

Malee®

Annual Report 2015

NEW HORIZONS





“

We create healthy product through environmental friendly process for the good health of everyone toward sustainability.

”



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Malee Group – The Organization with sustainable growth

It is our determination to grow business with efficient internal management, research and knowledge development – to create quality products that meet the global standards.

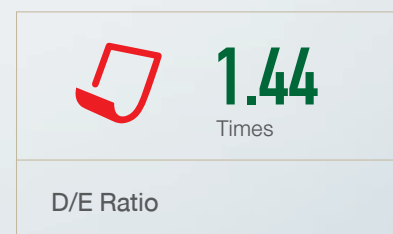


Thailand



Philippines







Strategy of business expansion with precise goal

Malee is committed to become a regional brand for AEC where the business strategy is to create clear brand recognition among domestic and foreign markets including setting business alliances to pave the way for marketing opportunities toward the future.



“

TOP BEVERAGE
BRAND OF
CHOICE

”



2015 - 2017



2018-2020



2021-2023



Incorporate foundation
and strengthen the
organization to
support the future growth



Strive to achieve
the goal



Build sustainable business
to become the global
beverage brand



Build strong foundation to support future growth

With well awareness that personnel is a major factor to move business forward, Malee places the importance on personnel of all levels, as well as to develop internal structure with focus on human resources to support the future growth.





Number of
employees

1,432
people



Average training hours
for employees

30 Hour/Person/
Year







Message from Chairman

Last year, Thailand's economy continued to slow down, and gross domestic consumption was yet to recover. However, the Company achieved successful operating results and run the strategies as planned. In 2015, the Company's gross sale value was 5,512.4 million baht, or an increase by 13.6% from that in 2014. Net profit was 330.7 million baht, or up 7.8% year on year.

The growth in sales and profits was attributed to the strategy to boost sales in our export destinations, amid the volatility of domestic economy. Last year, our export revenues improved 44%. In addition, the Company can increase domestic market share to 23% in the 100% fruit juice market.

As part of our operation in 2015, the Company engaged in a joint venture agreement with Philippines trade partner, Monde Nissin Corporation, in order to establish Monde Malee Beverage Corporation (MMBC), which will manufacture and distribute beverages in the Philippines. The plan is to begin selling products early in 2016. With the partner's potential and the opportunities in the Philippines' beverage industry, the Company is confident that the cooperation will lead to a jump in sale revenues and bring in a good return for the Company and its shareholders in the future.

In order to pave the way for sustainable growth, this year the Company is determined to boost competitiveness through the development of personnel, organizational structure, product quality and enhancing the environmental efficiency of the production process. These are expected to drive operating results to continue development in a long term. We focus on growth in sales and profits both in local and overseas markets. Due to the slowing in Thailand's economy, we emphasize the development of overseas operations, especially those in ASEAN nations in the emerging market, because their businesses are expanding healthily. The Company is determined to conduct studies and researches in order to enhance our knowledge of beverages even further, as we aim to develop products that provide solutions to consumers' demands for healthy

lifestyle. We are also working to eliminate unnecessary costs and expenses and improve the efficiencies of our internal work process and operation. Our hard work will be proven through the performance goals in this year and in the future.

Last year, our export
revenues improved 44%.
In addition,
the Company can
increase domestic market
share to 23% in the 100%
fruit juice market.

In addition to a successful business operation that generates profits for shareholders, the Company's directors and executives believe in good corporate governance, social and environmental responsibility, and the defense against all forms of corruption. We aim to be a quality Company, in terms of both operating results and sustainable management, for our shareholders in the future.

Last but not least, on behalf of the Company's directors, executives and employees, I'd like to thank each and every shareholder, trade partners, dealers, consumers and related individuals, who has always played a supportive role in our operation. The Company is determined to continue developing products that meet consumers' demands, look for new opportunities in Thailand and overseas, hold on to good corporate governance and transparent operation, and take a good care of all our related stakeholders.

Mr. Chatchai Boonyarat
Chairman
Malee Sampran Public Company Limited



Financial Highlights

Revenues Breakdown 3 Years

	2013		2014		2015	
	THB.Mil	%	THB.Mil	%	THB.Mil	%
Domestic Sale Revenues	4,244	83%	3,703	78%	3,896	72%
Export Sale Revenues	844	17%	1,064	22%	1,533	28%

Financial Summary

	Unit	2013	2014	2015
Total Revenues	THB.Mil	5,205	4,852	5,512
Sale Revenues	THB.Mil	5,088	4,767	5,429
Gross Profit	THB.Mil	1,451	1,585	1,779
Net Profit	THB.Mil	283	307	331
Earnings Per Share (Baht/Share)	Baht	2.00	2.20	2.37
Book Value Per Share (Baht/Share)	Baht	7.50	7.30	8.00
Total Assets	THB.Mil	2,676	2,992	3,061
Total Liabilities	THB.Mil	1,628	1,976	1,806
Shareholders' Equity	THB.Mil	1,048	1,011	1,249

Liquidity Ratio

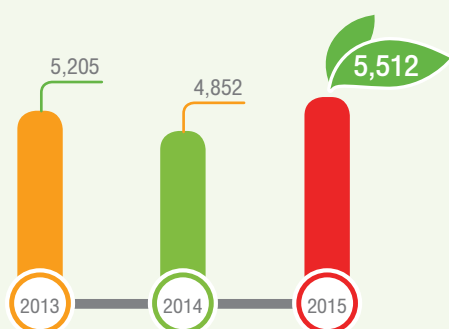
	Unit	2013	2014	2015
Current Ratio	Time	1.0	1.0	1.0
Quick Ratio	Time	0.5	0.5	0.6
Receivable Turnover	Time	8.2	7.0	6.5
Average Collection Period	Days	44.6	52.3	56.4
Inventory Turnover	Time	5.1	4.2	4.7
Average Inventory Period	Time	70.9	87.7	77.1
Account Payable Turnover	Time	4.2	4.9	8.5
Average Payment Period	Days	87.6	74.9	43.1
Cash Cycle	Days	27.9	65.1	90.4

Profit Ratio		Unit	2013	2014	2015
Gross Profit Margin	%		28.5	33.2	32.8
Net Profit Margin	%		5.4	6.3	6.0
Return on Equity	%		27.6	29.8	29.2

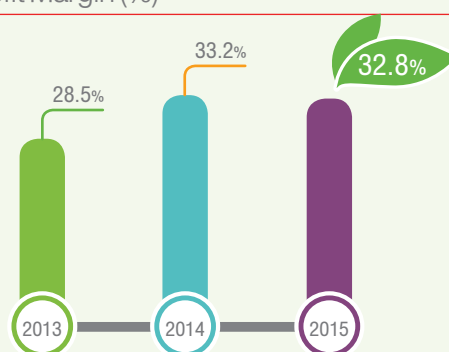
Efficiency Ratio		Unit	2013	2014	2015
Return on Assets	%		15.0	14.7	14.8
Return on Fixed Assets	%		30.8	28.4	36.4
Assets Turnover	%		1.9	1.7	1.8

Leverage Ratio		Unit	2013	2014	2015
Debt to Equity Ratio	Time		1.5	1.9	1.4
Interest Coverage Ratio	Time		24.0	11.5	17.0
Dividend Payout Ratio	%		52.0	50.2	50.7

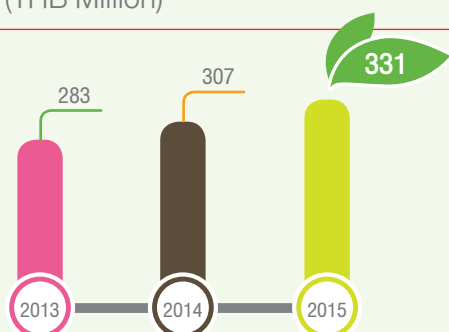
Total Revenue (THB Million)



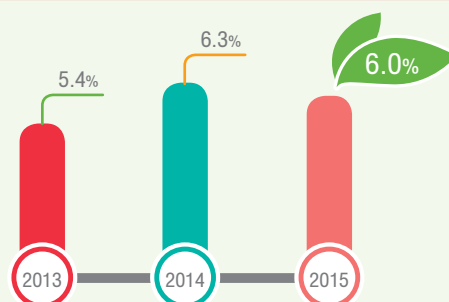
Gross Profit Margin (%)



Net Profit (THB Million)



Net Profit Margin (%)



ดื่ม
ให้กับวัน
ที่สวยงาม



Malee[®] *Healthi Plus*



น้ำผลไม้ผสมน้ำแร่ ประโยชน์ดีๆ...

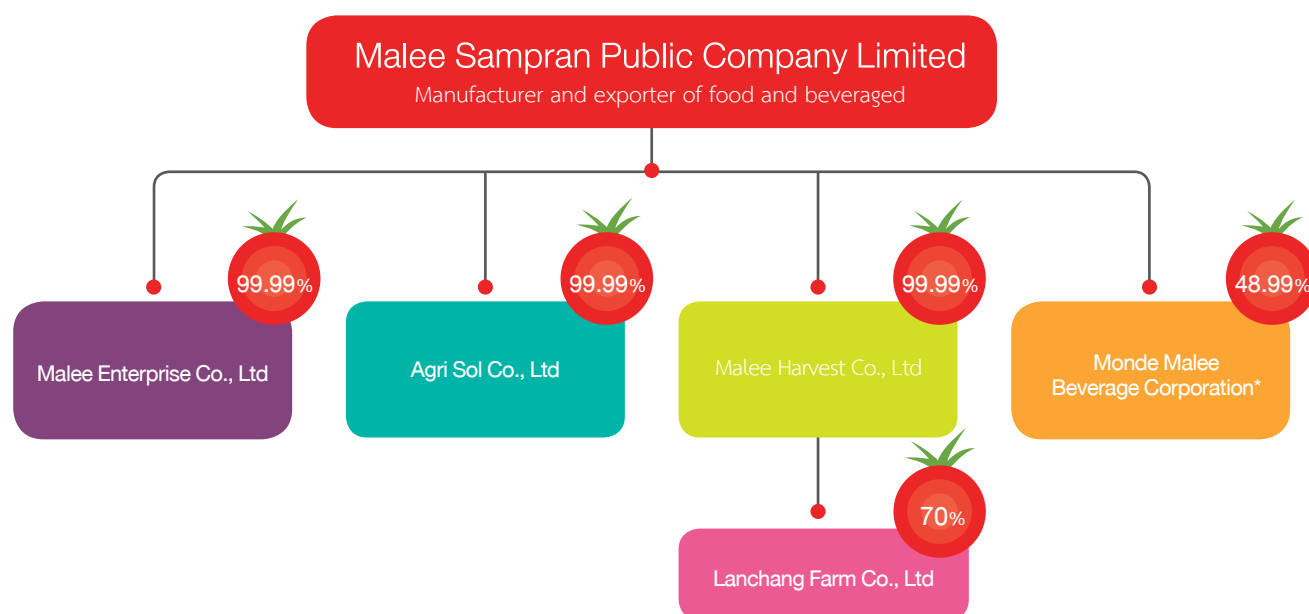


Group Structure and General Information

Malee Sampran Public Company Limited ("the Company")
and its subsidiaries structure as of December 31st, 2015



Export revenues
to total revenues ratio
in 2015



* The Board of Directors has approved to engage in Joint Venture Agreement with Monde Nissin Corporation to set up Joint Venture Company in Philippines. The Joint Venture Company is established in Quarter 1 of 2016.

Malee Sampran Public Company Limited

Registration No. 0107535000079
Address Abico Building, 401/1 Phaholyothin Road,
Lumlookka, Pathumthani, 12130, Thailand
Telephone +(66) 992 5800 to 15
Fax +(66) 992 5850 (Head Office),
+(66) 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 and
Pasteurized Fruit Juice, UHT and Pasteurized
Milk and Beverages, Canned Fruited, Canned
Sweet Corn, Canned Pineapple.
**No. of shares
and Par Value** 140,000,000 shares, Par Value of 1 Baht
Contact Person Ms. Naharuthai Chuachalad Tel.+(66) 992-5800
ext 4010, E-mail: naharuthai_chu@malee.co.th

1
Factory



1,432
Employee



5,512
Revenues (Million Baht)



331
Net Profit (Million Baht)



Subsidiaries and Associated Company

1. Malee Enterprise Company Limited

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

2. Agri Sol Company Limited

Registration No.	0135551007374
Address	Abico Building, 401/1 Phaholyothin Road, Lumlukka, Pathumthani, 12130, Thailand
Telephone	+66(2)-992-5800-14
Fax	+66(2)-992-5819 (Export Department)
Website	http://www.malee.co.th
Factory	110 Moo 9, Tambol Banpeang, Amphoe Banpeang, Nakornphanom, 48410, Thailand
Business	Agro-Industrial Business; manufacturer and distributor of Canned Sweet Corn. Currently, the Company is dormant.
No. of shares and Par Value	4,000,00 shares, Par Value of 10 Baht
No. of shares held by the Company	The Company held 399,994 shares (99.99%)

3. Malee Harvest Company Limited

Registration No.	0135556014948
Address	Abico Building, 401/1 Phaholyothin Road, Lumlukka, Pathumthani, 12130, Thailand
Telephone	+66(2)-992-5800 to 15
Business	Holding Company in Agricultural Business. Currently invest in Lanchang Farm Co., Ltd 70%
No. of Shares and Par Value	400,000 Shares Par Value of 100 Baht
No. of shares held by the Company	The Company held 399,998 shares (99.99%)

4. MONDE MALEE BEVERAGE CORPORATION (Joint Venture in Philippines)

Registration No.	CS201601514 (Incorporation in Philippines)
Address	9 SHERIDAN METROPOLITAN MLA. MANDALUYONG, METRO MANILA
Telephone Business	+63 754-8100 Manufacture and distributor of beverage Business in Philippines
No. of shares and Par Value	500,000 Shares, Par Value of 200 Peso
No. of shares held by the Company	The Company held 244,998 shares (49%)

Other Reference

Registrar

Thailand Securities Depository Company Limited	
Address	The Stock Exchange of Thailand Building 93 Rachadapisek Road, Dindeang, Bangkok 10400
Telephone	+63 754 - 8100
Fax	+66 2 009 9991

Auditor

Professor Kesree Narongdej	Certified Public Accountant No.76
Mr. Chaithuth Angsuwithaya	Certified Public Accountant No.3865
Mrs. Natsarak Sarochanunjeen	Certified Public Accountant No.4563 (2011–2015, total 5 years)

A.M.T. & Associates

(2011 – 2015, total 5 years)

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

Legal Advisor

Bunchong and Vidhya Law Office Limited

Address	33/35, 33/39-40 Wall Street Tower Building, 9 Floor, Surawong Road, Kweang Suriyawong, Khet Bangrak, Bangkok 10500
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E-mail	naharuthai_chu@malee.co.th



Shareholding Structure

Top 10 major shareholders as of 11 March 2016

No.	List of Shareholders	Number of Share	%
1.	Abico Holdings Public Company Limited	36,681,400	26.20
2.	Mrs. Kamolchat Juangroongruangkit	26,000,000	18.57
3.	Thai NVDR Co.,Ltd	18,548,696	13.25
4.	Mr. Songphol Taechakarin	4,585,600	3.28
5.	KBC SECURITIES N.V	4,290,250	3.06
6.	Mrs. Chintana Boonyarat	3,762,950	2.69
7.	Mr. Pichai Chirathivat	3,298,950	2.36
8.	Mr. Wat Chirathivat	3,298,950	2.36
9.	Mr. Kobchai Chirathivat	3,203,950	2.29
10.	Mr. Surasak Burapadecha	1,700,000	1.21

Board of Director Shareholding as of 31 December 2015

	Name	1 January 2015	Change	31 December 2015
1.	Mr. Chatchai Boonyarat	-	-	-
2.	Mrs. Chintana Boonyarat	-	2.69	2.69
3.	Mr. Pichai Chirathivat	9.43	(7.07)	2.36
4.	Mr. Kobchai Chirathivat	-	2.29	2.29
5.	Mr. Kitti Vilaivarangkul	-	-	-
6.	Mr. Roongchat Boonyarat	0.06	0.06	0.12
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 2015





Company Policy and Business Overview

Business Overview and Development



Malee Sampran Public Company Limited established Malee Sampran Factory Co., Ltd. on 2 February 1978 with registered capital of 10 million baht, as a manufacturer and distributor of canned food and canned fruits. Upon growth of business, in 1981, the Company expanded its production base by building a factory on the area of 30 rai, on Sampran district, Nakhon Pathom province. Later on 13 March 1992, the Company was 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 10,000,000 shares from the existing shareholders, or 40% of the 250 million registered capital. On 26 September 1996 the Company increased its capital from 250 million baht to 650 million baht, total paid-up capital was 500 million baht. On 15 May 1998 the Company changed its name to Malee Sampran Public Co., Ltd. Subsequently, to support continual business growth, the Company increased its capital from 500 million baht to 999.99 million baht, with total paid up capital of 700 million baht on 9 December 1998.

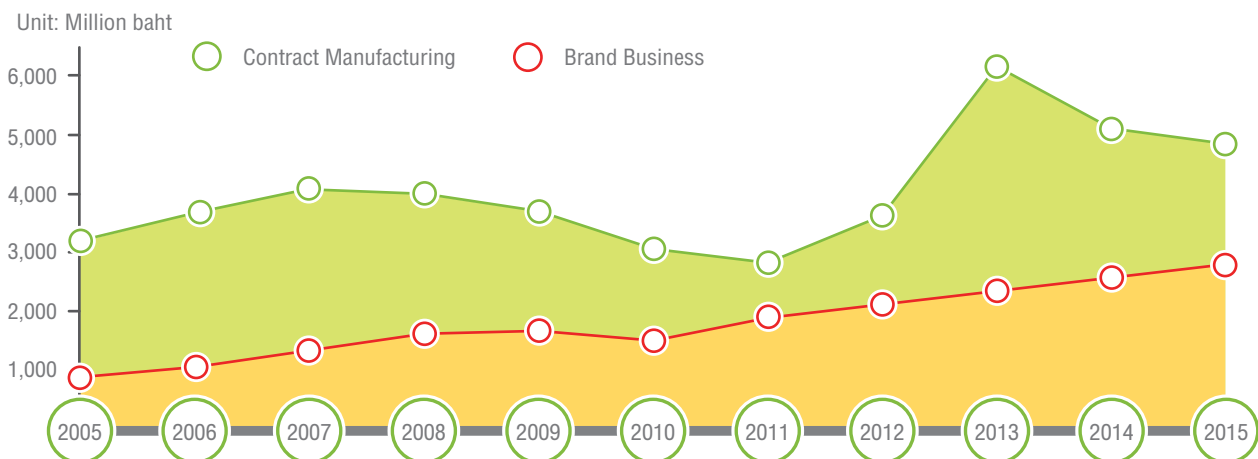
Later on 9 April 2013 the Company decreased its registered capital to 182,000,000 million baht, with paid up capital

of 140,000,000 million baht. In 2014 the Company again decreased its registered capital to 140,000,000 million baht, with total paid up capital of 140,000,000 million baht.

The Company conducts business relating to canned fruits and UHT and pasteurized fruit juice for over 40 years. Until nowadays, 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 and condensed milk under “Farm Chokchai” brand and other beverages. 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. **Manufacturing and distribution under Malee brand**
for domestic and international markets.
2. **Contract Manufacturing Business (CMG)**
in which the Company produces beverage products in accordance with domestic and international customers’ requirements.

Proportion of Branding and CMG revenues in the past 10 years



The Company is determined to follow the business plan to become Top Brand of Choice for consumer taking into account the production standard, quality and safety and consumers' hygiene. Our production process is accepted and recognized by many competent institutes both domestic and international such as BRC (Global Standard for Food Safety) IFS: International Food Standard, HACCP Codex Alimentarius Commission, Halal Certificate, Khosher Certificate, GMP Codex Alimentariou Commision Recommended International Code of Practice General Principles of Food Hygiene, ISO22000, Food Safety System Certification 22000 etc.

Vision and Target of Business Operation

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

Operative Strategy

To ensure the business operation is in accordance with the planned strategy, the Company has formulated long term strategic plan with aim to become "Top beverage brand of choice". Details of the operative plan are as follows.

Year	Main Objective
2015 - 2017	Build foundation and strength to the organization in support of the future growth
2018 - 2020	Endeavor to achieve the performance goal
2021 - 2023	Creating business sustainability by becoming a global beverage brand.

Target of the Business Operation

The target of business operation is set as follows:

1. Increase sale volumes, net profit 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 sets its target to increase sale volumes in which depending 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 oversea. In regard to oversea market, the Company targets to become a leading beverage brand of the Southeast Asian region.

2. The production, research and development and production process which are aimed to create knowledge within the Company.

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.

Furthermore, production process improvement can lower cost of production which will then enable the Company to compete in domestic and international producers.

3. Operational goal and performance efficiency

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 SAP 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.

Shareholding Structure

The major shareholders of Malee Sampran Plc. is Abico Holdings Public Company Limited. holding 25.49% of shares

As of 31 December 2015 the Company's subsidiaries are as followings.

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 operation since year end of 2013.
3. Malee Harvest Co.,Ltd: the company engage in investment 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.
4. Monde Malee Beverage Corporation is a joint venture between the Company and Monde Nissin Corporation

where the Company holds 49 percent of shares, producing and distributing beverage in Philippines.

Relationship with business group of major shareholders

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

Abico Holdings Pcl. holds 25.49% of shares

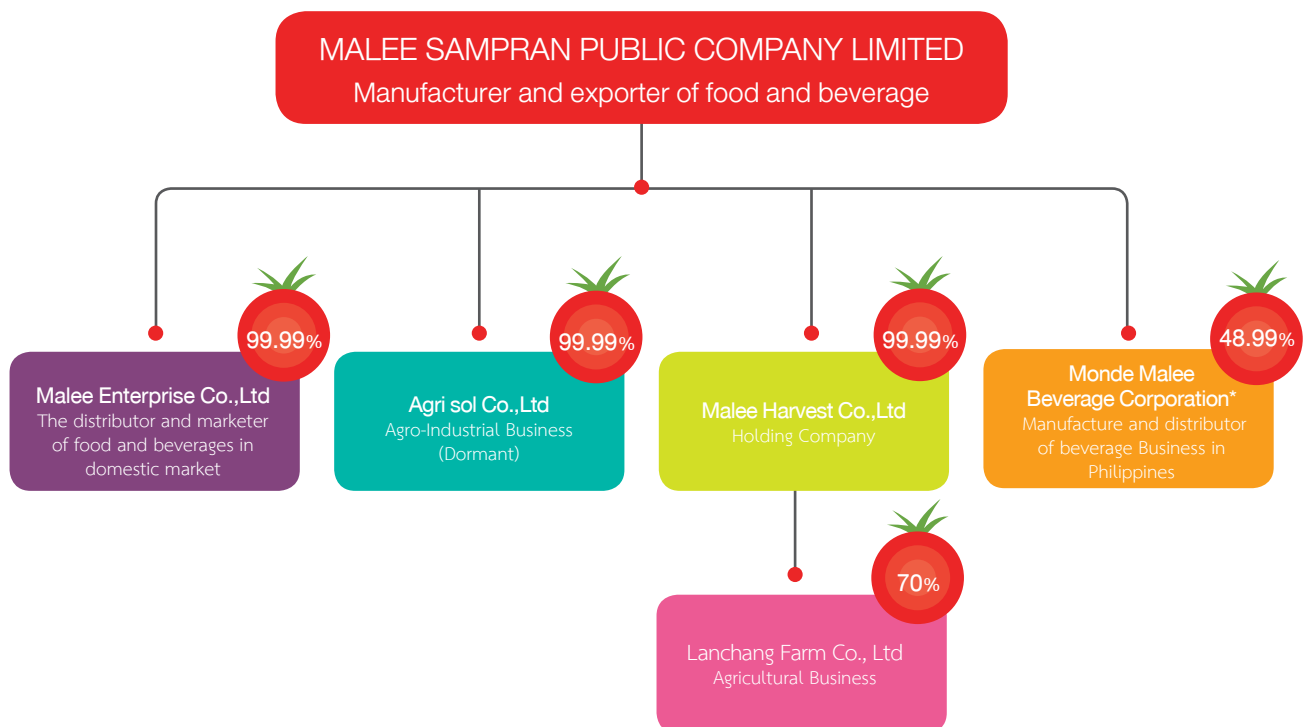
Nature of business:

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

Relation:

The Company conducts between subsidiaries of Abico Holdings Pcl. in purchase and sale of dairy products and pasteurized fruit juices.

Malee Sampran and its subsidiaries



* The Board of Directors has approved to engage in Joint Venture Agreement with Monde Nissin Corporation to set up Joint Venture Company in Philippines. The Joint Venture Company is established in Quarter 1 of 2016.



Nature of Business

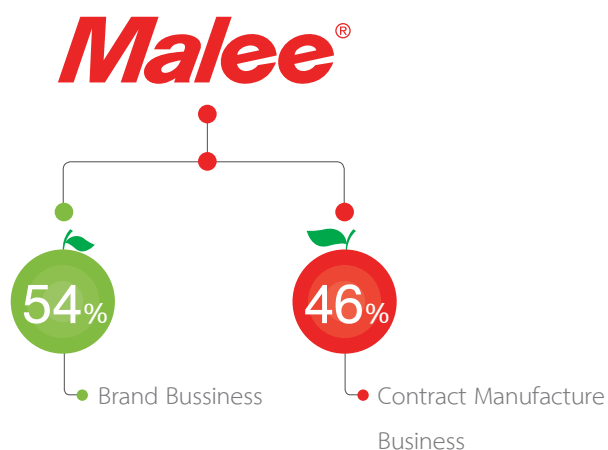


Revenue structure classified by geographic segmentation is as follow.

	2013		2014		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Total revenues from domestic sale	4,244	83%	3,903	78%	3,896	72%
Total revenues from export sale	844	17%	1,064	22%	1,533	28%

1. Nature of Business and Products

Malee Sampran Plc., produces and distributes its products for domestic and overseas markets. The main business is classified as follows :



1. Business operation of products under Malee brand-divided into 2 groups:

Beverage product

includes vegetable juice, UHT and pasteurized fruit juice under “Malee”, “Malee Vegie”, “Healthi Plus”, “Malee Nutrient”, “Malee Juice 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 iCorn” corn milk, “Terbusta Max” canned coffee, and “Howdy” fruit juice.

Processed fruits and refreshment business

include 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, “Malee Food Service” brand and ready made refreshment “Le Ros” and “Hunter” brand.

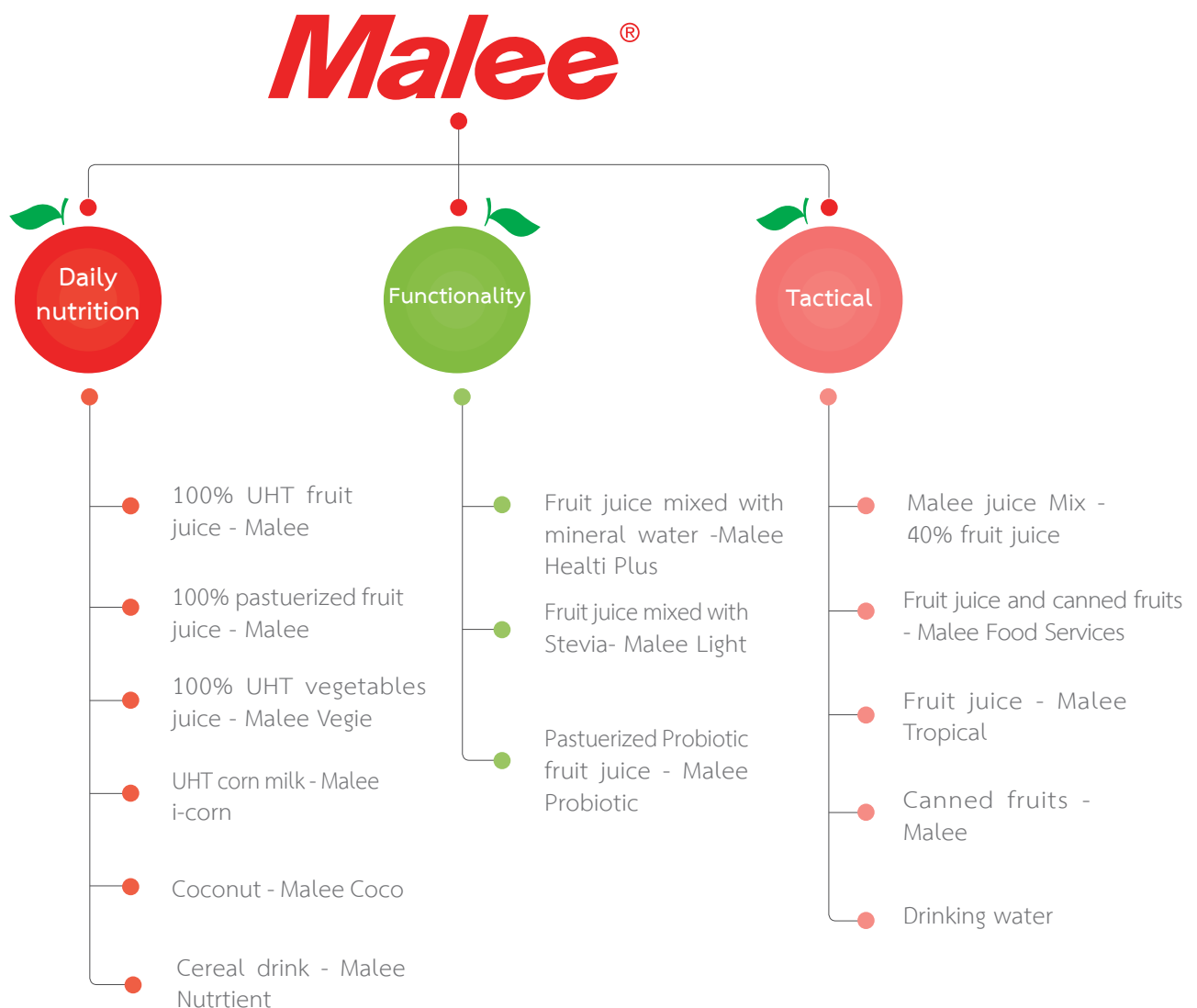
The products are distributed in domestic and overseas markets through different sale channels of the Company.

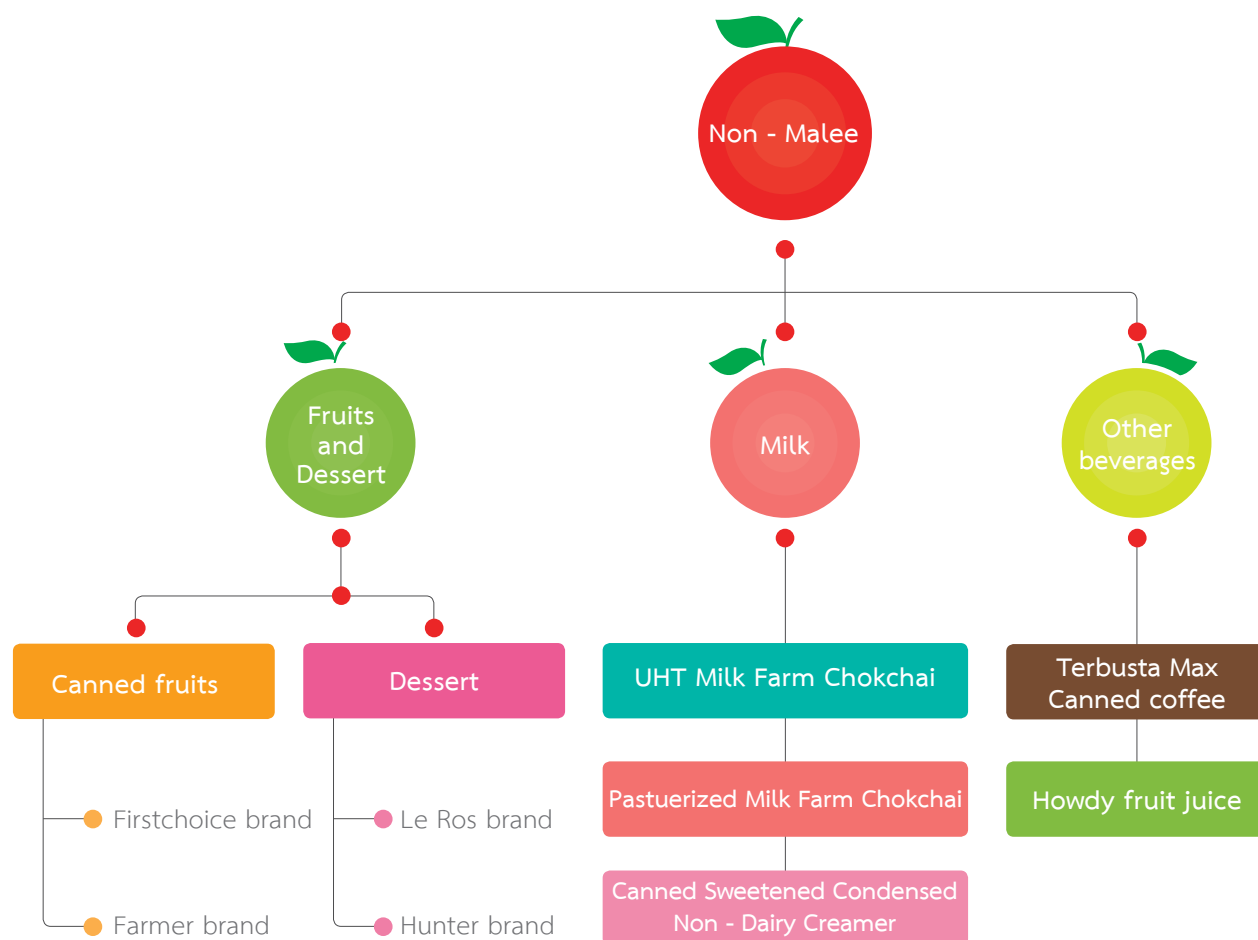
2. Contract Manufacturing Business:

The Company produces and develops products in accordance with customers’ requirement under the customers’ brand for domestic and overseas market.

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.

Products classified by functions are as follows:





2. Industry Overview and Outlook for 2016

Domestic Business

Fruit Juice and Vegetable Juice Business

2015 was another year where Thai consumers were concerned over healthy drinks and organic and standardized products. Consumers searched more information of the drinks before buying and focused more on health issue to ensure that the drink they took would definitely be useful for health. The consumption of fruit juices and healthy drinks were also a choice that is convenient, where consumers can drink anytime, anywhere, without hassle of finding source of fresh fruit, washing, peeling and even squeezing the juice out. Moreover, they can be assured of nutrition, hygiene and safety of the drinks. Amid the changes toward aging society, major of consumers are hence, have to learn and understand the products that suit to their health in order to

carry on their lives happily with good health. However, with unfavorable market situation which comprised of weakening purchasing power, rising cost of living and slow recover of economy hindered the growth of fruit juice market in year 2015 comparing to the previous years.

In 2015 the total market size for the ready-to-drink fruit juice market was approximately 1.38 billion baht, which with total consumption volume for the entire year of 347.51 million liters, with the growth rate of 7%. Premium Market growth rate stood at 4.62 billion baht or 65.05 million liters with value of -4% and volume of -7%. UHT market valued of 4.15 billion baht or 58.82 million liters, with a decrease of growth rate by 4%. Malee held a market share of 23%. Pasteurized drink market at 0.47 million baht, a decrease of growth rate 1% with Malee holding market share of 38%, Ready-to-drink fruit juice 40-99% - Medium Market with total size of 0.90

Malee 100% Juice Pasteurize



Malee 100% Juice Pasteurize Probiotic



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



Tropical juice, Malee tropical



Chokchai Farm Canned Sweetened Condensed Non Dairy Creamer



Fruit juice Howdy



UHT fruit juice, Malee Juize Mix



Cereal Milk Malee Nutrient



Canned Coffee TurBusta Max

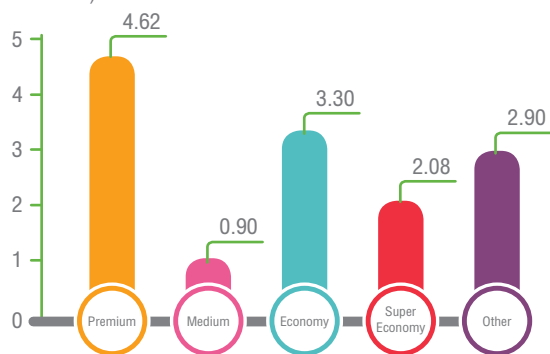


million baht, or with total consumption volume of 18.82 million liters. Ready-to-drink-Economy Market in total size and consumption volume accounted of 2.08 billion or total consumption volume of 72.56 million liters. Fruit juice less than 19% (Super Economy Market) with total market 2.08 billion or consumption value of 2.9 million liters. The rest was segmented in other markets which accounted of 2.9 billion or 70.57 million liters.

Despite the sluggish growth in 2015, we still saw the continual growth. Statistically, Thai population drink fruit juice of approx. 5 liters/person/year, which is a very low consumption figures compared with other countries. The trend of healthcare continues to increase among consumers and is predicted to be steadily increase. Competition in fruit juice market started to be active with prediction to be more intense in 2016 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.

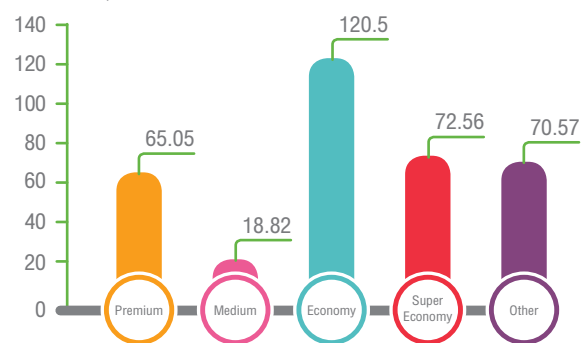
Market Value

(Billion Baht)

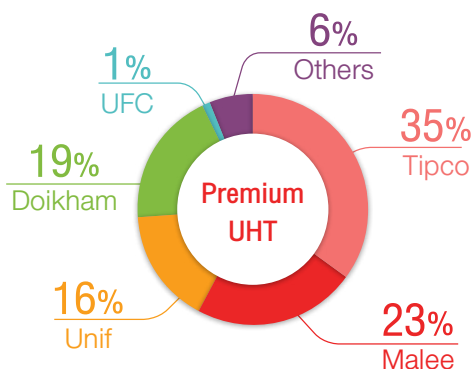


Market Volume

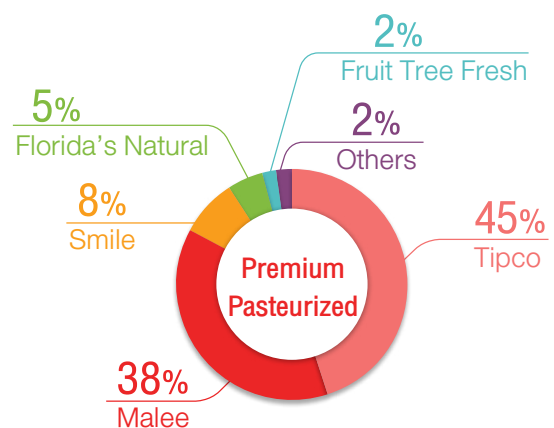
(Million Baht)



Market Share (Premium UHT)



Market Share (Premium Pasteurized)



(source: Nielsen, Dec 2015)

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 economic situation in 2015 affected purchase power of consumers with low income and high income were very careful with consumption as the cost of living raised. This directly reduced growth of fruit juice in Premium Market as consumers changed to buy a drink from other category that offer the refreshing, thirsty such as carbonated drink or green tea including fruit juice in other drink groups where the market is highly competitive with ongoing promotion and marketing. Overall, the ready fruit juice grew by only 7% (source: Nielsen, Dec 2015) 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 oversea 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%) where the sales volume git 50% of total sales of branded products in the country. The Company also released new invention



of drink, a 100% pasteurized fruit juice with c mixing of micro probiotic for those who are looking for the drink that really good for health. In 2015 the Company focused on activities that create engagement between Malee Brand and consumers, coupled with the target to expand customer base under various marketing campaign, through offline and online channels as followings.

During Songkran festival, Malee launched a surprising campaign “Malee Fruit Fun Fest” for consumers who care about their health through fun activity valued over 500,000 baht. Another campaign was “Get Flat Ab in 14 days” Consumers can joined the activity through Facebook Malee Club and received free product Malee Probiotic for 14 consecutive days for a better abdominal health and also got chance to win a ticket to Taiwan.

And in 2015, Malee has launched an advertisement as well as new marketing campaign for 100% fruit juice product “Hello My Name Is ...”, to stimulate the creativity of Thai consumers encouraging them to name the oranges tree in Malee farm, under the concept of ‘Malee Fruit with Care’ – Caring means see importance of that person. The advertisement contains a story through video length to two



minutes about a couple who manage the orange garden with good care and intention to grow a grow an orange of quality. The couple (represented in uncle and aunt take care of oranges trees as if they are their family members from selecting the best seeds, growing in the best location and selecting the best oranges to make the 100% fruit juice full with freshness and delicious taste for consumers. The attraction of this campaign is people can join, through social network to name the orange trees.

Another campaign which was launched and became talk of the town was Malee Healti Plus. The advertisement was presented through imaginative graphic video which was very fun and beautiful. The attraction of the campaign was originated from the real insightful of teenager life, which is extreme and sometimes, they take themselves for granted and as a result, many problem occurred – as if a natural punishment. In addition to the beautiful video image that drew consumers' attention, the advertisement was obviously presented the product's properties.



In addition to the campaigns, the Company also hosted different activities to create engagement and brand loyalty though social media continuously both in Facebook and Instargram, especially Facebook which the followers increased from 60,000 to 30,000 making total 95,000 followers in 2015.

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:

- In 2015 the Company launched a great product innovation “Malee Probiotic, a combination of fruit juice and micro probiotic first time in Thailand. The drink contains active microbial profiles such as Lactobacillus paracasei in the proportion more than 1 million profiles per 1 ml. of Malee fruit juice. Malee Probiotic is a unique drink that meet life style of young consumers who emphasize on healthy diet. After drinking for 14 days continuously, the micro probiotic will maintain the balance of good and bad microbial profiles in our body, improving digestive system and immune system. Malee Probiotic also contain a mixture of variety of vitamins in pure juice that contributed to a strong and healthy body of young people with modern lifestyle. The marketing is focused on consumers who take care of their health through online channel mainly coupling with other media such as radio, magazines and outdoor media including roadshows in office buildings, business and commercial areas, giving out free sample, providing information about the product, launch of sales promotion to boost up the buying and expand customer base.
- 4 new flavors of 100% fruit juice which include pear juice and mixed fruit with apple, cherry juice and mixed juice in Sakura smell, All-in-one mixed vegetables and fruit juice, watermelon juice with tomato are the products for consumers who looking for healthy drink and delicious taste plus the vitamin from a pure juice.
- Malee innovative fruit juice mixed with mineral water and vital vitamins “Malee Healti Plus” released new flavor Tomato. The drink contains natural lycopene mixed with nourishing mineral water that moisturizes and brighten up the skin, for those who want to enrich the healthy skin from inside.



Canned Fruit Business



Characteristic of the canned fruit industry

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 oversea. The premium market of canned fruit in 2015 accounted its value at 1000 million baht, the growth rate slowdown by 2%. Nonetheless, canned fruit industry has low competition rate due to many factors that refrain new manufacturers. Only a few brands is recognized and accepted in premium market. The business requires high cost of investment. Competent skills in selecting raw materials, large amount of labor with skill in processing fruits are required. Uncertain season of fruit directly impacts the raw material supply.

Industrial 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

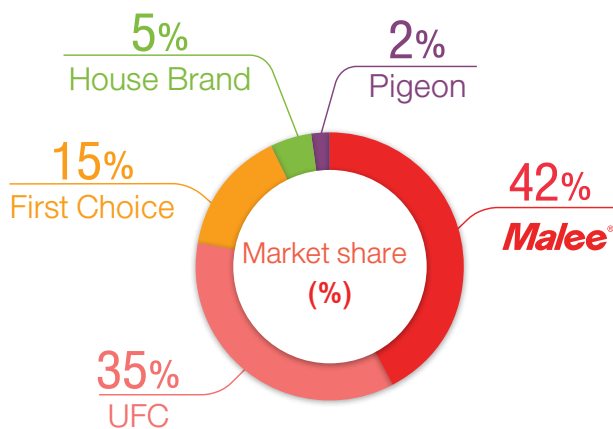
products under First Choice brand to 7-11 to diversified types of product and offer more choices to consumers who looking for quality product with affordable price. Malee also publicized its products through TV program with introduction to new menu of food and refreshment to encourage consumption of canned fruit apart from purchasing for Chinese festival or buffet catering.

The Company's Position in the Market

Malee is the market leader in the domestic canned fruit business, stimulating the market growth by releasing new products in response to changing lifestyle of consumers who prefer convenience, hosting 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 of Canned fruit



Cereal Beverage 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 concerns 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, following the vegetarian trend. The market value accounted at approx. 250 million baht while the growth rate increased to 16% in 2015. In regard to competition, the competitors from other segments tended to develop cereal drinks while the existing competitors in cereal drink constantly released new products, new sizes and packages, as well as put huge amount of money on advertisement to stimulate the consumption. Positive support from vegetarian festival during the second half of 2015 maintained the growth of cereal drink in good level. At present our major competitors in cereal drink market are V-fit, Profit and Dutchmill etc.



The Company strived to push the growth of sale volume in 2015 by 80% upon launch of new product “Malee Nutrient” in 2014 which has been distributed in 7-Eleven. Malee Nutrient is now released its second flavor. 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, sold at the price 20 baht each. The product 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 Dairy Business



The UHT and Pasteurized Milk Business maintained its growth through ongoing healthcare trend which has been running for years. The average domestic consumption of milk stands at 16 liters/person/year. This indicated the huge gap for business expansion comparing to milk consumption in Japan with an average at 90 liters/person/year or in Europe at 200 liters/person/year. In 2015 our competitors emphasized on releasing new products to stimulate the market, and also conducted its marketing activities by releasing new product coupling with expanding and improving sale channel, concentrating on direct sale with aim to reach more customers through different channels such as kiosk selling simple set of breakfast served with milk product, emphasizing on brand identity by creating recognition of brand among consumers, stimulate the consumption on continual basis in order to strengthen the brand. Many organizations 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 61,000 million baht, with growth of 6%, and likely to growth constantly. The positive factors consist of variety of milk flavors offered from different brands, releases of premium milk, expansion of sale channel, more marketing activities, multi-channels of communication, consumers trend where people become more aware of healthcare, 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 32% of total market size (Source: Nielsen, December 2015). Milk with plain flavor accounted highest portion at 50% 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 4%.
- Pasteurized milk accounted for approximately 12% of total market size (Source: Nielsen, December 2015). average annual growth reached 10%.
- Ready-to-drink yoghurt milk accounted for approximately 19% of total market size (Source: Nielsen, December 2015). average annual growth reached 4%.
- Soy milk accounted for approximately 27% of total market size (Source: Nielsen, December 2015). average annual growth reached 7%.
- Cereal drink accounted for approximately 5% of total market size (Source: Nielsen, December 2015). average annual growth reached 15%.

- Milk for adult accounted for approximately 5% of total market size (Source: Nielsen, December 2015). average annual growth reached 5%.

In 2015 the cost of raw milk increased throughout the year making companies experienced higher cost of raw materials, plus aggressive competition in the milk market. To expand the growth of milk business, stimulating consumption of milk is another approach. 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 activities, hiring famous celebrities as a product presenter, buying displays in shopping malls, 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 2015 the Company has set its business growth on UHT and pasteurizes under Farm Chokchai brand by expanding 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, to stimulate the consumption and seek for new target groups.

The Company released new flavoured milk in UHT category under Farm Chokchai brand which are: coffee flavoured UHT milk 200 ml. UHT plain milk 1,000 ml. UHT skimmed milk 200 ml. Sweetened UHT milk 200 ml. UHT Malt Chocolate

drink 200 ml. All of our products are rich with the component of authentic fresh cow milk, containing high calcium which is vital for bone and teeth, vitamin B1,2,6,12 to improve performance of neural system and brain. To diversify the product ranges, target new customer base and stimulate and increase frequency of milk consumption, the Company developed production distribution for easier access, focusing on finding new distribution channels for UHT and pasteurized milk in order to have direct approach to consumers.

International Business

Amid the recession during the past 3 years, the Company has adjusted its marketing and sales strategies to emphasize on export section in response to the business growth and the opportunity of market expansion as a result of AEC. Hence, during the past 3 years, the Company managed to increase the revenue from export sector which is in line with the work plan set forth.

Today the Company exports products under the Malee brand globally to over 30 countries which are Canada, Guam,



Panama, Venezuela, Ghana, Mauritius, Bhutan, Australia, New Zealand, Russia, Switzerland, Italy, Pakistan, Bangladesh, Maldives, Iran, China, United Arab Emirates, Nepal, Djibouti, Japan, Macau, Hong Kong, Taiwan, South Korea, North Korea, Laos, Myanmar, Vietnam, Cambodia, Malaysia, Indonesia, Philippines. In the previous years, the Company exports Malee products to many countries around the world to create brand recognition globally. Later, it is found that the products distributed did not meet expectation of the domestic demand in some countries, lack of marketing activity and building of long term branding. Hence, the growth of Malee brand in some countries are not in line with the target and, interrupted and suspended. At present, the Company focuses on marketing in main countries and cut out the countries that not in line with long term work plan, building brand for 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. Products are arranged to meet requirement of local consumers while marketing activities are launched to stimulate consumption. The Company always prepares itself to any changes of market trends, competitors and business growth.

Summary of major events in 2015

- The Company's growth in export business in China leaped by 128% comparing to the previous year due to positive feedback from Chinese consumers that like the taste and reliability of Malee brand- the Thai brand.

We also offered new flavours such as 100% Pear and Cherry juices, in which, become Chinese consumers'



Malee products at the World Expo 2015 in Italy

favourite flavour. Distribution channels were expanded in medium and big cities through supermarkets, convenient stores and online. All these are contributed to the growth of Malee brand in China.

- The Company brought the show case of Malee fruit juices, Le Ros Thai refreshment and Malee canned fruits in Thai Pavilion Exhibition at the World Expo in Milan, Italy.
- Malee set up Monde Malee Beverage Corporation, a joint venture company between Malee and Monde Nissin Corporation from Philippines and prepared to produce and export the beverage in support of the market expansion and brand development scheme in Philippines as well as to manage the leaping growth of beverage market in Philippines which is in line with Company's strategic plan which is aimed to expand business to overseas market.
- The expansion of coconut juice in overseas markets has made the coconut juice under Malee Coco brand has been recognized and grown in many countries such as China, Hong Kong, Switzerland, Australia, Japan, Korea etc. Malee Coco is distributed in convenient stores including 7-11 abroad.



Press Conference for signing JV contract of Monde Malee Beverage Corporation: 29 August 2015

As for year 2016, the Company has improve organizational structure to prepare for the business growth. International Business Development unit is set up to look for business opportunity in terms of oversea sales and marketing, to lay out the branding strategy for Malee in international markets for sustainable growth with the combination of sales promotion at the selling point to the use of media to support sales such as outdoor media, mobile media or online media, as to build the positive relation with local consumers such as brand royalty and continued use of brand, and to develop business with trading partners as well. Currently, the Company collaborates with local major trading partners, for example Monde Nissin Corporation in Philippines in which develop drink products for distribution and marketing in Philippines with the Company. Philippines



is a market with high potential, having the second largest population in ASEAN countries. Beverage market in Philippines, excluding alcohol drink values approx. 2 hundred billion baht, with the annual growth rate 8%, and there are more possibility to grow due to much less diversification in the market comparing to Thailand.

The Company plans to launch and distribute first product in Philippines in the early of 2015, following by continual releases of new products to boost the market. It is assured that 2015 will be another year where our marketing and sales in international market will highly expand in consistent to the Company' policy, the official start of AEC, government's support, and to create the competitiveness for the Company in the long term.

Contract Manufacturing Business (CMG)

Contract manufacturing is another business of our success in the previous year. The business involves production development under coordination between the Company and customers, from research and development, and raw material procurement. At present, out contract manufacturing is divided into 2 types which are Full Service – the Company design and develop formula, procure raw material and packaging for customers, and Partial Service customers provide raw materials and/or packaging to the Company and the Company manufactures products. We are trusted by over 20 leading beverage brands from within the country and abroad.

In 2016 the Company will continue to conduct researches and development as well as to improve the production standard to meet the requirement of contract manufacturing continually to leverage standard and maintain trust among customers, and to prepare for the new customer base which is likely to grow steadily.



3. Our Production

Our factory is located at No. 26/1, the road leading to Sampran District, Yaicha Sub-District, Sampran District, Nakhon Pathom on the area of 36 rai. The main production concerns canned fruits, canned coffee, fruit juice, fruit and vegetable juice, canned drink, UHT and PET bottles, concentrated pineapple juice.



4. Procurement of products or services

We procure raw material from sources over the globe such as 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. Most of our procurement are proceeded with suppliers with long history together and the offering of investment in production process between the Company and suppliers.



5. Production Standards and the Award

Malee Sampran Plc is well aware that our products are consumers' goods, 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 standardization bodies as follows:

The Company has established its own Innovation 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.

Quality Assurance and Awards

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.

Standard	Details
BRC (Global Standard for Food Safety) British Retail Consortium	Certified by Tuv Nord on 14 December 2015.
IFS: International Food Standard Version 6	Certified by Tuv Nord on 9 December 2015.
HACCP Codex Alimentarius Commission (FAO/ WHO) Hazard Analysis and Critical Control (HACCP) Guideline Annex to CAC/RCP-1 (2512) Version 4 (2003)	Certified by Tuv Nord on 27 January 2016.
Halal Certificate	Certified by The Central Islamic Committee of Thailand on 26 June 2015.
Kosher Certificate	Certified by Thai Kashrut Services Limited on 25 September 2015.
GMP Codex Alimentarius Commission Recommended International Code of Practice General Principles of Food Hygiene, CAC/RCP 1 (2512) Version 4 (2003)	Certified by Tuv Nord on 27 January 2016.
ISO 9001 : 2008	Certified by Tuv Nord on 17 November 2015.
SGS: Food Safety System Certification 22000:2010	including ISO 22000: 2005, ISO/TS 22002-1 & Additional FSSC 22000 requirements. Certified on 7 July 2014
Good Laboratory Practice / Department of Industrial Works, GLP/DIW	Certified by the Department of Industrial Works, Ministry of Industry
Certificate in the Program of Industrial Production Process Improvement with Cleaner Technology	from Mahidol University and the National Science and Technology Development Agency (NSTDA)

Awards earned

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.

“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 over 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, stable business structure, growing turnover, outstanding performance, and capability to generate high revenue for shareholders.

Winner of Thailand Energy Awards 2007

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 Company received the Excellence Award of “Great Agriculture Dietary Product” acclaimed by the Department of Industrial Works for attending the project that contributed to value adding and developing of waste management in industrial factory of agriculture dietary products of year 2011.

Although many of the awards were acclimated in the past, we still carry out those projects until today. The accomplishment we earned from these awards is the motivation that stimulate our people to maintain standard and strive to perform their duties more efficiently in order to achieve the greater success in the future.



Risk Factors

1. Risks of volatile prices of raw materials

The global climate, as in Thailand, has changed dramatically and become more volatile, resulting in an uncertain number of crops (that are used as raw materials) and risk of unexpected fluctuation of raw material rates for oncoming years. Having prepared ourselves, the Company pays attention to farmers and suppliers of necessary stock around the World, in order that the sufficient volume of raw materials are supplied at suitable prices. As a part of the preparation, the Company continues searching for sources of better quality raw materials and places orders in advance, among other methods.

2. Risks of competitiveness

The beverage industry has become fiercely competitive. Many large manufacturers are launching pricing strategies as their tools in the terms of competition. However, the Company's market strategy involves focus on quality along with brand development through advertisement, public relations and other marketing activities, instead of reducing prices. In addition to domestic competition, the ASEAN Economic Community (AEC) has raised challenges and competitiveness among countries. In order to release quality products and services with fine reputation, the Company continues developing new manufacturing ideas to meet consumers' demands for healthy lifestyle. The Company also organize various activities that will boost sales as well as distribute products extensively in order to support consumers' needs thoroughly and continuously.

3. Risks of modern trade

Despite high sales costs, supermarkets, discount stores and convenience stores in the modern trade category, are gaining more and more bargaining power. The Company has drawn plans to balance properly the sales proportion between that on the modern trade channel and the traditional one, as here is determination to maintain the bargaining power yet avoid too much reliance on the growth of modern trade. The Company also aims to control and manage costs on each channel for the best efficiencies.

4. Risks of reliance on original equipment manufacturers

The Company has run the original equipment manufacturing business for more than two decades. We make plans for operations and strategies to weaken risks by diversifying both clients and products. This will balance revenue and stability. The strategies are applied to a variety of products, such as tea, coffee, juice, several types of drinks and canned fruit. In accordance with customers' demands, the Company offers a wide range of services, including the development of recipes, production and sales of products. It discusses all the time with partners about operation plans so that we share the same goals and benefits in a long term, and that they are confident and trust in the quality of products. We also maintain close coordination with partners in the regular development of new products. By doing so, the Company is lessening the possibility of contract termination or renewal rejection. We are also able to negotiate for suitable returns.

5. Risks of currency exchange rates

The global economic conditions are impacting currency exchange rates what fluctuate heavily. In order to manage and reduce risks of currency exchange rates, the Company controls the volume of advance product sales and secure some forward contracts. We plan for the natural hedge between exports and imports of raw materials and packages. Besides, a majority of the Company's exports are baht-denominated.

6. Risks because major shareholder Abico Holdings Public Company Limited holds more than 25% of the Company's shares

Abico Holdings Public Company Limited is a major shareholder in the Company with a stake of more than 25%. That means when the Company makes important decisions that require at least three quarters of votes from meeting participants, it needs votes from this shareholder. However, the shareholder assigns its directors to be representatives and executives in the Company. Our committee and executives are well aware of good corporate governance and take into consideration utmost benefits for the Company's shareholders.



ใส่ใจทุกขั้นตอน
เพื่อให้ได้น้ำผลไม้ 100% ที่ดีและอร่อยเพื่อคุณ
มาลี ดี..เพราะดูแลมาดี



Board of Directors



5

1. Mr. Chatchai Boonyarat

Chairman of the Board of Director,
Chairman of the Executive Director

8

2. Mrs. Chintana Boonyarat

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

1

4. Mr. Kobchai Chirathivat

Director

2

5. Mr. Kitti Vilaivarangkul

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

9

6. Ms. Roongchat Boonyarat

Director, Member of the Executive Director



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7. Ms. Nattharin Talthong

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

8. Ms. Nart Fongsmut

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

9. Mr. Krizz Chantijiraporn

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

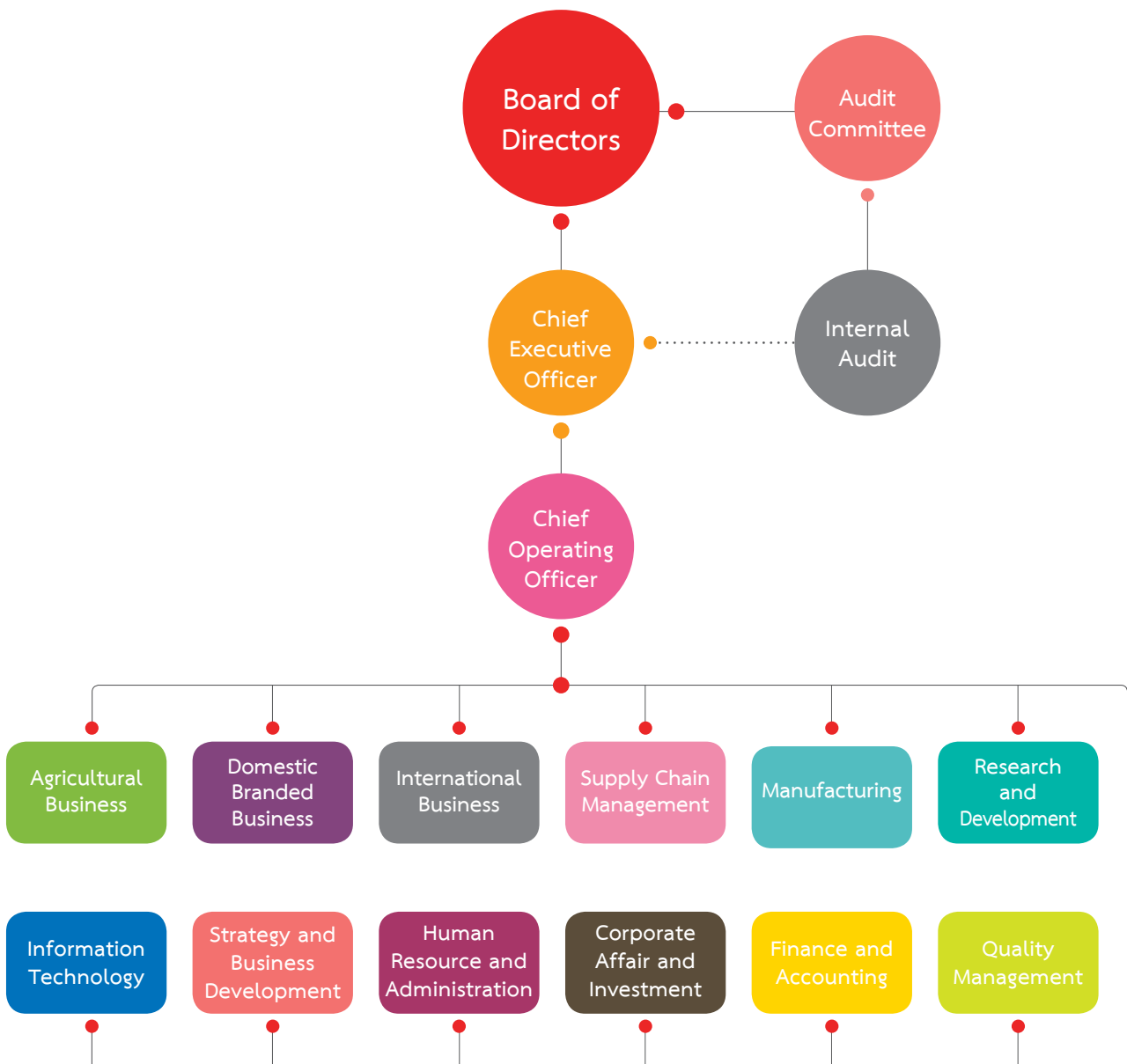
10. Mr. Paitoon Eiamsirikulmit

Company Secretary and Vice President Corporate Affair



Organization Chart

Malee Sampran Public Company Limited





Corporate Governance

The Company recognizes the importance of business operation based on responsibility and integrity and hence has put its emphasis on good corporate governance and management with aim to increase its competitiveness capability, better management efficiency, and transparent / explicit business operation. The Company concentrates on sustainable growth, which will increase value of the Company in a long term for benefit of shareholders and all stakeholders. Company has determined Good Corporate Governance to directors, executives and employees to adhere to as a guideline to perform their duties. The last update of Company's Corporate Governance was on 25 February 2016.

Corporate Governance Policy

The Company recognizes the importance of corporate governance that is based on responsibility and morality and hence has put its emphasis on good corporate governance and management with aim to increase its competitiveness capability and better efficiency of management as well as transparent and explicit business operation. The Company concentrates on sustainable growth, which will increase value of the Company in a long term in the benefit for shareholders and stakeholders. Company applies Good Corporate Governance of year 2006, as stipulated by the Stock Exchange, to adhere to directors, executives and employees operations as a work guidelines. Details are as following:

1. Rights of Shareholders

The Company places its importance on rights of shareholders, disclosure of sufficient, accurate, complete, punctual and equal information to all shareholders for reference to their future decisions. Following is the policies determined by the Board of Directors:

1.1 The Company sent invitation letter along with the

meeting agenda showing objectives and reasons of the meeting and opinions of directors in order to enable shareholders study the information included at least 14 days prior to the meeting date. The Company held the Annual General Meeting of Shareholders 2015 on 24 April 2015 at 10:00 hrs. at Dusita Room, Asia Airport Hotel, No. 99/2, Pahon Yothin Road, Ku Kot sub-district, Lam Luk Ka district, Pathum Thani. In case where shareholders cannot attend the meeting, they may assign any independent Director or any person to attend the meeting on their behalf by using the proxy form which is sent together with the notice to the meeting or it can be downloaded through the Company's website.

- 1.2 Facilitate all shareholders equally during the meeting by providing appropriate location and time of the meeting.
- 1.3 During the meeting, the agenda will be voted in order without changing any significant information and all shareholders have equal right to review business operation of the Company, inquire and express opinions and suggestions. The meeting will be attended by directors and related executives to answer all question raised during the meeting.
- 1.4 The Company provides additional channel for disseminating news on its website. The invitation letter to the meeting is uploaded at least 30 days prior to the meeting date to enable shareholders to download and acknowledge accurate and complete information of the meeting.
- 1.5 Directors, senior executives, certified auditor are required to attend the meeting to answer questions from shareholders.
- 1.6 The minutes of the meeting are recorded verbatim where all questions and comments are recorded for review and reference purpose. Then the minutes of the meeting will be disclosed in the Company's website and sent to the Stock Exchange of Thailand within 14

days from the date of the meeting.

- 1.7 For convenience and to prevent errors, loss or delays, the Company pays dividend (if any) by transferring it to shareholders' bank accounts.
- 1.8 It is the Company's policy that shareholders are allowed to propose the meeting agenda and / or questions related to the general meeting of shareholders 3 months prior to the date of the shareholders' meeting to ensure that shareholders will receive highest benefit from the meeting, to maintain the rights and interest of shareholders. The proposal or questions can be submitted through e-mail, fax to the Company Secretary.
- 1.9 Determine criteria to consider the Directors' remuneration based on duties, responsibilities and work performance which is linked to operation result and other relating factors; compare the rate and remuneration of other companies in the same industry of similar based on the survey result provided by the Thai Institute of Directors "IOD". However, the Directors' remuneration must be considered, compared and screened by the Nomination and Remuneration Committee and proposed to the Board of Directors for consideration prior to submission to the annual general meeting of shareholders.
- 1.10 The Company agrees to have an independent person to undertake the counting or reviewing the votes in the meeting and disclose to the meeting as well as record in the minutes of the meeting.
- 1.11 The Company uses ballots for voting of important agenda such as related transaction, acquisition or disposal of assets etc. for transparency and accountability in case of the conflict that may occur subsequently.
- 2.2 The right to vote at the meeting is according to the number of shares held by each shareholders where one share represents one vote. The Company grants the right to the shareholders who attend the meeting after the meeting has been started, to vote for the agenda which is under consideration and no resolution has been made yet, and the said person is deemed to constitute a quorum of the meeting for the said agenda and vote.
- 2.3 In election of directors to replace those retiring, the Company has a policy that shareholders may vote individually for a director in order to allow shareholders to select the person they want. The Company also provides adequate details of each candidate for consideration of shareholders.
- 2.4 The Company enables minor shareholders holding share not less than 5% of the paid-up capital for not less than 12 months, to agenda for the annual general meeting of shareholders, propose list of candidates for directors through email or fax to the Company Secretary.
- 2.5 Determine policy to prevent insider trading of relating persons which include directors, senior executives and staff involved with the Company's information (spouse and minor child of the said person as well), and to prohibit the said persons from disposal or acquisition of the Company's securities within 1 month before the disclosure of quarterly and yearly financial statement to the public. The Board of Directors and Management report the changes of shareholding to the Board of Directors' meeting by adding as an agenda in each quarterly meeting.
- 2.6 Determine policy on conflict of interest based on the concept that any decision of personnel from all levels which concerns the business operation must be for the best benefit of the Company. And it is the duties of all employees to avoid involving in financial issue and/ or relationship with external party which may cause the loss of Company's benefit, conflict of interest or to obstruct work performance. It is determined that the person relating to or involving with the considered transaction must inform the Company of their relation or involvement thereof and must not participate in

2. The Equitable Treatment of Shareholders' equity

To ensure the fair treatment among all shareholders, the Board of Directors has determined policies as following:

- 2.1 Send invitation letter to the meeting which includes sufficient information of all agenda to shareholders at least 14 days prior to the date of meeting in order to enable shareholders to thoroughly look through the information.

consideration and has no power to approve for the said transaction. For such cases, everyone must adhere to the principles and there will be no additional or special terms applied.

- 2.7 For convenience, shareholders who cannot attend the meeting in person may assign any person or at least 1 independent director to attend the meeting and vote on their behalf where name of the assigned person will be noticed in the invitation letter to the meeting.
- 2.8 All shareholders are treated equally regardless minor or major, Thai or foreign shareholder.
- 2.9 The registration of shareholders on the meeting date is via scanning barcode which shows register number of each shareholder provided in the shareholder's register and proxy form for the convenient and fast procedure. To count result of each agenda, only ballot card which show 'disagree' and 'abstain' are collected and counted to deduct from the total amount of voting shareholders. The barcode system is used to collect and verify the result of the ballot from each vote rapidly and the result can be checked after the meeting.
- 2.10 The Company determines to have agenda about Directors' remuneration, to clarify to shareholders for approval per annum and to clarify the numbers and types of remuneration of each directors including fixed and variable remuneration.

3. The Role of Stakeholder

The Company is aware and realizes the rights of all stakeholders whether internal stakeholder which are shareholders, staff, and external stakeholders such as customers, trading partners, creditors, competitors, state sectors and other authorities including surrounding communities. To express appreciation to stakeholder that supporting us in competition and generating profit which is considered as long term value, the Company hence, has determines policies as following:

3.1 Shareholders

- 1) The Company is always aware that shareholders are an owner of the business and the Company is committed

to create a long term added value for them.

- 2) Perform their duties with integrity, make any decision based on principles of the profession prudence, and fairness to both major and minor shareholders for the best interest of shareholders as a whole.
- 3) Report status of the Company, operations results, financial statements, accounting and other information which are up-to-date and important in the format that is easy to understand, consistent and accurate.
- 4) Refrain from seeking benefit for their own and other persons by using any information of the Company which has not yet been disclosed to the public or execute any procedure in the manner that may cause conflict of interest to the Company.

3.2 Employees

- 1) Treat employees with politeness and pay individual respect to them.
- 2) Fairly treat employees through allowing for new opportunities, compensations, appointments, transfer and skills development,
- 3) Provide fair compensation, provident fund and social welfare to employees and prioritize the welfare of employees.
- 4) Maintain safety working condition to ensure health and assets safety of the employees
- 5) Make any appointments, transfers, awards and punishments with bona fide, based on knowledge, skill and qualification of each employee.
- 6) Places importance on knowledge and skill development of employees by providing equal opportunities on regular basis with aim to develop ability and lead to professional level.
- 7) Listen to opinions and suggestions based on professional knowledge of the employees.
- 8) Comply with law and regulations relating to employees strictly.

3.3 Customers

- 1) Provide service with politeness, enthusiasm, readiness and sincere as if they are one of the family, creating reliability and accountability image of the service.
- 2) Keep information of customers, do not use such

information for their own benefit or related person illegally or other illegal activity.

- 3) Provide customers with accurate, adequate, updated information about services of the Company without exaggerated advertising content which may mislead customers of quality or terms of services of the Company.
- 4) Provide advice on service efficiently and for the best interest of customers.

3.4 Business partners and/or creditors

- 1) Treats business partners and/or creditors with integrity and honesty, based on highest interest of the Company and fair mutual benefit. The Company avoids any situation that may cause conflict of interest, discusses the problems and adheres to business relations.
- 2) Does not request or receive or pay for any interest which is illegal with business partners and/or creditors.
- 3) In case it is found that there is a request or accept or payment for any illegal interest, the information must be disclosed to business partners and/or creditors to seek for fair and rapid solution.
- 4) Comply with the agreed terms and conditions. Failure to do so, the Company will give advanced notice to creditors in order to find solution together.

3.5 Competitors

- 1) Does not violate the confidential or acknowledge trading secret of competitors with unfaithful method.
- 2) Follow the fair competition rules
- 3) Refrain from seeking information, trading secret of competitors through dishonest or inappropriate method.
- 4) Does not damage reputation of competitors by accusing in negative way.

3.6 Society and communities

The Company has a policy to conduct business which returns positive interest to economy, society and adhere to good citizen of the nation, comply with laws and applicable regulations strictly, engage in parts that will support and improve quality of society and community. In addition, the Company has set out policies to return profits to society by

allocating a certain budget to support social activities that will generate advantages to society, community and create opportunities for environment.

3.7 Oversee the safety and health of employees

The Company places an importance of maintaining working environment to ensure safety to lives and assets of employees regularly. Strictly adhering to labor law, the Company provides such as proper and correct arrangement of building, locations and equipment of working, necessary medical care. All employees are required to wear protective equipment whenever they work on the construction site. Furthermore, employees from all levels are encouraged to recognize the value and importance of exercise and take it as a habit. The Company provides health care program to its employees such as annual health check up etc.

3.8 Environment

The Company has a policy to support different activities in connection with quality, hygiene and environment, including maintaining safe working condition to ensure health and assets safety of the employees. The Company also recognizes the importance of education and training for employees regarding environment and effective use of environment such as reduce the volume of garbage by reusing paper, file holders, campaign to switch off the lights during lunch break or switch off the lights which are not in use, taking stairs instead of lift, maintenance and improvement of equipment to be available for work to ensure the safety and create good working conditions. All these are contributed to the efficient development of employees as a whole.

3.9 Intellectual Property

The Company has set a clear policy not to undertake any action that will violate the intellectual property whether copyright, patents or trade mark, trading secret and other intellectual property as stipulated by law, for example, using licensed programs, where software is examined and installed by Information Technology Department to prevent using any illegal copies.

3.10 Respect to law and human rights

- 1) Protest against any action that violates human right in any circumstances.
- 2) Respect and treat all stakeholders with fairness based on the pride of human rights, without discrimination of races, origins, sex, color, religion, physical condition, family background including to support the monitor of requirement concerning human rights within the Company.
- 3) Protest against any action that is aimed to seek benefit from human trafficking, use of child labor under the age as stipulated by law.
- 4) Support, respect and protect human rights by examining and control Company's business with external party that may be conducted in a way that supports and encourage violation of human rights. Refrain from any action that violates right of employees which is protected under the law.

3.11 Anti-Corruption and Corruption

The Company expressed its intention by joining the activity launched by Thailand Institute of Directors (IOD) in collaboration with the Chamber of Commerce, International Chamber of Commerce, Association of Thai Listed Companies, Association of Thai Banks since year 2013. The Board of Directors has determined the anti-corruption policy as follows.

1. The management structure is properly balanced between purchasing, accounting, management and internal audit department to prevent abuse of power or other illegal activity.
2. Provide training to employees about the policy and practice of anti-corruption of the Company.
3. Support and coordinate with public and private authorities and controlling agency including all parts of Thai societies with intention to reduce the corruption and improve the development of the country.
4. Directors, executives and employees are not allowed to accept any kinds of corruption, directly or indirectly such as receiving gifts, giving gifts, presents, banquet, donation and any interest to themselves from the person who making business with the Company. The Company provides channel to stakeholders for direct message passing, suggestions and/or complaints regarding the corruption or any action that is not in compliance to the Company's criteria to the Board of Directors to the following address.

Company Secretary

MALEE SAMPRAN PUBLIC COMPANY LIMITED

401/1, Moo 8, Abico Building, Pahon Yothin road, Ku Kot, Lam Luk Ka, Pathum Thani 12130

The complaints will be considered and proceeded as appropriate case by case without disclosing whistleblower, and the complaint details will be kept confidential under policy to protect whistleblower as well.

4. Disclosure and transparency

The Company recognizes the importance of accurate, complete and transparent disclosure of financial information and general information under the criteria set forth by the Securities and Exchange Commission and the Stock Exchange of Thailand including important information which affects securities price of the Company and decision among investors and stakeholders.

The Company also prioritizes the importance of financial report as to clarify the financial status and actual operation result of the Company, based on correct accounting standard, completeness, punctuality and adequacy under the generally accepted accounting standards.

The Company discloses the information about each directors, roles and duties of the Board of Directors and committee as well as remuneration of directors and senior executives in the Annual Report (Form 56-2) and Annual Statement (Form 56-1). The Company has a team of investor relations which is led Mr. Panya Chutisiriwong - Senior Vice President from Central and Investment who will liaise with investors or shareholders as well as institutions and minor shareholders.

The Company regularly held a meeting to analyze operation results and to disseminate corporate information such as financial and general information to shareholders, securities analyst and investors and also provide communication channel with investors through its website.

In the previous year, the Company attended various activities with the Stock Exchange of Thailand and the security companies to publish corporate information for investment. The Company also joined in the roadshow within the country and abroad and received positive feedback from domestic and foreign investors. The comments and questions from investors were recorded. The Investor Relation prepared a summary of investor relation activities on monthly basis and sent to senior executives for acknowledgment on the concerns, comments and suggestions.

	Details of Investor Relations Event	Corporate organizers
Domestic	Participated in Opportunity Day 2015 4 times	The Stock Exchange of Thailand
	Thailand Focus 2015	The Stock Exchange of Thailand And Phatra Securities Public Company Limited
	Investing Asean: Bangkok	Maybank Kim Eng Securities (Thailand)
	CIMB Roadshow: Beverage Day	CIMB Securities
	dbTisco Thailand Consumer & Tourism Day	TISCO Securities Company
Abroad	Consumer Day	RHB Securities
	Investing Asean: Singapore	Maybank Kim Eng Securities (Thailand)

Business Ethics of the Malee Group

Malee Group's business objective is to produce high quality products and distribution at reasonable rate, create positive relation with stakeholders, undertake responsibility for the environment, community and society. The practice guideline is set out for directors, executives and employees as an adherence.

Use of Insider Information

The Company stipulates that directors and executives must report their acquisition and disposal of assets to prevent the use of internal information for private interest. The individual responsibility and penalty measures are informed to all employees for acknowledgment. The Company has determined the measures to prevent misuse of insider trading among relating person which include the Board, senior executives and employees in units involving with the Company's information (spouse and minor child of such person), to prohibit the related person to purchase, sell the Company's asset within 1 month prior to the disclosure of quarterly and annual financial statement. The Board of Directors and Management reported the changes of securities holding to the meeting of Board of Directors by adding as an agenda in each quarterly meeting.

Personnel

As of 31 December 2015, there were 1,432 employees
Employee Compensation year 2015 434 Million Baht

The number of training for employees

Whereas the Board of Directors and executives see the importance of development of human resource, in year 2015, the Company has provided training courses as following.

Number of training per year per person	2015 Hour/Person/ Year
Executives Training Hours	85.49
Employee Training Hours	23.13

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มาลี นิวเทรียนท์

อุดมไปด้วยสารอาหารที่ร่างกายต้องการครบในกล่องเดียว
ช่วยให้คุณอิ่มท้องในช่วงเช้าหรือระหว่างวัน



มีจำหน่ายที่ห้างสรรพสินค้าชั้นนำทั่วไป และ 7-ELEVEN



Management Structure

Structure of the Board of Directors The Board is responsible to shareholders in operating business of the Company, oversee to ensure the corporate governance is in accordance with the goals and guidelines that will generate maximum benefits to shareholders taking into account the interests of all stakeholders As at 31 December 2015 the Board of Directors was comprised of 9 members namely as follows.

A. 2 executive committee

B. 7 non-executive Committee which consisted of 3 Independent Directors.

The Board of Directors is comprised of Executive Director and Non-Executive Directors having power and duties to manage the Company business to be in accordance with the laws, objectives, Articles of Association and resolutions of shareholder meetings. To perform its duties, the Board of Directors may appoint a director(s) 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 as stated in the Company Certificate can sign their names with the Company's seal to bind the Company in any document, instrument or other important documents. The meeting of shareholders or Board of Directors may determine and amend the director whom is authorized to sign name binding the Company with 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 in private company which have the same business nature as and are in competition with the Company's business unless the notification is made to shareholders meeting prior to the resolution for such appointment without delay if such director has an interest in a contract made with the Company or holds shares or debentures in an increased or decreased amount of the Company or an affiliate company.

Board of Directors

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

Board of Directors

Criteria for consideration and selection the directors

Qualifications of directors

The person to undertake directorship shall have the following qualifications.

1. A person with flawless background
2. Have vision and is able to foresee the overall business image.
3. A person with positive character, morality and appropriate manner
4. A person with efficient communication skill
5. A person with systematic business analysis and decision making
6. A person who realizes and understand finance, commerce or industry and have experience of business management

Criteria for selection of directors

1. Must be a person who possesses the qualifications as aforesaid.
2. The Board must have various skill which is beneficial to determining direction and control the Company's operation.

Independent Director

The definition of the Independent Director of the Company is in accordance with regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

- 1) Hold not more than 1% of the voting shares of the Holding Company, subsidiaries, associates, major shareholders or controlling person including the shares hold by related person of such independent director.
- 2) Never or not holding position of director with duty involving management, employee, staff, advisor who receives monthly salary or controlling party of the Company, holding company, subsidiary, joint-venture, joint-venture of the same level, major shareholders or controlling person of the Company, except the position that has been dismissed for at least 2 years.
- 3) Not being a person who is related by blood or legal registration, including mother, father, spouses, sibling

and children and spouse of children, of other director, management, major shareholder, controlling person or a person to be nominated as a management or controlling person of the company or subsidiaries.

- 4) Not having or used to have business relation with the Company, holding company, subsidiaries, affiliates, major shareholders, or controlling person of the Company in a way that may impede the independent judgement of Independent Director, including not being or used to be the significant shareholder or controlling person of the person having business relation with the Company, holding company, subsidiaries, affiliates, major shareholders or controlling person of the Company except the position that has been dismissed for at least 2 years.
- 5) Not being or formerly an independent auditor of the company, holding company, subsidiaries, associates, major shareholders, or the controlling person, and not being a significant shareholder, controlling person or partner of the audit firm which has provided independent auditor services to the company, holding company, subsidiaries, associates, major shareholder or the company controlling person except where such relationship was revoked at least 2 years in advance.
- 6) Not being or formerly providing professional services including legal advice, financial advice which received a service fee higher than two million baht per year from the Company, holding company, subsidiaries, associates, major shareholder or the controlling person and not being a significant shareholder, controlling person of partner of the independent service provider except such relationship was in excess of a period of two years before.
- 7) Not being a director who was appointed as a representative of a director of the Company, major shareholder or shareholder who is related to the major shareholder of the Company.
- 8) Not provide the same services as the company and not being competitors of the company and subsidiaries or not being a significant partner in partnership or being an executive director, staff, employee, consultant who receives regular payroll, or holding over 1% of voting rights of other company which operates the same business and compete with the company and subsidiaries.

- 9) Is not any otherwise which is unable to have an independent opinion regarding the business operation of the Company.

Criteria for the selection of independent directors

- 1) The person must have the qualifications of directors, as defined.
- 2) A director who can independently express opinion based on their own discretion, with morality adhering to organizational interest, but not the specific interest of major shareholders or minor shareholders or himself.
- 3) Is qualified as stated by the Stock Exchange of Thailand and adhering to the good practices as following.
 - Hold not more than 1% of the voting shares of the Company, its subsidiaries, associates or the person that may have conflict of interest (include the relating person as per Section 258 of the Stock Exchange law).
 - Never or not holding position of director with duty involving management, employee, staff, advisor who receives monthly salary or controlling party of the Company, subsidiary, joint-venture, joint-venture or the person that may have conflict of interest and not having the benefit or interest for at least 2 years.
 - Not having business relation, benefit or interest, directly or indirectly in terms of finance or management of the Company's subsidiary, affiliate company or the person that may have conflict of interest that may impede the independence.
 - Not being a close relative with executives, major shareholders of the Company, subsidiary, affiliated companies or the person that may have conflict and is not appointed as a representative to safeguard the interest of directors, major shareholders.
 - Not disclose any relationship that may stop the independence to the Board of Directors.

The scope of duties and responsibilities of committee and the CEO are determined clearly in written form reflecting the transparency and concise decision of the Company.

Diversification of the Board structure

The Board of Directors has the policy that emphasizes the diversity of the Board structure, without limitation of education, sex, specific skills. At present the Board consists of 4 female directors from total 9 directors. Furthermore, the Non-executive Independent Director are those whose skill and experience relevant to the Company's business operation such as accounting, finance, supply chain and agriculture.

The process for the selection of new directors

The Board appointed the Nomination and Remuneration Committee to select new director(s) by considering qualifications, experience, suitability and the ability to work as a director. The nomination of new director must be in accordance with Public Company Act.

Scope of duties of Directors

1) Roles, duties and responsibilities of the Board of Directors

The Board of Directors is responsible to perform accordingly to the Company's objectives, Articles of Association and resolution of the meeting and shareholders with integrity and honestly, prudence and aim to safeguard the interest of shareholders and stakeholders in long and short term to ensure that the Company's operation are driven into the direction that will generate maximum benefit to shareholders and stakeholders. The Board shall supervise to have vision, mission, strategy, target, policy and annual budget in which the Board will jointly review and express opinion every year to create understand on overall business image prior to approval and monitor to ensure the management will be consistent to the plan by adhering to the guideline of the Stock Exchange of Thailand and the Securities and Exchange Commission.

2) Meeting of the Board of Directors

Meeting of the Board of Directors is an essential duty where the directors must attend regularly to acknowledge and make decision on the Company's business operation. Annually, the Meeting of the Board of Directors shall

be held at least 4 times. The meeting agenda is set in advance and special meeting may be held in case of urgent matter.

At least 2 out of 3 of total directors shall constitute a quorum. The senior executives may attend the meeting in order to provide information that could be useful and to acknowledge the policy. It is the Company's policy that non-executive directors and the person that is not a member of Executive Committee attend the meeting together at least once a year to discuss about the topic of interest without attendance of Management. All Executive Committee are allowed to propose the matters to add as an agenda in the Board of Directors' meeting and to express their opinion independently. Then the Company Secretary will bring the proposed matters into meeting agenda and prepare invitation letter to the meeting accordingly. A majority vote in the meeting determines a resolution with each member of the Board having one vote. Board Members that may have conflicts of interest on a particular issue must leave the room during discussion and does not have the right to vote on the particular issue. After the meeting, the Company Secretary shall prepare the minutes of the meeting and send to Chairman of the Board to certify the accuracy and submit to the meeting for certification in the next meeting. Directors may suggest correction on the minutes of the meeting. The certified minutes of the meeting is kept as a confidential in electric format for convenient of access and reference.

3) Orientation of new directors

To perform their duties, the directors shall acknowledge Company's nature of business. For this reason, the Company conducted an orientation session for a new director so that he learned about the Company and business overview, got access to corporate information which is useful and crucial to responsibilities including guideline to the good corporate governance. The Company Secretary shall coordinate to have to orientation session.

4) Policy on limitation of the number of listed company and number of term of office of Directors

Director is advised not to become director in more than

five other listed companies without any exception. At present, the Company's Directors hold directorship in less than 5 listed companies. The company also has a policy prohibiting the CEO to be hold director position in other companies which conduct the same or similar business to the Company's except associates and/or subsidiaries and/or affiliated company to ensure that the person will not cause conflict of interest. Independent Directors may hold the position for maximum 9 consecutive years without exception. The Board of Directors has reviewed that the policy on term of office of the Independent Directors is appropriate and suit to the continuing performance because it consume some time to find qualified persons.

5) Succession Plan

The Company realizes the necessity and importance of the succession plan and hence has prepared the succession plan for major executive positions by selecting the candidates, providing ongoing training its human resource to meet position requirements, to ensure that the Company will have a person with knowledge and suitable skill for the succession.

Meeting of the Board of Directors

Each year, the Management prepares schedule of the Board of Directors' meeting and sub-committee in advance and sends to the Board of Directors and sub-committees. The meeting agenda is sent to the boards 7 days prior to the meeting date so that board members may have sufficient time to study all pertinent information.

Position of executive committee on more than 2 listed companies

None of the board members hold director position in more than 2 listed companies.

Sub-Committee Audit Committee

Ms. Nattharin Talthong	Chairman of Audit Committee
Ms. Nart Fongsmut	Audit Committee
Mr. Krizz Chantjiraporn	Audit Committee

The Audit Committee is comprised of 3 Independent Directors of the Company. The committee members have the required knowledge and experience. Ms. Natnarin Tanthong is a Chairman of the Audit Committee who has adequate expertise and experience on business management, accounting and finance and also a qualified person from MAI. The Audit Committee is responsible for reviewing the Company's financial reporting process to ensure that it is accurate and adequate, and the suitability and effectiveness of the internal control and internal audit.

In 2015 the Audit Committee held total 4 meetings.

Scope of Duties of the Audit Committee

1. Review quarterly financial statement and annual financial statement together with the Company's auditor and related executives, as to propose to the Board; Oversee Company's financial report to ensure the accountability, adequacy and reliability.
2. Review the Company's compliance with the law on securities and exchange, the regulations of The Stock Exchange of Thailand.
3. Consider to disclose the information or the connected transaction or transaction that may have conflict of interest.
4. Oversee to ensure that the Company's internal control is adequate and efficient.
5. Select/ appoint/ remove/ propose remuneration for auditor
6. Review the adequacy of internal control system and monitor the significant risk management regularly.
7. Consider the independence of internal audit unit, approve the appointment/ transfer/ dismissal of the head of internal audit department.

Executive Committee

Mr. Chatchai Boonyarat	Chairman of the Board of Directors
Mrs. Chintana Boonyarat	Director
Mr. Pichai Chirathivat	Director
Mr. Kittti Vilaivarangkul	Director
Ms. Roongchat Boonyarat	Director

Scope of duties and responsibilities of the Executive Committee

1. Assist the Board of Directors in management by formulating business strategy and policy to achieve the target as assigned by the Board of Directors.
2. Consider annual budget of the Company before proposing to the Board of Directors' meeting for approval.
3. Prepare and present strategy, business plan and operation to the Board of Directors for approval.
4. Consider the initiation of Company's new business to ensure the consistence to Company's policy prior to submitting to the Board of Directors' meeting for approval.
5. Review business operation which include normal transaction and non-normal transaction of each business line from time to time.
6. Review and comment the monthly profit(loss) report prepared by other Management as assigned by the Board of Directors and by approval of the Executive Committee.

The Nomination and Remuneration Committee

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

Chairman of the Nomination and Remuneration Committee is an independent director of the Company and most of the members of the Nomination and Remuneration Committee consists of independent directors (three out of four or 75%), which is based on the principles of good governance and ASEAN CG.

Scope of duties of the Nomination and Remuneration Committee

1. Select and screen the qualified person to undertake director position, to the Board of Directors to propose to
2. Consider, select and screen the qualified person to undertake managing director position and propose to the Board of Directors for approval.
3. Suggestion criteria for determining remuneration for managerial executive of the Company
4. Consider the Directors' remuneration and propose to the Board for approval in the shareholders' meeting.
5. Initiate issuance of warrants for directors and employees and propose to the Board of Directors and shareholders and the SEC for approval.
6. Review the approved warrants of directors and employees to ensure the compliance to project objective.

Nomination of Directors and Management

Selection of the Company's directors must be approved by the shareholders' meeting. The candidates must be qualified and does not have the prohibited characteristics as stipulated by law. The Board of Directors shall contains at least five (5) persons being selected under criteria and methods as follows.

1. One share represents one vote.
2. The voting for director may be cast for individual or for several directors as considered by the meeting of shareholders. Election may be of individuals or of groups, as the shareholders' meeting deems appropriate. A shareholder may not divide his/her votes among several individuals or groups.
3. Person(s) receiving the maximum number of votes in the respective order will be appointed as director(s) for the number of directors to be selected or appointed on that occasion. Where persons selected in the next sequence receive equal votes which exceed the number of director(s) to be selected or appointed on that occasion, the decisive vote shall be cast by the chairman of that meeting.

At the Annual General Meeting of Shareholders, one-third (1/3) of all directors shall resign by rotation. In case the number of resigned directors cannot be proceeded, the similar amount to one third of the directors to resign during the first year. The resigning directors may be re-elected.

A vacancy in the Board of Directors by reasons other than term completion will be filled at the next Board meeting by a qualified person selected by the Board who must not also be subjected to any restriction by Public Company law unless the remaining term of that director is less than two (2) months. The replacing director will remain in his/her post only for the remaining term of the directors/he replaces. The resolution of the designation shall receive votes of not less than three-fourths (3/4) of the remaining directors.

Risk Management Committee

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

Scope of duties and responsibilities of the Risk Management Committee

1. Assist the Board of Directors in management by formulating strategy and measures of risk management.
2. Review risks relating to the Company's business, set out the acceptable risk and effective risk control.
3. Coordinate with the Management in reviewing strategy, format and work procedures that will mitigate the significant risks of the Company.
4. Review the Management's report of the proceeded work to supervise and control risks of the Company.

5. Perform any duties as assigned by the Board of Directors and by approval of Risk Management Committee.

Development and training courses of Directors in 2015

The Board of Directors recognizes the importance of developing the resources of the Company. Directors who determines policies, vision and business direction are the important person that should develop their knowledge constantly both the knowledge about directorship and knowledge about Company's business. In 2015 the Board of Directors attended the training course as following.

Directors	Programs and hours of attending	Location
1. Ms. Nattharin Talthong	AACP Course 18# for 4 days	Thailand Institute of Directors (IOD)
2. Ms. Nart Fongsmut	DAP Course 122/2015 year 2015 for one day	Thailand Institute of Directors (IOD)
3. Mr. Krizz Chantjiraporn	DAP Course 122/2015 year 2015 for one day	Thailand Institute of Directors (IOD)

Company Secretary

Mr. Paitoon Eiamsirikulmit	Company Secretary
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Whereas the Securities and Exchange Act. Vol. 4 B.E. 2551 Section 89/15 stipulated that the Board of Directors shall appoint a qualified and experienced person secretary to be responsible for Company's operation on behalf of the Company, qualifications and duties of the Company Secretary are as followings.

Education and Qualifications

- o Hold Bachelor Degree
- o Have knowledge in laws relating to Company and SEC.
- o Have excellent communication and interpersonal abilities
- o Have knowledge about corporate governance

Scope and Responsibilities

1. Be a consultant and secretary of the Board of Directors and Sub-committees.
2. Liaise between the Board of Directors, executives, shareholders and controlling authorities.
3. Keep and maintain the following documents.
 - Directors' register
 - Notice to the Board of Directors' meeting, minutes of the Board of Directors' meeting and annual report of the Company.
 - Invitation letter to the shareholders' meeting and minutes of the shareholders' meeting
4. Keep the report of stakeholders as provided by directors of executives.
5. Conduct any other tasks as notified by the Capital Market Advisory Board.
6. Supervise the disclosure of information and report to ensure the compliance to applicable law and regulations and the good corporate governance

Company's Committee, Number of Attendance and Remuneration for year 2015

60

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	2556	5/5	-	12/12	-	-	340,000	-	480,000	-	-	-	820,000
		- Chairman of the Board of Director - Chairman of the Executive Director											
2 Mrs. Chintana Boonyarat	2557	5/5	-	12/12	-	1/1	210,000	-	240,000	-	-	10,000	460,000
		- Director - Member of Executive Director - Member of the Nominating and Remuneration Committee											
3 Mr. Kitti Vilaivarangkul	2557	5/5	-	12/12	4/4	-	210,000	-	240,000	40,000	-	-	490,000
		- Director - Member of the Executive Director - Member of the Risk Management Committee											
4 Mr. Pichai Chirathivat	2555	5/5	-	7/12	-	-	210,000	-	190,000	-	-	-	400,000
		- Director - Member of the Executive Director											
5 Mr. Kobchai Chirathivat	2557	5/5	-	-	-	-	210,000	-	-	-	-	-	210,000
6 Ms. Roongchat Boonyarat	2556	5/5	-	12/12	-	-	210,000	-	240,000	-	-	-	450,000
		- Director - Member of the Executive Director											
7 Ms. Nattharin Talthong	2556	5/5	4/4	-	4/4	1/1	210,000	260,000	-	50,000	10,000	-	530,000
		- Chairman of Audit Committee - Risk Management Committee - Member of the Nominating and Remuneration Committee - Independent Director											
8 Ms. Nart Fongsmut	2557	5/5	4/4	-	3/4	1/1	210,000	180,000	-	30,000	20,000	-	440,000
		- Chairman of Nomination and Remuneration Committee - Member of the Audit Committee - Risk Management Committee - Independent Director											
9 Mr. Krizz Chantjiraporn	2557	5/5	4/4	3/4	1/1	1/1	210,000	180,000	60,000	10,000	-	-	460,000
		- Chairman of the Risk Management Committee - Member of the Audit Committee - Independent Director											
Total							2,020,000	620,000	1,390,000	180,000	50,000	-	4,260,000

Note : - At the Annual General Meeting of Shareholders, one-third (1/3) of all directors shall resign by rotation. In case the number of resigned directors cannot be proceeded, the similar amount to one third of the directors to resign during the first year.

Remuneration of the directors and executives

1. Total attendance fee of 9 directors for year 2015 was 4,260,000 baht (see attachment)
2. Total attendance fee of 15 directors for year 2015 was 44,024,583.93 baht As of 1 January 2015, there were 13 executives including 5 executive committee
3. Other compensation Executive's provident fund for 12 executives in 2015 was 1,098,396.76 baht.

A comparison of remuneration of directors and executives in 2014 and 2015

Details of the remuneration of directors and executives	2014	2015
• Attendance fee for Directors	4,260,000	4,260,000
• Total remuneration of directors and executives	30,781,258	44,024,583
• Provident fund for executives	520,340	438,296

Auditors' remuneration

Remuneration of Auditor-year 2015 compared to the year 2014 are detailed below.

Remuneration of the Company's auditor	2014	2015
• Remuneration of the Company's auditor	1,630,000	1,655,000
• Remuneration of the subsidiaries' auditor	525,000	545,000
Total	2,155,000	2,200,000

Note: Excluding other compensations such as vehicles, transportation, accommodation etc.

The Company's auditor is an dependent person having no relation or conflict of interest with the Company.

Control of conflict of interest

The Company realizes the importance of considering transactions with transparency and benefit to the Company, hence, prioritizes the prevention of transaction that may cause conflict of interest, connected transaction with the policies summarized below.

1. Executives and employees shall comply to the Company's ethics which is an important matters, adhere to strictly as to build the reliability and trust among all stakeholders. The code of conduct is disseminated to employees of all levels.
2. The Board of Directors and executives shall inform the Company of the relationship or connected transaction in the activities that may cause conflict of interest.
3. Propose related transaction to the audit Committee for consideration prior to seeking for approval from the Board of directors under good corporate governance, and oversee to ensure compliance with regulations as stipulated by the Stock Exchange of Thailand and the Securities and Exchange Commission

Use of Insider Information

The Board of Directors highly recognises the importance of good corporate governance with transparency and prevention of internal control system which has not yet been disclosed to the public. The Company has formulated the policy on the use of internal control as following:

1. Directors, executives and executives in accounting or finance from managerial position onwards or equal shall report their security holding, spouse's, and minor child's to the Securities and Exchange Commission pursuant to Section 59 and Penalty Section 275 of the Securities and Exchange Act B.E. 2535.
2. Directors, executives and executives in accounting or finance from managerial position onwards or equal shall report their security holding, spouse's, and minor child's to the Company Secretary within 30 days from the date of being appointed as a director, executive prior sending to Securities and Exchange Commission and the Stock Exchange of Thailand, or submit a report of changes in security holding (if any) and prepare a report of the security holding in case there should be any changes within 3 working days.

3. Violation of use of internal information for personal benefit is subjected to penalty of warning letter, cut of wages, suspend from work temporary without compensation or removing as permitted by the law. The penalty is considered from the intention of action and the severity of the offense. The Company Secretary collect information on the security holding of directors and executives including the spouse and minor child to the Board of Directors' meeting in all quarters.

Office of Internal Audit


The Company has its own internal audit department. Ms. Areerat Khantaro is a manager of internal audit office where the matter is reported directly to the Audit Committee.

ดื่มความสดชื่น
พร้อมคุณค่าจากธรรมชาติ



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The Profile of the Board of Directors 2015

1. Mr. Chatchai Boonyarat

Position Chairman of the Board of Director,
Chairman of the Executive Director

Age 68 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 of the Board of Director,
Chairman of Executive Director,
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 2nd, 1995

Relative between director and management director

- Spouse of Mrs. Chintana Boonyarat
Director and Executive Director
- Parent of Ms. Roongchat Boonyarat
Director and Executive Director

(%) Shareholding as at December 31st, 2015 None

Stock Trading During the Year 2015 None

2. Mrs. Chintana Boonyarat

Position Director, Member of Executive Director,
Member of the Nominating and Remuneration
Committee

Age 64 years

Education

- Bachelor's Degree in Business Administration, Menlo College, USA

Director Accreditation Program

- Director 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 (TEPCot3), The University of the Thai Chamber of Commerce

Experience

1999 – Present Director, Executive Director,
Malee Sampran Public Company Limited

2013 – Present Director,
Central Marketing Group Co., Ltd.

1994 – Present Director,
Tiger Eyes Trading (Thailand) Co., Ltd.

1992 – Present Director,
Abico Holdings Public Company Limited

Position in Other Listed Companies

Director, Abico Holdings Public Company Limited

Date of First Director's Appointment August 17th, 1999

Relative between director and management director

- Spouse of Mr. Chatchai Boonyarat
Chairman and Chairman of Executive Director
- Parent of Ms. Roongchat Boonyarat
Director and Executive Director

(%) Shareholding as at December 31st, 2015 2.69%

Stock Trading During the Year 2015

Purchased / transferred, Present Hold 3,762,950 shares

3. Mr. Pichai Chirathivat

Position Director, Member of Executive Director

Age 55 years

Education

- Bachelor's Degree in Business Administration, Claremont College, USA
- Master's Degree in Business Administration, Azusa Pacific University, 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 Defense College of Thailand

Experience

2012 – Present Director, Executive Director, Malee Sampran Public Company Limited

1999 – Present Managing Director, Central Trading Co., Ltd.

Position in Other Listed Companies None

Date of First Director's Appointment April 5th, 2012

Relative between director and management director

- Brother of Mrs. Chintana Boonyarat
Director and Executive Director
- Uncle of Ms. Roongchat Boonyarat
Director and Executive Director

(%) Shareholding as at December 31st, 2015 2.36%

Stock Trading During the Year 2015

Purchased / transferred, Present Hold 3,298,950 shares

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 Defense 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

1998 – Present Director, Sakura Restaurant Co., Ltd.
Present Director, Central Advance System Co., Ltd.

1995 – Present Director, Central Pattana Public Company Limited.

1981 – Present Executive Director, Central Group of Companies Co., Ltd.

Position in Other Listed Companies

Director, Central Pattana Public Company Limited

Date of First Director's Appointment May 9th, 2012

Relative between director and management director

- Brother of Mrs. Chintana Boonyarat
Director and Executive Director
- Uncle of Ms. Roongchat Boonyarat
Director and Executive Director

(%) Shareholding as at December 31st, 2015 2.29%

Stock Trading During the Year 2015

Transferred / Sold, Present Hold 3,203,950 shares

5. Mr. Kitti Vilaivarangkul

Position Director, Member of Executive Director,
Member of the Risk Management Committee

Age 59 years

Education

- Bachelor's Degree in Accounting (2nd 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

2007 – Present Director, Managing Director,
PPO Farm Co., Ltd.

2003 – Present Director, Member of Executive Director
Director, Member of the Risk Management
Committee,
Malee Sampran Public Company Limited

2003 – Present Director, Malee Enterprise Co., Ltd.

1999 – Present Director, Managing Director,
Abico Holdings Public Company Limited

1999 – Present Director, Managing Director,
Abico Land Co., Ltd.

1997 – Present Director, Managing Director,
Abico Dairy Farm Co., Ltd.

Position in Other Listed Companies

Director and Managing Director,
Abico Holdings Public Company Limited

Date of First Director's Appointment May 6th, 2003

Relative between director and management director None

(%) Shareholding as at December 31st, 2015 None

Stock Trading During the Year 2015 None

6. Ms. Roongchat Boonyarat

Position Director, Member of 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 (195/2014),
Thai Institute of Directors Association (IOD)

Experience

2013 – Present Director, Executive Director,
Chief Operation Officer,
Malee Sampran Public Company Limited

2013 – Present Director, Executive Vice President Domestic
Branded Business,
Malee Enterprise Co., Ltd.

Position in Other Listed Companies None

Date of First Director's Appointment March 29th, 2013

Relative between director and management director

- Daughter of Mr. Chatchai Boonyarat
Chairman, Chairman of Executive Director and
Mrs. Chintana Boonyarat
Director and Executive Director

(%) Shareholding as at December 31st, 2015 0.12%

Stock Trading During the Year 2015

Purchased / Present Hold 172,000 shares

7. Ms. Nattharin Talthong

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

Age 47 years

Education

- 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

- The Capital Market Academy Leader program (CMA) Class 11
- Directors Accreditation Program (DAP), Class 69, Thai 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

2014 – Present The Panel of Expert Market for Alternative Investment (MAI)

2013 – Present Independent Director /
Chairman of the Audit Committee /
Member of the Risk Management Committee /
Member of the Nominating and Remuneration Committee,
Malee Sampran Public Company Limited

2010 - 2013 Executive Chairman,
Kasikorn Securities Public Company Limited

2010 - 2013 Head of K Group Private Banking Business,
Kasikornbank Public Company Limited,
Kasikorn Securities Public Company Limited

2005 – 2010 Managing Director Brokerage Business of
Kasikornbank Public Company Limited

Position in Other Listed Companies None

Date of First Director's Appointment March 29th, 2013

Relative between director and management director None

(%) Shareholding as at December 31st, 2015 None

Stock Trading During the Year 2015 None

8. Ms. Nart Fongsmut

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

Age 53 years

Education

- 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

- Director Accreditation Program (DAP), Class122/2015,
Thai Institute of Directors Association (IOD)

Experience

2014 – Present Independent Director /
Member of the Audit Committee /
Chairman of the Nomination
and Remuneration Committee /
Member of the Risk Management
Committee,
Malee Sampran Public Company Limited

2012 – Present Director, Mater Dei Alumnae Association

2007 – Present Managing Director, Granular Corporation

2001 – Present Managing Director,
Nap Nutriscience Co., Ltd.

1990 – Present Director, Thepwatana Co., Ltd.

Position in Other Listed Companies None

Date of First Director's Appointment May 9th, 2014

Relative between director and management director None
(%) Shareholding as at December 31st, 2015

Stock Trading During the Year 2015 None

9. Mr. Krizz Chantijiraporn

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

Age 65 years

Education

- 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

- Director Accreditation Program (DAP), Class122/2015,
The Institute of Directors Association (IOD)

Experience

2014 – Present Independent Director /
Chairman of the Risk Management
Committee / Member of the Audit
Committee / Member of the Nominating
and Remuneration Committee,
Malee Sampran Public Company Limited

2008 – Present Director of Lucky Glass Co., Ltd.

2008 – Present	CEO and Director of SCM International Training Center For Professional Qualifications (SCM-ITC)
2003 – 2007	Executive Vice President – Agro Supply Chain & Exports of Malee Sampan Public Company Limited
2002 – 2003	Director, Consulting Services, Operations Effectiveness Management (OES) of Price Waterhouse Coopers Thailand.
1998 – 2002	Chief Executive Director of GS1 Thailand, The Federation of Thai Industries

Position in Other Listed Companies None

Date of First Director's Appointment November 12th, 2014

Relative between director and management director None

(%) Shareholding as at December 31st, 2015 None

Stock Trading During the Year 2015 None

10. Mr. Paitoon Eiamsirikulmit

Position Company Secretary

Age 51 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, Vice President of Corporate Finance and Corporate Affairs, 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
2019 – Present	Vice President of Financial Management, Malee Sampan Public Company Limited

Position in Other Listed Companies None

Date of First Director's Appointment May 13th, 2013

Relative between director and management director None

(%) Shareholding as at December 31st, 2015 None

Stock Trading During the Year 2015 None



Report of the Board of Directors' responsibilities in relation to Financial Statement

The Board of Directors is responsible for the financial statement of Malee Sampran Public Co., Ltd. and the financial information as appeared in the Annual Report. The Company's Financial Statements have been prepared under generally accepted accounting principles and standards, under and adhered to appropriate accounting policies with prudence and rationality.

All material information has been sufficiently disclosed in the notes to financial statements. The Board of Directors has run and maintained appropriate risk management with use of internal control system to ensure accurate and comprehensive financial records on a daily basis in accordance with the applicable law and regulations. In relation to above, the Board of Directors has appointed the Audit Committee, which consist of

non-executive director and independent directors, to oversee and review the financial statements to ensure the reliability and accuracy. The Audit Committee has expressed an opinion regarding aforementioned matters in the report of the Audit Committee included in the annual report.

The Board of Directors has an opinion that internal control system of Malee Sampran Public Company Limited has been effective what allowed assurance that the financial statements for the year ended 31 December 2015 of which is reviewed by the Company's auditor under generally accepted accounting standards, are reliable and are in accordance with generally accepted accounting principles, complying with all relevant and applicable rules and regulations.

(Ms. Roongchat Boonyarat)
Director

(Mr. Kitti Vilaivarangkul)
Director



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. Nattharin Talthong serves as Chairman of the Audit Committee, while Ms. Nart Fongsmut and Mr. Krizz Chanjiraporn serve as members of the Audit Committee.

In 2015, the Audit Committee held 4 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 2015 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 2015 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. Nattharin Talthong, Mr. Kittit 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 2015, 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

N. Talthong

(Ms. Nattharin Talthong)

Chairman of the Audit Committee

February 19, 2016



Internal Control System

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.



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 (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.

Transfer Pricing policy	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014

Transactions with subsidiaries

(Eliminated in the consolidated financial statements)

Sales of goods	Cost plus margin	-	-	1,559,511,224	1,464,354,664
Others income	Cost plus margin	-	-	5,385	1,021,252
Revenues from service	Contract price	-	-	12,120,000	15,120,000
Guarantee fee	1.75 percent of the guarantee amount	-	-	5,250,000	3,096,301
Interest income	Contract price	-	-	1,947,582	39,881
Purchase of goods	Cost plus margin	-	-	1,501,164	14,493,543
Purchase of raw material and others	Cost plus margin	-	-	81,855,453	112,235,920
Marketing support expenses	Contract price	-	-	-	-
Guarantee income	1.75 percent of the guarantee amount	-	-	-	-

Transactions with related parties

Sales of goods	Cost plus margin	-	20,952	-	-
Produce service	Cost plus margin	101,125,052	103,026,662	101,125,052	103,026,662
Building rental expenses	Contract price	12,098,400	13,214,400	7,334,400	7,250,400

The balances of the accounts as at December 31, 2015 and 2014 between the Company and its subsidiaries and those related companies are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014

Trade receivables

Subsidiary

Malee Enterprise Co., Ltd.	-	-	325,917,480	239,243,084
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Related parties

Abico Daily Farm Co., Ltd.	-	71,091	-	-
Centralworld Co., Ltd.	-	12,301	-	-
Total	-	83,392	-	-

	Baht			
	Consolidated financial statements		Consolidated financial statements	
	2015	2014	2015	2014
Other receivables				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	8,492,100	9,580,501
Agri Sol Co., Ltd.	-	-	-	5,739,801
Total	-	-	8,492,100	15,320,302
Related party				
Abico Daily Farm Co., Ltd.	3,537,455	1,335,867	3,537,455	1,335,867
Long - term loans				
Subsidiaries				
Malee Harvest Co., Ltd	-	-	34,173,351	5,342,227
Lanchang Fam Co., Ltd	-	-	-	18,658,792
Total	-	-	34,173,351	24,001,019
Deposits				
Related party				
Abico Land Co., Ltd.	5,451,800	8,424,800	5,451,800	5,451,800
Trade payables				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	759,031	571,997
Agri Sol Co., Ltd.	-	-	70,548,844	75,573,765
Lanchang Fam Co., Ltd	-	-	11,460,802	-
Total	-	-	82,768,677	76,145,762
Related party				
Abico Daily Farm Co., Ltd.	17,173,009	16,290,844	17,137,217	16,290,844
Other payables				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	1,561,068	647,814
Agri Sol Co., Ltd.	-	-	1,194,059	1,194,059
Total	-	-	2,755,127	1,841,873
Related party				
Abico Land Co., Ltd.	109,996	139,742	109,996	97,156
Abico Daily Farm Co., Ltd.	-	15,515	-	-
Total	109,996	155,257	109,996	97,156
Short - term loans				
Subsidiary				
Agri Sol Co., Ltd.	-	-	42,000,000	-



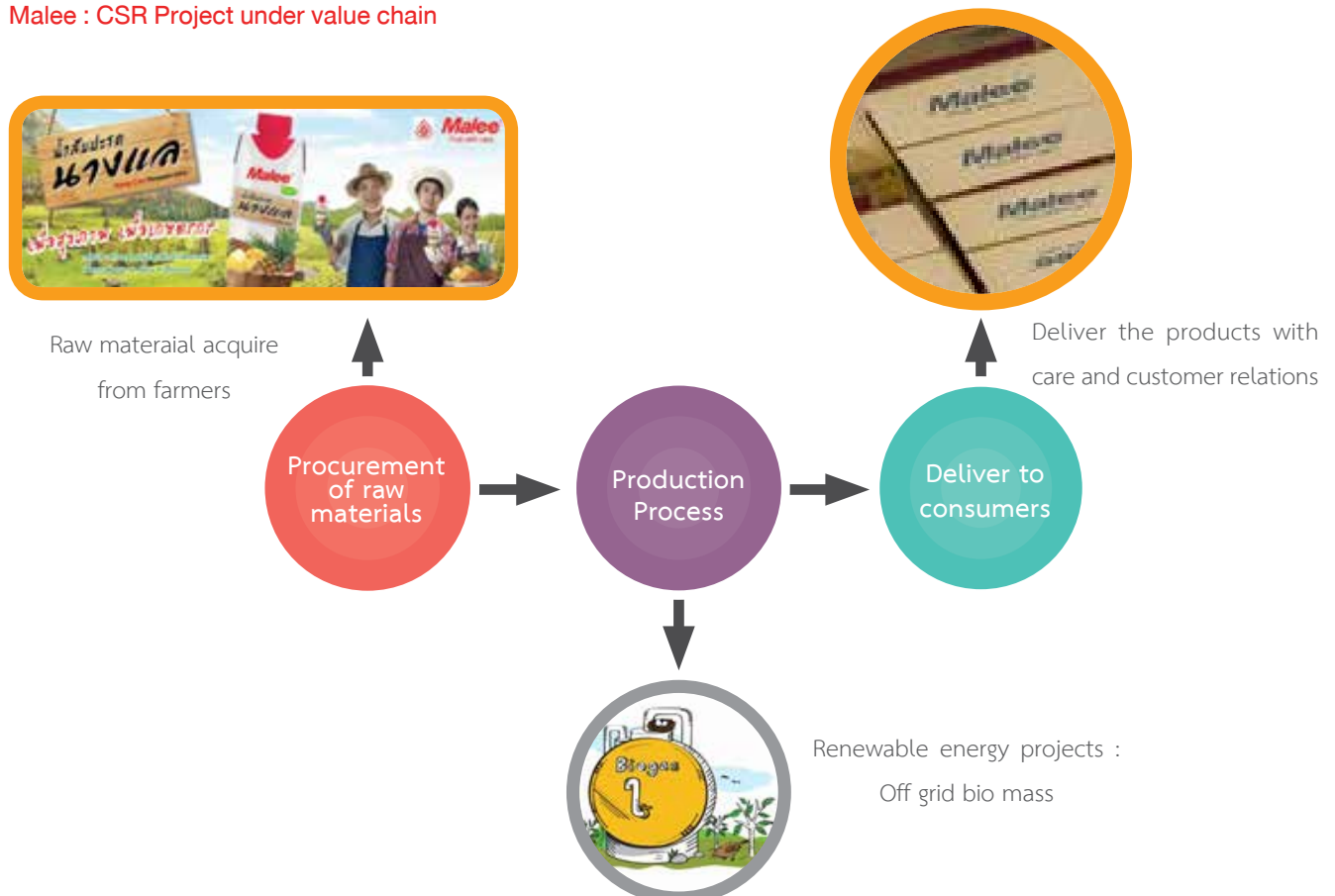
Corporate Social Responsibilities: (CSR)

Malee Sampran Public Company Limited conducts business activities within and outside the organization in accordance with good governance principle, taking into account all factors what can have an influence on stakeholders. The Company is fully aware of maintaining direct and indirect social behaviors as well as expectations within surrounding communities and adjacent environment, what is a part of sustainable growth. Materials and resources are consumed with the aim to be a part of the society based on the following principles:

“We create healthy product through environmental friendly process for the good health of everyone toward sustainability”

The Company conducts business adhering to social responsibility in the value chain of our production process - from procurement of raw materials, production and delivery of product to consumers. The Company prioritizes the importance of social responsibility and it is implanted in business ethics for directors, executives and all of our employees.

Malee : CSR Project under value chain



CSR Policy and Overview

1. Conduct business with fairness

The Company commits to and supports good corporate governance. Its internal management system put emphasis on responsible, committed, equal, fair, efficient, and transparent working procedures and systems, to create trust and confidence among shareholders, investors, stakeholders and all involved parties.

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, 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. 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 exceptionally performed their duties will be honorably awarded to get reward for their work and to encourage others to follow.

The Company expressed its intention by joining the Collective Action Coalition - the activity launched by Thai Institute of Directors (IOD) in collaboration with the Thai Institute of Directors, Chamber of Commerce, 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.

At present, the Company has set the written policy, in order to allow to all directors, executives, employees and business partners to acknowledge it clearly.

3. Respect to Human Rights

The Company has clear and efficient working system to ensure that the issues of human rights, fair labor treatment, including registration of alien labor as stipulated by the labor law, compensation, welfares are recognized accurately with correct action undertaken. In addition, the Company provided different training courses which allow staff to widen their knowledge and competency while supporting their personal 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, compensations, 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 received Honor Certificate from participation in different program such as "Zero-Accident" campaign launched by the Ministry of Labor.

The Company also encouraged its employees to understand agriculture, which is the main source of raw materials, by starting "Lunch Box Project" where employees can purchase products directly from farmers.

5. Responsibilities to Consumers

Being the manufacturer and distributor of consumer products, the Company is committed to produce and sell goods in the way that meets all required safety standards. The Company has been well recognized 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 always 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 assistance to community where the need of hands is required.

In 2015, the Company and subsidiaries made a donation in form of money and products to Maha Thai Children Foundation. The Company also hosted CSR activities with surrounding communities. Lan Chang Farm Co., Ltd- one of Malee Sampran subsidiaries hosted a CSR activity at Baan Pok Child Development Center, Samerng district, Chiang Mai province, and also contributed company's products, education kits to the children as to create good relationship with the communities adjunct the company.

With awareness of the "CSR in Process", the Company, in

collaboration with Tiang Jirathiwat Foundation, supported pineapple plantation by purchasing fresh Nanglae pineapple to use as a feedstock in production of pineapple juice. The project was aimed to develop sustainable business to local agriculturists, as well as to conserve the "Nanglae" spicity which has been registered as a local plant originally grown in Thailand. All these were contributed to sustainable development both to society and environment.



7. Environment Care

Since the production process of the Company involves agriculture and transforming of the raw materials into quality products for consumers through modern procedures which meet the world standards. Under our production procedures, the Company prioritizes the importance of responsibility to society and environment where "CSR in Process" has been deployed to the production procedures.

After implementation of waste water treatment technology as an 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" for its off-grid renewable energy campaigns from the

Ministry of Energy, Chulabhorn Research Institute.

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 residues.

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 a 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.

Furthermore, the Company has a policy to extend knowl

8. Culture Sharing from Innovation of Corporate Social Responsibilities

With large scope of knowledge and experience derived from business operation, the Company has willingly shared such knowledge to companies and agencies that might be interested. Receiving well response, we received recurring requests 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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Haad Yai Plant - 129 Moo 1 Karnjanavanit Rd., Takham, Haad Yai, Songkhla 90110, Thailand. Tel: 66(0) 7433 3540-4 Fax: 66(0) 7433 3015

CROWN Bevcan and Closures (Thailand) Company Limited

47/3 Moo 14, Nong Khae Industrial Estate, Tambon Khok Yae, Amphur Nong Khae, Saraburi, 18230, Thailand Tel : (66) 36 374351-8 Fax: (66) 36 374359-61

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



Management Discussion and Analysis (MD&A)

Overall of Thailand's Economy and Ready to Drink Fruit Juice Market

The recovery of Thai economy as a whole in 2015 did not show any significant change. The nation's gross domestic product (GDP) grew by only 2.8 percent despite there were positive factors involving directly with public consumption such as the drop of oil price, the stimulation of household consumption by fiscal and financial policy of the government, the government policy on tax reduction and the financial policy of the Bank of Thailand which has reduced the interest to 1.50%. However, the householder debt remained high and domestic consumption slowed down.

Ready to drink fruit juice market is another business involving with consumption which can grow by 7% representing 13,865 million baht of overall market price (data as of end of year 2015). Premium UHT Fruit Juice accounted 30% of fruit juice market and the sale volume is considered high, and a negative growth of 4%. Nonetheless, among the contraction of this segment, the Company managed to increase the market share from Premium UHT Fruit Juice. According to data from Nielsen as of end of year 2015, the Company's market share was 23.7% despite the minus growth of the market. The sale volume of the products of this segment remained in similar level to the year 2014.

In addition, in 2015 the Company has adjusted the business strategy to find new marketing opportunity where new products were released to meet the growing of healthy trend of the domestic market. As for foreign market, the Company concentrated on emerging market, CLMV group

and China where the economic growth were positive.

Factors and major events which impact the business operation

Despite the overall economic was slowly recovered, the Company has invested, with the business strategy to become a beverage regional brand, to support the long term business growth. Favorable development progress of the Company were as following.

1. Inauguration of Innovation Center with aim to research and develop products under Malee Brand and Contract Manufacturing (CMG) to emphasize our leadership in domestic and international market.
2. Introduce a new innovation to ready-to-drink fruit juice market by releasing new products of which is invested by our Research and Development team as to answer the demand for healthy trend and to build brand awareness for Malee in fruit juice market in domestic and international level.
3. Move warehouse of the Company to DHL Bang Yai, the large warehouse, modern, with good management and quality system which can handle business expansion plan of the Company.
4. On 13 August 2015 the Board of Directors approved to establish a joint venture in Philippines with Monde Nissin Corporation under the name Monde Malee Beverage Corporation (MMBC). The joint venture will be established and opened in Philippines in quarter 1/2016.

As for internal management, the Company adjusted the organizational structure to meet the business strategy

emphasizing that human resource is the main mechanism to operate the business and to achieve the goal.

In addition, the Board of Directors had the resolution to dispose the repurchased share in the stock exchange on 27 February 2015 and 17 June 2015 where all shares were purchased. In end of year 2015, the Board of Directors

and shareholders of Agrisol Co., Ltd., the subsidiary of the Company passed resolution to decrease its capital due to the fact that the company ceased its operation since end of year 2013. All these are major factors that affect business operation and financial statement of the Company in year 2015 and continued until 2016.

Analysis of Overall Performance of the Company

Analysis on Profit and expenses

	2014		2015		Changed %
	Mil. Baht	%	Mil. Baht	%	
Revenues from Sales	4,770.8	98.7%	5,428.3	98.5%	13.8%
Other incomes	62.8	1.3%	84.1	1.5%	33.8%
Total Revenues	4,833.6	100.0%	5,512.4	100.0%	14.0%
Cost of Sales	3,164.6	65.5%	3,648.7	66.2%	15.3%
Gross Profit	1,606.1	33.2%	1,779.6	32.3%	10.8%
Selling Expenses	887.8	18.4%	988.2	17.9%	11.3%
Administrative Expenses	360.5	7.5%	424.5	7.7%	17.7%
Finance Costs	36.5	0.8%	34.1	0.6%	-6.7%
Loss on exchange rate	0.0	0.0%	3.2	0.1%	n.a.
Total Expenses	4,449.5	92.1%	5,098.7	92.5%	14.6%
Shares of Profit (Loss) of associate	-3.1	-0.1%	0.0	0.0%	-100.0%
Profit (Loss) before income tax expenses	381.1	7.9%	413.7	7.5%	8.6%
Tax expenses (incomes)	74.6	1.5%	82.4	1.5%	10.4%
Profit (Loss) for the year	306.5	6.3%	331.3	6.0%	8.1%
Profit (Loss) for the year attributable to Equity holders of the parent	306.9	6.4%	330.8	6.0%	7.8%

Revenues from Sales

The total sales revenue of the Company and its subsidiaries was Baht 5,428.3 million, and increased by Baht 657.5 million or 13.8%. The reason was the Company's sale revenues increased in Brand business and Contract Manufacturing (CMG) both domestic and export.

Cost of sales

Cost of sales of the Company and its subsidiaries was Baht 3,648.7 million or 66.2% of sale revenues, which is 0.72% slightly higher than the total cost in the previous year. The cost of sales was increased in associated with sale revenues increasing.

Gross Profit and Gross Profit Margin

The Company's total gross profit stood at Baht 1,779.6 million, representing 32.3% of total sales revenue. Comparing with the previous year, the gross profit slightly declined by 0.95%. This was because increase in sales revenue from contract manufacturing.

Selling Expenses

Selling expenses totaled in Baht 988.2 million, an increase by Baht 100.4 million or 17.9% to total sale revenues. This

was as a result of domestic brand sale promotion and marketing expenses, new products and trade promotion with convenient stores and modern trade.

Administrative expenses

Administrative expenses accounted Baht 424.5 million, an increased by Baht 63.9 million or 17.7% comparing to the previous year. The major administrative expenses increased were from employee payroll and remuneration to support business expansion and stock obsoleted.

Net Profit and Earning per Share (EPS)

The Company's profit before income tax expenses was Baht 413.7 million, representing a net profit margin before tax of 7.5% of total sale revenue. Total income tax expense was Baht 82.4 million. The Company's profit for the years attributable to equity holders of the parent was Baht 330.8 million, representing 6.0% of total sale revenues, an increase of Baht 23.9 million or 7.8%. The Company's basic earnings per share stood at Baht 2.37 per share, increase by Baht 0.14 or 6.3% from the previous year.

Statement of Financial Position Analysis

Asset

	2014		2015		Changed %
	Mil. Baht	%	Mil. Baht	%	
Cash and Cash Equivalents	50.5	1.7%	75.1	2.5%	48.7%
Trade Receivables	784.6	26.2%	892.8	29.2%	13.8%
Inventories	799.8	26.7%	741.3	24.2%	-7.3%
Other Current Assets	104.9	3.5%	92.7	3.0%	-11.6%
Property plant and equipment	1,132.7	37.9%	1,133.0	37.0%	0.03%
Intangible Assets	54.6	1.8%	54.6	1.8%	0.0%
Other Assets	64.9	2.2%	71.2	2.3%	9.7%
Total Asset	2,992.1	100.0%	3,060.7	100.0%	2.3%

As of 31 December 2015, The Company's total asset stood at Baht 3,060.7 million, an increase by Baht 68.7 million or 2.3% from 31 December 2014. The main reasons was because

- As of 31 December 2015 the trade receivables was Baht 892.8 million, an increased of Baht 108.1 million from

quarter 4/2015 sale revenues and the payment of trade receivables in brand business was improved.

- Inventories declined Baht 58.5 million from finished good, raw material and packaging material as a result of an efficiency of supply chain management.

Liabilities

	2014		2015		Changed %
	Mil. Baht	%	Mil. Baht	%	
Short-term loans from financial institution	1,023.5	51.8%	749.2	41.5%	-26.8%
Trade payables and other payables	647.3	32.8%	727.7	40.3%	12.4%
Other Current Liabilities	105.9	5.4%	123.5	6.8%	16.6%
Other Non-Current Liabilities	199.4	10.1%	206.0	11.4%	3.3%
Total Liabilities	1,976.2	100.0%	1,806.4	100.0%	-8.6%

As of 31 December 2015, The Company's total liability was Baht 1,806.4 million, a decrease of Baht 169.8 million or 8.6%. The details of changes in liabilities are as follow

- Short-term loans from financial institution declined by Baht 274.3 million from cash flow received from operation.
- An increase of account payable and other payable of Baht 80.4 million as a result of increase in raw material

for production in quarter 4 of 2015.

- Other current liabilities increased at Baht 17.2 million from income tax payable and advances received for goods.

Shareholders' Equity

As of 31 December 2015, The Company's total shareholders' equity stood at Baht 1,254.3 million, increase by Baht 238.4 million from year 2014. This was because an increase of retained earnings due to the Company net profit improved in 2015.

Analysis of Cash Flow

	2014	2015
Net cash flows from (used in) operating activities	56.1	463.5
Net cash flows from (used in) investing activities	-207.4	-25.2
Net cash flows from (used in) financing activities	134.1	-413.6
Net increase (decrease) in cash and cash equivalents	-17.2	24.7
Cash and cash equivalents at beginning of years	67.7	50.5
Cash and cash equivalents at end of years	50.5	75.2

For the year 2015, the Company's net cash flow increased of Baht 24.7 million. At the beginning of the year, the cash and cash equivalents amounted at Baht 50.4 million. Hence, cash and cash equivalents at the end of the year amounted at Baht 75.2 million.

- Cash flow from operating activities accounted Baht 463.5 million, an increase of Baht 407.4 million from 2014. This was because of an increase of profit for the years, decrease of inventories and an increase of account payables.
- Cash flow from investing activities was Baht 25.2 million, a decrease of Baht 182.2 million. Major investing activities are investing in machine and equipment for clients. In 2015, the Company received cash flow from selling machinery and equipment of its subsidiary.
- Cash flow from financing activities accounted Baht 413.6, a decrease of Baht 547.7 million. Due to the Company repay the short-term loan from financial institution.

Capital Structure

The Company's capital structure as of 31 December 2015, the debt to equity ratio was 1.44:1, lower from the previous year, while the debt to equity ratio as of 31 December 2014 was 1.95:1.

Analysis of the Company's Liquidity

In 2015, the Company and its subsidiaries' current ratio and quick ratio stood at 1.12 and 0.62 time respectively, an increased from 2014. Due to the Company repay the short-term loan to financial institution and increase of trade receivable as the sale revenues increase.

	2014		2015		Changed %
	Mil. Baht	%	Mil. Baht	%	
Cash and cash equivalents	50.4	2.8%	75.2	4.7%	49.2%
Inventories	799.8	26.7%	741.3	24.3%	-7.3%
Current Asset	1,739.8	97.9%	1,801.9	112.5%	3.6%
Current Liabilities	1,776.8	100.0%	1,600.4	100.0%	-9.9%

Forward Looking

The Company is determined to create a sustainable growth where in 2015 the factors that may affect future operation are as follow

External factors

The domestic economy that still slowed down had an impact to overall consumption, while competition of ready-made fruit juice - the major external factor directly affect operation of year 2016. However, to maintain the growth, the Company has prepared for the readiness of marketing, development of new products, reduction on expenses, adjustment of strategy to diversity the risk of income, to be able to growth amid the recession of economy and intense competition in domestic level. In addition, as a

result of quality and standardized products that meet the customers' requirement, the Company receive more order from contract manufacturing.

Internal factors

According to plan to expand the market abroad more, the Company set up a joint venture with Monde Malee Beverage Corporation with Monde Nissin Corporation to generate more income from production and sales of beverage products in Philippines. Philippines is a country with high potential with a population ranked 2nd highest in ASEAN community, the value in beverage market is 197,000 million baht with steady growth.

Your Partner in Packaging Solution



Metal Packaging:

- Easy Open Ends (Full Aperture)
- Easy Open Ends (Stay On Tab)
- Seafood Cans, Fruits & Vegetables Cans
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High Oxygen Barrier Plastic Containers:

- Bowl
- Tray



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Malee Sampran Public Company Limited and Its Subsidiaries

Financial Statements

For the Year Ended December 31, 2015
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, 2015, 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, 2015, 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, 2015, 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 25, 2016

MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

ASSETS

		Baht			
		Consolidated financial statements		Separate financial statements	
	Note	As at December 31, 2015	As at December 31, 2014	As at December 31, 2015	As at December 31, 2014
CURRENT ASSETS					
Cash and cash equivalents	5	75,185,652	50,471,987	40,449,746	34,517,270
Trade receivables					
Subsidiaries	6	-	-	325,917,480	239,243,084
Related parties	6	-	83,392	-	-
Unrelated parties		898,299,653	788,876,924	435,769,838	291,971,768
<u>Less</u> : Allowance for doubtful accounts	7	(5,536,974)	(4,346,384)	(5,262,101)	(3,974,299)
Trade receivables, net	7	892,762,679	784,613,932	756,425,217	527,240,553
Other receivables	6 and 8	64,719,463	51,937,221	54,460,029	49,067,554
Inventories, net	9	741,313,664	799,764,903	569,907,199	656,017,814
Other current assets		28,001,452	25,401,789	8,282,377	22,415,102
Non - current assets held for sale	15	-	27,609,394	-	-
TOTAL CURRENT ASSETS		1,801,982,910	1,739,799,226	1,429,524,568	1,289,258,293
NON - CURRENT ASSETS					
Investments in subsidiaries, net	10	-	-	282,125,535	282,125,535
Long - term loans to subsidiaries	6 and 11	-	-	34,173,351	24,001,019
Loan to employees under welfare programme		-	6,764	-	6,764
Restricted bank deposits	12 and 28	22,328,721	14,001,006	21,328,721	13,001,006
Property, plant and equipment, net	15 and 28	1,132,964,761	1,132,726,424	1,012,848,327	1,011,143,271
Goodwill	4	13,382,839	13,382,839	-	-
Intangible asset, net	14	41,251,054	41,212,563	36,147,422	41,015,657
Deferred tax assets	25	32,713,109	25,498,984	21,006,557	17,279,344
Other non - current assets					
Deposits	6	12,934,926	22,137,960	7,028,764	13,703,550
Others		3,145,141	3,305,567	3,071,291	3,241,018
TOTAL NON - CURRENT ASSETS		1,258,720,551	1,252,272,107	1,417,729,968	1,405,517,164
TOTAL ASSETS		3,060,703,461	2,992,071,333	2,847,254,536	2,694,775,457

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, 2015

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated financial statements		Separate financial statements	
	Note	As at December 31, 2015	As at December 31, 2014	As at December 31, 2015	As at December 31, 2014
CURRENT LIABILITIES					
Short - term loans from financial institutions	15 and 28	749,211,720	1,023,466,172	749,211,720	978,447,777
Trade payables					
Subsidiaries	6	-	-	82,768,677	76,145,762
Related party	6	17,173,009	16,290,844	17,137,217	16,290,844
Unrelated parties		465,687,725	395,390,709	444,117,298	389,871,765
Other payables	6 and 16	244,831,165	235,655,104	82,667,502	83,629,722
Current portion of long - term loans from					
- financial institutions	18.1	2,479,266	2,277,196	-	-
- others	18.2	6,140,448	8,029,540	-	-
Current portion of liabilities					
under financial lease agreements	17	19,952,594	16,641,906	19,709,885	16,159,589
Short - term loans from related parties	19	-	-	42,000,000	-
Income tax payable		41,144,241	30,391,424	41,144,241	22,884,606
Other current liabilities					
Advances received for goods		35,596,814	30,709,436	35,596,814	30,709,436
Accrued dividends payment		2,979,623	2,883,415	2,979,623	2,883,415
Others		15,230,447	15,071,389	10,152,946	10,376,642
TOTAL CURRENT LIABILITIES		1,600,427,052	1,776,807,135	1,527,485,923	1,627,399,558
NON - CURRENT LIABILITIES					
Long - term loans, net of current portion from					
- financial institutions	18.1	4,421,962	7,193,740	-	-
- others	18.2	6,348,122	11,517,137	-	-
Liabilities under financial lease agreements,					
net of current portion	17	63,461,544	64,321,914	63,380,075	64,037,099
Deferred tax liabilities	25	65,399,406	62,713,846	59,457,085	56,896,601
Employee benefit obligation	20	66,371,584	53,663,180	56,546,171	45,406,370
TOTAL NON - CURRENT LIABILITIES		206,002,618	199,409,817	179,383,331	166,340,070
TOTAL LIABILITIES		1,806,429,670	1,976,216,952	1,706,869,254	1,793,739,628

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, 2015

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		Baht			
		Consolidated financial statements		Separate financial statements	
Note		As at December 31, 2015	As at December 31, 2014	As at December 31, 2015	As at December 31, 2014
	SHAREHOLDERS' EQUITY				
	Share capital				
	Authorized share capital				
	140,000,000 ordinary shares of Baht				
	1.00 each as at December 31, 2015 and 2014	140,000,000	140,000,000	140,000,000	140,000,000
	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
	Share premium on issue of treasury shares	21.2	5,848,058	-	5,848,058
	Retained earnings (deficit)				
	Appropriated				
	- Legal reserve	23	14,000,000	14,000,000	14,000,000
	- Treasury shares reserve	21.2	-	66,484,975	-
	Unappropriated				
	(after quasi - reorganization in June, 2012)	888,392,597	656,394,978	783,967,973	550,466,578
	Other components of equity	201,338,780	201,338,780	196,569,251	196,569,251
	Less : Treasury shares	21.2	-	(66,484,975)	(66,484,975)
	Total equity of parent Company's shareholders	1,249,579,435	1,011,733,758	1,140,385,282	901,035,829
	Non - controlling interests	4,694,356	4,120,623	-	-
	TOTAL SHAREHOLDERS' EQUITY	1,254,273,791	1,015,854,381	1,140,385,282	901,035,829
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,060,703,461	2,992,071,333	2,847,254,536	2,694,775,457

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, 2015

Consolidated financial statements (Baht)

Equity of parent Company's shareholders														
Note	Issued and fully paid - up share capital	Treasury shares	Share premium on issue of treasury shares	Other components of equity								Total equity of parent Company's shareholders	Non - controlling interests	Total shareholder's equity
				Retained earnings (deficit)				Other comprehensive income (loss)						
				Appropriated -		Treasury shares reserve	Unappropriated	Revaluation surplus	Actuarial gains (losses) on defined employee benefit plans	Total				
				Legal reserve	Share premium									
Balances as at January 1, 2015	140,000,000	(66,484,975)	-	14,000,000	66,484,975	656,394,978	201,338,780	-	-	201,338,780	1,011,733,758	4,120,623	1,015,854,381	
Sale of treasury shares	-	66,484,975	-	-	-	-	-	-	-	-	66,484,975	-	66,484,975	
Share premium on issue of treasury shares	-	-	5,848,058	-	-	-	-	-	-	-	5,848,058	-	5,848,058	
Treasury shares reserve	-	-	-	-	(66,484,975)	66,484,975	-	-	-	-	-	-	-	
Transferred to retained earnings (deficit)	-	-	-	-	-	(10,180,546)	-	10,180,546	10,180,546	(10,180,546)	320,581,730	573,733	321,155,463	
Total comprehensive income (loss) for the year	-	-	-	-	-	330,762,276	-	-	(10,180,546)	-	(155,069,086)	-	(155,069,086)	
Dividend paid	-	-	-	-	-	(155,069,086)	-	-	-	-	1,249,579,435	4,694,356	1,254,273,791	
Ending balances as at December 31, 2015	140,000,000	-	5,848,058	14,000,000	-	888,392,597	201,338,780	-	-	201,338,780	832,384,656	-	832,384,656	
Balances as at January 1, 2014	140,000,000	(7,891,025)	-	14,000,000	7,891,025	552,906,928	125,477,728	-	-	125,477,728	(58,593,950)	-	(58,593,950)	
Sale of treasury shares	-	(58,593,950)	-	-	-	-	-	-	-	-	-	-	-	
Treasury shares reserve	-	-	-	-	58,593,950	(58,593,950)	-	-	-	-	-	-	-	
Total comprehensive income (loss) for the year	-	-	-	-	-	306,957,850	75,861,052	-	-	75,861,052	382,818,902	(490,051)	382,328,851	
Dividend paid	-	-	-	-	-	(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	-	-	201,338,780	1,011,733,758	4,120,623	1,015,854,381	

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, 2015

Separate financial statements (Baht)										
Note	Issued and fully paid - up share capital	Treasury shares	Share premium on issue of treasury shares	Retained earnings (deficit)			Other components of equity			
				Appropriated -		Treasury shares reserve	Unappropriated	Other comprehensive income (loss)		
				Legal reserve	Treasury shares reserve			Revaluation surplus	Actuarial gains (losses) on defined employee benefit plans	Total
Balances as at January 1, 2015	140,000,000	(66,484,975)	-	14,000,000	66,484,975	550,466,578	196,569,251	-	-	901,035,829
21.2 Sale of treasury shares	-	66,484,975	-	-	-	-	-	-	-	66,484,975
Share premium on issue of treasury shares	-	-	5,848,058	-	-	-	-	-	-	5,848,058
21.2 Treasury shares reserve	-	-	-	-	(66,484,975)	66,484,975	-	-	-	-
Transferred to retained earnings (deficit)	-	-	-	-	-	(8,965,378)	-	-	8,965,378	-
Total comprehensive income (loss) for the year	-	-	-	-	-	331,050,884	-	-	(8,965,378)	322,085,506
22 Dividend paid	-	-	-	-	-	(155,069,086)	-	-	-	(155,069,086)
Ending balances as at December 31, 2015	140,000,000	-	5,848,058	14,000,000	-	783,967,973	196,569,251	-	-	1,140,385,282
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
21.2 Sale of treasury shares	-	(58,593,950)	-	-	-	-	-	-	-	(58,593,950)
21.2 Treasury shares reserve	-	-	-	-	58,593,950	(58,593,950)	-	-	-	-
Total comprehensive income (loss) for the year	-	-	-	-	-	187,821,287	73,553,696	-	-	261,374,983
22 Dividend paid	-	-	-	-	-	(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

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, 2015

		Baht			
		Consolidated financial statements		Separate financial statements	
		For the years ended December 31,		For the years ended December 31,	
Note		2015	2014	2015	2014
	PROFIT (LOSS) FOR THE YEARS	331,336,009	306,467,799	331,050,884	187,821,287
	OTHER COMPREHENSIVE INCOME (LOSS):				
	Items that will not be reclassified subsequently to profit or loss :				
	Gain on revaluation land	-	94,826,315	-	91,942,120
	Deferred tax relating to other components of equity	-	(18,965,263)	-	(18,388,424)
	Actuarial gains (losses) on defined employee benefit plans	(12,725,683)	-	(11,206,722)	-
25	Deferred tax relating to other components of equity	2,545,137	-	2,241,344	-
	Total items that will not be reclassified subsequently to profit or loss	(10,180,546)	75,861,052	(8,965,378)	73,553,696
	OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEARS	(10,180,546)	75,861,052	(8,965,378)	73,553,696
	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEARS	321,155,463	382,328,851	322,085,506	261,374,983
	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEARS				
	ATTRIBUTABLE TO :				
	EQUITY HOLDERS OF THE PARENT	320,581,730	382,818,902	322,085,506	261,374,983
	NON - CONTROLLING INTERESTS	573,733	(490,051)	-	-
		321,155,463	382,328,851	322,085,506	261,374,983

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, 2015

Note	Baht			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2015	2014	2015	2014
Cash flows from (used in) operating activities				
Profit (loss) for the years	331,336,009	306,467,799	331,050,884	187,821,287
Adjustments to reconcile profit (loss) to net cash provided by (paid from) operating activities:				
Bad debt and allowance for doubtful accounts (reversal)	1,190,590	(6,150,690)	1,287,802	(6,272,144)
Loss on obsolete inventories	33,714,538	6,150,039	23,376,778	5,014,551
Allowance for devaluation of inventories (reversal)	8,746,349	(18,223,753)	6,208,463	(3,834,001)
Depreciation	81,038,330	73,010,831	70,500,242	60,179,732
Allowance for impairment loss (reversal)	-	(1,220,157)	-	-
Amortization - other assets	10,615,735	8,736,196	15,406,768	6,658,123
Write - off property, plant and equipment	457,090	43,364	434,563	-
Loss (gain) on sales of property, plant and equipment	(24,160,232)	(26,586)	1,792,739	28,805
Unrealised loss (gain) on exchange rate	(2,298,897)	(3,934,923)	2,750,317	(3,934,924)
Shares of loss (profit) of associate	-	3,080,823	-	-
Employee benefit obligation	8,779,537	5,434,199	5,339,330	4,154,652
Interest income	(3,928,544)	(401,991)	(2,482,826)	(277,253)
Finance costs	34,068,070	36,549,739	33,720,120	33,577,839
Tax expense (income)	82,386,805	74,589,086	82,745,594	48,178,221
Profit (loss) from operating activities before changes in operating assets and liabilities	561,945,380	484,103,976	572,130,774	331,294,888
Operating assets decrease (increase)				
Trade receivables	(109,342,337)	(197,982,418)	(230,472,466)	(106,819,803)
Other receivables	(12,782,242)	(7,178,632)	(5,392,475)	(473,180)
Inventories	15,990,353	(57,750,833)	56,525,375	(123,468,358)
Other current assets	(2,599,664)	(17,000,426)	14,132,725	(17,845,176)
Loan to employees under welfare programme	6,765	131,114	6,764	72,973
Loan to subsidiaries	-	-	(10,172,332)	(24,001,019)
Other non - current assets	7,027,634	(7,988,913)	(2,761,836)	(3,745,263)

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, 2015

Note	Baht			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2015	2014	2015	2014
Operating liabilities increase (decrease)				
Trade payables	71,179,180	(29,191,460)	61,714,821	50,329,160
Other payables	9,176,061	19,499,982	(962,220)	(4,461,807)
Trade payables under a compromise agreement	-	(78,307,180)	-	(78,307,180)
Other current liabilities	4,887,378	22,662,740	4,663,682	22,924,264
Employee benefit obligation paid	(8,796,817)	(1,876,218)	(5,406,251)	(1,876,218)
Cash flows from (used in) operating activities	536,691,691	129,121,732	454,006,561	43,623,281
Net cash paid to income tax	(73,185,014)	(73,058,603)	(63,411,345)	(39,216,990)
Net cash flows from (used in) operating activities	463,506,677	56,063,129	390,595,216	4,406,291
Cash flows from (used in) investing activities				
Decrease (increase) in restricted bank deposits	(8,327,716)	(13,001,005)	(8,327,716)	(13,001,005)
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	(68,003,235)	(180,257,161)	(57,079,478)	(121,872,252)
Proceeds from sales of property, plant and equipment	55,500,551	2,326,470	565,445	2,205,179
Decrease (increase) in intangible assets	(8,318,411)	(2,219,200)	(932,185)	(2,219,200)
Interest income received	3,928,544	401,991	2,482,826	277,253
Net cash flows from (used in) investing activities	(25,220,267)	(207,417,654)	(63,291,108)	(151,747,560)
Cash flows from (used in) financing activities				
Increase (decrease) in bank overdrafts and short - term loans from financial institutions	(271,955,555)	431,563,848	(231,986,373)	386,545,453
Increase (decrease) in factoring payable	-	(78,935,812)	-	-
Increase (decrease) in short - term loans from related parties	-	-	42,000,000	-
Increase (decrease) in long - term loans from financial institutions	(2,569,708)	9,470,936	-	-
Increase (decrease) in long - term loans from others	(7,058,107)	19,546,677	-	-
Cash paid for liabilities under finance lease agreement	(15,468,249)	(5,148,474)	(15,025,296)	(5,158,255)
Cash paid for treasury shares	72,333,033	(58,593,950)	72,333,033	(58,593,950)
Cash paid for finance costs	(33,881,282)	(38,361,740)	(33,720,120)	(35,389,840)
Dividend paid	(154,972,877)	(145,419,898)	(154,972,876)	(145,419,898)
Net cash flows from (used in) financing activities	(413,572,745)	134,121,587	(321,371,632)	141,983,510
Net increase (decrease) in cash and cash equivalents	24,713,665	(17,232,938)	5,932,476	(5,357,759)
Cash and cash equivalents at beginning of years	50,471,987	67,704,925	34,517,270	39,875,029
Cash and cash equivalents at end of years	75,185,652	50,471,987	40,449,746	34,517,270

Supplemental disclosures of cash flows information :

Activities not effecting cash :

1) For the nine - month period ended December 31, 2015

- Increased in the Company's finance lease liabilities - net amount of Baht 20.07 million due to purchase assets.

2) For the nine - month period ended December 31, 2014

- Increased in the Company's finance lease liabilities - net amount of Baht 76.32 million due to purchase assets.

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

MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

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.

At the end of year 2015, the Company, MONDE NISSIN CORPORATION in Philippine and Thai nation at individual inverters had entered into a joint venture agreement to setting up a Philippine joint venture Company with principally engaged in the importation, marketing promotion and sale of food and beverage in Philippine market. The Company will initially invest in the new company in amount of Baht 38.40 million. At the Present, the new company is in the process of setting.

1.2 Expenses by nature

The significant expenses classified by nature for the years ended December 31, 2015 and 2014 are as follows :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Changes in inventories of finished goods				
decrease (increase)	26,860,208	(34,574,738)	65,117,871	(103,394,592)
Purchase finished goods	471,651,929	429,895,477	381,377,783	382,281,160
Raw materials and consumables used	2,922,385,021	2,514,577,823	2,906,661,436	2,564,477,302
Employee benefits expenses	442,002,132	394,479,124	319,287,329	287,340,472
Directors and management benefit expenses	44,024,584	30,781,258	38,363,508	23,940,502
Depreciation and amortization expenses	91,654,065	81,747,027	85,907,010	66,837,855
Loss on sale of fix assets	-	-	-	28,805
Write - off property, plant and equipment	457,090	43,364	434,563	-
Loss from defective and obsolete inventories	42,460,887	6,150,039	29,585,241	5,014,551
Loss on exchange rate	3,211,098	-	2,750,317	-

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 Conceptual Framework for Financial Reporting (revised 2015) and the Federation of Accounting Professions has issued the revised and new accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, which are effective for financial statements year beginning on or after January 1, 2015 and relevant to the Group's business as follows:

Accounting Standard

TAS	1	Presentation of Financial Statements (revised 2014)
TAS	2	Inventories (revised 2014)
TAS	7	Statement of Cash Flows (revised 2014)
TAS	8	Accounting Policies, Changes in Accounting Estimates and Errors (revised 2014)
TAS	10	Events After the Reporting Period (revised 2014)
TAS	12	Income Taxes (revised 2014)
TAS	16	Property, Plant and Equipment (revised 2014)
TAS	17	Leases (revised 2014)
TAS	18	Revenue (revised 2014)
TAS	19	Employee Benefits (revised 2014)
TAS	21	The Effects of Changes in Foreign Exchange Rate (revised 2014)
TAS	24	Related Party Disclosures (revised 2014)
TAS	27	Separate Financial Statements (revised 2014)
TAS	28	Investments in Associates (revised 2014)
TAS	33	Earnings per Share (revised 2014)
TAS	34	Interim Financial Reporting (revised 2014)
TAS	36	Impairment of Assets (revised 2014)
TAS	37	Provisions, Contingent Liabilities and Contingent Assets (revised 2014)
TAS	38	Intangible assets (revised 2014)

Financial Reporting Standard

- TFRS 3 Business Combinations (revised 2014)
- TFRS 5 Non - current Assets Held for Sale and Discontinued Operations (revised 2014)
- TFRS 8 Operating Segments (revised 2014)
- TFRS 10 Consolidated Financial Statements
- TFRS 12 Disclosure of Interests in Other Entities
- TFRS 13 Fair Value Measurement

Financial Reporting Standard Interpretations

- TFRIC 10 Interim Financial Reporting and Impairment (revised 2014)

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, the Federation of Accounting Professions has issued the revised and new accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, which are effective for financial statements period beginning on or after 1 January 2016 as follows.

Accounting Standards

- TAS 1 Presentation of Financial Statements (revised 2015)
- TAS 2 Inventories (revised 2015)
- TAS 7 Statement of Cash Flows (revised 2015)
- TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (revised 2015)
- TAS 10 Events After the Reporting Period (revised 2015)
- TAS 11 Construction Contracts (revised 2015)
- TAS 12 Income Taxes (revised 2015)
- TAS 16 Property, Plant and Equipment (revised 2015)
- TAS 17 Leases (revised 2015)
- TAS 18 Revenue (revised 2015)
- TAS 19 Employee Benefits (revised 2015)
- TAS 20 Accounting for Government Grants and Disclosure of Government Assistance (revised 2015)
- TAS 21 The Effects of Changes in Foreign Exchange Rate (revised 2015)
- TAS 23 Borrowing Costs (revised 2015)
- TAS 24 Related Party Disclosures (revised 2015)
- TAS 26 Accounting and Reporting by Retirement Benefit Plans (revised 2015)
- TAS 27 Separate Financial Statements (revised 2015)
- TAS 28 Investments in Associates and Joint Venture (revised 2015)
- TAS 29 Financial Reporting in Hyperinflationary Economics (revised 2015)
- TAS 33 Earnings per Share (revised 2015)

Accounting Standard

- TAS 34 Interim Financial Reporting (revised 2015)
- TAS 36 Impairment of Assets (revised 2015)
- TAS 37 Provisions, Contingent Liabilities and Contingent Assets (revised 2015)
- TAS 38 Intangible (revised 2015)
- TAS 40 Investment Property (revised 2015)
- TAS 41 Agriculture

Financial Reporting Standards

- TFRS 2 Share - Based Payment (revised 2015)
- TFRS 3 Business Combinations (revised 2015)
- TFRS 4 Insurance Contracts (revised 2015)
- TFRS 5 Non - current Assets Held for Sale and Discontinued Operations (revised 2015)
- TFRS 6 Exploration for and Evaluation of Mineral Resources (revised 2015)
- TFRS 8 Operating Segments (revised 2015)

Financial Reporting Standards

- TFRS 10 Consolidated Financial Statement (revised 2015)
- TFRS 11 Joint Arrangements (revised 2015)
- TFRS 12 Disclosure of Interests in Other Entities (revised 2015)
- TFRS 13 Fair Value Measurement (revised 2015)

Accounting Standard Interpretations

- TSIC 10 Government Assistance - No Specific Relation to Operating Activities (revised 2015)
- TSIC 15 Operating Leases - Incentives (revised 2015)
- TSIC 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders (revised 2015)
- TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease (revised 2015)
- TSIC 29 Service Concession Arrangements : Disclosures (revised 2015)
- TSIC 31 Revenue - Barter Transactions Involving Advertising Services (revised 2015)
- TSIC 32 Intangible Assets - Web Site Costs (revised 2015)

Financial Reporting Standard Interpretations

- TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities (revised 2015)
- TFRIC 4 Determining whether an Arrangement contains a Lease (revised 2015)
- TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (revised 2015)
- TFRIC 7 Applying the Restatement Approach under TAS 29 (revised 2015)
Financial Reporting in Hyperinflationary Economies (revised 2015)
- TFRIC 10 Interim Financial Reporting and Impairment (revised 2015)
- TFRIC 12 Service Concession Arrangements (revised 2015)
- TFRIC 13 Customer Loyalty Programmes (revised 2015)

TFRIC 14 TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset,
Minimum Funding Requirements and their Interaction (revised 2015)

Financial Reporting Standards

TFRIC 15 Agreements for the Construction of Real Estate (revised 2015)
TFRIC 17 Distributions of Non - cash Assets to Owners (revised 2015)
TFRIC 18 Transfers of Assets from Customers (revised 2015)
TFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (revised 2015)
TFRIC 21 Levies

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 24, TAS 27, TAS 28, TAS 33, TAS 34, TAS 36, TAS 37, TAS 38, TFRS 8, TFRS 10, TFRS 11, TFRS 12, TFRS 13, and TFRIC 10 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 Company'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, 2014 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	
		2015	2014		2015	2014	2015	2014
<u>Held by the Company</u>								
Malee Enterprise Company Limited	Distributor	99.99	99.99	Thailand	23.65	23.14	46.56	51.25
Icon Foods, LLC.	Distributor							
	(Dormant)	99.00	99.00	USA	-	-	-	-
Agri Sol Company Limited	(A)Manufacture and distributor	100.00	100.00	Thailand	5.71	5.83	0.32	2.98
Malee Harvest Company Limited (Formerly “Prime Agrico Company Limited”) and its subsidiary is Lanchang Farm Company Limited (70% owned)	Manufacture and distributor for agricultural crops	100.00	100.00	Thailand	3.20	2.72	0.29	0.04

(A) Manufacture and distributor (since year 2014 cease manufacture and change to outsourcing or trading, at the present new project is in the process of consideration).

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 10 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”) Malee Harvest Company Limited from 50% to 100 % of share capital, resulting status Malee Harvest Company Limited change from an associate to be a subsidiary of the Company. As a result, the Company’s consolidated financial statement have included Malee Harvest Company Limited 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.
- 2.3.6 At the Extraordinary General Meeting of Agri Sol Co.,Ltd’s share holders held on November 27,2015, the shareholders approved the decrease of Agri Sol Co.,Ltd’s registered share capital by decreasing the amount of share in amount of Bath 105,000,000 from Bath 145,000,000 (14,500,000 ordinary shares at Bath 10 each) to Bath 40,000,000 (4,000,000 ordinary shares at Bath 10 each) in order to pay back to the share holders. This had been registered with the Ministry of Commerce on January 21, 2016.

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.

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).

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. 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 2014) 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. Which decrease in goodwill amount Bath 10.03 million, Increase in total assets amount Baht 17.80 million, Increase in total liabilities amount Baht 4.30 million and increase in non - controlling interests amount Baht 3.47 million. 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.

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 0.36 million related.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Petty cash	164,742	152,042	80,000	60,624
Cash at banks - current accounts	20,005,692	3,634,671	10,440,156	1,149,750
- saving accounts	53,852,423	44,500,423	29,929,590	33,306,896
- fixed accounts	2,981	2,954	-	-
Cheque in hand	1,159,814	2,181,897	-	-
Total	75,185,652	50,471,987	40,449,746	34,517,270

6. 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			
		onsolidated financial statements		Separate financial statements	
	Transfer Pricing policy	2015	2014	2015	2014
<u>Transactions with subsidiaries</u>					
(Eliminated in the consolidated financial statements)					
Sales of goods	Cost plus margin	-	-	1,559,511,224	1,464,354,664
Others income	Cost plus margin	-	-	5,385	1,021,252
Revenues from service	Contract price	-	-	12,120,000	15,120,000
Guarantee fee	1.75 percent of the guarantee amount	-	-	5,250,000	3,096,301
Interest income	Contract price	-	-	1,947,582	39,881
Purchase of goods	Cost plus margin	-	-	1,501,164	14,493,543
Purchase of raw material and others	Cost plus margin	-	-	81,855,453	112,235,920
Marketing support expenses	Contract price	-	-	-	-
Guarantee income	1.75 percent of the guarantee amount	-	-	-	-
<u>Transactions with related parties</u>					
Sales of goods	Cost plus margin	-	20,952	-	-
Produce service	Cost plus margin	101,125,052	103,026,662	101,125,052	103,026,662
Building rental expenses	Contract price	12,098,400	13,214,400	7,334,400	7,250,400

The balances of the accounts as at December 31, 2015 and 2014 between the Company and its subsidiaries and those related companies are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade receivables				
Subsidiary				
Malee Enterprise Co., Ltd.	-	-	325,917,480	239,243,084
Related parties				
Abico Daily Farm Co., Ltd.	-	71,091	-	-
Centralworld Co., Ltd.	-	12,301	-	-
Total	-	83,392	-	-
Other receivables				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	8,492,100	9,580,501
Agri Sol Co., Ltd.	-	-	-	5,739,801
Total	-	-	8,492,100	15,320,302
Related party				
Abico Daily Farm Co., Ltd.	3,537,455	1,335,867	3,537,455	1,335,867
Long - term loans				
Subsidiaries				
Malee Harvest Co., Ltd	-	-	34,173,351	5,342,227
Lanchang Fam Co., Ltd	-	-	-	18,658,792
Total	-	-	34,173,351	24,001,019
Deposits				
Related party				
Abico Land Co., Ltd.	5,451,800	8,424,800	5,451,800	5,451,800
Trade payables				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	759,031	571,997
Agri Sol Co., Ltd.	-	-	70,548,844	75,573,765
Lanchang Fam Co., Ltd	-	-	11,460,802	-
Total	-	-	82,768,677	76,145,762
Related party				
Abico Daily Farm Co., Ltd.	17,173,009	16,290,844	17,137,217	16,290,844
Other payables				
Subsidiaries				
Malee Enterprise Co., Ltd.	-	-	1,561,068	647,814
Agri Sol Co., Ltd.	-	-	1,194,059	1,194,059
Total	-	-	2,755,127	1,841,873
Related parties				
Abico Land Co., Ltd.	109,996	139,742	109,996	97,156
Abico Daily Farm Co., Ltd.	-	15,515	-	-
Total	109,996	155,257	109,996	97,156
Short - term loans				
Subsidiary				
Agri Sol Co., Ltd.	-	-	42,000,000	-

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 Bankruptcy 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, 2015 and 2014 are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short - term employee benefits	43,570,696	30,327,370	37,987,560	23,564,554
Post - employment benefits	453,888	453,888	375,948	375,948
Total	44,024,584	30,781,258	38,363,508	23,940,502

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 29.3 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. On January 1, 2015, the Company has canceled services agreement with a subsidiary.

7. TRADE RECEIVABLES, NET

The outstanding balances of trade receivables as at December 31, 2015 and 2014 are aged, based on due date, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Age of receivables</u>				
Not yet due	674,716,533	551,755,444	480,438,951	294,186,442
Past due				
Up to 3 months	194,231,848	228,078,401	232,306,034	227,799,688
3 - 6 months	17,914,695	1,742,179	37,505,756	1,484,173
6 - 9 months	2,511,765	2,624,900	2,511,765	3,117,124
Longer than 9 months	8,924,812	4,759,392	8,924,812	4,627,425
Total	898,299,653	788,960,316	761,687,318	531,214,852
<u>Less : Allowance for doubtful accounts</u>	(5,536,974)	(4,346,384)	(5,262,101)	(3,974,299)
Trade receivables, net	892,762,679	784,613,932	756,425,217	527,240,553

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

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance	(4,346,384)	(4,013,578)	(3,974,299)	(3,974,299)
Increased during the years	(1,193,590)	(6,483,495)	(1,287,802)	(6,272,144)
Received during the years	3,000	6,150,689	-	6,272,144
Decreased due to write - off	-	-	-	-
Ending balance	(5,536,974)	(4,346,384)	(5,262,101)	(3,974,299)

8. OTHER RECEIVABLES

Other receivables, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accrued other income	39,521,016	25,453,790	46,908,452	38,657,634
Advance payment	963,480	1,236,363	139,390	220,681
Prepaid expense	21,524,076	17,564,709	4,701,296	5,083,016
Advances payment for goods	-	2,576,136	-	-
Excise tax	2,710,891	5,106,223	2,710,891	5,106,223
Total	64,719,463	51,937,221	54,460,029	49,067,554

9. INVENTORIES, NET

	Baht			
	Consolidated financial		Separate financial statements	
	2015	2014	2015	2014
Finished goods	499,509,770	526,369,978	325,677,870	390,795,741
Raw materials	107,267,991	102,675,866	107,267,992	102,675,867
Packing materials	108,287,919	113,967,148	107,847,620	113,264,003
Spare parts and factory supplies	37,910,956	45,647,920	37,542,460	37,481,870
Goods in transit	10,395,868	24,416,482	10,395,868	24,416,482
Total	763,372,504	813,077,394	588,731,810	668,633,963
<u>Less</u> : Allowance for stock	(22,058,840)	(13,312,491)	(18,824,611)	(12,616,149)
Inventories, net	741,313,664	799,764,903	569,907,199	656,017,814

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

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance	(13,312,491)	(31,536,245)	(12,616,149)	(16,450,151)
Decreased (increased)				
during the years	(8,746,349)	18,223,754	(6,208,462)	3,834,002
Ending balance	(22,058,840)	(13,312,491)	(18,824,611)	(12,616,149)

10. 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)	
	2015	2014	2015	2014	2015	2014
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	-	-
Icon Foods Company Limited	USD 50,500	USD 50,500	99.00	99.00	1,291,000	1,291,000
Agri Sol Company Limited (C)	Baht 145 million	Baht 145 million	100.00	100.00	145,000,000	145,000,000
Malee Harvest Limited (B)	Baht 40 million	Baht 40 million	100.00	100.00	37,137,535	37,137,535
					283,416,535	283,416,535
Less : Impairment loss on investment					(1,291,000)	(1,291,000)
Investments in subsidiaries, net					282,125,535	282,125,535

- (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.
- (C) At the Extraordinary General Meeting of Agri Sol Co.,Ltd's share holders held on November 27,2015, the shareholders approved the decrease of Agri Sol Co.,Ltd's registered share capital by decreasing the amount of share in amount of Bath 105,000,000 from Bath 145,000,000 (14,500,000 ordinary shares at Bath 10 each) to Bath 40,000,000 (4,000,000 ordinary shares at Bath 10 each) in order to pay back to the share holders. This had been registered with the Ministry of Commerce on January 21,2016

11. LONG - TERM LOANS TO SUBSIDIARIES

	Baht			
	Separate financial statements			As at December 31, 2015
	As at December 31, 2014	Increase	Decrease	
Short - term loans to subsidiaries	24,001,019	28,831,124	(18,658,792)	34,173,351

On December 2015, The Company had entered into a loan agreement with a subsidiary. The interest is at the rate MLR% p.a. The principal and interest are repayable in monthly commencing from January 2016 and paid with in December 2018.

Loans to a subsidiary which is unsecured.

12. RESTRICTED BANK DEPOSITS

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

13. PROPERTY, PLANT AND EQUIPMENT, NET

Consolidated financial statements

	Baht							
	Land	Buildings and improvement	Land improvement	Machineries and equipment	Motor vehicles	Furniture, fixtures and office equipment	Construction in progress	Elimination
Cost amount:								
As at December 31, 2014	125,290,595	385,582,243	12,495,249	1,456,758,543	34,328,306	63,990,039	374,408,930	(301,913)
Acquisition	-	486,888	-	19,033,537	24,000	1,121,113	65,256,277	-
Disposals	-	(33,700)	-	(18,452,544)	(3,714,847)	(356,670)	-	-
Write - off	-	(275,951)	-	(3,252,984)	(31,000)	(4,320,126)	-	-
Transfer in (out)	-	38,798,025	-	355,283,078	-	1,561,228	(395,642,331)	-
As at December 31, 2015	125,290,595	424,557,505	12,495,249	1,809,369,630	30,606,459	61,995,584	44,022,876	(301,913)
Accumulated depreciation:								
As at December 31, 2014	-	(251,459,045)	(10,087,122)	(1,203,112,787)	(17,232,217)	(57,136,795)	-	153,083
Depreciation for the year	-	(13,494,907)	(711,846)	(58,477,578)	(4,567,158)	(3,786,840)	-	-
Depreciation on disposals	-	33,693	-	14,181,374	3,491,538	663,110	-	-
Write - off	-	103,182	-	3,032,810	30,998	4,255,968	-	-
Transfer in (out)	-	-	-	-	-	-	-	-
As at December 31, 2015	-	(264,817,077)	(10,798,968)	(1,244,376,181)	(18,276,839)	(56,004,557)	-	153,083
Allowance for impairment loss:								
As at December 31, 2014	-	(13,334,662)	-	(1,676,571)	-	-	(17,612,914)	-
Increasing	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	-	-	-
As at December 31, 2015	-	(13,334,662)	-	(1,676,571)	-	-	(17,612,914)	-
Net book value:								
As at December 31, 2014	125,290,595	120,788,536	2,408,127	251,969,185	17,096,089	6,853,244	356,796,016	(148,830)
As at December 31, 2015	125,290,595	146,405,766	1,696,281	563,316,878	12,329,620	5,991,027	26,409,962	(148,830)
Incremental amount:								
As at December 31, 2014	251,673,462	-	-	-	-	-	-	-
Increasing (decreasing)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	-	-	-
As at December 31, 2015	251,673,462	-	-	-	-	-	-	-
Revaluation basis assets, net:								
As at December 31, 2014	376,964,057	120,788,536	2,408,127	251,969,185	17,096,089	6,853,244	356,796,016	(148,830)
As at December 31, 2015	376,964,057	146,405,766	1,696,281	563,316,878	12,329,620	5,991,027	26,409,962	(148,830)
Depreciation for the years ended December 31,								
As at December 31, 2014								73,010,831
As at December 31, 2015								81,038,329

Separate financial statements

	Baht							Total
	Land	Buildings and improvement	Land improvement	Machineries and equipment	Motor vehicles	Furniture, fixtures and office equipment	Construction in progress	
Cost amount:								
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
Acquisition	-	208,617	-	8,514,538	24,000	994,614	65,256,276	74,998,045
Disposals	-	(33,700)	-	(16,653,830)	(3,714,847)	(356,670)	-	(20,759,047)
Write - off	-	(275,951)	-	(3,252,984)	(31,000)	(3,553,642)	-	(7,113,577)
Transfer in (out)	-	38,213,805	-	353,484,365	-	1,561,228	(393,259,398)	-
As at December 31, 2015	99,288,436	270,661,626	11,758,906	1,631,217,519	24,244,920	53,246,064	44,022,876	2,134,440,347
Accumulated depreciation:								
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)
Depreciation for the year	-	(7,034,081)	(711,847)	(55,756,386)	(4,033,600)	(2,964,328)	-	(70,500,242)
Depreciation on disposals	-	33,693	-	14,181,374	3,491,538	555,384	-	18,261,989
Write - off	-	103,182	-	3,032,810	30,998	3,650,898	-	6,817,888
Transfer in (out)	-	-	-	-	-	-	-	-
As at December 31, 2015	-	(195,664,321)	(10,225,238)	(1,077,970,286)	(12,615,468)	(47,719,367)	-	(1,344,194,680)
Allowance for impairment loss:								
As at December 31, 2014	-	(4,118,147)	-	(1,377,843)	-	-	(17,612,914)	(23,108,904)
Increasing	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	-	-	-
As at December 31, 2015	-	(4,118,147)	-	(1,377,843)	-	-	(17,612,914)	(23,108,904)
Net book value:								
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
As at December 31, 2015	99,288,436	70,879,158	1,533,668	551,869,390	11,629,452	5,526,697	26,409,962	767,136,763
Incremental amount:								
As at December 31, 2014	245,711,564	-	-	-	-	-	-	245,711,564
Increasing (decreasing)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Write - off	-	-	-	-	-	-	-	-
As at December 31, 2015	245,711,564	-	-	-	-	-	-	245,711,564
Revaluation basis assets, net:								
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
As at December 31, 2015	345,000,000	70,879,158	1,533,668	551,869,390	11,629,452	5,526,697	26,409,962	1,012,848,327
Depreciation for the years ended December 31,								
As at December 31, 2014								60,179,732
As at December 31, 2015								70,500,242

As at December 31, 2015 and 2014 the Company and its subsidiaries have vehicles and machineries acquired under finance lease agreements, with net book value amounting to approximately Baht 107.13 million and Baht 20.52 million, respectively (the Company only: amounted to approximately Baht 106.52 million and Baht 19.43 million, respectively).

As at December 31, 2015 and 2014 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 817.81 million and Baht 147.53 million, respectively (the Company only: amounted to approximately Baht 797.00 million and Baht 146.79 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, 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 ngarn 65 square wah and the subsidiary's land locates at Banpaeng District, Nakornpranom Province, the land space is in total of 118 rai 3 ngarn 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.

Following in December 2014, the Company and its subsidiary hired the same previous independent appraiser to reappraise the value of lands under at the revaluation basis as shown in accounting policies. Increment of lands appraisal of Baht 75.86 million (the Company only: amounted to Baht 73.55 million), was recognized in other comprehensive income and accumulated amount was 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	
	2015	2014	2015	2014
Beginning balance				
- as previously reported	(201,339)	(125,478)	(196,569)	(123,016)
Decrease (Increase) during the years	-	(75,861)	-	(73,553)
Ending balance after of change in accounting policy	(201,339)	(201,339)	(196,569)	(196,569)

14. INTANGIBLE ASSETS, NET

	Baht		
	Consolidated financial statements		
	Computer software	Computer software under development	Total
<u>Cost</u>			
As at December 31, 2014	50,292,801	36,049,580	86,342,381
Increase	931,604	7,386,808	8,318,412
Decrease	(2,284,828)	-	(2,284,828)
Transfer in (out)	39,266,592	(39,266,592)	-
As at December 31, 2015	88,206,169	4,169,796	92,375,965
<u>Accumulated amortization</u>			
As at December 31, 2014	(45,129,818)	-	(45,129,818)
Increase	(8,279,910)	-	(8,279,910)
Decrease	2,284,817	-	2,284,817
As at December 31, 2015	(51,124,911)	-	(51,124,911)
<u>Net book value</u>			
As at December 31, 2014	5,162,983	36,049,580	41,212,563
As at December 31, 2015	37,081,258	4,169,796	41,251,054

	Baht		
	Separate financial statements		
	Computer software	Computer software under development	Total
<u>Cost</u>			
As at December 31, 2014	49,654,051	36,049,580	85,703,631
Increase	-	3,217,012	3,217,012
Decrease	(2,284,828)	-	(2,284,828)
Transfer in (out)	39,266,592	(39,266,592)	-
As at December 31, 2015	86,635,815	-	86,635,815
<u>Accumulated amortization</u>			
As at December 31, 2014	(44,687,974)	-	(44,687,974)
Increase	(8,085,236)	-	(8,085,236)
Decrease	2,284,817	-	2,284,817
As at December 31, 2015	(50,488,393)	-	(50,488,393)
<u>Net book value</u>			
As at December 31, 2014	4,966,077	36,049,580	41,015,657
As at December 31, 2015	36,147,422	-	36,147,422

15. SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

As at December 31, 2015 and 2014 short - term loans from financial institutions were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Promissory notes (interest rate of MMR p.a.)	340,000,000	769,958,753	340,000,000	724,940,358
Discounted bill of exchange interest rate of MMR p.a.)	350,000,000	200,000,000	350,000,000	200,000,000
Trust receipts	59,211,720	53,507,419	59,211,720	53,507,419
Total	749,211,720	1,023,466,172	749,211,720	978,447,777

16. OTHER PAYABLES

Other payables, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accrued expenses	155,813,463	107,056,296	44,323,341	49,598,710
Other - payable	89,017,702	128,598,808	38,344,161	34,031,012
Total	244,831,165	235,655,104	82,667,502	83,629,722

17. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Liabilities under finance lease agreements	100,672,053	100,133,185	100,341,568	99,289,889
<u>Less</u> : deferred interest	(17,246,883)	(19,144,543)	(17,251,608)	(19,093,201)
deferred VAT	(11,032)	(24,822)	-	-
	83,414,138	80,963,820	83,089,960	80,196,688
<u>Less</u> : current portion due within one year	(19,952,594)	(16,641,906)	(19,709,885)	(16,159,589)
Liabilities under finance lease agreements, net of current portion	63,461,544	64,321,914	63,380,075	64,037,099

Consolidated financial statements (Baht)

	2015				2014			
	Principal	Deferred interest	Deferred VAT	Total	Principal	Deferred interest	Deferred VAT	Total
1 - 5 years	63,461,544	9,854,263	-	73,315,807	64,321,914	11,738,346	8,274	76,068,534
Over 5 years	-	-	-	-	-	-	-	-
Total	63,461,544	9,854,263	-	73,315,807	64,321,914	11,738,346	8,274	76,068,534

Separate financial statements (Baht)

	2015				2014			
	Principal	Deferred interest	Deferred VAT	Total	Principal	Deferred interest	Deferred VAT	Total
1 - 5 years	63,380,075	9,853,609	-	73,233,684	64,037,099	11,728,619	-	75,765,718
Over 5 years	-	-	-	-	-	-	-	-
Total	63,380,075	9,853,609	-	73,233,684	64,037,099	11,728,619	-	75,765,718

18. LONG - TERM LOANS

18.1 Loans from financial institutions

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loan	6,901,228	9,470,936	-	-
Less Current portion	(2,479,266)	(2,277,196)	-	-
Long - term loans, net	4,421,962	7,193,740	-	-

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.

18.2 Loans from other

	Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loan				
- US DOLLAR (USD 0.08 and 0.28 million)	2,880,648	9,117,016	-	-
- THAI BAHT	9,607,922	10,429,661	-	-
Total	12,488,570	19,546,677	-	-
<u>Less</u> Current portion	(6,140,448)	(8,029,540)	-	-
Loans from other - net	6,348,122	11,517,137	-	-

- 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. As at December 31, 2015, the principal balance in the amount of Baht 2.88 million (December 31, 2014 : Baht 9.12 million)

- 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.

On September 23, 2011 (The day prior to the company purchase of shares in the Lanchang Farm Co., Ltd.), Lanchang Farm Co., Ltd. has a loan agreement with a company of 10.55 million baht be paid a monthly 97,855 baht and during the years 2012 to recover an additional amount of 0.80 million baht be paid a monthly 9,384 Baht with interest rate of 3 p.a.. As at December 31, 2015, the principal balance in the amount of Baht 7.39 million (December 31, 2014 : 8.16 million Baht).

The above loans are unsecured.

19. SHORT - TERM LOANS FROM RELATED PARTIES

On February 25, 2015, the Company had entered into a loan agreement with a subsidiary in the amount of Baht 42.00 million. The interest is at the rate MMR% p.a..The principal are repayable within 1 year commencing from the agreement date and the interest are repayable in monthly.

The above loans are unsecured.

20. EMPLOYEE BENEFIT OBLIGATION

- Movement in the present value of the employee benefit obligation for the years ended December 31, 2015 and 2014 as follows:

	Million Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Employee benefit obligation at beginning of year	53.66	50.11	45.40	43.13
Benefits paid	(8.14)	(1.88)	(5.12)	(1.88)
Current service cost and interest	8.12	5.43	5.06	4.15
Actuarial losses	12.73	-	11.21	-
Employee benefit obligation at end of year	66.37	53.66	56.55	45.40

- Expenses recognised in the income statement for the years ended December 31, 2015 and 2014 are as follows:

	Million Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Current service costs	5.92	3.80	3.57	2.76
Interest cost	2.20	1.63	1.49	1.39
Total	8.12	5.43	5.06	4.15

- Principal actuarial assumptions as at December 31, 2015 and 2014 as follows:

	Percent
	Consolidated and Separate financial statement
Discount rate	3.00
Salary increase rate	2.50 - 4.00
Employee turnover rate	0 - 24.00*
Mortality rate	TMO2008**

* Based on the weighted average by age group of employees

** Reference from TMO2008 : Thai Mortality Ordinary Table 2008

- Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for sensitivity analysis are discount rate, salary increase rate and mortality, while holding all other assumptions constant. The sensitivity analysis of change in the relevant actuarial assumption that were reasonably possible as of December 31, 2015 as follows:

- If the discount rate increases (decreases) by 0.5%, the employee benefit obligation in Consolidated financial statements would increase Baht 4.76 million (decrease Baht 4.83 million) and Separate financial statements would increase Baht 3.89 million (decrease Baht 3.82 million).
- If the salary increase rate increases (decreases) by 1.00%, the employee benefit obligation in Consolidated financial statements would increase Baht 5.25 million (decrease Baht 3.93 million) and Separate financial statements would increase Baht 4.14 million (decrease Baht 3.13 million).

In presenting the above sensitivity analysis, the present value of the employee benefit obligation has been calculated by using the same method that applied in calculating the employee benefit obligation recognized in the statement of financial position.

21. SHARE CAPITAL

21.1 Issued and fully paid - up shares capital

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 1.00 each) to Baht 140.00 million (140,000,000 ordinary shares at Baht 1.00 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, 2014.

21.2 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).

During the 1st and 2nd quarter of year 2015, the Company sold 2.00 million shares of treasury stocks at an average price of Baht 36 per share, totaling Baht 72.33 million and premium on treasury shares on sales of treasury stocks in the amount of Baht 5.85 million.

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 2014, the Company appropriated the full required amount of retained earnings to a reserve for the treasury shares amounting to Baht 66.49 million.

22. DIVIDEND PAID

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 70.00 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.

At the Annual General Meeting of Shareholders held on April 24, 2015, the shareholders had approved to pay the dividend amounted to Baht 85.40 million (140 million ordinary shares at Baht 0.61 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 85.07 million.

At the Board of Directors Meetings held on August 13, 2015 the Board of Directors had approved to pay the interim dividend amounted to Baht 70.00 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 69.99 million.

23. 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.

24. 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, 2015 and 2014 as follows:

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Provident fund contribution	4,588,913	4,280,765	3,488,886	3,116,303

25. TAX EXPENSE

Tax expense for the years ended December 31, 2015 and 2014, consisted of :

	Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current tax expense	84,479	71,018	82,020	44,728
Deferred tax expenses (income) of temporary differences	(1,963)	2,880	1,076	2,759
Adjustments recognized in the years for current tax of perior years	(129)	691	(351)	691
Tax expense reported in statement of income	82,387	74,589	82,745	48,178

Income tax relating to each component of other comprehensive income for the years ended December 31, 2015 and 2014, consisted of :

	Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred tax expenses (income) relating to:				
- Increase of revaluation in land plant	-	18,965	-	18,388
- Actuarial gains (losses) on defined employee benefit plans	(2,545)	-	(2,241)	-
Deferred tax expenses (income) reported in other comprehensive income	(2,545)	18,965	(2,241)	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, 2015 and 2014 as follows:

	Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Accounting profit before tax	406,168	378,973	413,796	236,000
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	81,234	75,795	82,759	47,200
Tax effect of :				
- Tax exempted revenue	(387)	(2,943)	-	(342)
- Adjustments recognized in the years for current tax of perior years	(129)	691	(351)	691
- Non - deductible expenses	2,973	1,506	1,615	889
- Added deductible expenses	(1,304)	(460)	(1,278)	(260)
Effects of adjustment deferred tax	-	-	-	-
Tax expense reported in comprehensive income statement	82,387	74,589	82,745	48,178

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

		Thousand Baht	
		Consolidated financial statements	
		As of December 31, 2015	As of December 31, 2014
Deferred tax assets			
Allowance for doubtful accounts		1,107	827
Allowance for diminution in value of inventories		4,412	2,776
Allowance for impairment of investments		258	258
Allowance for impairment loss		6,465	6,709
Employee benefit obligation		13,266	10,650
Unused tax benefits on loss carry forward		7,205	4,279
Total		32,713	25,499
Deferred tax liabilities			
Increase in value land and building from acquisition		3,050	3,050
Revaluation in land plant		50,335	50,335
Accumulated depreciation resulting from change in the estimated useful lives of assets		12,014	9,329
Total		65,399	62,714

		Thousand Baht	
		Separate financial statements	
		As of December 31, 2015	As of December 31, 2014
Deferred tax assets			
Allowance for doubtful accounts		1,053	795
Allowance for diminution in value of inventories		3,765	2,523
Allowance for impairment of investments		258	258
Loss on accumulated impairment		4,622	4,622
Employee benefit obligation		11,309	9,081
Unused tax benefits on loss carry forward		-	-
Total		21,007	17,279
Deferred tax liabilities			
Revaluation in land plant		49,141	49,141
Accumulated depreciation resulting from change in the estimated useful lives of assets		10,316	7,755
Total		59,457	56,896

26. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

The weighted average number of ordinary shares calculated as follows:

	Consolidated and separate financial statements (Shares)	
	2015	2014
Number of ordinary shares outstanding at the beginning of the periods	137,978,900	139,995,425
<u>Add</u> Sale of treasury shares	1,413,821	-
<u>Less</u> treasury shares	-	(1,495,320)
Weighted average number of ordinary shares outstanding during the periods	139,392,721	138,500,105

27. 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, 2015 and 2014 and as at December 31, 2015 and 2014, broken down by geographic segment, are as follows:

Business segment information

	Thousand Baht			
	Consolidated financial statements			
	For the year ended December 31, 2015			
	Segment			
	Agriculture products	Others	Eliminated	Total
Revenues from sales	6,123,679	865,620	(1,561,012)	5,428,287
Gross profit	1,691,633	84,449	3,461	1,779,543
Other incomes				84,121
Selling expenses				988,177
Administrative expenses				424,485
Other expenses - loss on exchange rate				3,211
Finance costs				34,068
Tax expenses (income)				82,387
Shares of profit (loss) of associate				-
Profit (loss) for the year				331,336

Geographic segment information

	Thousand Baht			
	Consolidated financial statements			
	For the year ended December 31, 2015			
	Sales - domestic	Sales - export	Eliminated	Total
Revenues from sale	5,456,747	1,532,552	(1,561,012)	5,428,287
Segment operating profit	1,219,300	556,782	3,461	1,779,543

Business segment information

	Thousand Baht			
	Consolidated financial statements			
	For the year ended December 31, 2014			
	Segment			
	Agriculture products	Others	Eliminated	Total
Revenues from sales	5,482,214	885,827	(1,597,254)	4,770,787
Gross profit	1,467,209	131,518	7,416	1,606,143
Other incomes				62,868
Selling expenses				887,774
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	1,067,928	(1,597,254)	4,770,787
Segment operating profit	1,246,444	352,283	7,416	1,606,143

Information about major customers

For the year ended December 31, 2015, the Company and its subsidiaries' revenues from three customer. from domestic sales amounted Baht 1,935.78 million.

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

	Million Baht					
	Consolidated financial statements					
	As of December 31,					
	Domestic		Foreign		Total	
	2015	2014	2015	2014	2015	2014
Trade receivables, net	816.29	719.98	76.47	64.63	892.76	784.61
Property, plant and equipment, net					1,132.97	1,132.73
Other assets					1,034.97	1,074.73
Total assets					3,060.70	2,992.07

28. 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.

29. COMMITMENTS AND CONTINGENT LIABILITIES

29.1 Commitments

a) As at December 31, 2015, the Company and its subsidiaries have commitments and contingent liabilities form unused letter of credit of amount to Baht - million.

b) As at December 31, 2015, 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 2015 - 2020. Future minimum payments under the leases are as follows:

Lease agreements	Periods (Million Baht)			
	Consolidated financial statements		Separate financial statements	
	Not later than one year	Later than one year and not later than five years	Not later than one year	Later than one year and not later than five years
Lands	0.05	-	0.05	-
Head office buildings	10.81	13.52	7.25	9.06
Warehouses	16.35	19.07	7.20	7.20
Machineries	77.10	59.10	74.78	58.52
Office equipment	3.00	1.90	2.70	1.90
Vehicles	4.39	4.56	3.32	2.49
Service fees	2.30	-	6.08	-

Rental expenses and service fees under the above leases for the year ended December 31, 2015 amounted to Baht 140.29 million (the Company only : amounted to Baht 137.58 million).

29.2 Bank guarantees

As at December 31, 2015 and 2014 there were outstanding bank guarantees of approximately Baht 10.12 million and Baht 9.03 million, respectively issued by banks on behalf of the Company and its subsidiaries (the Company only : amounted to Baht 9.12 million and Baht 8.03 million, respectively) in respect certain performance obligations as required in the ordinary course of its business.

29.3 Guarantee

As at December 31, 2015 and 2014, the Company had guaranteed Baht 300 million and Baht 260 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.

30. FINANCIAL INSTRUMENTS

30.1 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.

As at December 31, 2015, 2014 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, 2015 (Baht per foreign currency unit)
US dollar	382,536	2,541,839	35.83/36.25
Euro	-	31,509	38.97/39.80
Singapore	-	2,205	25.18/25.79
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

Separate financial statements			
Foreign currency	Financial assets	Financial liabilities	Asset / liability exchange rate as at December 31, 2015 (Baht per foreign currency unit)
US dollar	382,536	2,541,839	35.83/36.25
Euro	-	31,509	38.97/39.80
Singapore	-	2,205	25.18/25.79
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, 2015, the Company and its subsidiaries have not the outstanding foreign currency sales and purchase agreement.

30.2 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.

31. 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, 2015, the Group's debt to equity ratio was 1.44 : 1 (as at December 31, 2014 : 1.95 : 1) and the Company's was 1.50 : 1 (as at December 31, 2014: 1.99 : 1).

32. EVENTS AFTER THE REPORTING PERIOD

The Subsidiary:

At the Extraordinary General Meeting of Agri Sol Co., Ltd's Shareholders held on November 27, 2015, the shareholders approved the decrease of Agri Sol Co., Ltd's registered share capital by decreasing the amount of share in amount of Baht 105 million, from Baht 145 million (14,500,000 ordinary shares at Baht 10 each) to Baht 40 million (4,000,000 ordinary shares at Baht 10 each) in order to pay back to the Shareholders.

This had been registered with the Ministry of Commerce on January 21, 2016.

33. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Board of Directors on February 25, 2016.



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