,068,534	4,904,198	594,780	24,822	5,523,800
Over 5 years	-	-	-	-	-	-	-	-
Total	64,321,914	11,738,346	8,274	76,068,534	4,904,198	594,780	24,822	5,523,800

	Separate financial statements (Baht)							
	2014				2013			
	Principal	Deferred interest	Deferred VAT	Total	Principal	Deferred interest	Deferred VAT	Total
1 - 5 years	64,037,099	11,728,619	-	75,765,718	4,573,029	571,350	-	5,144,379
Over 5 years	-	-	-	-	-	-	-	-
Total	64,037,099	11,728,619	-	75,765,718	4,573,029	571,350	-	5,144,379

21. LONG - TERM LOANS

21.1 Loans from financial institutions

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Loan	9,470,936	-	-	-
<u>Less</u> Current portion	(2,277,196)	-	-	-
Long - term loans, net	<u>7,193,740</u>	<u>-</u>	<u>-</u>	<u>-</u>

On June 2, 2011 (the date before the acquisition date), Lanchang Farm Co., Ltd. had entered into a loan agreement with a local bank in the amount of Baht 7.00 million. The interest is at the rate MLR% p.a.

The principal and interest are repayable in every month commencing from the agreement date and paid within 7 years commencing from the date of the first installment.

Later, On October 1, 2012 (the date before the acquisition date), Lanchang Farm Co., Ltd. had entered into a loan agreement with a local bank such additional in the amount Baht 7.00 million. The interest is at the rate MLR% p.a. The 1 year term commencing from the agreement date, the interests are repayable in every month after that the principal and interest are repayable in every month and paid within 6 years commencing from the date of the first installment.

These loan are secured by the mortgage for land and construction.

21.2 Loans from other

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Loan				
- US DOLLAR				
(USD 0.28 million)	9,117,016	-	-	-
- THAI BAHT	10,429,661	-	-	-
Total	19,546,677	-	-	-
<u>Less</u> Current portion	(8,029,540)	-	-	-
Loans from other - net	<u>11,517,137</u>	<u>-</u>	<u>-</u>	<u>-</u>

- US DOLLAR

On August 25, 2011 (the date before the acquisition date), Lanchang Farm Co., Ltd. had entered into a loan agreement with a Company in the amount of USD 0.48 million. The interest is at the rate 3% p.a. The principal and interest are repayable in every month and paid within 3 years commencing from the agreement date.

- THAI BAHT

On March 7, 2011 (the date before the acquisition date), Lanchang Farm Co., Ltd. had entered into a loan agreement with a former director (resigned on September 26, 2014) amount of Baht 3 million. The interest is at the rate MLR% p.a. The principal and interest are repayable in every quarter and paid within 7 years commencing from the agreement date.

The above loans are unsecured.

22. EMPLOYEE BENEFIT OBLIGATION

- Movement in the present value of the employee benefit obligation for the years ended December 31, 2014 and 2013 as follows:

	Million Baht			
	Consolidated		Separate	
	financial statement		financial statement	
	2014	2013	2014	2013
Employee benefit obligation at beginning of year	50.11	49.61	43.13	42.41
Benefits paid	(1.88)	(4.46)	(1.88)	(3.25)
Current service cost and interest	5.43	4.96	4.15	3.97
Actuarial losses	-	-	-	-
Employee benefit obligation at end of year	<u>53.66</u>	<u>50.11</u>	<u>45.40</u>	<u>43.13</u>

- Expenses recognised in the income statement for the years ended December 31, 2014 and 2013 are as follows:

	Million Baht			
	Consolidated		Separate	
	financial statement		financial statement	
	2014	2013	2014	2013
Current service costs	3.80	3.43	2.76	2.70
Interest cost	1.63	1.53	1.39	1.27
Total	<u>5.43</u>	<u>4.96</u>	<u>4.15</u>	<u>3.97</u>

- Principal actuarial assumptions as at December 31, 2014 and 2013

	Percent
Discount rate	3.00 - 3.50
Salary increase rate	2.50 - 4.00
Employee turnover rate	0 - 22.92*
Mortality rate	75% of TMO2008*

* Based on the weighted average by age group of employees

** Reference from TMO2008 : Thai Mortality Ordinary Table 2008

23. SHARE CAPITAL**23.1 Issued and fully paid - up shares capital**

At the 2013 Annual General Meeting of Shareholders held on March 29, 2013, the shareholders have approved as follows :

- Approved the reduction of the Company's registered share capital in the amount of Baht 42.00 million, from Baht 182.00 million (91,000,000 ordinary shares at Baht 2 each) to Baht 140.00 million (70,000,000 ordinary shares at Baht 2 each) due to there is no increased share allotment by means of General Mandates (approved from the 2012 Annual General Meeting of shareholders) within the date required by law. This had been registered with the Ministry of Commerce on April 4, 2013.

- After capital reduction as stated in the above paragraph, approved the increase in the Company's registered share capital and the allotment of increased ordinary shares by means of General Mandate and offered to existing shareholders on an RO basis (Right Offering). The Company will increase the registered capital for the amount of Baht 42.00 million, from Baht 140.00 million (70,000,000 ordinary shares at Baht 2 each) to Baht 182.00 million (91,000,000 ordinary shares at Baht 2 each). This had been registered with the Ministry of Commerce on April 9, 2013.

- Approved to decrease the par value of the ordinary share from Baht 2 per share to Baht 1 per share resulting increase 91,000,000 ordinary shares, from 91,000,000 ordinary share at Baht 2 each to 182,000,000 ordinary shares at Baht 1 each. This had been registered with the Ministry of Commerce on April 10, 2013.

At the 2014 Annual General Meeting of Shareholders held on April 24, 2014, the shareholders have approved the reduction of the Company's registered share capital in the amount of Baht 42.00 million, from Baht 182.00 million (182,000,000 ordinary shares at Baht 1 each) to Baht 140.00 million (140,000,000 ordinary shares at Baht 1 each) due to there is no increased share allotment by means of General Mandates within the date required by law. This had been registered with the Ministry of Commerce on May 20, 2013.

23.2 Treasury shares and appropriated retained earnings for treasury shares

On August 13, 2013, the Board of Directors has approved to undertake a treasury stock program for financial management purposes with the maximum amount of not exceeding Baht 200 million for the repurchase of not exceeding 14,000,000 shares at the par value of Baht 1 per share or equivalent to not exceeding 10% of the total of paid - up shares. The procedure used for the repurchasing of shares is on the Stock Exchange of Thailand. The repurchase period covers the duration of 6 months, starting from August 28, 2013 to February 27, 2014.

The period of the resale of share is 6 months after the completion date of share repurchase and not later than 3 years from this time which the Board of Directors will consider fixing the schedule of the share resale later on.

On December 25 and 26, 2013, the Company had purchased back 0.27 million ordinary shares (par value of Baht 1 each), or 0.19% of the total number of issued and fully shares, for a total of Baht 7.89 million (excluded cost of repurchase treasury shares).

During the 1st quarter of year 2014, the Company had purchased back 1.75 million ordinary shares (par value of Baht 1 each), or 1.25% of the total number of issued and fully shares, for a total of Baht 58.59 million (excluded cost of repurchase treasury shares).

According to letter No. Gor Lor Tor. Chor Sor. (Vor) 2/2548 of the Office of the Securities and Exchange Commission, dated 14 February 2005, concerning the acquisition of treasury shares, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the Company either sells the treasury shares or reduced its paid-up share capital by an amount equal to the value of the treasury shares which it could not sell. As at 31 December 2013, the Company appropriated the full required amount of retained earnings to a reserve for the treasury shares amounting to Baht 7.89 million.

24. DIVIDEND PAID

At the Annual General Meeting of Shareholders held on March 29, 2013, the shareholders had approved to pay the dividend amounted to Baht 140.00 million (70 million ordinary shares at Baht 2 each). However, the Company has recorded the dividend payment according to the legitimated shareholders having the right to receive the dividend for the total amount of Baht 138.70 million.

At the Board of Directors Meetings held on August 13, 2013, the Board of Directors had approved to pay the interim dividend amounted to Baht 70.00 million (140 million ordinary shares at Baht 0.50 each). However, the Company has recorded the interim dividend payment according to the legitimated shareholders having the right to receive the dividend for the total amount of Baht 69.99 million.

At the Annual General Meeting of Shareholders held on April 24, 2014, the shareholders had approved to pay the dividend amounted to Baht 77.00 million (140 million ordinary shares at Baht 0.55 each). However, the Company has recorded the dividend payment according to the legitimated shareholders having the right to receive the dividend for the total amount of Baht 75.89 million.

At the Board of Directors Meetings held on August 7, 2014 the Board of Directors had approved to pay the interim dividend amounted to Baht 70 million at (140 million ordinary shares Baht 0.50 each). However, the Company has recorded the dividend payment according to the legitimated shareholders having the right to receive the dividend for the total amount of Baht 68.99 million.

25. LEGAL RESERVE

Under the Public Limited Companies Act., the Company is required to set aside to a legal reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of its registered share capital. The legal reserve is not available for dividend payment.

26. PROVIDENT FUND

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is monthly contributed to by employees, at the rate of 3.0 percent of their basic salaries, and by the Company and its subsidiaries at the same rate, and will be paid to employees upon termination in accordance with the rules of the fund. The fund is managed by Kasikorn Asset Management Company Limited.

The Company and its subsidiaries contributed to the fund for years ended December 31, 2014 and 2013 as follows:

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Provident fund contribution	4,280,765	3,907,911	3,116,303	2,880,751

27. TAX EXPENSE

Tax expense for the years ended December 31, 2014 and 2013, consisted of :

	Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Current tax expense	71,018	81,920	44,728	43,787
Deferred tax expenses (income)				
of temporary differences	2,880	21,870	2,759	24,977
Adjustments recognized in the years				
for current tax of perior years	691	-	691	-
Tax expense reported in statement of income	74,589	103,790	48,178	68,764

Income tax relating to each component of other comprehensive income for the years ended December 31, 2014 and 2013, consisted of :

	Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013 (Restated)	2014	2013 (Restated)
Deferred tax expenses (income) relating to:				
- Increase of revaluation in land plant	18,965	-	18,388	-
- Actuarial gains (losses) on defined employee benefit plans	-	-	-	-
Deferred tax expenses (income) reported in other comprehensive income	18,965	-	18,388	-

Reconciliation between income tax expense and the product of accounting profit multiplied by the applicable tax rates for the years ended December 31, 2014 and 2013 as follows:

	Thousand Baht			
	For year ended December 31,			
	Consolidated		Separate	
	2014	2013	2014	2013
Accounting profit before tax	378,973	519,202	236,000	347,132
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	75,795	103,840	47,200	69,426
Tax effect of :				
- Tax exempted revenue	(2,943)	-	(342)	-
- Adjustments recognized in the years for current tax of perior years	691	-	691	-
- Non - deductible expenses	1,506	1,600	889	783
- Added deductible expenses	(460)	(1,650)	(260)	(1,445)
Effects of adjustment deferred tax	-	-	-	-
Tax expense reported in comprehensive income statement	74,589	103,790	48,178	68,764

The components of deferred tax assets and liabilities are as follows:

Thousand Baht			
Consolidated financial statements			
	As of December 31, 2014	As of December 31, 2013 (Restated)	As of January 1, 2013 (Restated)
Deferred tax assets			
Allowance for doubtful accounts	827	803	906
Allowance for contingent loss due to a subsidiary may not be able to pay for the purchased goods	-	-	5,279
Allowance for diminution in value of inventories	2,776	6,307	751
Allowance for impairment of investments	258	600	20,597
Allowance for impairment loss	6,709	6,709	6,721
Employee benefit obligation	10,650	10,250	9,921
Unused tax benefits on loss carry forward	4,279	185	-
Total	25,499	24,854	44,175
Deferred tax liabilities			
Increase in value land and building from acquisition	3,050	-	-
Revaluation in land plant	50,335	31,369	31,818
Revaluation in land not used in operation	-	-	449
Accumulated depreciation resulting from change in the estimated useful lives of assets	9,329	9,856	7,307
Total	62,714	41,225	39,574
Thousand Baht			
Separate financial statements			
	As of December 31, 2014	As of December 31, 2013 (Restated)	As of January 1, 2013 (Restated)
Deferred tax assets			
Allowance for doubtful accounts	795	795	897
Allowance for contingent loss due to a subsidiary may not be able to pay for the purchased goods	-	-	5,279
Allowance for diminution in value of inventories	2,523	3,290	580
Allowance for impairment of investments	258	600	20,597
Loss on accumulated impairment	4,622	4,622	4,634
Employee benefit obligation	9,081	8,625	8,483
Unused tax benefits on loss carry forward	-	-	-
Total	17,279	17,932	40,470
Deferred tax liabilities			
Revaluation in land plant	49,141	30,754	30,754
Accumulated depreciation resulting from change in the estimated useful lives of assets	7,755	5,648	3,208
Total	56,896	36,402	33,962

In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30% to 23% in 2012, and then to 20% as from 2013. In addition, in order to comply with the resolution of the cabinet, in December 2011, the decrease in tax rates for 2012 - 2014 were enacted through a royal decree. The Company reflected the changes in tax rates in its deferred tax calculation, as presented above.

28. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

The weighted average number of ordinary shares after the change in par value of the ordinary shares on April 10, 2014 as mentioned in note 23.1 to the financial statements is calculated as follows:

	Consolidated and separate financial statements (Shares)	
	2014	2013
Number of ordinary shares - as previously reported	139,995,425	70,000,000
<u>Add</u> adjusted number of ordinary shares from the change in par value	-	70,000,000
Number of ordinary shares - as restated	139,995,425	140,000,000
<u>Less</u> treasury shares	1,495,320	4,575
Number of ordinary shares	138,500,105	139,995,425

29. FINANCIAL INFORMATION BY SEGMENT

The Company's and its subsidiaries' operations involve the manufacturing and distribution of canned agriculture products, fruit juices and non - alcohol beverage which are carried on in both Thailand and foreign countries. Financial information of the Company and its subsidiaries for the years ended December 31, 2014 and 2013 and as at December 31, 2014 and 2013, broken down by geographic segment, are as follows:

Business segment information

Thousand Baht			
Consolidated financial statements			
For the year ended December 31, 2014			
Segment			
	Agriculture products	Others	Eliminated
			Total
Revenues from sales	5,478,777	885,827	(1,597,254)
Gross profit	1,445,737	131,518	7,416
Other incomes			84,738
Selling expenses			888,172
Administrative expenses			360,549
Finance costs			36,550
Tax expenses (income)			74,589
Shares of profit (loss) of associate			(3,081)
Profit (loss) for the year			306,468

Geographic segment information

Thousand Baht			
Consolidated financial statements			
For the year ended December 31, 2014			
	Sales - domestic	Sales - export	Eliminated
			Total
Revenues from sale	5,300,113	1,064,491	(1,597,254)
Segment operating profit	1,246,444	330,811	7,416
			1,584,671

Business segment information

Thousand Baht			
Consolidated financial statements			
For the year ended December 31, 2013			
Segment			
	Agriculture products	Others	Eliminated
			Total
Revenues from sales	5,876,342	688,206	(1,476,979)
Gross profit	1,374,200	69,922	7,095
Other incomes			121,781
Selling expenses			784,284
Administrative expenses			379,163
Finance costs			16,967
Tax expenses (income)			103,791
Shares of profit (loss) of associate			(1,804)
Profit (loss) for the year			286,989

Geographic segment information

	Thousand Baht			
	Consolidated financial statements			
	For the year ended December 31, 2013			
	Sales - domestic	Sales - export	Eliminated	Total
Revenues from sale	5,720,736	843,812	(1,476,979)	5,087,569
Segment operating profit	1,206,457	237,665	7,095	1,451,217

Information about major customers

For the year ended December 31, 2014, the Company and its subsidiaries' revenues from three customer. from domestic sales amounted Baht 1,899.81 million.

For the year ended December 31, 2013, the Company and its subsidiaries' revenues from a customer. from domestic sales amounted Baht 1,503.17 million.

	Million Baht					
	Consolidated financial statements					
	As of December 31,					
	Domestic		Foreign		Total	
	2014	2013	2014	2013	2014	2013
Trade receivables, net	719.98	492.53	64.63	87.95	784.61	580.48
Property, plant and equipment, net					1,132.73	864.03
Other assets					1,074.73	960.18
Total assets					2,992.07	2,404.69

30. CREDIT FACILITIES

Credit facilities granted to the Company and its subsidiaries by financial institutions are secured by the mortgage/pledge of deposits at financial institutions, certain plots of its lands, buildings and some machineries of the Company and its subsidiaries.

In addition, credit facilities granted to the subsidiary by financial institutions are secured by the guarantee provided by the Company.

31. COMMITMENTS AND CONTINGENT LIABILITIES

31.1 Commitments

a) As at December 31, 2014, the Company and its subsidiaries have commitments and contingent liabilities from unused letter of credit of amount to Baht 1.18 million.

b) As at December 31, 2014, the Company and its subsidiaries have commitments relating to the lease agreements for lands, head office buildings, warehouses, machineries, office equipment, vehicles and service fees whereby for the expiration dates range from 2014 - 2017. Future minimum payments under the leases are as follows:

Lease agreements	Periods (Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Not later than	Later than one	Not later than	Later than one
	one year	year and not later	one year	year and not later
		than five years		than five years
Lands	3.99	-	3.99	-
Head office buildings	3.85	-	1.81	-
Warehouses	15.12	25.09	0.83	-
Machineries	101.33	132.68	99.21	130.03
Office equipment	4.10	1.55	3.62	1.49
Vehicles	9.58	12.48	7.36	11.27
Service fees	8.52	-	11.31	-

Rental expenses and service fees under the above leases for the year ended December 31, 2014 amounted to Baht 148.73million (the Company only : amounted to Baht 150.71 million).

c) As at December 31, 2014, the Company has the commitment from purchase of machineries amounted to Baht 28.06 million.

d) As at December 31, 2014, the Company has the commitment from purchase of computer software under development amounted to Baht 0.16 million.

31.2 Bank guarantees

As at December 31, 2014 and 2013 there were outstanding bank guarantees of approximately Baht 9.03 million and Baht 7.43 million, respectively issued by banks on behalf of the Company and its subsidiaries (the Company only : amounted to Baht 8.03 million and Baht 6.43 million, respectively) in respect of certain performance obligations as required in the ordinary course of its business.

31.3 Guarantee

As at December 31, 2014 and 2013, the Company had guaranteed Baht 260 million and Baht 100 million, respectively of loans obtained by a subsidiary from financial institutions, respectively. These guarantees are effective for as long as the underlying obligations have not been discharged by the Company or its subsidiary.

Guarantee fees have been charged between the Company and its subsidiary at 1.75 percent per of the guarantee amount.

31.4 Litigation

Since September 30, 2008, a company which is a trade payables took legal action against the Company in accordance with the black court case, requiring settle debts for payment of the goods in the total amount of Baht 273.23 million - consisting of product cost at Baht 202.82 million and interest at Baht 70.41 million. Additionally, the Company has to pay interest at 7.25 percent per annum of the amount Baht 202.82 million from October 1, 2008 until payment is fully settled to that Company as well as paying the charges and lawyer fee for that company. However, the Company had filed a petition to the appeal court against such black court case, later it was ordered to end by the appeal court because of missing in litigation form, and the consumer case was used to complaint for this. Later, on May 28, 2009, the court of Thanyaburi province had read a conclusion of the chief of the appeal court and decided that the black court case is also not the consumer case. As a result, the case is released from the litigation record. Nevertheless, the trade payables (plaintiff) is reserved a right to bring a further action in civil suit and bankruptcy case. Next, on May 21, 2009 the trade payables has already delivered a borrowed article to the Company again for sustaining the civil suit and/or bankruptcy case. At that moment, the Company was in the debt negotiation with the payable but they did not reaching a compromise yet, resulting the Company still recognized the debt and interest charge in fully amount. The Company has fully recognized the obligation of such amount of interest into the financial statements since year 2008 until the six - month period ended June 30, 2009, in the total amount of Baht 81.40 million. Trade payables and accrued interest as at June 30, 2009 in the amount of Baht 284.22 million are recorded into the Statements of financial position of the Company. Consequently, in the quarter 3, 2009 the Company and the payable had reached a compromise agreement, and that allowed the Company to pay the debt in respect of the compromise agreement which required in the essential conditions as follows:

The Company has to pay the certain debt of the goods in the total amount of Baht 202.82 million with interest calculated from the total debt outstanding of the 31th installment onwards, at the rate of 7.25 percent per annum by monthly installment of 74 periods within the date of 30th of every month, the first period commencing on August 30, 2009. The details of repayment of principal and interest shown by the document attached such compromise agreement are as follow:

Installment Number	Amount of Installment
1 - 24	Principal of Baht 2 million (no interest)
25 - 30	Principal of Baht 3 million (no interest)
31 - 48	Principal with interest of Baht 3 million
49 - 73	Principal with interest of Baht 4 million
74 (final)	Principal with interest of Baht 3,576,407

As a result, in the quarter 3, 2009, the Company has a fully revision of the accrued interest charge in the total amount of Baht 81.40 million which was provisioned since having the taking legal action from the trade payable. The reversal estimation of interest charge is accounted in the statements of income for the three - month period ended September 30, 2009.

As at December 31, 2013, the Company has recorded accrued interest expenses for such payable in amount of Baht 3.20 million. This accrued interest has been calculated by the effective interest rate method based on the fixed rate in the agreement that will be paid in the thirtieth - first (31), installments, February 2012 onward. The recognized interest expense will be fully or partial reversed when having prior repayment for the loan which determined in the compromise agreement.

On June 30, 2014, the Company repaid the remaining loans and had reversal the remaining accrued interest expenses amounted to Baht 1.70 million to other income in the statement of income.

The changes of trade payables under a compromise agreement during the years as follows.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance	78,307,180	112,185,632	78,307,180	112,185,632
Additional during the year	-	-	-	-
Deduction during the year	(78,307,180)	(33,878,452)	(78,307,180)	(33,878,452)
	-	78,307,180	-	78,307,180
<u>Less</u> : Current portion due within one year	-	(43,765,608)	-	(43,765,608)
Trade payables under a compromise agreement, net of current portion	-	34,541,572	-	34,541,572

32. FINANCIAL INSTRUMENTS

32.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade receivables, trade payables and short - term and long - term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade receivables and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade receivables and other receivables as stated in the statements of financial position.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, bank overdraft, short - term and long - term loans. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions and loans that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at December 31, 2014 and 2013, the Company and its subsidiaries are exposed to foreign currency risk primarily to foreign currency denominated financial assets and liabilities as follows:

Consolidated financial statements

Foreign currency	Financial assets	Financial liabilities	Asset / liability exchange rate as at December 31, 2014 (Baht per foreign currency unit)
US dollar	369,439	1,221,101	32.72/33.11
Euro	-	61,450	39.65/40.36
			As at December 31, 2013 (Baht per foreign currency unit)
US dollar	333,674	2,874,940	32.95/32.58

Separate financial statements

Foreign currency	Financial assets	Financial liabilities	Asset / liability exchange rate as at December 31, 2014 (Baht per foreign currency unit)
US dollar	369,439	1,495,263	32.72/33.11
Euro	-	61,450	39.65/40.36
			As at December 31, 2013 (Baht per foreign currency unit)
US dollar	318,374	2,874,797	32.95/32.58

As at December 31, 2014, the Company and its subsidiaries have not the outstanding foreign currency sales and purchase agreement.

32.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short - term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

33. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the statements of financial position as at December 31, 2014, the Group's debt to equity ratio was 1.95 : 1 (as at December 31, 2013 : 1.89 : 1) and the Company's was 1.99 : 1 (as at December 31, 2013: 1.57 : 1).

34. PROMOTIONAL PRIVILEGES

The Company has received promotional privileges from the Board of Investment for the manufacture of canned vegetables, pursuant to the promotion certificate No. 1089/2542 at 50 percent deduction of corporate income tax on income derived from the promoted operations for a period of 5 years starting from August 6, 2009; and commencing year 2010, the Company has not had the promotional privileged revenue.

35. APPROVAL OF FINANCIAL STATEMENTS

These interim financial statements were authorised for issue by the Company's Board of Directors on February 26, 2015.

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