

Annual Report



Annual Report 2009 GFPT Public Company Limited
 รายงานประจำปี 2552 บริษัท จีเอฟพีที จำกัด (มหาชน)



GFPT Annual Report 2009

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Annual Report

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Financial ►



Financial Highlight

GFPT Public Company Limited and Subsidiary Companies

(Unit : Million Baht)

Consolidate Operating	2009	2008	2007
Revenue from Sale	11,507	10,996	8,122
Total Revenue	11,713	11,168	8,237
Profit Margin	1,774	1,823	916
Profit from Operation	1,250	1,222	388
Net Profit	1,067	1,076	283
Earning per Share (baht)	8.51	8.58	2.26
Consolidate Financial Position	2009	2008	2007
Total Current Asset	2,811	2,884	2,031
Total Asset	8,166	7,499	6,250
Total Current Liabilities	2,123	3,480	3,140
Total Liabilities	3,614	3,717	3,453
Shareholders' Equity	4,552	3,781	2,797
Financial Ratio	2009	2008	2007
Liquidity Ratio (time)	1.32	0.83	0.65
Profit Margin Ratio (%)	15.41	16.58	11.28
Return on Asset Ratio (%)	13.07	14.35	4.53
Debt to Equity Ratio (time)	0.79	0.98	1.23

Message from ►



the Chairman

Message from the Chairman of the Board of Directors

In 2009, Thailand had to confront with the economic and political instability problem that chronically persisted since 2008. Although the intensity of political turmoil had been lessened in some extent in the second half of the year, the problems of losing confidence among foreign investors and the regaining of continuously rising oil price were still prolonged. The latter problem had extensively affected Thai economy because it raised the production cost of all goods and services while lowered the purchasing power of consumer. Fortunately, the government had a rather efficient mechanism for the controlling of inflation while Thai export growth was at satisfactory level. In addition and the negative growth of Thai economy was less than expected and helped support the consumer's purchasing power so that it declined only slightly. These factors altogether contributed to the fairly business achievement of GFPT.

Although the major export markets such as the EU and Japan still impose ban on frozen uncooked chicken meat from Thailand due to the failure to finish the negotiation on the compartmentalization system, export of Thai cooked chicken meat products has progressed continuously because of their widely accepted quality. As a result, Thai broiler business can recover fairly from the depressed situation.

GFPT, which is one of the major producer, trader, and exporter of chicken meat products in Thailand, has high potential in producing great varieties of processed chicken meat and always enforces strict quality control system which conforms to international standard. These factors help the company advance and create export earning satisfactorily especially after the EU allocates import quota for Thai cooked chicken meat at higher level than average and lower tariff for this in-quota import. Moreover, less anxiety on danger of chicken meat consumption among domestic consumers is also a factor contribute to the success of company in 2009.

Lastly, on behalf of the Chairman of the Board of Directors, I would like to thank all shareholders for their consistently supports of GFPT's management. I also offer my genuine thanks to all executives and staffs of the company for their dedication and tireless efforts to make this achievement possible. I wish that all these invaluable supports and contributions will continue to help GFPT achieve its ultimate goal of sustained growth in the future.



Mr. Prasit Sirimongkolkasem

Statements from ►



Audit Committee

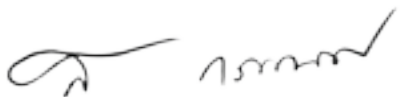
Statements From Audit Committee

The Audit Committee of GFPT Public Company Limited is composed of three independent directors. Each member of the Audit Committee is an independent and has experience as defined by the regulations of the Stock Exchange of Thailand. As assigned by the Board of Directors, the Audit Committee's scope of work, duties and responsibilities are to review GFPT and consolidated financial statements in compliance with accounting policy and the criteria and practical guidelines governing the Committee, in line with the regulations of the Stock Exchange of Thailand or other relevant laws. In addition, the Audit Committee is responsible for the accountability in internal control management and good corporate governance in both of financial system and operation system.

In 2009, the Audit Committee held 5 meetings with the auditor and the Internal Audit Department to review the quarterly financial statements and annually financial statements to comply with accounting standards and general accounting policy. The Audit Committee discussed with the auditor to ensure that the Company's financial statements are accurate and comply with general accounting policy.

To evaluate the internal control system, it can be seen that the GFPT and subsidiary companies had sufficient internal control system. Besides, the Audit Committee also evaluated the risk management on production, marketing, financing and business environment of the company. It found that there is no any significant matter which may has affect on business operation.

In 2010, the Audit Committee considered and proposed Mr. Ampol Chamnongwat or Ms. Wanlaya Puttasatien or Mr. Naris Saowalagsakul from S.K. Accountant Services Co., Ltd. to be the Company's auditor. However, the appointment of the Company Auditor will be approved by the shareholders in the 2009 Annual General Shareholders' Meeting.



Dr. Sathit Karanes
Chairman of the Audit Committee



Mr. Paramet Hetrakul
Director of Audit Committee



Mr. Thanathip Pichedvanichok
Director of Audit Committee

Company Information



Name	:	GFPT Public Company Limited
Type of Business	:	Chicken Evisceration and Processed Chicken Food
Head Office	:	GFPT Tower, No. 312 Rama II Road, Bangmod, Jomthong, Bangkok 10150
Company Certificate No	:	0107537001471
Telephone	:	0-2473-8000
Facsimile	:	0-2473-8393
Home Page	:	www.gfpt.co.th
Registered Capital	:	1,400,000,000 baht
Paid-up Capital	:	1,253,821,000 baht
No. of Shares	:	125,382,100 shares
Type of Share	:	Common Stock

Subsidiary Company



Name	:	Krungthai Feedmill Public Company Limited
Type of Business	:	Feed Mill
Head Office	:	GFPT Tower, No. 312 Rama II Road, Bangmod, Jomthong, Bangkok 10150
Company Certificate No	:	0107537001463
Telephone	:	0-2473-8000
Facsimile	:	0-2473-8393
Registered Capital	:	400,000,000 baht
Paid-up Capital	:	400,000,000 baht
No. of Shares	:	40,000,000 shares
Type of Share	:	Common Stock

Subsidiary Company



Name	:	GP Breeding Company Limited
Type of Business	:	Grandparent Chicken Farm
Head Office	:	GFPT Tower, No. 312 Rama II Road, Bangmod, Jomthong, Bangkok 10150
Company Certificate No	:	0105536132457
Telephone	:	0-2473-8000
Facsimile	:	0-2473-8393
Registered Capital	:	200,000,000 baht
Paid-up Capital	:	200,000,000 baht
No. of Shares	:	20,000,000 shares
Type of Share	:	Common Stock

Subsidiary Company



Name	:	Krungthai Farm Company Limited
Type of Business	:	Hatchery Farm
Head Office	:	GFPT Tower, No. 312 Rama II Road, Bangmod, Jomthong, Bangkok 10150
Company Certificate No	:	0105521016944
Telephone	:	0-2473-8000
Facsimile	:	0-2473-8393
Registered Capital	:	350,000,000 baht
Paid-up Capital	:	350,000,000 baht
No. of Shares	:	35,000,000 shares
Type of Share	:	Common Stock

Company Information

Subsidiary Company



Name	:	M.K.S. Farm Company Limited
Type of Business	:	Broiler Farm
Head Office	:	GFPT Tower, No. 312 Rama II Road, Bangmod, Jomthong, Bangkok 10150
Company Certificate No	:	0105524028536
Telephone	:	0-2473-8000
Facsimile	:	0-2473-8393
Registered Capital	:	550,000,000 baht
Paid-up Capital	:	550,000,000 baht
No.of Shares	:	55,000,000 shares
Type of Share	:	Common Stock

Subsidiary Company



Name	:	GF Foods Company Limited
Type of Business	:	Processed Chicken Food
Head Office	:	GFPT Tower, No. 312 Rama II Road, Bangmod, Jomthong, Bangkok 10150
Company Certificate No	:	0105525001496
Telephone	:	0-2473-8000
Facsimile	:	0-2473-8393
Registered Capital	:	40,000,000 baht
Paid-up Capital	:	40,000,000 baht
No.of Shares	:	400,000 shares
Type of Share	:	Common Stock

Associated Company



Name	:	McKey Food Services (Thailand) Limited
Type of Business	:	Processed Chicken Food
Head Office	:	210 Moo 1, Teparak Road, K.M. 20.5 Bangsaothong District, King-Amphur Bangsaothong, Samuthprakarn 10540
Company Certificate No	:	0115536003282
Telephone	:	0-2315-4763-4, 0-2315-4766-7
Facsimile	:	0-2315-4765
Registered Capital	:	100,000,000 baht
Paid-up Capital	:	100,000,000 baht
No.of Shares	:	1,000,000 shares
Type of Share	:	Common Stock

Associated Company



Name	:	GFPT Nichirei (Thailand) Limited
Type of Business	:	Chicken Evisceration and Processed Chicken Food
Head Office	:	GFPT Tower, No. 312 Rama II Road, Bangmod, Jomthong, Bangkok 10150
Company Certificate No	:	0105551130397
Telephone	:	0-2473-8000
Facsimile	:	0-2473-8393
Registered Capital	:	780,000,000 baht (Shall increase to be 1,170,000,000 baht within 2010)
Paid-up Capital	:	780,000,000 baht
No.of Shares	:	7,800,000 shares
Type of Share	:	Common Stock

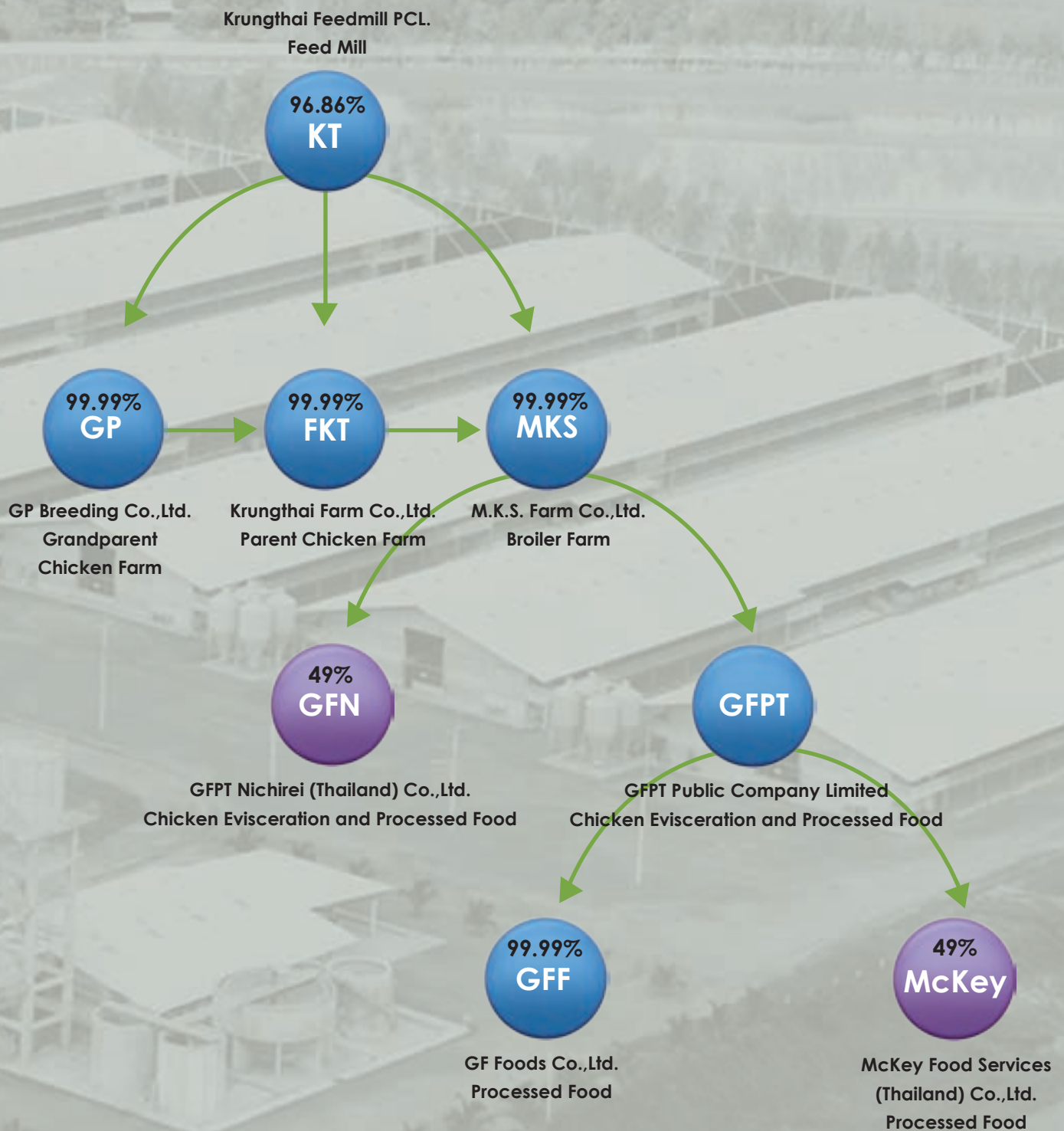
Other Information

Registrar Name	:	The Securities Exchange of Thailand
Address	:	The Securities Exchange of Thailand Building, No. 62, Ratchadapisek Road, Klongtoey, Bangkok 10110
Telephone	:	0-2229-2888
Home Page	:	www.tsd.co.th

Registrar Debenture : None

Auditor	:	S.K. Accountant Services Co.,Ltd.
Address	:	128/151 Phyathai Plaza Building,14th Floor, Phyathai Road, Bangkok 10400
Telephone	:	0-2214-6464
Facsimile	:	0-2216-6065
E-mail	:	skaudit@ksc.th.com

Group Structure



Note : Figures show the proportion of shareholders
by GFPT Public Company Limited

Business Operations

Business Operations

GFPT Public Company Limited ("GFPT") has registered capital of 1,400,000,000 baht and paid-up capital of 1,253,821,000 baht. GFPT is the parent company of the group who operates the chicken production and distribution of frozen chicken meat, processed chicken, and its by-products under the customer and company brand name for both domestic and overseas market. In 2009, GFPT has total capacity of 158,800 tons from the plant located at Samutprakarn Province. GFPT Public Company Limited and its subsidiary companies operate integrated poultry business that are chicken evisceration and processed food, hatchery farm, parent chicken farm, broiler farm, feed mill, processed food production.

The GFPT group is integrated poultry business. To begin with the investment of 96.86% in Krungthai Feedmill Public Company Limited ("KT"), with paid-up capital of 400 million baht. KT engages in feed mill business under the Company's brand. KT's main products are land animal feed and aquatic animal feed. KT distributes land animal feed especially chicken feed to the Company's subsidiaries namely MKS, FKT, GP, and also other animal raisers in general. For the aquatic animal feed, KT distributes aquatic animal raisers in general. In 2009, KT has total capacity of 1,111,000 tons. The first came from 1 land animal feed mill plant and 2 aquatic animal feed mill plant in which located at Samutprakarn Province with the total capacity of 599,000 tons. The second came from new land animal feed mill plant at Banbueng, Choburi with the total capacity of 512,000 tons whereof the new plant has been operated in second quarter of 2009.

The company invests 99.99% in GP Breeding Company Limited ("GP"), with registered capital 200 million baht, GP engages grandparent chicken farming to produce parent stocks for FKT. In 2009, GP produces 852,000 of parent stocks from its 6 farms in Choburi.

The company invests 99.99% in Krungthai Farm Company Limited ("FKT"), with registered capital of 350 million baht, FKT engages in hatchery farm business by purchasing parent stocks from GP to produce both commercial day-old-chicks and layer day-old chicks. FKT sells wholly commercial day-old-chicks to MKS and KT. In 2009, FKT produces 74 million commercial day-old-chicks from its 5 farms and 5 million layer day-old chicks from its 1 layer day-old chicks farm in Choburi.

The company invests 99.99% in M.K.S. Farm Company Limited ("MKS"), with registered capital of 550 million baht. MKS engages in broiler farm by purchasing commercial day-old-chicks from FKT. After raising them around 41-43 days, MKS sells broiler to GFPT for evisceration and process. In 2009, MKS has total capacity of 51 million broilers from its 10 farms in Choburi.

The company invests 99.99% in GF Foods Company Limited ("GFF"), with paid-up capital of 40 million baht. GFF engages in production and distribution of processed foods business. Its main products are sausages which are distribute under its own brand through fresh markets, wholesalers, and department stores. In 2009, GFF has total capacity of 6,600 tons from 1 factory in Samutprakarn.

The company invests 49% in McKey Food Services (Thailand) Company Limited ("McKey"), with registered capital of 100 million baht. McKey engages in production and distribution of processed foods. McKey's products are distributed to McDonalds' restaurants both in Thailand and overseas. In 2009, McKey has a total production of 15,500 tons from 1 factory in Samutprakarn.

The company invests 49% in GFPT Nichirei (Thailand) Company Limited ("GFN"), with registered capital of 780 million baht (as of December 31th, 2009) and shall increase the capital to be 1,170 million baht within February 2010. GFN engages in chicken evisceration and processing and distribution to Japan and other countries. Currently, GFN is under construction of primary plant and further processing plant in Banbueng, Cholburi. The capacity of chicken processing is 75,000 tons per year and the capacity of cooked chicken products is 18,000 tons per year with the estimate budget of 2,340 million baht and expect to be operate within fourth quarter in 2010.

Income Structure

Product line	Operated by	%of Share holding	2009 Income (MB)	%	2008 Income (MB)	%	2007 Income (MB)	%
Evisceration / Processed Food	GFPT		6,819.36	59.26	6,595.04	59.97	4,412.40	54.33
Feed Mill	KT	96.86	4,025.43	34.98	3,665.64	33.33	3,069.63	37.80
Parent Chicken Farm			328.80	2.86	306.40	2.79	256.11	3.15
Grandparent Chicken Farm	GP	99.99	14.98	0.13	7.55	0.07	0.98	0.01
Hatchery Farm	FKT	99.99	105.67	0.92	113.82	1.04	96.01	1.18
Broiler Farm	MKS	99.99	5.42	0.05	4.27	0.04	0.44	0.00
Processed Food	GFF	99.99	207.73	1.80	303.78	2.76	286.41	3.53
Total			11,507.39	100.00	10,996.50	100.00	8,121.98	100.00

GFPT Public Company Limited and its subsidiary companies have integrated poultry business that are feed mill , grandparent chicken farm, parent chicken farm, broiler farm, chicken evisceration and processed food, and processed food production and distribution.

In 2009, the company had evisceration and processed food income at 59.26%, feed mill business at 34.98%, processed food at 1.80%, parent chicken farm at 2.86%, hatchery farm at 0.92%, grandparent chicken farm at 0.13%, and broiler farm at 0.05% respectively.

Statements on Business

Overviews from Directors



The Overview of Broiler Business in 2009 and Prospect for 2010

Situation in 2009

Production

Although broiler production of the world top broiler producers which are the United States and Brazil decrease as a result of the economic recession that lower purchasing power of the consumers, world total chicken meat products still increase. This increase was the results of the moderately rise in production of other top producers especially China and the European Union. The increases in production even during the time of economic recession is mainly because chicken meat is a cheaper protein food compare with other types of meat product. As a result, demand for chicken meat increases especially in the countries where per capita chicken meat consumptions are still low. Furthermore, less anxiety on danger of Avian Flu among consumers also help reduce the negative effect of the outbreak on broiler production.

In 2009, total world broiler production was approximately 71.715 million tons, an increase of merely 0.4 % from 2008. The United States is still the world's largest broiler raiser follow by China, Brazil, and the European Union respectively.

The United States produced approximately 15.980 million tons of chicken meat in 2009, a decrease of 3.5% from 2008. The chicken meat production in China, the next major producer, increased from 2008 by 2.2 % to reach 12.100 million tons in the same period. Brazil, the world's third largest producer, produced 10.980 million tons of chicken meat which decreased from 2008 by 0.48% while the EU which was the world fourth largest producer increased its production by approximately 1.0% to reach 8.620 million tons in 2009.

As for Thailand, approximately 936 million broilers were raised in 2009 which accounted for about 1.384 million tons of chicken meat. The production was higher than that of 2008 by 2.0% and it is the second consecutive year that the production is higher than 1.340 million tons which is the highest level of broiler meat produced before the Avian Flu outbreak in 2004. The increase is partly caused by the lower prices of animal feed raw materials which are the main cost of production. Higher domestic demand resulted from the lower inflation rate also caused the production to increase.

Market Situation

Domestic Market

Despite the negative effect of the economic recession on the consumers' purchasing power, domestic consumption of chicken meat has managed to increase by 1% from 1.360 million tons in 2008 to 1.384 million tons in 2009. Average annual consumption per capita also increases from 14.7 kilograms in 2008 to 15.2 kilogram during the same period. Although the increase is rather low, it is a good sign which reveals that the effect of economic crisis on the broiler meat industry is minimal.

The increase of domestic consumption was due to these 2 important causes.

1) The low inflation rate in 2009 helps reduce the negative effect of economic recession on the consumers' purchasing power.

2) The rather low price of animal feed raw materials in 2009 helps maintain the production cost as well as the price of chicken meat at the level affordable by most consumers.

This high consumption of chicken meat products is partly the result of growing concern on health among many Thai consumers which induced them to consume more low fat meat. Since their consumption expenditure was rather limited by the country's economic condition, chicken meat would be one of their optimum choices. Furthermore, competition in the growing fast food business was also help raising domestic demand because chicken meat was widely used as part of raw material in various chained fast food outlets. Another reason that helped prevent domestic chicken meat demand from considerably decline was its relatively low price compared with most kinds of meat products. Moreover, the confidence among Thai consumers that chicken meat products traded were safe under strictly hygienic control and surveillance on Avian Flu outbreak also helped restore the domestic consumption of chicken meat products.

Export market

In 2009, volume of chicken meat export was 397,000 tons, down 1.1% from 2008, while its value decreased by 4.8% to 52,734 million Baht.

The slow growth of both volume and value of chicken meat export was mainly caused by the world economic recession especially in the major export markets of Thai chicken meat products which are the EU and Japan. Since China has improved and solved the food safety problems so that its chicken meat exported to Japan increased while Thailand's market share reduced. Furthermore, the export to Japan is unable to increase significantly because the agreement on compartmentalization practice which will help regain export of Thai frozen chicken meat to Japan was unable to achieved as expected and only cooked and processed chicken meat products can be exported. The ban on frozen chicken meat products badly damaged Thai export because the country used to benefit more than 20,000 million Baht annually from frozen chicken meat export before the Avian Flu outbreak.

As for the export market, the European Union was the most important market of Thai chicken meat products. In 2009, export of chicken meat products to the European Union was approximately 184,000 tons, an increase of 2.2% from the previous year and its proportion to overall chicken meat export also increased from 44.8% in 2008 to 46.3% in 2009. Export to the Japan, the second largest market, was 173,000 tons in 2009, a decreased of 5.8% from 2008. Its share of overall chicken meat export also decreased from 45.9% in 2008 to 43.7% in 2009.

The growth of the EU market was partly due to the success in arrangement on import quota of which the EU allocated 160,033 tons out of the total 250,953 tons of cooked chicken meat quota for Thai products since 2007. According to that arrangement, the EU also reduced the tariff rate for in-quota cooked chicken meat from Thailand from 10.9% to 8%. However, the slow export growth of merely 2.2% was due to the economic recession in Europe and inability to achieve the agreement on increased quota from the 2007 settlement. As for Japan, the decreasing of chicken meat export from Thailand in 2009 was also due to the economic recession. Furthermore, Thai market share was also reduced despite the signing of Japan-Thailand Economic Partnership Agreement (JTEPA) because China which is Thai major competitor and has production cost advantage improved its food safety standard so that its export to Japanese market is regained.

Besides these two major markets, the export of Thai chicken meat products to other countries in 2009 was approximately 39,000 tons, an increase of 6.5% from the previous year. This increase was resulted from the successful attempt of Thai exporter in expand export beyond the existing major markets to reduce the export risk as well as the well-known high standard of quality and hygiene of Thai chicken meat products. Moreover, the exceptionally high skill of Thai exporter in efficiently adapting and improving their products to always suit variety of foreign demand was also responsible for the success.

Prospects for 2010

Production

The broiler production in Thailand is likely to continue expanding. The estimated production in 2010 is 960 million broilers or 1,419,000 tons of chicken meat, an increase of 2.5% from the year 2009. The cause of this increase in production is the forecasted brighter economic situation after the lowest point of economic recession was passed. The economic growth should help boost domestic consumption while the competitiveness and export potentiality of Thai producers also help enhance export. As a result, production of chicken meat products would expand to provide supply for these rising domestic and international demand.

However, there are many obstacles and risks that may negatively affect the production so that the chicken meat products might be less than forecasted especially the rising cost of broiler production. Since Thailand needs to import animal feed raw materials of which prices are subject to change, higher prices of raw materials will raise the price of animal feed as well as the cost of broiler production. Furthermore, the rising of oil price would also raise the cost of broiler production.

Market Situation

The expected growth of Thai economy in 2010 will sufficiently support the rise of domestic demand for chicken meat products. Furthermore, since chicken meat has rich protein content while its price is relatively low when compare with other types of meat, the recovering of Thai economy should markedly raise domestic demand for chicken meat products.

Although the export of Thai chicken meat products is forecasted to increase, the real growth of export market depends on various positive and negative factors as follows:-



Positive Factors

- The high standard of Thai production system that made Thai chicken meat products well accepted in the important markets with high purchasing power such as Japan and the EU.
- The ability of Thai exporter to develop processed chicken meat products in accordance with consumer demand in international market would help raise competitive potential as well as future growth of these products .
- Although the government measures regarding the import of animal feed raw materials are not clearly imposed in the long run and these measures may not aim to help the broiler business directly, their merely minimal changes since 1997 help Thai producers efficiently forecast and control their production cost plan.

Negative Factors

- Prices of animal feed raw materials that tend to rise while Thai Government still does not have clearly helping measures may increase the cost of broiler raising. This higher production cost will lower Thai competitiveness of chicken meat products in world market. Moreover, price of chicken meat that has to rise in accordance with its production cost might slowdown or even reduce domestic demand for chicken meat products that has just been recovered from the economic recession.
- The inability to achieve the agreement on the compartmentalization with the EU and Japan has held back the expected regain of frozen chicken meat export to both countries so that the opportunity of export expansion is unclear.
- Various types of trade barriers such as hygienic standard and non Avian epidemic free zone which imposed by many countries may reduce the opportunity to expand Thai chicken meat export.
- Economic recovery of Japan which is one of Thai major export market is merely minimal and so is its demand growth for Thai chicken meat products.

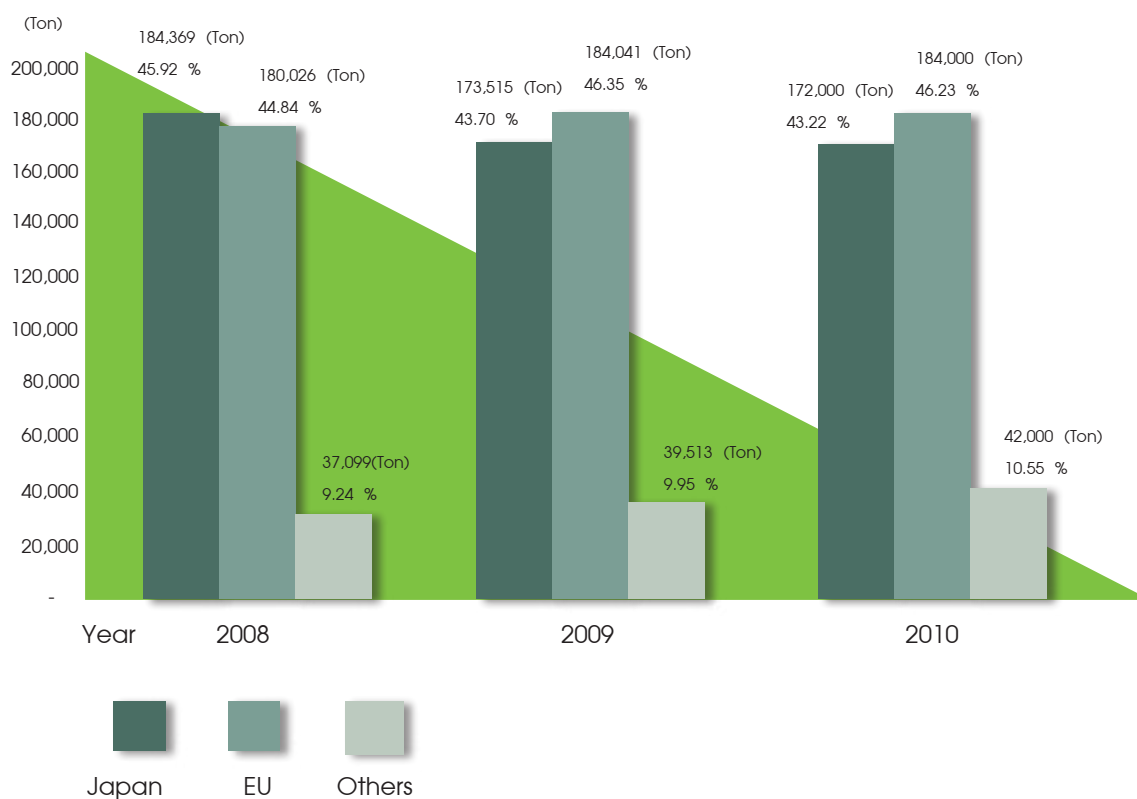
Export Volume and Value

Export of Thai Chicken Meat Products to Important Markets (2008 – 2010)

	2008		2009		2010*	
Market	Volume (ton)	Proportion (%)	Volume (ton)	Proportion (%)	Volume (ton)	Proportion (%)
Japan	184,369	45.92	173,515	43.70	172,000	43.22
EU	180,026	44.84	184,041	46.35	184,000	46.23
Others	37,099	9.24	39,513	9.95	42,000	10.55
Total	401,494	100.00	397,069	100.00	398,000	100.00

Source: Thai broiler processing exporters association.

* Forecasted



Export Volume and Value



Volume and Value of Thai Chicken Meat Export

Volume: ton

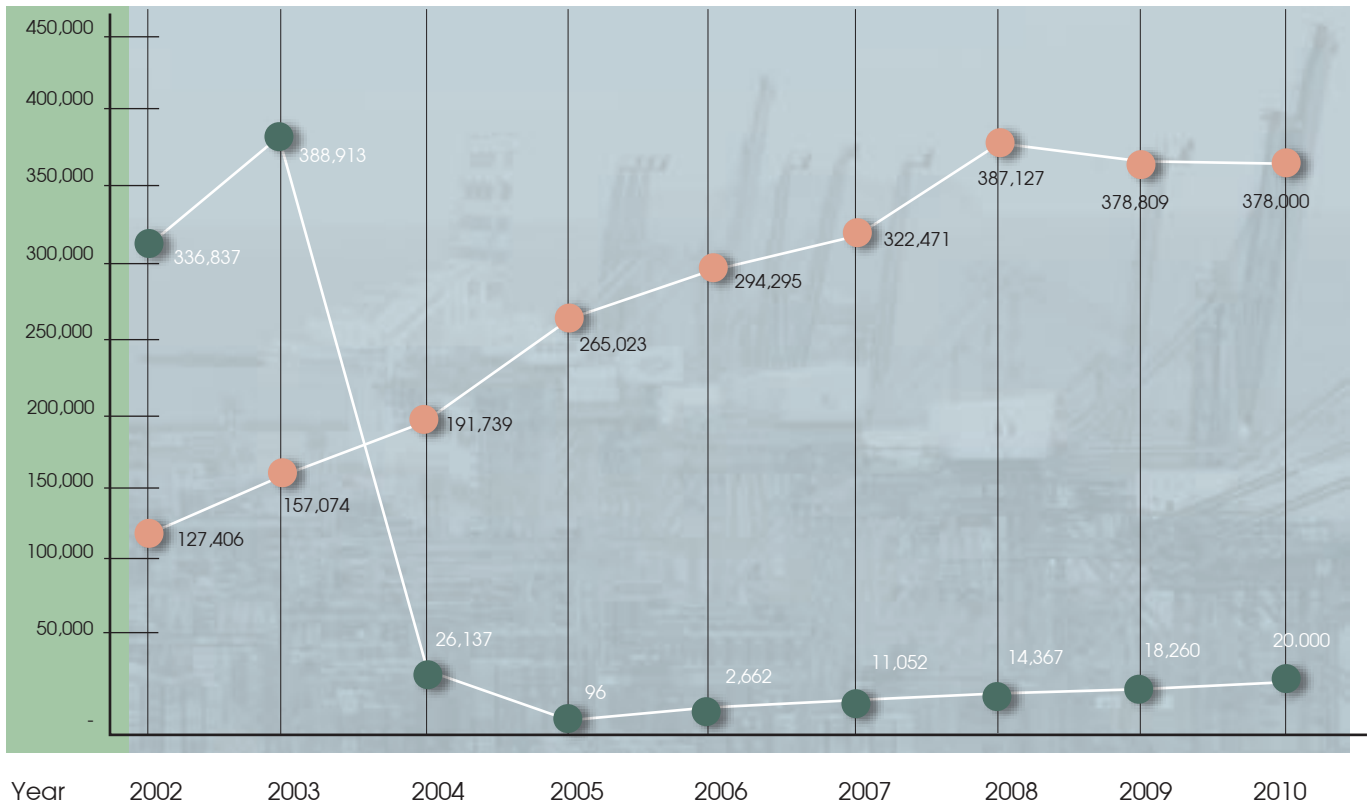
Value: Million Baht

Year	Frozen Products		Processed Products		Total	
	Volume	Value	Volume	Value	Volume	Value
1994	152,903	9,846	15,615	1,850	168,518	11,696
1995	149,935	9,662	26,276	3,088	176,211	12,750
1996	137,215	9,085	31,555	3,372	168,770	12,457
1997	151,120	10,951	41,114	4,951	192,234	15,902
1998	220,776	17,221	60,943	9,020	281,719	26,241
1999	211,675	14,817	61,924	8,669	273,599	23,486
2000	245,994	15,990	86,800	11,284	332,794	27,274
2001	320,779	23,096	117,018	15,212	437,797	38,308
2002	336,837	24,589	127,406	16,244	464,243	40,833
2003	388,913	28,105	157,074	19,763	545,987	47,868
2004	26,137	1,725	191,739	22,408	217,876	24,133
2005	96	6	265,023	30,478	265,119	30,484
2006	2,662	97	294,295	35,742	296,957	35,839
2007	11,052	522	322,471	36,791	333,523	37,313
2008	14,367	862	387,127	54,567	401,494	55,429
2009	18,260	1,242	378,809	51,492	397,069	52,734
2010*	20,000	1,340	378,000	51,786	398,000	53,126

Source: Thai broiler processing exporters association.

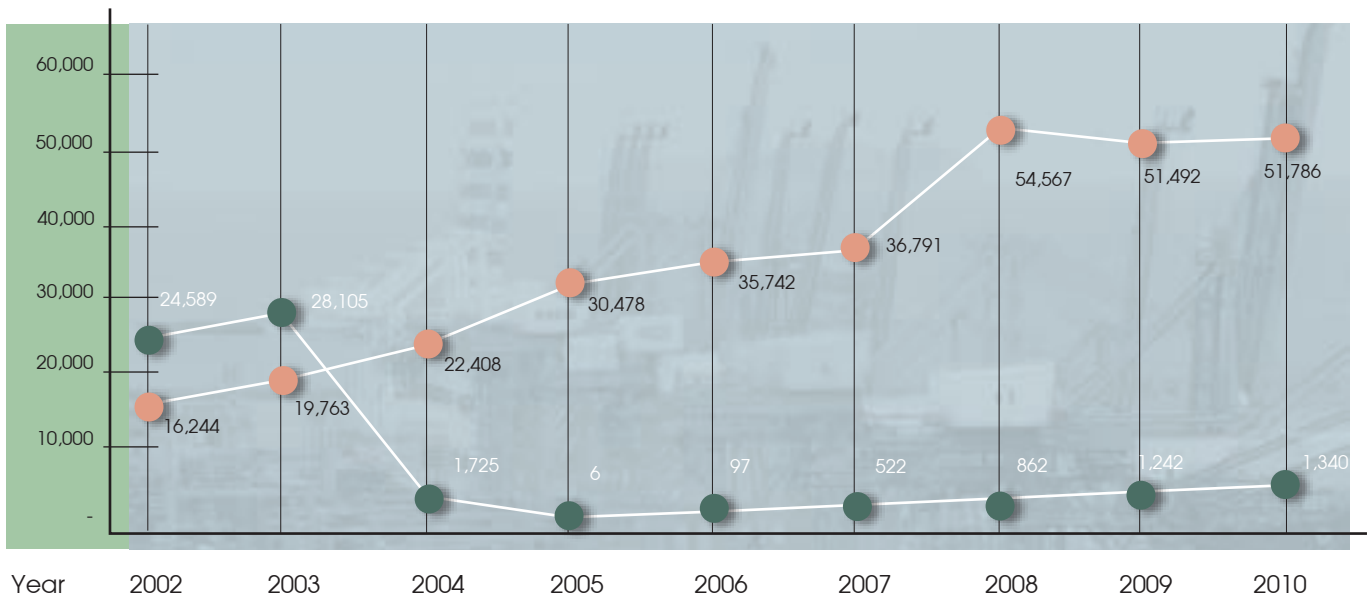
* Forecasted

Volume: ton



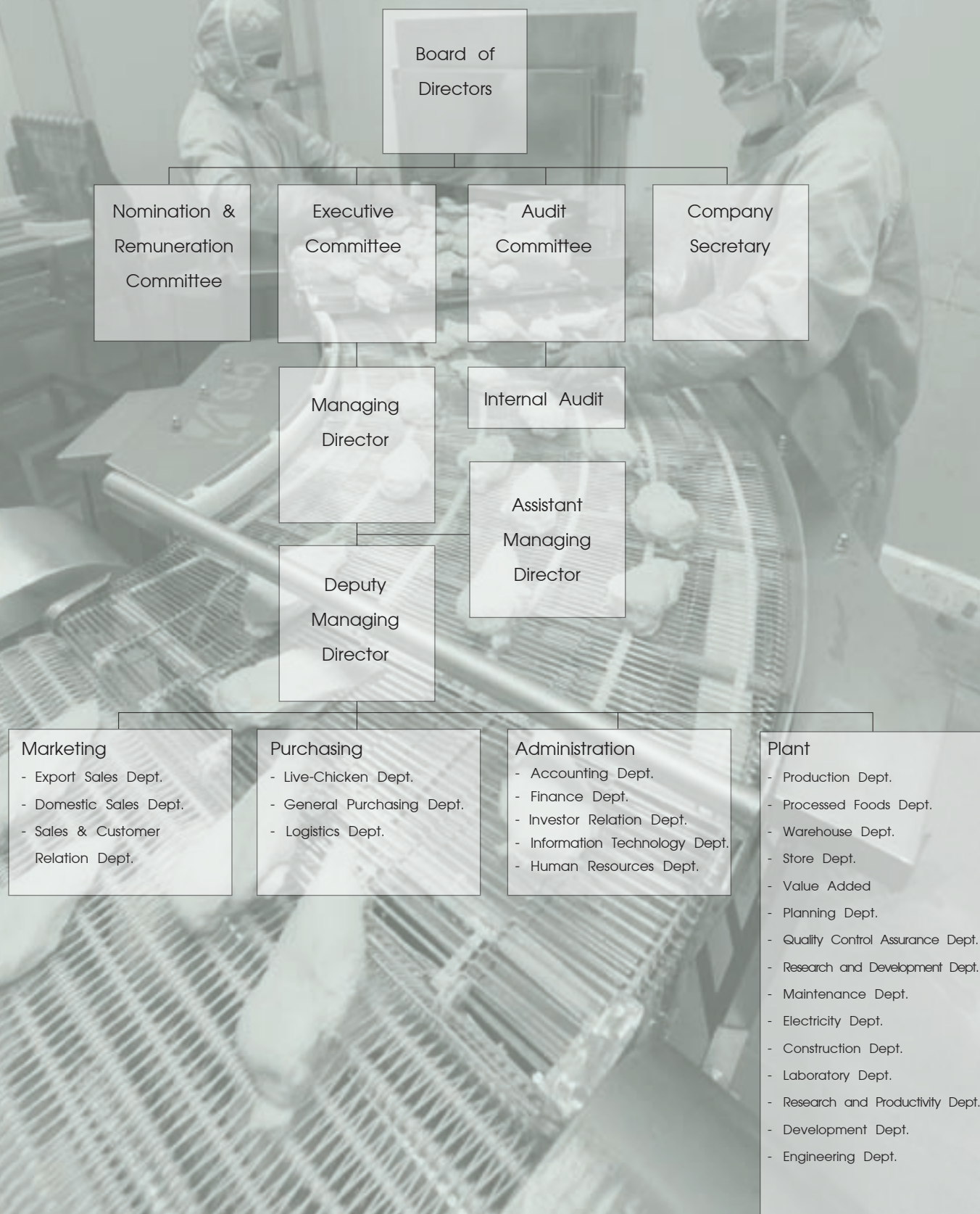
- Volume Processed Products
- Volume Frozen Products

Value: Million Baht



- Value Processed Products
- Value Frozen Products

Organization Chart ►



Shareholding Structure

and Management

Shareholding Structure and Management

1. Company Security

The company's registered capital was 1,400,000,000 baht, with the paid-up capital was 1,253,821,000 baht, comprising 125,382,100 shares at the par value of 10 baht per share.

2. Shareholder

At the closing date of registrar book dated on 9 April 2009, the top ten major shareholders are as follows:

	Name of shareholders	No. of shares	%
1	Mr. Sujin Sirimongkolkasem	22,279,510	17.77
2	Mr. Prasit Sirimongkolkasem	22,000,000	17.55
3	Mr. Virach Sirimongkolkasem	18,000,000	14.36
4	Mr. Anucha Kittanamongkolchai	6,230,000	4.97
5	Thai NVDR Co., Ltd.	3,058,847	2.44
6	Ms. Wiwanya Sirimongkolkasem	2,421,410	1.93
7	Mr. Somkiat Limsong	2,406,520	1.92
8	Mr. Pitsanu Sirimongkolkasem	2,279,410	1.82
9	Ms. Papinya Sirimongkolkasem	2,234,600	1.78
10	NICHIREI FOODS INC.	2,199,800	1.75
	Total	83,110,097	66.29

As of 9 April, 2009, the major shareholders who have authority to set up the company policy and business operation are:

	Name of shareholders	No. of shares	%
1	Mr. Prasit Sirimongkolkasem	22,000,000	17.55
2	Mr. Virach Sirimongkolkasem	18,000,000	14.36
3	Dr. Anan Sirimongkolkasem	413,408	0.33

3. Dividend Policy

The Company shall pay dividend at the rate of not more than 50% of net profit of the Company's separate financial statement after all deductions as required by law or by the Company, subject to GFPT and subsidiary companies' cash flow, liquidity and future investment plans.

4. Management Structure

In 2009, the Management Structure of GFPT composes of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee.

5. Board of Directors

In 2009, the Board of Directors of GFPT Public Company Limited was:

	Name		Title
1	Mr. Prasit	Sirimongkolkasem	Chairman of Board of Directors
2	Mr. Virach	Sirimongkolkasem	Vice Chairman and Managing Director
3	Dr. Anan	Sirimongkolkasem	Chairman of Executive Committee and Deputy Managing Director
4	Dr. Sathit	Karanes	Chairman of Audit Committee and Independent Director
5	Mr. Paramet	Hetrakul	Director of Audit Committee and Independent Director
6	Mr. Thanathip	Pichedvanichok	Director of Audit Committee and Independent Director
7	Mrs. Somsiri	Ingpochai	Executive Director
8	Mrs. Pranee	Parksook*	Executive Director and Finance Director
9	Ms. Wannee	Sirimongkolkasem	Director
10	Mr. Sujin	Sirimongkolkasem	Director

Note: * Mrs. Pranee Parksook has resigned from being the Director of GFPT Public Company Limited since 1st March 2009.

Extent and Authority of the Board of Directors are as follows:

- (1) To perform duties in compliance with the laws, objectives and regulations provided by the Company and take action according to the meeting's resolutions with accountability, care, integrity, and most beneficial to the Company based on the Principle of Good Corporate Governance.
- (2) Set out business policy and direction for operation including fund raising, fund management, and risk management. To supervise and monitor the company management to perform its duties efficiently and effectively in accordance to the set-out policy in order to increase economic value and shareholder value.
- (3) To consider and approve important matters such as approving the credit line from the financial institutions, borrowing, pledging, new investment project, sale and purchase of assets, inter-transaction, and any conflicts of interest between the Company and the subsidiary companies in accordance with the regulations of the Securities and Exchange Commission (SEC), and Stock Exchange of Thailand (SET), and laws, and regulations of the Company.
- (4) To consider approval of the financial statements prior to submission to the Stock Exchange of Thailand.
- (5) To set up accounting and financial reports and trusted auditing.
- (6) To set up the internal audit system for the operation, financial reports and effective risk management.
- (7) To supervise the disclosure of financial reporting and other important information in a correct, timely and transparent manner and set up a channel of communication properly for each group of shareholders and stakeholders of the Company.
- (8) To consider and appoint the Audit Committee, the Executive Committee and other sub-committees in order to assist the Board of Directors in supervising the Company's business undertaking to achieve the Company's objectives. Majority of the sub-committees consist of independent directors, and the Chairmen of subcommittees are all independent directors.

- (9) To assess the company activities and operations in compliance with the corporate governance policy and to revise the corporate governance policy when needed.
- (10) To set up the development plan and succession plan for directors and executives.
- (11) To define and amend the list of authorized directors.
- (12) To authorize one or more directors, or any other persons, to take any action on their behalf within the authority approved by the Board and define the authority of the authorized person clearly.

6. Other Committees

1. Audit Committee

As of 31 December 2009, the Audit Committees consist of 3 Independent Directors as follows:

	Name		Title
1	Dr. Sathit	Karanes	Chairman of Audit Committee and Independent Director
2	Mr. Paramet	Hetrakul	Director of Audit Committee and Independent Director who experts in accounting and financing
3	Mr. Thanathip	Pichedvanichok	Director of Audit Committee and Independent Director

* Mr. Chatchai Ratanawalai is a Secretary of the Audit Committee

Extent and Authority of the Audit Committee

- 1) To review the accuracy of the Company's financial reporting and the adequacy of disclosure.
- 2) To review the appropriateness and effectiveness of internal controls and the internal audit system and regulate the internal audit department and the practice of internal audit by considering the commitment, charter, independence, including the limitation and planning of internal audit of internal audit department.
- 3) To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
- 4) To review the appropriateness and effectiveness of the practice of good corporate governance.
- 5) To consider, select, nominate the independent person to be the Company's auditor, and to propose such person's remuneration, as well as, to attend a non-management meeting with the auditor at least once a year.
- 6) To consider the disclosure of the Company in case of the inter-transaction or the conflict of interest to be accurate, complete, and in accordance with the regulations of Stock Exchange of Thailand (SET) to ensure that the aforementioned are reasonable to the Company.
- 7) To review and amend the charter of audit committees to be contemporary and appropriate to the ambiance of the organization and present to the directors to approve.
- 8) To prepare and publish an Annual Committee Report in the Company's Annual Report. Such Audit Committee's report shall consist of the following information:
 - An opinion on the accuracy, completeness and creditability of the Company's financial report.
 - An opinion on the adequacy of the Company's internal control system.
 - An opinion on the suitability of an auditor.
 - Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
- 9) To perform any other duties as assigned by the Board of Directors.

2. Nomination and Remuneration Committee

The Board of Directors appointed the Nomination and Remuneration Committee in order to assist the Board of Directors and shareholders' duty to review the candidates who are qualified to be our directors or executive management. Furthermore, the Nomination and Remuneration Committee should be reviewing the criteria of the directors' selection and remuneration.

As of 31 December 2009, the Nomination and Remuneration Committees consist of 5 Directors as follows:

	Name		Title
1	Dr. Sathit	Karanes	Chairman of Nominate and Remuneration Committee
2	Mr. Paramet	Hetrakul	Director of Nominate and Remuneration Committee
3	Mr. Thanathip	Pichedvanichok	Director of Nominate and Remuneration Committee
4	Dr. Anan	Sirimongkolkasem	Director of Nominate and Remuneration Committee
5	Mr. Sujin	Sirimongkolkasem	Director of Nominate and Remuneration Committee

*Mr. Chatchai Ratanawalai is a Secretary of the Nominate and Remuneration Committee

Extent and Authority of the Nomination and Remuneration Committee

- (1) To determine the qualifications of directors and the criteria for nomination of a person to such position to nominate to directors, supporting directors by considering the appropriateness of the structure and composition of the Company's Board of Directors to nominate to directors or ask approval to the shareholders' meeting.
- (2) To scrutinize the list of nominees for the position of director and executive who terminated or vacant position.
- (3) To formulate criteria for evaluating the performance of the Board of Directors annually to report to Managing Director.
- (4) To set out criteria and policy of the remuneration package for the directors, supporting committees, and executives in accordance with their responsibilities, comparable, and appropriate to directors' policy to nominate to directors or ask approval to the shareholders' meeting.
- (5) To propose the criteria of succession for executives for further consideration by the Board.
- (6) To perform any other duties in accordance with the nomination and remuneration as assigned by the Board of Directors.

7. Remuneration

1. Monetary Remuneration

(a) Monetary Remuneration for Directors

As of 31 December 2009, the total remuneration for 10 persons is 4,295,000 baht in the form of monthly remuneration and bonus. The details are as follows:

	Name		Title	Remuneration Per Year	
1	Mr. Prasit	Sirimongkolkasem	Chairman of Board of Directors	520,000	Baht
2	Mr. Virach	Sirimongkolkasem	Vice Chairman and Managing Director	455,000	Baht
3	Dr. Anan	Sirimongkolkasem	Chairman of Executive Committee and Deputy Managing Director	455,000	Baht
4	Dr. Sathit	Karanes	Chairman of Audit Committee and Independent Director	520,000	Baht
5	Mr. Paramet	Hetrakul	Director of Audit Committee and Independent Director	455,000	Baht
6	Mr. Thanathip	Pichedvanichok	Director of Audit Committee and Independent Director	455,000	Baht
7	Mrs. Somsiri	Ingpochai	Executive Director	455,000	Baht
8	Ms. Wannee	Sirimongkolkasem	Director	455,000	Baht
9	Mr. Sujin	Sirimongkolkasem	Director	455,000	Baht
10	Mrs. Pranee	Parksook*	Executive Director and Finance Director	70,000	Baht

Note: * Mrs. Pranee Parksook has resigned from being the Director of GFPT Public Company Limited since 1st March 2009.

(b) Monetary Remuneration for Executive Management

As of 31 December 2009, the company had 5 executives and paid 17,151,861 baht for salary and bonus.

2. Other Remuneration

-None-

8. Responsibility on Internal Information Usage

The company sets the usage of internal information policy by protecting the management and employee used for personally. For especially, the information which still not reveal to public, the management cannot buy/sell or transfer shares before the information disclose to public. Every time to buy/sell or transfer shares, the management or employees have to send report to SEC/SET and send 1 copy to the Board of Directors.

The company also realizes the responsibilities and duties to disclose the information to public. The company has the measure to prevent the usage of internal information by setting the rules. For example, the management and employees cannot buy/sell the company's shares before 1 month before submission financial statements to SET.

In the past, the management and employees will not break the rules or will not use the internal information for their benefits. So, the company has not any punishments on this matter.

9. Internal Control

The Company pays attention to internal control in order to protect any risks. The company sets the mission, business planning to evaluate the company's performance and Chairman of Executive Committee is responsible for setting the company's policy. Besides this, the company has working manual for employees in order to clarify the working duty and ethics on working. This internal control system will help to administrate more efficiency. The Chairman of Executive Committee review and oversee the policy, rules and procedures of operational manual and internal control guidelines. Training and orientation programs have been provided for employees to ensure a common understanding and capabilities that will lead to effective functioning. There is a manual for employees providing information on rules and regulations to ensure efficiency, transparency and fairness in actions for the benefit of all customers, stakeholders and employees.

Furthermore, the Audit Committee and Internal Audit officers will help to consider the sufficiency on internal control system.

The Significant on Internal Control System

- 1) The company realizes on risk management. The management analyzes and evaluates any risks and inform to every departments who are involved with, to know the objectives, policy and how to manage risks. And every manager evaluate the crisis point of risks, type of risks, risks control and reducing any risks in order to help the company control and administrate more efficiency.
- 2) The company sets duty and authority for management and employees by separately in order to inspect each other by thinking the company's benefits.
- 3) The company realizes the important of the development of information system that are accurate, sufficient and updated. It will help the board of directors and management to make a decision.
- 4) The company follows up the results of company's performance by comparing the target in every quarter. In case the performance is significantly different from the target, the management will find the solutions and report to the board of directors.

The Board of Directors feels that the internal control system of the company and subsidiary companies is adequate and also prevents any risks but the company also pays attention on the opinions of auditors and audit committee to develop the internal audit system.

1. Risk Management on Operation

1. Risk Management on Operation

Disease Outbreaks

In the management of animal farming system, there is the possibility of disease outbreaks caused from both external factors which are uncontrollable and internal factors. To minimize the risks, it should be follow the best practice of farm management. At present, GFPT has a closed evaporative cooling system of our poultry houses and a good sanitation system in order to minimize the risks.

For the outbreak of Avian Influenza during a few years in Thailand, GFPT has not directly impact on this matter because we have a good management system. However, GFPT has the indirect impact on our profitability and revenues.

Depend on Major Customers or Suppliers

Krungthai Farm Company Limited is one subsidiary company who operates to produce layer and commercial day-old-chicks. Only commercial day-old-chicks, the company wholly sells to M.K.S. Farm Co.,Ltd. and Krungthai Feedmill Public Company Limited in the amount of 792 million baht If the company loses these customers, it may mostly impact the company's operation. However, the company will not have any problems with these two customers because we have a good relationship and the major shareholders of these two companies are the same shareholders.

M.K.S. Farm Company Limited is one subsidiary company that operates to produce live chicken and the major customer is GFPT Public Company Limited. In 2009, GFPT Public Company Limited purchased live chicken in the amount of 4,586 million baht However, the company will not have any problems with this customer because not only we have a good relationship and the major shareholders of these two companies are the same shareholders, but also this customer is the parent company of the group.

Krungthai Feedmill Public Company Limited is one subsidiary company who operates feed mill business and seed eggs production. The majority customers are M.K.S. Farm Co.,Ltd. and Krungthai Farm Co.,Ltd. which purchased chicken feed mill in the amount of 3,746 million baht As for the seed eggs, the major customer is Krungthai Farm Co.,Ltd. which purchased seed eggs in the amount of 137 million baht If the company may lose these three customers, it may cause the operational performance in the long run. However, the company will not have any problems with these three customers because we have a good relationship and the major shareholders of these three companies are the same shareholders.

GF Foods Company Limited is one subsidiary company who operates to produce processed food. The company has to purchase chicken meat from GFPT Public Company Limited who is the parent company. The company purchased chicken meat 47 million baht If the company may lose this supplier in the long run, it may cause the operational problems on cost of raw materials. However, the company will not have any problems because this supplier is the parent company and it has the same shareholders.

GP Breeding Company Limited is one subsidiary company who operates grandparent chicken farming to produce parent chicks. The majority customers are Krungthai Farm Co.,Ltd. and Krungthai Feedmill Public Company Limited. which purchased parent chicks in the amount of 95 million baht However, the company will not have any problems with these two customers because we have a good relationship and the major shareholders of these two companies are the same shareholders.

Depend on Market Limitation

During 4-5 years ago, because of the spread of Avian Influenza in Thailand, the company could export only cooked chicken products. Japan is the majority of cooked chicken importer. The company mostly exported to Japan last year at 53% represented 1,437 million baht or 12.49% of total income on consolidated financial statements. EU market is the second majority of export market. EU started quota system since 1 July 2007 and Thai got a quota of 160,033 tons for cooked chicken meat. In 2009, GFPT exported to EU market at 45% represented 1,207 million baht or 10.50% of total income on consolidated financial statements.

Therefore, the changing of trading policy of the majority importers may affect the company's operation. For instance, changing the import duty tax, changing the regulations of importation standards and hygienic standards, all of these factors may directly impact on the cost of production, selling quantity and the profitability of the company. To expand to the niche market is hard and takes more time because the regulations of importation for each country are different.

2. Risk Management on Production

Pricing on Raw Materials Depends on Pricing of the World Market

One subsidiary that operates feed mill business imported raw materials such as corn, soybean meal and premix. The pricing of raw materials depends on the world market situation that affected by demand and the amount of production that in each season especially for corn and soybean which are important for producing feed mill that can be used in Bio-Diesel industry so the fluctuated price of raw materials depend on the price in the market. However, the company can change the price of feed mill to be the reasonable price compare to the real cost that keep increasing by taking approval from Department of Internal Trade. The price of feed meal is controlled by the government that makes the selling price may not change as well as the fluctuated price of raw material.

Pricing on fuel Depends on Pricing of the World Market

GFPT Public Company Limited and subsidiaries had affected dramatically by the higher price of fuel in the world market that make higher production cost and transportation cost, too. It caused from both external factors and internal factors.

3. Risk Management on Administrative Management

Major Shareholders holds more than 50%

As of December 31, 2009, Sirimongkolkasem family owned 60% of total shares. It implied that Sirimongkolkasem family has ability to control company. For example, to appoint the directors or to make decision of other business except the matters that it had law or regulation to be approved by 3/4 of the shareholders who attend the Meeting. Minority shareholders cannot have the power to inspect the majority shareholders of the company.

4. Risk Management on Financial Position

As of December 31, 2009, GFPT Public Company Limited and its subsidiary companies have not foreign currency loan so the company have not any risks on financial status but the company has risks on foreign exchange rate from importing raw materials of feed mill and exporting chicken meat. However, GFPT and subsidiary companies exposed the risks by making foreign exchange forward contract. (Please see the details in notes to financial statements No. 31 and 32).

5. Risk Management on Selling Stocks

-None-

Inter-Transaction

Inter-Transaction

GFPT Public Company Limited and subsidiary companies had the inter-transactions within the group especially in normal business and supporting business such as purchasing and selling transactions and financial assistance transaction. All transactions were normal business operation and the company set the price policy as same as the other general customers.

The details of inter-transactions in 2009 were these followings:

1) GFPT and Subsidiary Companies with the Related Companies:

Type of Transactions

a) Normal Business Transaction and Supporting Business Transaction

Due to GFPT group operates fully integration business, inter-transaction is a normal transaction.

Our management carefully considers that each transaction was fair and reasonable; we set the price of buying or selling within the group by referring the market price and the same price as to the customer.

b) Rental or Lease of Immovable Property

GFPT and Subsidiaries

GFPT Public Company Limited and subsidiary companies lease the office building from P. Charoen Phan Feedmill Company Limited, a related company for 3 years (1 August 2009 - 31 July 2012) the whole amount of lease for totally 3 years is 38,322,000 baht.

GFPT Public Company Limited

GFPT lease building located on Bangplee Road, Samutprakarn province for retail shop from M.K.S. Condo Town Company Limited for 3 years (1 April 2009 - 31 March 2012) the amount of lease is 27,900 baht per month.

GFPT lease building located on Suksawatdi Road, Bangkok for retail shop from P. Charoen Phan Feedmill Company Limited for 3 years (1 June 2007- 30 May 2010) the amount of lease is 10,000 baht per month.

GFPT Public Company Limited lease the land for constructing the condominium to GFPT's employees for rent by lease 16 rai 62 square wah, located at Bangpla district, Bangplee, Samutprakarn province for 20 years since 1 August 2007 - 31 July 2027, the totally rental is 22,377,192 baht. The objective is to motivate our new employees to work with us because our labors had accommodation problem and GFPT will expand the production capacity especially in further processing plant. So, GFPT would like to hire labor around 1,500 employees.

Subsidiary Companies

M.K.S. Farm Company Limited, a subsidiary company, lease farm from P. Charoen Phan G.P. Farm Company Limited by leasing 1,000 rai at Choburi province for 20 years since 1 October 2003 - 30 September 2023 at 40,000 baht per month.

M.K.S. Farm Company Limited, a subsidiary company, lease land from P. Charoen Phan Produce Company Limited by leasing 59 rai 79 square wah at Choburi province for 3 years since 1 August 2006 - 31 July 2009 at 125,000 baht per month.

M.K.S. Farm Company Limited, a subsidiary company, lease land from the Company to operates chicken farm by leasing 153 rai 2 ngan 8 square wah at Choburi province for 3 years since 1 April 2008 - 31 March 2011 at 100,000 baht per year.

Krungthai Feedmill Public Company Limited, a subsidiary company, lease land from the Company to operate chicken farm by leasing 197 rai 2 ngan 60 square wah at Choburi province for 3 years since 1 March 2009 - 28 February 2012 at 25,000 baht per month.

2) GFPT and Subsidiary Companies with the Director and Related Person:

GFPT Public Company Limited and Subsidiary Companies receive the financial assistance from directors and related persons at credit line of not over 2,000 million baht included current portion of Short-Term loans that has been borrowed from directors and related persons and interest rate at 6% per annum of the period not over 5 years during 1 February 2009 - 31 January 2014 with monthly interest payment. There is no guarantee or collateral. The objective is to support the company's operation, expansion and liquidity such as further processing plant, feed mill plant and Broiler farm.

3) Reason for Inter-Transaction

To approve the inter-transactions such as normal business transactions, supporting business transactions or the small size of transactions, our management carefully considered each transaction by thinking of the Company's benefits and the price policy is referring to the market price or appraiser price. Besides this, for the medium size of transaction, it should be approved by the Board of Audit Committee.

4) Policy on Inter-Transaction in the Future

The company set the policy on inter-transactions to comply with the regulations of Securities and Exchange Commission, the Stock Exchange of Thailand and accounting policy dealing with the disclosure information. In the future, the company will have the inter transaction with a person who has a conflict of interest, the company will ask for the opinions from our Audit Committee to approve the transactions.

(Please see the details in the notes to financial statements in annual report 2009)

Management ►



Management Discussion and Analysis

Management Discussion and Analysis

Summary of Company's Performance

The consolidated financial statements of 2009 showed net profit of 1,067.59 million baht, or earning per share was 8.51 baht, comparing to the same period of the previous year, the company had net profit of 1,076.07 million baht or earning per share was 8.58 baht or decreased by 0.79%. The company's performance in 2009 was slightly decreased because the gross profit margin was decreased from 16.58% for the year of 2008 to 15.41% for the year of 2009. In 2009, revenue from sales and cost of sales are increased from the previous year by 4.65% and 6.11%, respectively which the increasing from cost of sales is higher than the increasing from revenue from sales. Although, the export volume in 2009 is higher than previous year but the fluctuation of exchange rate in 2009 affect to the Company's performance which mostly come from export sales.

Major Factors Affect Company's Operation

1) Government Policy

1.1 Export Limitation

To export chicken meat will face several limitations. It depends on each government policy such as tariff or non-tariff barriers such as hygienic standards. In this future, most countries will use hygienic standards as a measure of barriers such as ISO 9000, GMP, HACCP, Environment and Human Right and Animal Welfare. For tariff barrier, it will less important because most countries are going to WTO system or Free Trade and the government will decrease import tariff and subsidy.

1.2 Quota System

Thai government set import quota on maize at 54,700 tons in 2009 and the State-Run Public Warehouse Organization was the sole authorized importer. Time of import was limited to during 1 March 2009 - 30 June 2009.

1.3 Pricing

Feed mill business is involved with pricing policy even the purchasing price of raw materials and the selling price of feed mill. To clarify, the company must purchase soybean meal in minimum domestic market rate. Meanwhile, the selling price of feed mill, the company cannot adjust the selling price unless the Internal Trade Department, Ministry of Commerce Thailand provides the permission.

2) Foreign Exchange Rate

Thai Baht currency was dramatically appreciated of the year 2009, so it was directly impact on income and profit of our company.

The Past Year Performance of Each Business Sector

Feed Mill

1) Feed Mill Business

Revenue from Sale

In 2009, the revenue was increased by 7.96 percent from previous year due to the increasing from animal feed sales volume. Land animal feed was increased 31,000 tons and aquatic animal feed was increased 14,400 tons.

Other Income

In 2009, the other income was reduced by 18.76 percent from previous year because the transportation fees which collected from related customers has been declined due to the new feed mill plant which located at Choburi province is in the same area of related company's chicken farm so the transportation distance shall be reduce.

Cost and Selling & Administrative Expenses

The cost of goods sold in 2009 was increased by 4.64 percent because the total production of animal feed has been increased. The selling and administrative expenses were decreased by 10.32 percent due to the new feed mill plant which located at Choburi province is in the same area of related company's chicken farm so it shall reduce the expenses.

Profitability

The gross profit margin was increased from 7.40 percent to 10.25 percent in this year due to the increasing from animal feed sales volume. In 2009, the company had net profit in the amount of 538.98 million baht or earning per share was 13.47 baht whereas in 2008 the company had net profit in the amount of 264.61 million baht or earning per share was 6.62 baht.

Return on Equity

In 2009, the company had net profit in the amount of 538.98 million baht or earning per share was 13.47 baht so, The Board of Directors was approved to pay 1.00 baht per share however, rights to dividends are also be uncertain because it must wait for approval from shareholders' meeting and the dividend payment policy is paid from the net profit of company after all deductions as required by law or by the company.

Grandparent Chicken Farm

Grandparent Chicken Farm

2) Grandparent Chicken Farm

Revenue from Sale

In 2009, the company had revenue from selling parent chicks in the amount of 125 million baht that increased by 14% from 2008 due to the parent chicks sales volume and selling price per unit in 2009 is higher than 2008

Other Income

The other income in 2009 was 1.12 million baht while the other income in 2008 was 1.99 million baht or decreased by 43.35 percent. It was declined due to the selling of pharmaceutical and other materials in 2009 are less than 2008 and it was the normal transaction from the general operation.

Cost and Selling & Administrative Expenses

The cost of goods sold was increased by 21.28 percent that had the same direction with the increasing of income and the total production of parent chicks also was increased. For the selling and administrative expenses were decreased in amount of 2.40 million baht or decreased by 33.87 percent due to loss from sales of grandparent chicken retirement is less than previous year and these transactions came from normal operation.

Profitability

The gross profit margin of selling parent chicks was decreased from 32.02 percent in 2008 to 27.64 percent in 2009 due to the increasing from cost of sales is higher than the increasing from revenue from sales. Net profit is higher from previous year because parent chicks' sale volume and parent chicks selling price per unit were increased and selling & administrative expense was decreased. The net profit in this year is 28.36 million baht or earning per share was 1.42 baht whereas in 2008 the company had profit in the amount of 24.51 million baht or earning per share was 1.23 baht.

Return on Equity

In 2009, The Company had net profit in the amount of 28.36 million baht or earning per share was 1.42 baht. The Board of Directors decided to omit dividend payment in this year. The dividend payment policy depends on the company's performance.

Hatchery Farm

Hatchery Farm

3) Hatchery Farm Business

Revenue from Sale

In 2009, the revenue from sale increased by 5.71 percent because the selling volume was increased by 4.02 percent due to the parent company was increased in export volume.

Other Income

Income 2009, the other income decreased in amount of 5.31 million baht or dropped by 35.78 percent because the company had lower transferred loss from salvage value of parent chicken and it was the normal transaction from the general operation.

Cost and Selling & Administrative Expenses

The cost of goods sold in 2009 was increased by 8.93 percent which is higher in the same direction with the increasing of revenue from sales due to the total production of chicks has been increased. The selling and administrative expenses were decreased in the amount of 19.31 million baht or decreased by 35.20 percent since in 2009, there was the loss from selling parent chicken retirement less than in 2008 and it was the normal transaction from the general operation.

Profitability

The gross profit margin was lower from 7.9 percent in 2008 to 5.1 percent in 2009 because of the increasing in the cost which was higher than the increasing of the income from selling. Therefore, the company had net profit in the amount of 9.38 million baht or earning per share was 0.27 baht whereas in 2008 the company had net profit in the amount of 19.50 million baht or earning per share was 0.56 baht.

Return on Equity

In 2009, the company had net profit in the amount of 9.38 million baht or earning per share was 0.27 baht. The Board of Directors decided to omit dividend payment in this year. The dividend payment policy depends on the company's performance.

Broiler Farm

4) Broiler Farm Business

Revenue from Sale

In 2009, the revenue from sale increased by 6.22 percent because the parent company had higher export volume resulting increased of selling quantity. In 2009, the selling quantity increased by 9.21 percent from the previous year.

Other Income

In 2009, the other income increased in the amount of 6.79 million baht due to the income from car rental and income from loading in 2009 were higher than previous year and these transactions came from normal operation.

Cost and Selling & Administrative Expenses

In 2009, the cost of goods sold increased by 7.05 percent due to total broiler production has been increased. The selling and administrative expenses were increased in the amount of 2.89 million baht because in 2009, the company had higher sales volume that caused higher transportation cost.

Profitability

The gross profit margin was decreased from 4.44 percent in 2008 to 3.69 percent in 2009 because of the increasing in the cost was higher than the increasing of the income from selling. So, the company had net profit in the amount of 103.98 million baht or earning per share was 1.89 baht whereas in 2008, the company had net profit in the amount of 142.82 million baht or earning per share was 2.60 baht.

Return on Equity

In 2009, the company had net profit in the amount of 103.98 million baht or earning per share was 1.89 baht. The Board of Directors decided to omit dividend payment in this year because the company is during the construction of chicken farm to support demand from GFPT Nichirei (Thailand) Company Limited as being joint-venture of parent company.

Chicken Evisceration and Processed Food

Chicken Evisceration and Processed Food

5) Evisceration Business and Chicken Processed Food

Revenue from Sale

The revenue from sale of the company in 2009 was increased by 1.71 percent due to the export quantity was increased by 2.42 percent. It was because European Union increased the imported of cooked chicken in amount of 881.22 million baht or 33.49% of all export from 2008 to 1,207.77 million baht or 44.52 of all export in 2009. And Japan reduced the imported of cooked chicken in amount of 1,675.47 million baht or 63.68% of all export from 2008 to 1,437.65 million baht or 53.35% of all export in 2009.

Other Income

In 2009, the other income decreased in amount of 0.95 million baht due to the appreciated of Thai baht, the company had less profit in foreign exchange rate than in 2008 and it was the normal transaction from the general operation.

Cost and Selling & Administrative Expenses

In 2009, the cost of goods sold increased by 5.02 percent because the utilities expense increased. The selling and administrative expenses were increased 15.40 million baht or increased by 6.17 percent from freight cost.

Profitability

In 2009, the company had net profit in the amount of 447.09 million baht or earning per share was 3.57 baht. The gross profit margin decreased from 12.09 percent to 9.23 percent because of the increasing in the cost was higher than the increasing of the income from selling.

Return on Equity

In 2009, the company had net profit in the amount of 447.09 million baht or earning per share was 3.57 baht so, the Board of Directors was approved to pay 2.50 baht per share however, rights to dividends are also be uncertain because it must wait for approval from shareholders' meeting and the dividend payment policy is not more than 50% of net profit of Company's separate financial statement after all deductions as required by law or by the Company, subject to GFPT and subsidiary companies' cash flow, liquidity and future investment plans.

Processed Food

6) Processed Food Business

Revenue from Sale

The revenue from sale in 2009 was reduced 67.14 million baht or dropped by 21.96 percent because sales volume especially sausages was decreased in amount of 2,100 tons from 2008.

Other Income

In 2009, the company had more other income 0.28 million baht or 155.08% due to in 2009 the company had more profit from selling asset than in 2008 that it came from general operation.

Cost and Selling & Administrative Expenses

The cost of goods sold in 2009 decreased by 19.95 percent same as the decreasing from revenue from sale and the selling and administrative expenses were decreased 2.8 million baht due to in 2008 had increased in reserve on doubtful debt more than in 2009.

Profitability

The gross profit margin decrease from 9.50 percent in 2008 to 7.17 percent in 2009 due to the selling quantity decreased. The company had net profit in the amount of 0.42 million baht or earning per share was 1.05 baht.

Return on Equity

In 2009, the company had net profit in the amount of 0.42 million baht or earning per share was 1.05 baht. The Board of Directors decided to omit dividend payment in this year. The dividend payment policy depends on the company's performance.

Financial Position

1) Assets

1.1 Asset Segment

Current Assets

The current assets in 2009 decreased 73.76 million baht from decreasing in accounts and notes receivable 37.54 million baht and decreasing in inventories 100.22 million baht, it came from the raw materials of feed mill because of the decreasing in the price of raw materials and this transaction came from normal operation.

Land, Buildings and Equipment

Land, buildings and equipment in 2009 were increased 140.54 million baht from additional of new feed mill plant located at Banbueng, Choburi which has been complete and operated in the second quarter in 2009.

1.2 Asset Quality

Assets

The company had an investment in one subsidiary company and it had no problems on such investments in both of financial position and performance. In 2009, the Company had reversed allowance for impairment of investment in amount of 47.06 million baht so, the allowance for impairment of investment of this subsidiary company will remain 53.85 baht as the part of goodwill which has been deducted and could not transfer of this amount.

Accounts and Notes Receivables

The consolidated financial statement was shown that the ratio of credit collection from customers is 20 days in 2008 and 21 days in 2009. Besides this, the company had decreasing in reserve on doubtful debts in the amount of 15 million baht from 74 million baht in 2008 to 59 million baht in 2009 due to this subsidiary company could collect debt from doubtful debts and the doubtful debts occurred from the spread of Avian Flu in 2004 directly impacted with the farmers who feed chicken and they were not able to pay their debts on schedule so, this subsidiary company had allowance for doubtful accounts in the whole amount.

2) Liquidity

2.1 Cash Flow

The cash flow provided from operation in 2009 was 2,130 million baht. It derived from net profit in the amount of 1,067.59 million baht. The cash used from investing activities was 1,336 million baht increased from the previous year in the amount of 451 million baht due to the company had been invested in the GFPT Nichirei (Thailand) Company Limited as being joint-venture Company in amount of 382 million baht and increasing purchased in fixed assets in the amount of 85 million baht. For cash used from financing activities, the company had 747 million baht and it used for pay to trust receipt and used for pay dividend to shareholders.

2.2 Liquidity Ratio

Current assets to current liabilities ratio was 1.32 time. The company expected it would not have any liquidity problems.

2.3 Payment Schedule of Short Term Loan Effects on Liquidity

In 2009, short-term loan was decreased 1,358 million baht. Most of loans were in the form of short-term loan and loan from directors, the company is confident that the company can pay all debts on schedule.

3) Investment

3.1 Expenses from Investment

In 2009, the company had more investment than the previous year in the amount of 451 million baht due to the parent company has been invested in GFPT Nichirei (Thailand) Company Limited as being the joint-venture company.

3.2 Future Investment

In 2009, the company still expands the production capacity from the last year on chicken farm and Joint-Venture Company by using working capital, short-term and long-term loan from financial institutions and loan from directors and related persons.

4) Sources of Funds

4.1 Funds Structure

The consolidated financial statement indicated that a debt to equity was decreased from 0.98 time to 0.79 time. Although, net profit in 2009 decreased by 0.79% from previous year but the shareholders' equity was higher than debt.

4.2 Equity

The equity in 2009 was highly increased 754 million baht because the company had legal reserve in the amount of 30 million baht and the unappropriated retained earning was increased 724 million baht.

4.3 Liabilities

Long-term loans and short-term loans were in the form of baht currency only. The company had not any debts from foreign currency. The details of interest rate, payment schedule and collateral, please see in the notes to financial statements clause 7.2, 21, and 22.

The Significant Factors Impact on Operation and Financial Position in the Future

- None-

Good Corporate ▶



Good Corporate Governance

Report of Good Corporate Governance

The Board of Directors ("the Board") of GFPT Public Company Limited ("the Company") realizes the importance of good corporate governance which is the basic fundamental for economics and sustainable growth of business. The good corporate governance promotes confidence of stakeholders including shareholders, customers, employees, and other public organizations; thus, the Board participates to perform its operations with honesty in compliance of the principles of good corporate governance, the Company's objectives, and the shareholders' resolution for the best interests of the Company and its shareholders.

The Board set up the good corporate governance policy and guideline for its business operations which will be regularly reviewed and modified in response to its business operations, the regulatory environment, and the applicable laws. The Company's corporate governance policy is announced to all employees through the Company's intranet system and also to public through the Company's website (www.gfpt.co.th) under the "Corporate Governance" section.

The Board of GFPT Public Company Limited has amended the Corporate Governance Principles in accordance with the Criteria of Corporate Governance of The Organization for Economic Co-Operation and Development (OECD) under regulation of the Stock Exchange of Thailand, to be a guideline for directors, executives, and employees of the Company, thus, we review and revise the principles of Good Corporate Governance annually to be appropriate with the changes that may occur from the operation, environment, situation, or laws which incorporates the following 5 key principles.

Chapter 1 Rights of Shareholders

Chapter 2 Equitable Treatment of Shareholders

Chapter 3 Roles of Stakeholders

Chapter 4 Disclosure and Transparency

Chapter 5 Responsibilities of the Board of Directors

Chapter 1: Rights of Shareholders

The Board values the rights of shareholders and established a policy to ensure the equitable and fair treatment for all shareholders including:

- (1) The statutory rights of shareholders including, the right to vote, the right to receive dividend, the right to sell, buy, or transfer shares, the right to attend shareholders' meetings, and the right to receive GFPT information that is sufficient, timely, equitably and fairly.
- (2) The right to appoint and dismiss of directors including independent auditor.
- (3) The right to allocate the dividend.
- (4) The right to pose questions in advance for the shareholders' meeting through the Company's web site or e-mail to companysecretary@gfpt.co.th.
- (5) The right to acknowledge the opinions from the Board of Directors for each agenda, and other related document at least 30 days in advance of meeting on the Company's website.
- (6) The right to receive the invitation notice for the shareholders' meeting containing the location, date, time, and agendas of the shareholders' meeting; conditions, criteria and procedures governing the shareholder meetings; and the voting procedure for each agenda. All information regarding shareholder meetings will be sent to all shareholders at least 14 days in advance of meetings. 8 days prior to the meeting date, the Company will published the invitation notice on the Thai newspaper for 3 days consecutively so that shareholders have appropriate time to study the information in advance.
- (7) The shareholders are encouraged to raise questions and provide suggestion the Board in the shareholders' meeting.
- (8) The Company has set up an Investor Relation Department to communicate, provide information, and answer questions to the shareholders and investors sufficient, fairly and adequately.

- (9) The Company posts information for the shareholders' meeting on the Company's web site (www.gfpt.co.th) in both Thai and English at least 30 days in advance of the meeting date.
- (10) The Company uses computerize system for shareholders' meeting registration to count number of attendances. The voting cards are used for all agenda items. The vote counting process also uses computerize system to record and count votes of each agenda to ensure accuracy and timeliness. Also, the Company records the meeting in VDO clips format and separate them into each agenda to ensure transparency and verification.
- (11) After the shareholders' meeting, the Company will prepare the minutes of meeting with the resolution specified voting detail (yes, no, abstention, and incomplete), and details of important matters discussed. The minute of the meeting will be disclosed to the Stock Exchange of Thailand (SET) and the company's website within 14 days from the shareholders' meeting date.

In 2009, the Company held the Annual Ordinary General Meeting on April 29, 2009 at 09.35 a.m. at GFPT tower 312 Rama 2 Road, Bangmod, Jomthong, Bangkok 10150. All 9 directors and the Company's independent auditor attended the meeting for discussion or answer questions which shareholders may have. The meeting was conducted in the sequences as given in the agenda and the voting was undertaken sequentially according to the agenda. All ballots featuring yes, no, and abstention votes are duly kept as evidence for transparency and verification. Each agenda was approved by the shareholders.

Chapter 2: Equitable Treatment of Shareholders

GFPT realizes the equitable fair treatment of all shareholders both majority and minority. At the Annual Ordinary General Meeting, one share was counted as one vote. The Company usually holds the Annual Ordinary General Meeting once a year within 4 months since the last day of the accounting period of the Company as follows:

1. The Company encourages the use of the proxy form by shareholders who are unable to attend the meeting to appoint a person to attend the meeting and cast votes on their behalf. Shareholders may appoint one independent director or executive director as their proxy based on their satisfaction. The Company provides the proxy in the format that the shareholders can specify the voting direction, and also clearly indicates the evidence for proxy. In addition, shareholders can download the proxy through the Company's website.

At the 2009 Annual Ordinary General Meeting, there are totally 116 shareholders consisting of 65 shareholders and 51 proxies attended, accounting for 89,177,159 shares or 71.12%.

2. The Company stipulates the policy on the use of Company information. It is the responsibility of the Company's directors, executives and staffs to keep corporate information strictly confidential and it should not use the information for their own benefit or for the benefit of others so, the directors, executives and staffs including those held by their spouse and dependents to refrain from dealing in the shares of the Company for one month prior to the disclosure of such information to the public and within 24 hours after blackout period.

In addition to prohibiting any member of the Board, senior management and staff from using information or position for personal benefits, the Company also prohibits its Board Members, senior management and staff from undertaking businesses that is construed to be in direct competition with the Company or related businesses.

3. The Company requests the directors and executives to disclose information on items likely to have a conflict of interest, related items or connected items in association with acquisition and distribution of their own assets or those of related persons. These transactions shall be in compliance with the regulations of the Stock Exchange of Thailand before reporting to Board of Directors or shareholders' meeting, the directors who have conflict of interest will not participate in any agenda that they have conflict of interest. Moreover, any conflict of interest transactions with the connected persons will be disclosed in the Company's Annual Report (56-2) and the Annual List of Information (56-1).

4. The Company shall not add items to the agenda of a shareholders' meeting without giving prior notice. The Company invited two shareholders to witness the vote counting of each agenda by using the ballots and must give shareholders their rightful opportunity to vote for directors individually.

Chapter 3: Roles of Stakeholders

Stakeholders include the directors, executives, shareholders, customers, trading partners, and competitors. The Board of Directors has established a policy on fair treatment for each and every stakeholder according to the law or The agreement

with the Company. Although each group of stakeholders has different purposes and expectations toward the Company's business, the Company gives fair treatment for each and every stakeholders. The Company has formulated ethical practices for stakeholders in the written Code of Conduct to be upheld by the guidelines and responsibilities that employees of all levels are expected to act.

In addition, The Board of Directors has developed a mechanism for the participation of stakeholders in corporate governance. Stakeholders are given the opportunity to communicate with the Board and independent directors to express their view for improving the Company's operations including any complaint through the following channels.

Contact Independent Directors

By e-mail : independentdirectors@gfpt.co.th
 By fax : 0-2473-8393
 By mail : Independent Director
 GFPT Public Company Limited
 GFPT Tower, 19th Floor, No. 312
 Rama II Road, Bangmod, Jomthong, Bangkok 10150

Contact Board of Directors

By e-mail : boardofdirectors@gfpt.co.th
 By fax : 0-2473-8393
 By mail : Board of Directors
 GFPT Public Company Limited
 GFPT Tower, 19th Floor, No. 312
 Rama II Road, Bangmod, Jomthong, Bangkok 10150

The Company strictly keeps all complaints or the complainant in confidential. Acceptance of the complaint or investigation procedures is set out. The information regarding complaints is accessible only to the persons assigned and involved. The management division will collect any complaint and present to the audit committees to consider. While the employees can post comments and suggestions through e-mail of the Company directly.

For employees, the Company provides other benefits exceeding those stated by laws such as personal accident and health insurance for particular functions such as salesman, IT administrators, and provincial employees; reimbursement for uniform; and other welfare. In addition, the Company focuses on safety of its employees by having fire extinguishers checked and cooperating with the building administrator in conducting fire drill once a year. Especially, the Company provides training for new employees to improve basic knowledge for primary problem solving.

In addition, the Company realizes the importance of effective and efficient business operations based on social responsibility and environmental protection. Therefore, the Board highly participate in the environmental and social responsibility activities and encourages all staffs to make the best use of environmental resources, minimize waste, reuse resources, and act responsibly towards society by running a business and operating in accordance with governing laws; avoiding any illegal entrepreneur or affected to the environment both direct and indirect way.

The Company encourages employees to join CSR activities such as participation in blood donation, grant tuition assistance to children, and provide financial support for many charities including supporting construction hospital and temple.

In 2009, the Company supported in several CSR projects by providing financial support to "The Building of Her Royal Highness Princess Maha Chakri Sirindhorn" at Rama Hospital, setting up the scholarship program in "The Education for the Development Foundation" as being an assistantantship for unsupported student, supported in the SOS Foundation of Thailand for SOS children's village of Thailand at Samutprakarn province, joined the Volunteer Spirit Network by encouraged all staff to act responsibly towards society, maintained and developed in religion and monastery, etc. The Company not only provides financial support in charity projects; but also encourages its staffs to be part of and to gain awareness of maintaining the healthy environment and act responsibly towards society.

Chapter 4: Disclosure and Transparency

The Board of Directors discloses all important information relevant to the Company, both financial and non-financial, correctly, accurately, on a timely basis and transparently through easy-to-access channels that are fair and trustworthy e.g. the SET's channel in form of "Annual List of Information" (Form 56-1) and "Annual Report" (Form 56-2), or the Company's web site (www.gfpt.co.th), both Thai and English language as alternative channels for investors to have equitable access to information. The Company further reports on the responsibility of the Board of Directors for the financial statements which appear together with the audited report of the certified public accountant in the annual report.

In 2009, the Company fully complied with the disclosure rules and regulation set out by the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET). At present, the Company has assigned the Company Secretary and the investor relation department staffs to provide information and communicate with investors including institutional shareholders, minority shareholders, stock analysts, and relevant government agencies which can be contacted through investor relation department at telephone number 02-473-8000. For further information, please visit Company's web site. The Company also organizes Analyst Meetings twice a year to clarify and present business performance. In 2009, GFPT held 2 Analyst Meetings on 11 June 2009 and 18 November 2009. The Company also held one-on-one meetings when needed.

Chapter 5: The Responsibilities of the Board of Directors

1. Board Structure

1.1 Structure of the Board

The Board of Directors shall comprise of not less than 5 directors and no fewer than half of these board members shall be based within the Kingdom and be qualified in accordance with the Articles of Association in compliance with the Public Company Limited and related laws and shall comprise of not less than 3 independent directors and no fewer than one-third of these board members. Thus, the Chairman of the Board of Directors shall not hold the office of Chairman or member of any sub-committees, and shall be a separate person from the President.

As of 31 December 2009, GFPT Public Company Limited has a total of 9 directors, consisting of:

- | | |
|--------------------------|-----------|
| 1) Directors | 6 persons |
| 2) Independent Directors | 3 persons |

1.2 Director's Qualifications

GFPT Public Company Limited has determined the minimum qualifications for a director pursuant to the Chapter 4, Article 17 of the Articles of Association in compliance with the Public Company Limited Act B.E. 2535 and the OECD Principles of Corporate Governance required by the Stock Exchange of Thailand. Therefore, the Company has set additional qualification and prohibition for directors of the GFPT Public Company Limited as follows:

Qualifications for Directors

- (1) Be qualified person in accordance with the Chapter 4, Article 17 of the Articles of Association, and the Public Company Limited and related laws. The Board of Directors shall comprise of not less than 5 directors and no fewer than half of these board members shall be based within the Kingdom of Thailand.
- (2) Be qualified person in accordance with the requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- (3) Not exceeding 70 years old. For independent directors, not exceeding 75 years old.
- (4) Hold minimum of bachelor degree, except for the Company's founder.
- (5) Be knowledgeable and capable in business operation and industry. Have a good reputation and ethics, honest and generally accepted by others.
- (6) Directors must not serve on more than 5 other boards of Thai listed public companies.
- (7) Not holding any directorship or executive position in many companies at the same time or assuming an executive position or directorship in the same business or with competitors.

An independent director or audit committee director must have the additional qualifications:

- 1) Hold share in total not more than 1 percent of total voting share of GFPT or its subsidiaries or associated companies or related companies which may have conflict of interest which shall be inclusive of shares held by his/her related person (as defined by section 258 of the Securities and Exchange ACT).
- 2) Not participate in the management of GFPT, its subsidiaries, associated companies, or related companies which may have conflict of interest. He or she shall not be an employee or a staff member or an advisor receiving regular salary or an authority in charge at GFPT, its subsidiaries, associated companies, or related companies. The qualified independent director must not have any interest or stake as mentioned at present and prior to be nominated for at least two years.

- 3) Not being a related person by blood or legal registration, such as father, mother, spouse, sibling and child, including spouse of the children, to executives, major shareholders, top management or any nominator to be executive or top management of GFPT or its subsidiaries.
- 4) Not having any business relationship with GFPT, its subsidiaries, associated companies, related companies or major shareholders who may have conflicts of interest, in the manner that may interfere with his/her independent judgment. In addition, he or she must not be a major shareholder or an executive officer of the company that having business relationship with GFPT, its subsidiaries, associated companies, related companies at present and prior to be nominated for at least two years.

The “business relationship” aforementioned includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services, or grant or receipt of financial assistance in the amount of 3 percent or more of the net tangible assets of the Company or more than 20 million Baht which is lower. The transaction amount shall be calculated according to the calculation method for transaction value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies concerning the Connected Transaction. The transaction amount includes any amount incurred during 1 year prior to the date on which the business relationship with the person commences.

- 5) Not being an auditor of GFPT, its subsidiaries, associated companies, related companies or any juristic person who may have conflicts of interest and must not be a major shareholder, executive director, top management or partner of an audit firm which employs auditors of GFPT, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest unless the foregoing relationship has ended for more than 2 years.
- 6) Not being any professional advisor including legal advisor, financial advisor, or asset appraiser who receives an annual service fee exceeding 2 million Baht from GFPT, its subsidiaries, associated companies, related companies or any juristic person who may have conflicts of interest and must not be a major shareholder, executive director, top management or partner of the professional advisor unless the foregoing relationship has ended for more than 2 years.
- 7) Must not be a director nominated to be a representative of major shareholder or a shareholder who is related to GFPT’s major shareholder.
- 8) Must not participate in a company operating in the same business and being a competitor of GFPT or its subsidiaries. He or she must not be partner, executive director, employee, staff member, advisor who receives regular salary or hold share more than 1% of total voting share of the company operating in the same business and being a competitor of GFPT or its subsidiaries.
- 9) Must not have any characteristics which make him or her incapable of expressing independent opinions with regard to GFPT’s business.

However, after being nominated to be an independent director of GFPT, he or she may be assigned by the Board of Director to take part in the business decision of GFPT, its subsidiaries, its associated companies, same-level subsidiaries, major shareholder, top management or related companies which may have conflicts of interest on the condition of collective decision.

1.3 Limitation of the Number of Companies for Directorship Position

To achieve effective performance, the Board of Directors has established the policy and procedures for directors to hold directorship positions in not more than 5 listed companies, except Chairman of Executive Committee and Managing Director, not more than 3 listed companies because the executive positions have great importance on business administration which may affect their effective performance.

1.4 Combination and Segregation of Positions

The Company has the policy to make a clear distinction between the Chairman and Managing Director. The Chairman takes the role of leader for the Board to define the policies of the directors, the direction of business operations and as support to the management to perform the duties in accordance with the Company's policies. Meanwhile, the President enacts the policies from the Board into effective practice.

1.5 The Chairman must be an Independent Director

The Chairman should have the following qualifications

- (1) Be the senior member
- (2) Be knowledgeable and having a good understanding of the Company's business
- (3) Be accepted by the other directors

1.6 Supporting Committees

The Company has set up supporting committees to assist in the study and screening of relevant issues requiring fair judgment and has defined the scope, authority and responsibility of each committee. The majority members of each committee must be independent directors and the Chairman of the committee should be an independent director.

At present, the GFPT has the following supporting committees:

- 1) Audit Committee
- 2) Nomination and Remuneration Committee

The Audit Committee

The Board of Directors has appointed the Audit Committee with a term of service of 3 years. The Audit Committee comprises 3 independent directors. At least one of the committee members must have dependable knowledge in accounting and finance. Members shall have qualifications relevant to independence pursuant to the SET notification. The qualifications and scope of performance of the Audit Committee shall allow supervision of the Company's business operations, financial reports, internal control systems, selection of external auditors, and consideration of conflicts of interest and preparation of the Corporate Governance report. The Audit Committee has the following duties and responsibilities:

- 1) To review the accuracy of the Company's financial reporting and the adequacy of disclosure.
- 2) To review the appropriateness and effectiveness of internal controls and the internal audit system and regulate the internal audit department and the practice of internal audit by considering the commitment, charter, independence, including the limitation and planning of internal audit of internal audit department.
- 3) To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
- 4) To review the appropriateness and effectiveness of the practice of good corporate governance.
- 5) To consider, select, nominate the independent person to be the Company's auditor, and to propose such person's remuneration, as well as, to attend a non-management meeting with the auditor at least once a year.
- 6) To consider the disclosure of the Company in case of the inter-transaction or the conflict of interest to be accurate, complete, and in accordance with the regulations of Stock Exchange of Thailand (SET) to ensure that the aforementioned are reasonable to the Company.
- 7) To review and amend the charter of audit committees to be contemporary and appropriate to the ambiance of the organization and present to the directors to approve.
- 8) To prepare and publish an Annual Committee Report in the Company's Annual Report. Such Audit Committee's report shall consist of the following information:
 - an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - an opinion on the adequacy of the Company's internal control system,
 - an opinion on the suitability of an auditor,

- other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors;
- 9) To perform any other duties as assigned by the Board of Directors.

The Nomination and Remuneration Committee

The Board of Directors has appointed the Nomination and Remuneration Committee with a term of service of 3 years. The Nomination and Remuneration Committee is composed of 5 directors. The Nomination and Remuneration Committee has the following duties and responsibilities:

- (1) To determine the qualifications of directors and the criteria for nomination of a person to such position to nominate to directors, supporting directors by considering the appropriateness of the structure and composition of the Company's Board of Directors to nominate to directors or ask approval to the shareholders' meeting.
- (2) To review and select the list of nominees for the position of director and executive who terminated or vacant position.
- (3) To formulate criteria for evaluating the performance of the Board of Directors annually to report to Managing Director.
- (4) To set out criteria and policy of the remuneration package for the directors, supporting committees, and executives in accordance with their responsibilities, comparable, and appropriate to directors' policy to nominate to directors or ask approval to the shareholders' meeting.
- (5) To propose the criteria of succession for executives for further consideration by the Board.
- (6) To perform any other duties in accordance with the nomination and remuneration as assigned by the Board of Directors.

2. Roles, Duties and Responsibilities of the Board

2.1 Roles of Directors and their Independence from the Management

The Board of Directors ensures a clear distinction between the Board of Directors and the Management for independence and maximum benefit of the Company and shareholders.

Duties and Responsibilities of the Board

- (1) To perform duties in compliance with the laws, objectives and regulations provided by the Company and take action according to the meeting's resolutions with accountability, care, integrity, and most beneficial to the Company based on the Principle of Good Corporate Governance.
- (2) Set out the main policy with respect to business operation and the policies in finance, fund raising, fund management and risk management for the Company, and supervise the management to perform its duties efficiently and effectively under such policies to add value on the economic and the plenty of the shareholders.
- (3) To consider and approve important matters such as approving the credit line from the financial institutions, borrowing, pledging, new investment project, sale and purchase of assets, inter-transaction, and any conflicts of interest between the Company and the subsidiary companies in accordance with the regulations of the Securities and Exchange Commission (SEC), and Stock Exchange of Thailand (SET), and laws, and regulations of the Company.
- (4) To consider approval of the financial statements prior to submission to the Stock Exchange of Thailand.
- (5) To set up accounting and financial reports and trusted auditing.
- (6) To set up the internal audit system for the operation, financial reports and effective risk management.
- (7) To supervise the disclosure of financial reporting and other important information in a correct, timely and transparent manner and set up a channel of communication properly for each group of shareholders and stakeholders of the Company.
- (8) To consider and appoint the Audit Committee, the Executive Committee and other sub-committees in order to assist the Board of Directors in supervising the Company's business undertaking to achieve the Company's objectives. Majority of the sub-committees consist of independent directors, and the Chairmen of subcommittees are all independent directors.
- (9) To make an assessment on compliance with the supervision policy and revise such policy.
- (10) To set up the director and management development plan and succession plan.

- (11) To define and amend the list of authorized directors.
- (12) To authorize one or more directors, or any other persons, to take any action on their behalf within the authority approved by the Board and define the authority of the authorized person clearly.

2.2 Business Policy

The Company sets policy as the leader of the integrated further production of livestock and agriculture. The Company undertakes to provide food safety products and traceability. The Company is committed to operating the business with environmental friendliness and contributing to society at large. Therefore, the Company has assigned the management to formulate targets, strategies, plans and budgets in accordance with the set policies.

2.3 Corporate Governance Policy

GFPT Public Company Limited realizes the importance of good corporate governance, the Company has established a written manual of Corporate Governance Principles and schedules a meeting at least once a year to review these policies and observe compliance with the set policies.

2.4 Code of Conduct

With the commitment to develop its business legally and ethically, the Company has written a manual of the Code of Conduct for all level of employees to acknowledge and understand the standard of conduct according to the expectations of the Company and shareholders. The Company has also established the Code of Conduct Committee to follow up such issues and report to the Board of Directors at least once a year.

2.5 Conflict of Interest

The Company has the policy to have all levels of employees perform their duties for the maximum benefit of the Company without any related personal gain. The Board of Directors has stipulated the guidelines and code of conduct for the directors, executives and employees in Chapter 2 of the Manual of the Code of Conduct as follows:

- (1) If a transaction is considered as a connected transaction under the SET Notification, the directors, executives and employees must comply strictly with the rules and procedures regarding information disclosure by listed companies for such transactions.
- (2) If a director, executive, employee, or a member of their family, is involved with or becomes a shareholder in a business in competition with the Company or any other business that may cause a conflict of interest with the Company, they must inform the Chairman in writing.

2.6 Internal Control and Internal Audit System

The Board of Directors has appointed an Audit Committee to supervise and monitor internal audit management. The Internal Audit Department is responsible for the Company's internal control system under the supervision of the Audit Committee.

The Board of Directors stipulates that the Internal Audit Department and the external auditor shall have a meeting with the Audit Committee at least four times a year to report the results of internal control management and the previous financial statement audited by the external auditor. The Audit Committee shall conclude the result of the audit and report to the Board of Directors.

2.7 Risk Management System

The Company has defined the risk management policy for various aspects of business in the following steps:

- (1) Policies and plans, objectives, scope of responsibilities and guidelines for risk management shall be established in accordance with business strategies, plans and the directors shall review them annually.
- (2) Risk identification is a process to identify risks that may affect the achievement of objectives and targets. Both internal and external risk, e.g. business condition and competition, law, technology, finance, information technology, human resources development, etc. shall be considered. The Company shall rank the level of risk based on analysis and assessment. Preventive and corrective measures shall be determined for high or very high risks.

- 3) Risk assessment is a process to assess remaining risks after the preventive and corrective measures for the existing risks are evaluated. The importance of remaining risks will be ranked. Risk treatment measures shall be determined immediately by the responsible of top management.
- (4) Risk treatment is a process to define methods and prepare treatment plans for significant risks ranked in the risk assessment process. There are many risk treatment approaches such as risk avoidance, risk transfer, risk mitigation, risk utilization, risk retention, etc.
- (5) The Audit Committee and the Internal Audit Department are responsible to monitor and review the performance of the Company in order to achieve the set objectives.

2.8 Official Performance Evaluation of the Managing Director

The Board of Directors shall evaluate the performance of the Managing Director officially at least once a year based on the evaluation criteria set by the Stock Exchange of Thailand and the Thai Institute of Directors.

3. Work Performance of the Board

3.1 Meeting Schedule

The Company schedules Board meetings on the last Thursday of every month. The meeting schedule is set out in advance and each director shall be notified of the schedule. However, the schedule of meetings can be changed based on the significance of the agenda items to be considered.

For the year 2009, the directors attended the meeting as following:

	Name		Title	Meeting in 2009		
				Board of director meeting total 10 meetings/year	Audit Committee meeting total 5 meetings/year	Nomination & Remuneration meeting total 1 meeting/year
1.	Mr. Prasit	Sirimongkolkasem	Chairman	10(10)	-	-
2.	Mr. Virach	Sirimongkolkasem	Vice Chairman and Managing Director	10(10)	-	-
3.	Dr. Anan	Sirimongkolkasem	Chairman of Executive Committee and Deputy Managing Director	10(10)	-	1(1)
4.	Dr. Sathit	Karanes	Chairman of Audit Committee and Independent Director	10(10)	5(5)	1(1)
5.	Mr. Paramet	Hetrakul	Director of Audit Committee and Independent Director	8(10)	5(5)	1(1)
6.	Mr. Thanathip	Pichedvanichok	Director of Audit Committee and Independent Director	10(10)	5(5)	1(1)
7.	Mrs. Somsiri	Ingpochai	Executive Director	10(10)	-	-
8.	Ms. Wannee	Sirimongkolkasem	Director	10(10)	-	-
9.	MR. Sujin	Sirimongkolkasem	Director	10(10)	-	1(1)
10.	Mrs. Pranee	Parksook*	Executive Director and Finance Director	1(10)	-	-

Note: * Mrs. Pranee Parksook has resigned from being the Director of GFPT Public Company Limited since 1st March 2009.

3.2 Meeting Agenda

The Chairman will determine the agenda together with the Managing Director and plans the agenda in advance to give time for production of agenda documents and to ensure that all the directors receive the documents before the meeting date so that they will have enough time to study and consider the issues on the agenda.

3.3 Meeting Documents

The Board of Directors assigns the Company Secretary to prepare and send the board documents to directors so that they will have enough time to study and consider the issues on the agenda.

3.4 Meeting

The Chairman will allocate enough time to consider the issues in each agenda point of the meeting.

3.5 Contact with the Management to the Meeting

The Board of Directors encourages inviting senior managers to attend the Board's meetings to provide additional insights into the items being discussed because of their personal involvement in these areas and gives opportunity to the management to know the Board of Directors.

3.6 Access to Information

The Board of Directors will have access to additional necessary information from the Managing Director, the Company Secretary and any other assigned executive management.

3.7 Meeting with Non-Executive Directors

The Board of Directors encourages the directors who are not executives to hold a special meeting. This was put in place for the non-executive directors who are members of the Audit Committee and independent directors. The meeting is scheduled at least 4 times a year.

3.8 Company Secretary

The Board of Directors has arranged to have the Company Secretary take charge of consultations regarding directors' activities in accordance with the relevant laws, rules and regulations, and monitoring the director's activities and coordinating with directors to comply with the Board's resolutions. At present, the Board of Directors appoints Ms. Jutamas Ingpochai as the Company Secretary.

4. Performance Evaluation

The Board of Directors shall arrange the evaluation of the Board's performance annually through self-discussion in order to enhance the efficiency of their work. Evaluation shall be made during the Board's first meeting in the following year.

At 21 January 2010, The Board of Directors had evaluated the performance of the whole Board of Directors of 2009 based on evaluation of SET (Stock Exchange of Thailand) that the result has reached to the satisfactory level.

5. Remuneration

The Board of Directors has set the directors' remuneration, for which the Nomination and Remuneration Committee will screen and consider before submission to the Board for further proposal to the shareholder's meeting for approval.

GFPT paid the remuneration for directors in 2009 as follows:

1. Monetary Remuneration

(a) Monetary Remuneration for Directors

As of 31 December 2009, the total remuneration for 10 persons is 4,295,000 baht in the form of monthly remuneration and bonus. The details are as follows:

	Name		Title	Remuneration per Year
1.	Mr. Prasit	Sirimongkolkasem	Chairman of Board of Directors	520,000 Baht
2.	Mr. Virach	Sirimongkolkasem	Vice Chairman and Managing Director	455,000 Baht
3.	Dr. Anan	Sirimongkolkasem	Chairman of Executive Committee and Deputy Managing Director	455,000 Baht
4.	Dr. Sathit	Karanes	Chairman of Audit Committee and Independent Director	520,000 Baht
5.	Mr. Paramet	Hetrakul	Director of Audit Committee and Independent Director	455,000 Baht
6.	Mr. Thanathip	Pichedvanichok	Director of Audit Committee and Independent Director	455,000 Baht
7.	Mrs. Somsiri	Ingpochai	Executive Director	455,000 Baht
8.	Ms. Wannee	Sirimongkolkasem	Director	455,000 Baht
9.	Mr. Sujin	Sirimongkolkasem	Director	455,000 Baht
10.	Mrs. Pranee	Parksook*	Executive Director and Finance Director	70,000 Baht

Note: * Mrs. Pranee Parksook has resigned from being the Director of GFPT Public Company Limited since 1st March 2009.

(b) Monetary Remuneration for Executive Management

As of 31 December 2009, the company had 5 executives and paid 17,151,861 baht for salary and bonus.

2. Other Remuneration

-None-

6. Development of Directors and Executives

6.1 Orientation

The Board of Directors has assigned the Company Secretary to make orientation for new directors to be informed of their duties and responsibilities. This orientation will include presentations by senior management on the Company's information about business operations.

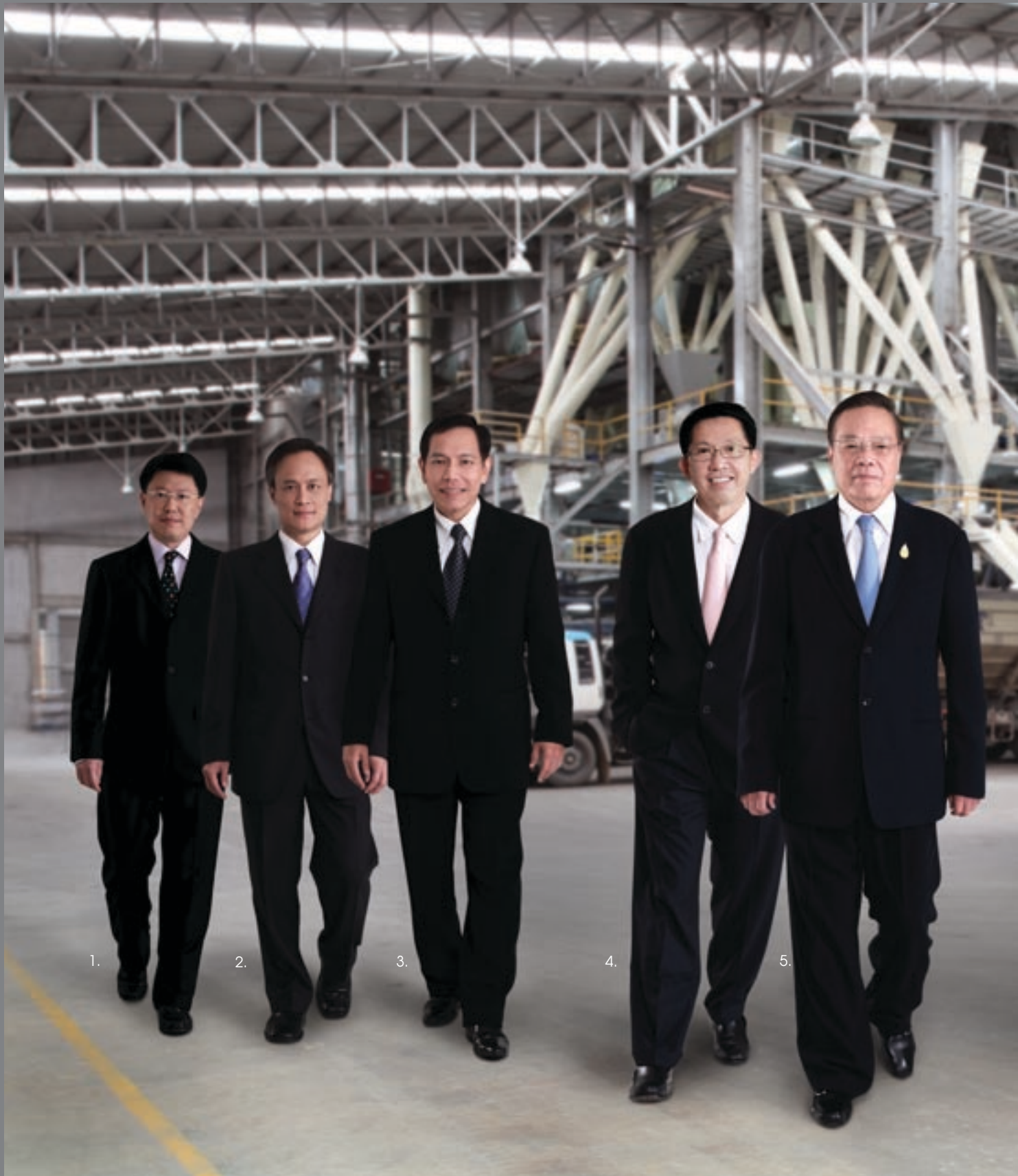
6.2 Succession Plan and Knowledge Development

The Board of Directors requires the Managing Director to make available the succession plan for the Company's uninterrupted operation. In this connection, an executive development program is arranged annually.

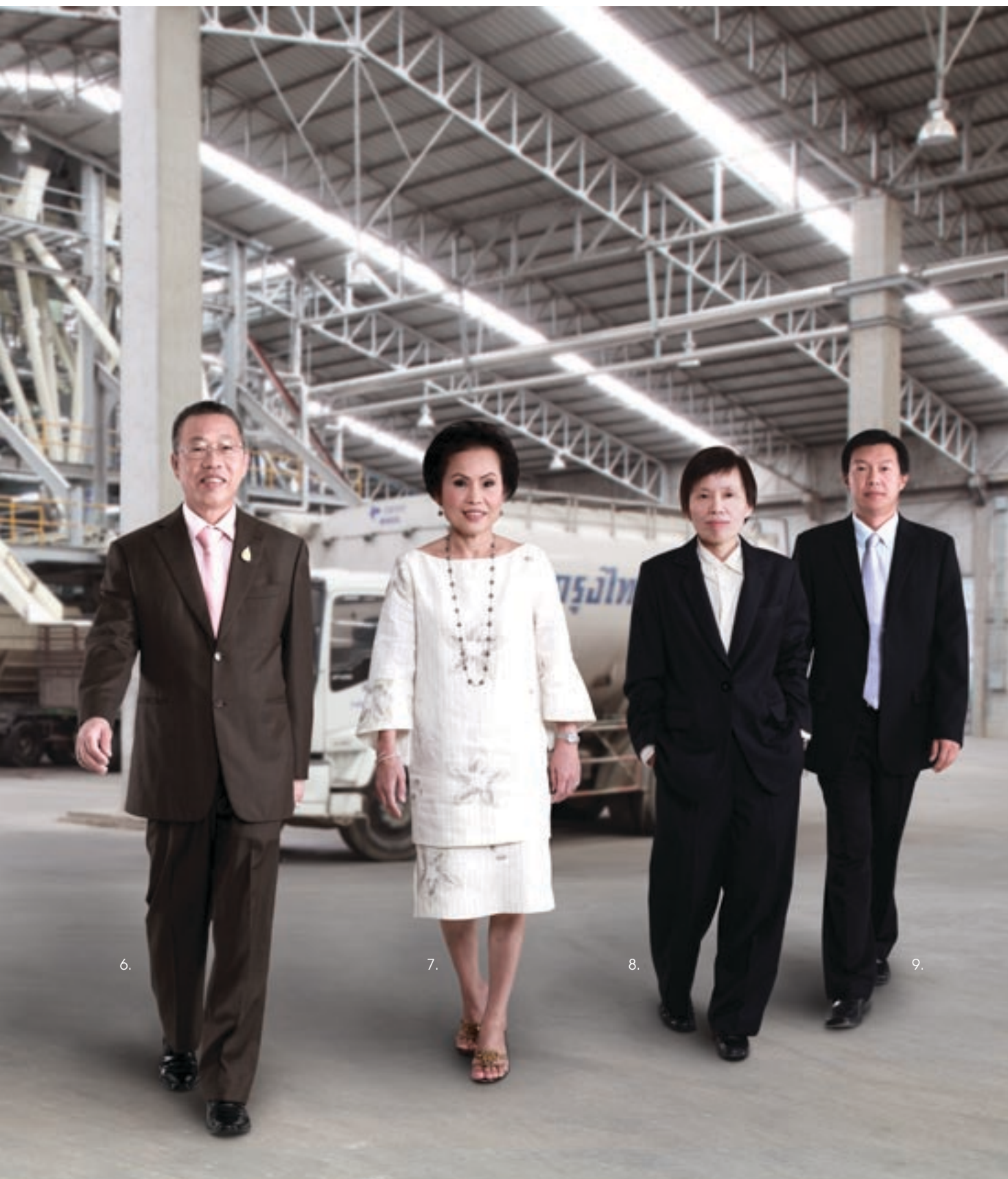
6.3 Training and Education

The Board of Directors has encouraged the training and provision of knowledge for directors, Audit Committee members, corporate security and other senior management to allow on-going improvement of performance of duties for a higher level of efficiency.

Board of Directors



1. Mr. Thanathip Pichedvanichok 2. Mr. Paramet hetrakul 3. Dr. Sathit Karanes 4. Dr. Anan Sirimongkolkasem
5. Mr. Prasit Sirimongkolkasem



6.

7.

8.

9.

6. Mr. Virach Sirimongkolkasem 7. Mrs. Somsiri Ingpochai 8. Ms. Wannee Sirimongkolkasem 9. Mr. Sujin Sirimongkolkasem



Board of Directors

Chairman

1) Name/Surname	Mr. Prasit Sirimongkolkasem
Position	Chairman of the Board of Directors
Years of Age	69
Education	Secondary School
Director Training	Directors Accreditation Program

Working Experience:	1975 - Present	Chairman of the Board of Directors P. Charoenphan Feedmill Co.,Ltd., P.Vet Co.,Ltd
	1978 - Present	Chairman of the Board of Directors Krungthai Farm Co.,Ltd., Krungthai Feedmill Public Co.,Ltd.
	1981 - Present	Chairman of the Board of Directors M.K.S. Farm Co.,Ltd., GFPT PCL.
	1982 - Present	Chairman of the Board of Directors GF Foods Co.,Ltd.
	1984 - Present	Chairman of the Board of Directors P. Charoenphan Im-Ex Farm Co.,Ltd.
	1986 - Present	Chairman of the Board of Directors P. Charoenphan G.P. Farm Co.,Ltd.
	1987 - Present	Chairman of the Board of Directors Krung Thai Aqua-Culture Co.,Ltd.
	1988 - Present	Chairman of the Board of Directors P. Charoenphan Produce Co.,Ltd.
	1990 - Present	Chairman of the Board of Directors P. Charoenphan Foods Co.,Ltd. , M.K.S. Condo Town Co.,Ltd.
	1993 - Present	Chairman of the Board of Directors Julchat Co.,Ltd., Panalab Co.,Ltd., GP Breeding Co.,Ltd.
	1994 - Present	Director Sap Sirichai Co.,Ltd.
	1995 - Present	Director Asia Flowers Co.,Ltd.
	No. of Shareholding	22,000,000 Shares - 17.55% of Total Shares
	The Year of The Nomination	Since 1981-Present

The Existence of Director / Executive Director in other Business

The Nominated Person	Other Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Mr. Prasit Sirimongkolkasem	- None -	-	17	<ul style="list-style-type: none"> - Chairman of the Board of Directors of Krungthai Feedmill Public Co.,Ltd. - Subsidiary Company : Feed Mill - Chairman of the Board of Directors of Krungthai Farm Co.,Ltd. - Subsidiary Company : Hatchery Farm - Chairman of the Board of Directors of M.K.S. Farm Co.,Ltd. - Subsidiary Company : Broiler Farm - Chairman of the Board of Directors of GF Foods Co.,Ltd. - Subsidiary Company : Processed Chicken Food - Chairman of the Board of Directors of GP Breeding Co.,Ltd. - Subsidiary Company : Sale on Parent Chicken - Chairman of the Board of Directors of P. Charoenphan Feedmill Co.,Ltd. - Sale on Raw Material - Chairman of the Board of Directors of P.Vet Co.,Ltd. - Sale on Drug for Animal - Chairman of the Board of Directors of Panalab Co.,Ltd. - Sale on Drug for Plant



Board of Directors

Vice Chairman and Managing Director

2) Name/Surname	Mr. Virach Sirimongkolkasem
Position	Vice Chairman and Managing Director
Years of Age	60
Education	Primary School
Director Training	Directors Accreditation Program

Working Experience:

1975 - Present	Vice Chairman and Managing Director P. Charoenphan Feedmill Co.,Ltd., P.Vet Co.,Ltd.
1978 - Present	Vice Chairman and Managing Director Krungthai Farm Co.,Ltd., Krungthai Feedmill Public Co.,Ltd.
1981 - Present	Vice Chairman and Managing Director M.K.S. Farm Co.,Ltd., GFPT Public Co.,Ltd.
1982 - Present	Vice Chairman and Managing Director GF Foods Co.,Ltd.
1984 - Present	Vice Chairman and Managing Director P. Charoenphan Im-Ex Farm Co.,Ltd.
1986 - Present	Vice Chairman and Managing Director P. Charoenphan G.P. Farm Co.,Ltd.
1987 - Present	Vice Chairman and Managing Director Krung Thai Aqua-Culture Co.,Ltd.
1988 - Present	Vice Chairman and Managing Director P. Charoenphan Produce Co.,Ltd.
1990 - Present	Vice Chairman and Managing Director M.K.S. Condo Town Co.,Ltd.
1991 - Present	Chairman of the Board of Directors and Managing Director Ferma Co.,Ltd.
1993 - Present	Vice Chairman and Managing Director Julchat Co.,Ltd. , Panalab Co.,Ltd. , GP Breeding Co.,Ltd.
2003 - Present	Director Mckey Food Service Co.,Ltd.

No. of Shareholding 18,000,000 Shares - 14.36% of Total Shares

The Year of The Nomination Since 1981- Present

The Existence of Director / Executive Director in other Business

The Nominated Person	Other Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Mr. Virach Sirimongkolkasem	- None -	-	16	<ul style="list-style-type: none"> - Vice Chairman and Managing Director of Krunghthai Feedmill Public Co.,Ltd. - Subsidiary Company : Feed Mill - Vice Chairman and Managing Director of Krunghthai Farm Co.,Ltd. - Subsidiary Company : Hatchery Farm - Vice Chairman and Managing Director of M.K.S. Farm Co.,Ltd. - Subsidiary Company : Broiler Farm - Vice Chairman and Managing Director of GF Foods Co.,Ltd. - Subsidiary Company : Processed Chicken Food - Vice Chairman and Managing Director of GP Breeding Co.,Ltd. - Subsidiary Company : Sale on Parent Chicken - Vice Chairman and Managing Director of P. Charoenphan Feedmill Co.,Ltd. - Sale on raw Material - Vice Chairman and Managing Director of P.Vet Co.,Ltd. - Sale on Drug for Animal - Vice Chairman and Managing Director of Panalab Co.,Ltd. - Sale on Drug for Plant - Director of McKey Food Services (Thailand) Co.,Ltd. - Associated Company : Sale on Processed Chicken Food



Board of Directors

Chairman of Executive Committee

3) Name/Surname	Dr. Anan Sirimongkolkasem
Position	Chairman of Executive Committee
Years of Age	58
Education	Faculty of Science, Mahidol University. Faculty of Medicine, Ramathibodi Hospital, Mahidol University
Director Training	Directors Accreditation Program

Working Experience:	1987 - Present	Director Vetpha Co.,Ltd.
	1991 - Present	Chairman of Executive Committee and Deputy Managing Director M.K.S. Farm Co.,Ltd., GFPT PCL. Krungthai Farm Co.,Ltd., GF Foods Co.,Ltd.
	1991 - Present	Executive Director Krungthai Feedmill Public Co.,Ltd.
	1991 - Present	Director P. Charoenphan Feedmill Co.,Ltd., P.Vet Co.,Ltd. P. Charoenphan Produce Co.,Ltd., Ferma Co.,Ltd.
	1993 - Present	Chairman of Executive Committee and Deputy Managing Director GP Breeding Co.,Ltd.
	1993 - Present	Managing Director McKey Food Services (Thailand) Ltd.
	1993 - Present	Director Panalab Co.,Ltd.
	1995 - Present	Managing Director Asia Flowers Co.,Ltd.
	2000 - Present	President-Thai Broiler Processing Exporters Association Director-The Federation of Thai Industries Director-thai National Shippers' council
	2008 - Present	Director GFPT Nichirei (Thailand) Co.,Ltd.
No. of Shareholding	413,408 Shares - 0.33% of Total Shares	
The Year of The Nomination	Since 1991-Present	

The Existence of Director / Executive Director in other Business

The Nominated Person	Other Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Dr. Anan Sirimongkolkasem	- None -	-	17	<ul style="list-style-type: none"> - Executive Director of Krungthai Feedmill Public Co.,Ltd. - Subsidiary Company : Feed Mill - Chairman of Executive Committee and Deputy Managing Director of Krungthai Farm Co.,Ltd. - Subsidiary Company : Hatchery Farm - Chairman of Executive Committee and Deputy Managing Director of M.K.S. Farm Co.,Ltd. - Subsidiary Company : Broller Farm - Chairman of Executive Committee and Deputy Managing Director of GF Foods Co.,Ltd. - Subsidiary Company : Processed Chicken Food - Chairman of Executive Committee and Deputy Managing Director of GP Breeding Co.,Ltd. - Subsidiary Company : Sale on Parent Chicken - Director of P. Charoenphan Feedmill Co.,Ltd. - Sale on Raw Material - Director of P.Vet Co.,Ltd. - Sale on Drug for Animal - Director of Panalab Co.,Ltd. - Sale on Drug for Plant - Managing Director of McKey Food Services (Thailand) Ltd. - Associated Company : Sale on Processed Chicken Food - Managing Director of GFPT Nichirei (Thailand) Co.,Ltd. Associated Company : Produce and Sale Processed Chicken Food



Board of Directors

Chairman of Audit Committee and Independent Director

4) Name/Surname	Dr. Sathit Karanes
Position	Chairman of Audit Committee and Independent Director
Years of Age	57
Education	Faculty of Science, Mahidol University.
Director Training	Directors Accreditation Program

Working Experience:	1988 - Present	Instructor and Doctor Faculty of Medicine, Ramathibodi Hospital
	1998 - 2008	Director of Audit Committee and Independent Director GFPT Public Co.,Ltd.
	2008 - Present	Chairman of Audit Committee and Independent Director GFPT Public Co.,Ltd.
No. of Shareholding	- none -	
The Year of the Nomination	Since 1998 - Present	

The Existence of Director / Executive Director in other Business

The Nominated Person	Other Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Dr. Sathit Karanes	- None -	-	- None -	- None -



Board of Directors

Director of Audit Committee and Independent Director

5) Name/Surname	Mr. Paramet Hetrakul
Position	Director of Audit Committee and Independent Director
Years of Age	46
Education	University of Hartford, Connecticut, USA, MBA The Institute of Chartered Financial Analysts, Virginia, USA.CFA
Director Training	Directors Accreditation Program

Working Experience:	2005 - Present	Director of Audit Committee and Independent Director GFPT Public Co.,Ltd.
	Present	Director Si-Phya Publishing Co.,Ltd. Pra Choom Chang Co.,Ltd. Saeng Enterprise Corporation Co.,Ltd. Agri-Union Co.,Ltd. Piyadamansion Co.,Ltd.
No. of Shareholding	5,000 shares - 0.004% of Total Shares	
The Year of the Nomination	Since 2005 - Present	

The Existence of Director / Executive Director in other Business

The Nominated Person	Other Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Mr. Paramet Hetrakul	- None -	-	5	- None -



Board of Directors

Director of Audit Committee and Independent Director

6) Name/Surname	Mr. Thanathip Pichedvanichok
Position	Director of Audit Committee and Independent Director
Years of Age	45
Education	Law, LL. M. University of Pennsylvania Law, LL. M. Southern Methodist University Law, LL. B. Thammasat University
Director Training	Directors Accreditation Program

Working Experience:	1998 - 2005	Director of Linklaters (Thailand) Co.,Ltd.
	2005 - Present	Director of Thanathip and Partners Law Consultant Co.,Ltd.
	2008 - Present	Director of Audit Committee and Independent Director GFPT Public Co.,Ltd.
No. of Shareholding	- none -	
The Year of the Nomination	Since 2008 - Present	

The Existence of Director / Executive Director in other Business

The Nominated Person	Other Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Mr. Thanathip Pichedvanichok	- None -	-	1	- None -



Board of Directors

Executive Director

7) Name/Surname	Mrs. Somsiri Ingpochai
Position	Executive Director
Years of Age	62
Education	Primary School
Director Training	Directors Accreditation Program
Working Experience:	
1975 - Present	Director P.Charoenphan Feedmill Co.,Ltd., P.Vet Co.,Ltd.
1978 - Present	Director, Executive Director Krungthai Farm Co.,Ltd. , Krungthai Feedmill Public Co.,Ltd.
1981 - Present	Director M.K.S. Farm Co.,Ltd. , GFPT Public Co.,Ltd.
1982 - Present	Director GF Foods Co.,Ltd.
1988 - Present	Director P.Charoenphan Produce Co.,Ltd.
1991 - Present	Director Ferma Co.,Ltd.
1993 - Present	Director Panalab Co.,Ltd.
No. of Shareholding	297,993 Shares - 0.24% of Total Shares
The Year of the Nomination	Since 1981 - Present

The Existence of Director / Executive Director in other Business

The Nominated Person	Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Mrs. Somsiri Ingpochai	- None -	-	9	<ul style="list-style-type: none"> - Executive Director of Krungthai Feedmill Public Co.,Ltd. - Subsidiary Company : Feed Mill - Director of Krungthai Farm Co.,Ltd. - Subsidiary Company : Hatchery Farm - Director of M.K.S. Farm Co.,Ltd. - Subsidiary Company : Broiler Farm - Director of GF Foods Co.,Ltd. - Subsidiary Company : Processed Chicken Food - Director of P.Charoenphan Feedmill Co.,Ltd. - Sale on Raw Material - Director of P.Vet Co.,Ltd. - Sale on Drug for Animal - Director of Panalab Co.,Ltd. - Sale on Drug for Plant



Board of Directors

Director

8) Name/Surname	Ms. Wannee Sirimongkolkasem
Position	Director
Years of Age	52
Education	Bachelor Degree in Education, Srinakharintaravrote University.
Director Training	Directors Accreditation Program

Working Experience:	1982 - Present	Director GFPT Public Co.,Ltd. , P.Vet Co.,Ltd.
	1982 - Present	Import Department Director Krungthai Feedmill Public Co.,Ltd.
	1991 - Present	Director Ferma Co.,Ltd.,
	1993 - Present	Director Panalab Co.,Ltd.
No. of Shareholding	1,112,992 Shares - 0.89% of Total Shares	
The Year of the Nomination	Since 1982 - Present	

The Existence of Director / Executive Director in other Business

The Nominated Person	Other Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Ms. Wannee Sirimongkolkasem	- None -	-	4	<ul style="list-style-type: none"> - Director of P.Vet Co.,Ltd. - Sale on Drug for Animal - Director of Panalab Co.,Ltd. - Sale on Drug for Plant



Board of Directors

Director

9) Name/Surname	Mr. Sujin Sirimongkolkasem
Position	Director
Years of Age	39
Education	B.B.A. in Economic, Boston University.
Director Training	Directors Certification Program

Working Experience:	2004 - Present	Director and Live-Chicken Purchasing Manager GFPT Public Co.,Ltd.
	2004 - Present	Director P.Vet Co.,Ltd. Panalab Co.,Ltd. Ferma Co.,Ltd.
No. of Shareholding	22,279,510 Shares - 17.77% of Total Shares	
The Year of the Nomination	Since 2004 - Present	

The Existence of Director / Executive Director in other Business

The Nominated Person	Other Listed Company		Other Business (Not registered company)	Position in Competing/Involving Business
	No. of Business	Type of Director		
Mr. Sujin Sirimongkolkasem	- None -	-	3	<ul style="list-style-type: none"> - Director of P.Vet Co.,Ltd. - Sale on Drug for Animal - Director of Panalab Co.,Ltd. - Sale on Drug for Plant

Report of the Board ►



Report of the Board of Directors'

Responsibilities for Financial Statements

The Board of Directors is responsible for the GFPT Public Company Limited and its subsidiaries' financial statements and financial information presented in this annual report. The aforementioned financial statements have been prepared in accordance with Thai generally accepted accounting principles, using appropriate accounting policy consistently as well as applying careful judgment and best estimation. Important information is adequately disclosed in the notes to financial statements.

The Board of Directors has provided and maintained the efficient internal control system to ensure that accounting records are accurate, complete and adequate to protect its assets and uncover weakness in order to prevent fraud or materially irregular operation.

The Board of Directors has appointed an Audit Committee, which consists of Independent Directors who are responsible to review the quality of financial statements and internal control system. The comments on these issues are readily included the Audit Committee Report in this annual report.

The Board of Directors has an opinion that the financial report of GFPT and subsidiary companies for the year ended December 31, 2009 has reached to the satisfactory level and rendered credibility and reliability.



(Dr. Anan Sirimongkolkasem)
Chairman of Executive Committee



(Mr. Virach Sirimongkolkasem)
Managing Director

Audit Fees

1. Audit Fee

The company and subsidiary companies paid the audit fee to

- The auditor of the company in the amount of 2,305,700 Baht
- The other company, individual person or related party involve with the auditor of the company in the amount of 0 Baht

2. Non Audit Fee

The company and subsidiary companies paid the non audit fee such as the inspection of BOI project under the condition to use the rights for waive the corporate income tax to

- The auditor of the company in the amount of 120,000 Baht
- The other company, individual person or related party involve with the auditor of the company in the amount of 0 Baht and will be paid in the future under the agreement that it still not finished in the amount of 0 Baht

Financial Statements Auditor's Report

AUDIT REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders and Board of Directors of GFPT PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated and the separate balance sheets as of December 31, 2009 and 2008 and the related consolidated and the separate statements of income, the consolidated and the separate statements of changes in shareholders' equity, and the consolidated and the separate cash flow statements for the year then ended of GFPT PUBLIC COMPANY LIMITED and its subsidiaries, and also the financial statements of GFPT PUBLIC COMPANY LIMITED. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the consolidated and the separate financial statements referred to above present fairly, in all material respects, the consolidated and the separate financial position as of December 31, 2009 and 2008 the results consolidated and the separate operations and the consolidated and the separate cash flow for the year then ended of GFPT PUBLIC COMPANY LIMITED and its subsidiaries, and also the financial statements of GFPT PUBLIC COMPANY LIMITED, respectively in accordance with generally accepted accounting principles.

S.K. ACCOUNTANT SERVICES COMPANY LIMITED



(Wanraya Puttasatien)

Authorized Auditor No. 4387

Bangkok,
February 17, 2010.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

As of December 31, 2009 and 2008

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2009	2008	2009	2008
		Baht	Baht	Baht	Baht
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalent	(Note 8)	202,134,895.16	155,200,678.90	98,961,296.96	35,508,359.14
Temporary Investment	(Note 9)	-	500,000.00	-	-
Accounts and Notes Receivable-Net	(Note 10)	572,138,388.88	621,050,696.33	232,027,429.56	335,201,539.11
Accounts and Notes Receivable -Subsidiary, Associated and Related Companies	(Note 7.2,11)	32,676,581.00	21,308,815.00	35,771,151.05	44,980,636.90
Inventories-Net	(Note 12)	1,952,859,058.13	2,053,076,720.61	265,540,925.99	254,809,960.91
Other Current Assets		51,321,325.30	33,752,733.76	34,040,965.45	21,071,428.84
TOTAL CURRENT ASSETS		2,811,130,248.47	2,884,889,644.60	666,341,769.01	691,571,924.90
NON-CURRENT ASSETS					
Investment in Associated Companies	(Note 13)	578,623,822.19	156,428,531.65	431,199,700.00	49,489,970.00
Investment in Subsidiary Companies	(Note 13)	-	-	1,679,444,930.05	1,632,376,277.87
Other Long-Term Investment		20,000.00	-	-	-
Grandparent Chickens-Net	(Note 14)	38,393,159.11	35,230,239.99	-	-
Parent Chickens-Net	(Note 15)	280,240,360.20	269,016,066.18	-	-
Assets for Rent-Net	(Note 16)	385,062,704.57	186,265,202.37	385,062,704.57	186,265,202.37
Property, Plant and Equipment-Net	(Note 17)	3,922,278,297.21	3,781,734,487.43	1,071,371,956.65	1,180,793,548.81
Property and Plant Not Used for Operations-Net	(Note 18)	100,852,894.60	130,782,625.65	26,091,665.00	52,795,215.00
Goodwill		28,898,613.18	28,898,613.18	-	-
Other Non-Current Assets					
Intangible Assets-Net	(Note 19)	6,040,849.49	4,056,047.57	6,040,849.49	4,056,047.57
Other Non-Current Assets		14,326,268.49	21,423,504.79	1,612,900.00	2,061,633.90
TOTAL NON-CURRENT ASSETS		5,354,736,969.04	4,613,835,318.81	3,600,824,705.76	3,107,837,895.12
TOTAL ASSETS		8,165,867,217.51	7,498,724,963.41	4,267,166,474.77	3,799,409,820.42

Notes to the financial statements are an integral part of these statements.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

As of December 31, 2009 and 2008

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Bank Overdrafts and				
Short-Term Loans from Financial Institutions (Note 20,21)	1,120,828,996.61	1,650,390,031.44	480,000,000.00	310,492,043.55
Accounts and Notes Payable	560,104,436.19	386,585,536.81	102,159,214.21	132,057,499.37
Accounts and Notes Payable of Subsidiary Companies and Related Companies (Note 7.2)	136,950.00	12,452,502.00	7,441,255.40	9,708,913.90
Current Portion of Long-Term Loans				
Long-Term Loans from Financial Institutions (Note 20,22)	63,160,000.00	83,160,000.00	-	-
Long-Term Loans from Related Persons (Note 7.2,20)	79,000,000.00	-	79,000,000.00	-
Short-Term Loans from Related Persons (Note 7.2,20)	94,400,000.00	1,192,600,000.00	78,500,000.00	344,500,000.00
Short-Term Loans from Subsidiary Company (Note 7.2)	-	-	15,000,000.00	-
Other Current Liabilities				
Accrued Expenses	112,030,096.45	80,686,006.46	44,942,240.15	43,546,227.55
Other Payables	66,580,538.39	53,091,162.24	41,938,529.10	26,561,516.15
Other Current Liabilities	26,749,387.96	21,892,851.53	13,484,853.14	9,746,162.36
TOTAL CURRENT LIABILITIES	2,122,990,405.60	3,480,858,090.48	862,466,092.00	876,612,362.88
NON-CURRENT LIABILITIES				
Long-Term Loans from Financial Institutions-Net (Note 20,22)	157,890,000.00	221,050,000.00	-	-
Long-Term Loans from Related Persons-Net (Note 7.2,20)	1,317,200,000.00	-	348,200,000.00	-
Other Non-Current Liabilities	16,081,232.60	15,660,432.42	14,543,851.60	14,515,658.42
TOTAL NON-CURRENT LIABILITIES	1,491,171,232.60	236,710,432.42	362,743,851.60	14,515,658.42
TOTAL LIABILITIES	3,614,161,638.20	3,717,568,522.90	1,225,209,943.60	891,128,021.30

Notes to the financial statements are an integral part of these statements.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

As of December 31, 2009 and 2008

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
SHAREHOLDERS' EQUITY				
Share Capital (Note 23)				
Authorized Share Capital:				
140,000,000 Ordinary Shares @ Baht 10	1,400,000,000.00	1,400,000,000.00	1,400,000,000.00	1,400,000,000.00
Issued and Paid-up Share Capital				
125,382,100 Ordinary Shares @ Baht 10	1,253,821,000.00	1,253,821,000.00	1,253,821,000.00	1,253,821,000.00
Premium on Share Capital	525,000,000.00	525,000,000.00	525,000,000.00	525,000,000.00
Retained Earnings				
Appropriated				
Legal Reserve	136,098,384.32	106,606,874.88	136,098,384.32	106,606,874.88
Unappropriated	2,590,942,120.23	1,866,260,722.96	1,127,037,146.85	1,022,853,924.24
SHAREHOLDERS' EQUITY OF GFPT PUBLIC COMPANY LIMITED	4,505,861,504.55	3,751,688,597.84	3,041,956,531.17	2,908,281,799.12
MINORITY SHAREHOLDERS' INTEREST	45,844,074.76	29,467,842.67	-	-
TOTAL SHAREHOLDERS' EQUITY	4,551,705,579.31	3,781,156,440.51	3,041,956,531.17	2,908,281,799.12
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	8,165,867,217.51	7,498,724,963.41	4,267,166,474.77	3,799,409,820.42

Notes to the financial statements are an integral part of these statements.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF INCOME

For the year ended December 31, 2009 and 2008

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Sales	11,507,389,948.59	10,996,496,450.04	6,918,832,305.53	6,802,785,594.74
Cost of Sales	(9,733,755,266.69)	(9,173,145,826.09)	(6,280,404,189.03)	(5,979,994,215.46)
GROSS PROFIT	1,773,634,681.90	1,823,350,623.95	638,428,116.50	822,791,379.28
Dividend Income from Associated Company	-	-	15,680,000.00	15,435,000.00
Reverse Loss from Impairment of Investments in Subsidiary Company (Note 13)	-	-	47,056,652.18	-
Other Income	149,152,247.24	129,472,523.94	72,959,222.71	73,906,622.33
PROFIT BEFORE EXPENSES	1,922,786,929.14	1,952,823,147.89	774,123,991.39	912,133,001.61
Selling Expenses	(307,440,686.02)	(305,934,829.48)	(112,531,063.82)	(116,946,562.21)
Administrative Expenses	(384,233,778.16)	(427,583,456.75)	(152,329,733.93)	(132,510,507.33)
Management Benefit Expenses (Note 25)	(37,292,082.00)	(39,762,010.96)	(21,446,861.00)	(23,432,883.96)
Total Expenses	(728,966,546.18)	(773,280,297.19)	(286,307,658.75)	(272,889,953.50)
PROFIT BEFORE PARTICIPATING PROFIT IN ASSOCIATED COMPANIES	1,193,820,382.96	1,179,542,850.70	487,816,332.64	639,243,048.11
Participating Profit in Associated Companies	56,165,560.54	42,170,234.17	-	-
PROFIT BEFORE FINANCE COSTS AND INCOME TAX	1,249,985,943.50	1,221,713,084.87	487,816,332.64	639,243,048.11
FINANCE COSTS (Note 26)	(118,315,325.96)	(132,042,360.26)	(40,719,875.59)	(44,052,312.23)
PROFIT BEFORE INCOME TAX	1,131,670,617.54	1,089,670,724.61	447,096,457.05	595,190,735.88
INCOME TAX (Note 27)	(47,673,926.97)	(5,700,070.94)	-	(5,360,547.12)
PROFIT FOR THE PERIOD	1,083,996,690.57	1,083,970,653.67	447,096,457.05	589,830,188.76
ATTRIBUTABLE TO :				
Equity Holders of the GFPT PUBLIC COMPANY LIMITED	1,067,594,631.71	1,076,068,589.34		
Minority Shareholders' Interest	16,402,058.86	7,902,064.33		
	1,083,996,690.57	1,083,970,653.67		
 BASIC EARNINGS PER SHARE OF GFPT PUBLIC COMPANY LIMITED	 8.51	 8.58	 3.57	 4.70

Notes to the financial statements are an integral part of these statements.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended December 31, 2009 and 2008
CONSOLIDATED FINANCIAL STATEMENTS

	Issued and Paid-up Share Capital	Premium on Share Capital	RETAINED EARNINGS			Minority Shareholders’ Interest		Total
			Appropriated Legal Reserve	Unappropriated	Total	Shareholders’ Interest		
Balance as of December 31, 2007	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
	1,253,821,000.00	525,000,000.00	93,609,715.44	903,484,245.06	2,775,914,960.50	21,567,656.34	2,797,482,616.84	
	-	-	-	1,076,068,589.34	1,076,068,589.34	7,902,064.33	1,083,970,653.67	
	-	-	-	(100,294,952.00)	(100,294,952.00)	-	(100,294,952.00)	
	-	-	12,997,159.44	(12,997,159.44)	-	-	-	
Decrease in Minority Shareholders’ Interest	-	-	-	-	-	(1,878.00)	(1,878.00)	
Balance as of December 31, 2008	Baht	525,000,000.00	106,606,874.88	1,866,260,722.96	3,751,688,597.84	29,467,842.67	3,781,156,440.51	
	-	-	-	1,067,594,631.71	1,067,594,631.71	16,402,058.86	1,083,996,690.57	
	-	-	-	(313,421,725.00)	(313,421,725.00)	-	(313,421,725.00)	
	-	-	29,491,509.44	(29,491,509.44)	-	-	-	
	-	-	-	-	-	(25,826.77)	(25,826.77)	
Decrease in Minority Shareholders’ Interest	-	-	-	-	-	-	-	
Balance as of December 31, 2009	1,253,821,000.00	525,000,000.00	136,098,384.32	2,590,942,120.23	4,505,861,504.55	45,844,074.76	4,551,705,579.31	

Notes to the financial statements are an integral part of these statements.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended December 31, 2009 and 2008
SEPARATE FINANCIAL STATEMENTS

	Issued and Paid-up Share Capital	Premium on Share Capital	RETAINED EARNINGS			Total
			Appropriated Legal Reserve	Unappropriated		
	Baht	Baht	Baht	Baht	Baht	
Balance as of December 31, 2007	1,253,821,000.00	525,000,000.00	93,609,715.44	546,315,846.92	2,418,746,562.36	
Profit for the Period	-	-	-	589,830,188.76	589,830,188.76	
Dividend Payment	(Note 24.2)	-	-	(100,294,952.00)	(100,294,952.00)	
Legal Reserve	(Note 24.2)	-	12,997,159.44	(12,997,159.44)	-	
Balance as of December 31, 2008	1,253,821,000.00	525,000,000.00	106,606,874.88	1,022,853,924.24	2,908,281,799.12	
Profit for the Period	-	-	-	447,096,457.05	447,096,457.05	
Dividend Payment	(Note 24.1)	-	-	(313,421,725.00)	(313,421,725.00)	
Legal Reserve	(Note 24.1)	-	29,491,509.44	(29,491,509.44)	-	
Balance as of December 31, 2009	1,253,821,000.00	525,000,000.00	136,098,384.32	1,127,037,146.85	3,041,956,531.17	

Notes to the financial statements are an integral part of these statements.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

For the year ended December 31, 2009 and 2008

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Income Tax	1,131,670,617.54	1,089,670,724.61	447,096,457.05	595,190,735.88
Adjustment to Profit before Income Tax for Cash Received (Paid) from Operations				
Depreciation-Grandparent Chicken	41,225,774.09	31,598,782.48	-	-
Depreciation-Parent Chicken	282,524,274.51	248,778,639.97	-	-
Depreciation-Assets for Rent	16,418,004.28	11,801,951.82	16,418,004.28	11,801,951.82
Depreciation-Fixed Assets	356,700,214.62	294,077,114.99	130,025,828.10	101,370,206.27
Depreciation-Assets Not Used for Operations	119,636.05	103,494.24	-	-
Amortisation Expenses	1,028,275.84	481,397.72	1,028,275.84	481,397.72
Loss from Assets Dilapidation	172,341.65	422,755.42	1.00	4.00
Negative Goodwill	(13,826.77)	(878.00)	-	-
Doubtful Debts - Advance Payment	80,000.00	-	80,000.00	-
Bad Debts - Accounts Receivable	-	16,064.88	-	-
Doubtful Debts (Reverse) - Accounts Receivable	(9,331,772.52)	2,962,276.98	-	-
Loss from Expired Refund of Withholding Tax	-	176,946.65	-	-
Loss from Sales of Grandparent Chicken Retirement	1,492,480.43	2,210,655.42	-	-
Loss from Sales of Parent Chicken Retirement	9,104,205.70	26,838,324.60	-	-
Reverse Loss from Impairment of Salvage Value of Parent Chicken	(2,116,611.47)	(8,161,626.07)	-	-
Loss from Value of Disposal of Chicken	12,040,788.58	15,952,793.59	-	-
Loss from Decline in Value of Inventories (Reverse)	(3,722,834.93)	8,064,976.25	(5,518,566.78)	6,184,951.59
Loss from Decline in Value of Non-Movement Inventories	105,211.48	1,697,447.49	107,437.91	1,701,377.06
Reverse Loss from Decline in Value of Office Supply	(11,312.55)	(14,198.46)	-	-
Gain from Sales of Fixed Assets	(1,293,541.87)	(1,992,007.60)	(717,093.35)	(1,441,707.66)
Loss from Impairment of Land Not Used for Operations (Reverse)	(1,128,880.00)	(2,466,505.00)	-	1,236,430.00
Gain from Sales of Land Not Used for Operations	(1,844,575.00)	(679,205.00)	-	-
Loss (Gain) from Unrealized Exchange Rate	(209,685.43)	1,208,266.05	(772,931.30)	322,401.49
Gain from Receipt as Asset	-	(185,668.00)	-	-
Transferred Assets to be Expenses	15,668.61	-	15,668.61	-
Reverse Loss from Impairment of Investments in Subsidiary Company	-	-	(47,056,652.18)	-
Compensate Income of Fixed Assets	-	(2,853,588.16)	-	-
Dividend Income from Associated Company	-	-	(15,680,000.00)	(15,435,000.00)
Income from Transferred Other Long-Term Investment	(20,000.00)	-	-	-
Interest Received	(529,568.55)	(873,903.07)	(234,760.99)	(322,150.51)
Interest Paid	118,157,642.71	132,042,360.26	36,722,615.92	37,268,462.42
Participating Profit in Associated Companies	(56,165,560.54)	(42,170,234.17)	-	-
Profit from Operating Activities before Changes in Operating Assets and Liabilities	1,894,466,966.46	1,808,707,159.89	561,514,284.11	738,359,060.08

Notes to the financial statements are an integral part of these statements.



GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

For the year ended December 31, 2009 and 2008

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
CASH FLOW FROM OPERATING ACTIVITIES (CONTINUE)				
(Increase) Decrease in Accounts and Notes Receivable	52,238,697.23	(179,512,694.62)	112,768,836.66	(192,697,465.07)
(Increase) Decrease in Inventories	99,863,026.29	(679,071,206.91)	(5,319,836.21)	(96,735,903.73)
(Increase) Decrease in Other Current Assets	(16,350,966.78)	(4,472,509.52)	(11,675,737.95)	(8,202,800.89)
(Increase) Decrease in Other Non-Current Assets	(7,356,971.18)	(12,125,803.54)	(583,635.00)	(900,709.74)
Increase (Decrease) in Accounts and Notes Payable	161,024,889.60	62,237,469.26	(31,778,253.62)	21,819,058.22
Increase (Decrease) in Other Current Liabilities	(25,757,637.09)	(8,948,147.72)	(11,853,598.50)	20,766,243.60
Increase (Decrease) in Other Non-Current Liabilities	420,800.18	6,937,635.59	28,193.18	6,693,279.59
Cash Received (Paid) from Operating Activities	2,158,548,804.71	993,751,902.43	613,100,252.67	489,100,762.06
Cash Received from Interest Income	556,232.93	911,437.31	234,760.99	322,150.51
Cash Received from Income Tax	1,777,228.18	568,234.20	952,368.90	524,358.40
Cash Payment from Income Tax	(30,828,862.43)	(1,490,609.84)	(5,804,888.84)	(849,456.94)
Net Cash Provided (Used) from Operating Activities	2,130,053,403.39	993,740,964.10	608,482,493.72	489,097,814.03
CASH FLOW FROM INVESTING ACTIVITIES				
Cash Received from Temporary Investment	500,000.00	6,500,000.00	-	-
Cash Received from Dividend from Associated Company	15,680,000.00	15,435,000.00	15,680,000.00	15,435,000.00
Cash Received from Investment in Associated Company	270.00	-	270.00	-
Cash Payment from Investment in Associated Company	(381,710,000.00)	-	(381,710,000.00)	-
Cash Payment from Account Payable of Share in Associated Company	(489,970.00)	-	(489,970.00)	-
Cash Payment from Investment in Subsidiary Company	(12,000.00)	(1,000.00)	(12,000.00)	(1,000.00)
Cash Payment from Investment in Grandparent Chicken	(41,246,634.82)	(35,262,030.60)	-	-
Cash Payment from Investment in Parent Chicken (Note 15)	(359,907,317.62)	(363,672,457.63)	-	-
Cash Received from Sales of Grandparent Chicken Retirement	3,561,966.00	2,894,112.00	-	-
Cash Received from Sales of Parent Chicken Retirement (Note 15)	84,914,931.63	74,397,485.80	-	-
Cash Payment from Purchases of Fixed Assets (Note 17)	(648,292,436.17)	(563,759,302.47)	(166,558,104.03)	(235,021,292.64)
Cash Payment in Interest Expenses Capitalize to Assets	(10,678,047.60)	(20,616,272.22)	-	-
Cash Received from Sales of Fixed Assets	3,752,788.62	2,679,992.41	747,154.20	1,441,990.66
Cash Payment from Purchases of Land Not Used for Operations	(5,375,000.00)	(8,979,000.00)	(5,375,000.00)	-
Cash Received from Sales of Land Not Used for Operations	6,080,000.00	4,808,400.00	-	-
Cash Received from Compensate of Fixed Assets	-	2,853,588.16	-	-
Cash Payment from Purchases of Intangible Assets	(3,013,077.76)	(2,599,453.24)	(3,013,077.76)	(2,599,453.24)
Net Cash Provided (Used) from Investing Activities	(1,336,234,527.72)	(885,320,937.79)	(540,730,727.59)	(220,744,755.22)

Notes to the financial statements are an integral part of these statements.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

For the year ended December 31, 2009 and 2008

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
CASH FLOW FROM FINANCING ACTIVITIES				
Increase (Decrease) in Bank Overdrafts	(18,152,700.12)	18,152,700.12	(492,043.55)	492,043.55
Increase (Decrease) in Trust Receipt	(556,437,758.80)	247,806,013.09	-	-
Cash Received from Short-Term Loans from Financial Institutions	3,526,000,000.00	4,743,000,000.00	1,440,000,000.00	680,000,000.00
Cash Payment from Short-Term Loans from Financial Institutions	(3,481,000,000.00)	(4,710,000,000.00)	(1,270,000,000.00)	(770,000,000.00)
Cash Received from Short-Term Loans from Related Persons	24,500,000.00	457,500,000.00	13,000,000.00	68,000,000.00
Cash Payment from Short-Term Loans from Related Persons	(78,700,000.00)	(502,900,000.00)	(2,000,000.00)	(83,500,000.00)
Cash Received from Short-Term Loans from Subsidiary Company	-	-	15,000,000.00	-
Cash Payment from Short-Term Loans from Subsidiary Company	-	-	-	(10,000,000.00)
Cash Received from Long-Term Loans from Related Persons	449,200,000.00	-	150,200,000.00	-
Cash Payment from Long-Term Loans from Related Persons	(97,000,000.00)	-	-	-
Cash Payment from Long-Term Loans from Financial Institutions	(83,160,000.00)	(74,540,000.00)	-	(18,750,000.00)
Cash Payment from Interest Expenses	(118,712,475.49)	(132,776,122.10)	(36,585,059.76)	(37,482,841.88)
Cash Payment for Dividends	(313,421,725.00)	(100,294,952.00)	(313,421,725.00)	(100,294,952.00)
Net Cash Provided (Used) from Financing Activities	(746,884,659.41)	(54,052,360.89)	(4,298,828.31)	(271,535,750.33)
Net Increase (Decrease) in Cash and Cash Equivalent	46,934,216.26	54,367,665.42	63,452,937.82	(3,182,691.52)
Cash and Cash Equivalent at the Beginning Balance (Note 8)	155,200,678.90	100,833,013.48	35,508,359.14	38,691,050.66
Cash and Cash Equivalent at the Ending Balance (Note 8)	202,134,895.16	155,200,678.90	98,961,296.96	35,508,359.14

Notes to the financial statements are an integral part of these statements.

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

1. General Information

The Company was registered on November 25, 1981 and later registered as a public company on May 10, 1994, registration number 0107537001471 with its registered head office located at 312, Rama II Rd., Bangmod, Jomthong, Bangkok.

Its main business activity is producing and distributing frozen and cooked chicken products and subsidiary companies' businesses activities are broiler farm and producing and distributing feed mill.

2. Basis of Financial Statements Preparation

- 2.1 The Company had prepared the financial statements in accordance with Thai Accounting Standards including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.
- 2.2 The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies.
- 2.3 In order to prepare the financial statements to comply with generally accepted accounting standards, the Company's management had to make some estimates and suppositions which may have an effect on the amount shown for revenues, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ from the estimated amount.
- 2.4 For the convenience of the user, and English translation of the consolidated and the separate financial statements has been prepared from the statutory financial statements that are issued in the Thai language.
- 2.5 The Company reclassified some items in our financial statements for comparison purpose in order to be in line with the present accounting items and it has not any affected our profit for the period or shareholders' equities. The detail was as follows:

<u>Balance Sheets</u>	As of December 31, 2008	
	<u>Baht</u>	
Other Current Assets Increasing	546,040.45	
Other Non-Current Assets Decreasing	(546,040.45)	

<u>Statements of Income</u>	Consolidated Financial Statements For the year ended December 31, 2008	Separate Financial Statements For the year ended December 31, 2008
	<u>Baht</u>	<u>Baht</u>
Cost of Sales Increasing	245,797.05	-
Selling Expenses Increasing	37,097,810.70	-
Administrative Expenses Decreasing	(71,775,618.71)	(25,536,733.77)
Directors' Remunerations Decreasing	(5,330,000.00)	(4,680,000.00)
Management Benefit Expenses Increasing	39,762,010.96	23,432,883.96
Interest Expenses Decreasing	-	(37,268,462.42)
Finance Costs Increasing	-	44,052,312.23

3. Adoption of Thai Accounting Standards, Thai Financial Reporting Standard and Accounting Framework

- 3.1 Revised Thai Accounting Standards and Thai Financial Reporting Standards and Revised Accounting Framework which are effective for the current year. The Company assess these following Thai Accounting Standards, Thai Financial Reporting Standards and Accounting Framework which were related to our business operation.

TAS 36	Impairment Assets (revised 2007)
TFRS 5	Non-current Assets Held for Sale and Discontinued Operations (revised 2007) (formerly TAS 54)
Accounting Framework (revised 2007)	Effective on June 26, 2009

3.2 Revised Thai Accounting Standards and New Thai Accounting Standards which are effective for the period beginning on or after January 1, 2011 and January 1, 2012 which were not early adopted by the Company are as follows:

Effective on January 1, 2011

TAS 24	Related Party Disclosures (revised 2007) (formerly TAS 47)
TAS 40	Investment Property

Effective on January 1, 2012

TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
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These Thai Accounting Standards, Thai Financial Reporting Standards and Accounting Framework have not any significant affected on our financial statements.

Thai Accounting Standards were renumbered with an effect on June 26, 2009 following an announcement by the Federation of Accounting Professions in order to conform to the number used in the International Financial Reporting Standards.

4. Benefits and Privileges from Investment Promotion

The Company and subsidiary companies was granted investment promotional certificates. It obtained benefits and privileges under sections 25, 26, 28, 31, 34, 36(1), 36(2) and 37 of the Investment Promotion Act B.E. 2520 (1977) from the Board of Investment. The privileges so granted the import tariff of machinery and include exemption of corporate income tax on net profits for eight years and it also granted included exemption of corporate income tax on net profits from investment of promotional activities not exceed 100 percent of total investment of the project excluded the value of land and working capital for eight years commencing from the first day when the company starts to earn income from the operation of promotional operation.

<u>Certificate No.</u>	<u>Date</u>	<u>Type of Promotional Activities</u>	<u>The First Date</u>	<u>The Expiry Date</u>
1056(1)/2545	January 23, 2002	Semi-Finished and Finished Chicken Products	September 3, 2002	September 2, 2010
1776(2)/2545	December 11, 2002	Semi-Finished Chicken Products	January 21, 2005	January 20, 2013
1699(3)/2547	August 25, 2004	Finished Chicken Products	July 23, 2007	July 22, 2015
1565(3)/2550	March 28, 2007	Finished Chicken Products	October 26, 2008	October 25, 2016
1055(1)/2544	January 17, 2001	Shrimp Feed Mill	May 2, 2001	April 30, 2009
1429(2)/2546	August 21, 2003	Seed Eggs	June 7, 2006	June 6, 2014
1850(2)/2548	September 20, 2005	Feed Mill Production and Premix	June 1, 2009	May 31, 2017
1608(1)/2544	September 24, 2001	Broiler Farm	October 30, 2001	October 29, 2009
1678(1)/2544	October 25, 2001	Broiler Farm	January 15, 2002	January 14, 2010
1696(1)/2544	November 6, 2001	Broiler Farm	July 26, 2002	July 25, 2010
1779(2)/2545	December 12, 2002	Broiler Farm	February 21, 2003	February 20, 2011
1632(2)/2546	November 11, 2003	Broiler Farm	May 12, 2005	May 11, 2013
1571(2)/2551	June 6, 2008	Broiler Farm	-	-
2085(2)/2551	November 19, 2008	Broiler Farm	-	-
1932(2)/2548	October 11, 2006	Parent Chicken Farm	September 9, 2007	September 8, 2014

5. Summary of Significant Accounting Policy

5.1 Recognition of Revenues

- Revenue from sales is recognized when are delivered.
- Revenue from services is recognized when service have been provided to customer.
- Revenue from rental is recognized over the term of rental agreement.
- Revenue from interest income is recognized over the term of borrowing and calculate from the outstanding principal.
- Revenue from tax return is recorded to other income when tax return are received.
- Dividend received are recognised when the right to receive the dividends is established.

5.2 Recognition of Expenses

- Expenses are recognized on an accrual basis.
- Payment made under operating leases are recognized in the statement of income on a straight — line basis over the term of the lease.

5.3 Cash and Cash Equivalent

Cash and cash equivalent includes bank deposit in type of saving accounts, current accounts and 3-months fixed accounts without guarantee obligation.

5.4 Trade Account Receivable and Other Accounts Receivable and Allowance for Doubtful Accounts

Trade account receivable and other accounts receivable are stated at the net realizable value, allowance for doubtful accounts estimate from those account receivable and other accounts receivable which are likely to be uncollectible.

5.5 Inventories

Inventory is reflected by value in accordance with the cost price or net realizable value whichever is lower which the cost price calculate as follows:

- Finished goods in type of processed chicken products are recorded at average cost price method.
- Finished goods in type of feed mill products are recorded at FIFO method.
- Raw materials, packaging and supplies are recorded at average cost price method.
- Work in process of finished goods, rearing chicken, hatchery and seed eggs are recorded at actual cost.

5.6 Allowances for Decline in Value of Dilapidated Inventories and Non-Movement Inventories

Decline in allowances for dilapidated inventories and non-movement inventories are estimated from inventories which are subject to dilapidation and non-movement.

5.7 Parent Chickens and Grandparent Chickens

Parent chickens and grandparent chickens are recorded at cost after deduction accumulated depreciation and the depreciation are calculated from cost after deduction of salvage value by the estimated the production and the impairment of parent chickens and grandparent chickens (if any).

Rearing parent chickens and grandparent chickens are recorded at cost price and included expenses which occurred during rearing.

5.8 Investments in Subsidiary and Associated Companies

Investments in subsidiary companies and associated companies are recorded at cost method in the separate financial statements and investment in associated companies are recorded at equity method in the consolidated financial statements.

5.9 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair of the equity of the identifiable assets and liabilities at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

5.10 Property, Plant and Equipment

Land is recorded at cost price. Plant and equipment are recorded at cost price after deduction of accumulated depreciation and calculated on a straight-line method over their approximate useful-life as follows:

- Land Improvements	20-33	Years
- Building and Improvements	20-33	Years
- Machinery and Equipment	5-10	Years
- Tools	5	Years
- Office Equipment	5	Years
- Vehicles	5	Years
- Other Fixed Assets	5	Years

Depreciation of assets occurred from the usage period of producing the other fixed assets and calculated to a part of the cost of other assets and it would be stopped recorded when other fixed assets can be used.

5.11 Cost of Borrowing

Interest expense is the cost from borrowing for acquiring the assets for several projects. The company recorded interest expenses into the portion of construction assets and it will stop to record when the construction is finished.

5.12 Intangible Assets

Software Royalty are recorded at cost less accumulated amortisation expenses and calculated on a straightline method over their approximate useful-life 5 years.

5.13 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Impairment with cost, if as assets's carrying or cash-generating unit exceeds its recoverable amount; the Company will recognize an impairment loss in the statement of income.

Calculation of Recoverable Amount

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

Reversals of Impairment

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. All reversals of impairment losses are recognized as revenue in the statement of income.

5.14 Accounts Payable and Others Payable

Accounts payable and others payable were shown in cost method.

5.15 Financial Instruments

Financial instruments, financial assets were shown in balance sheets composed of cash and cash at banks, investments, accounts receivable. Financial liabilities were shown in balance sheets composed of accounts payable and borrowings. The accounting policy of each item would be disclosed in separated items. The Company made a foreign exchange forward contract in order to prevent any risks from unstable of exchange rate. A forward contract will determine a fixed exchange rate in the future of assets and liabilities which will be received or paid. A forward contract at the end of period will be calculated a fair value and identified in the notes of financial statement and the realized profit (loss) of forward contract will be recorded in the statements of income.

5.16 Items Denominated in Foreign Currencies

Items denominated in foreign currencies are recorded in Baht at the prevailing exchange rate when the transactions occur, and their balances of assets and liabilities at the ended of period are converted into Baht at the prevailing exchange rate on that date. Profit or loss arising from such conversion is shown as revenues or expenses in the statements of income for that period.

5.17 A Provision of Liabilities

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

5.18 Earnings per Share

Primary earnings per share is calculated by dividing profit for the period with weighted average the number of issued and paid-up shares. The Company did not calculate the fully diluted earnings per share since it has no ordinary share equivalent.

5.19 Appropriation of Retained Earnings

The appropriation of retained earnings is attributable to the Public Company Act B.E. 2535 (1992). The Company will appropriate retained earnings when it is approved at the shareholders' meeting.

5.20 Employees Benefit

The Company is recognized salary, wage, bonus, and social security fund are expenses on date when the transactions occur.

5.21 Allocation of Income and Expense of Operation with Investment Promotion and without Investment Promotion

5.21.1 Income was allocated from the type of products which produces from machinery with promotional investment and without promotional investment.

5.21.2 Expenses

- Raw materials and packaging were allocated from the actual usage of raw materials with promotional investment and without promotional investment.
- The cost of production and the cost of sales were allocated from the actual of production with promotional investment and without promotional investment.
- Other expenses could not allocated from the actual production, they will allocate from the total income with promotional investment and without promotional investment.

6. Basis of Consolidated Financial Statements Preparation

In preparation of the consolidated financial statements, the Company will only take its subsidiary companies which is under the main control of GFPT PUBLIC COMPANY LIMITED into account, after having eliminated the remaining balances and transactions among themselves, The Company holds shares in subsidiary companies with the percentage of shareholdings in subsidiary companies as follows:

Company's Name	Category	Percentage of Shareholdings As of		Country of Registration
		December 31, 2009	December 31, 2008	
M.K.S. FARM CO., LTD.	Broiler Farm	99.9999	99.9999	Thailand
KRUNGTHAI FARM CO., LTD.	Hatchery Farm	99.9999	99.9999	Thailand
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	Feed Mill and Parent Chicken Farm	96.8650	96.8625	Thailand
GF FOODS CO., LTD.	Production and Distribution of Processed Food	99.9999	99.9999	Thailand
GP BREEDING CO., LTD.	Grandparent Chicken Farm	99.9999	99.9999	Thailand

Accounting policy for subsidiary companies will utilize the same policy as the GFPT PUBLIC COMPANY LIMITED.

In the preparation of the consolidated financial statements, the accounting period of subsidiary companies are ended at the same period of GFPT PUBLIC COMPANY LIMITED. The percentage of shareholding at 99.99% of the subsidiary companies, the Company is treated as holding of 100% of consolidated financial statements.

7. Inter-Transactions within the Group

During the periods, the Company and its subsidiaries had significant business transactions with their related companies. Such transactions, which have been concluded on commercial terms and bases agreed upon between the Company, subsidiary companies, associated companies, related companies and related persons are in ordinary course of business are summarized below:

7.1 Inter-Revenues and Expenses

Pricing Policy		CONSOLIDATED FINANCIAL STATEMENTS For the year ended December 31,		SEPARATE FINANCIAL STATEMENTS For the year ended December 31,	
		2009	2008	2009	2008
		'000 Baht	'000 Baht	'000 Baht	'000 Baht
Inter-Transaction with Subsidiary Companies					
(Eliminated from Consolidate Financial Statements)					
Sales	Agreement Price, Reference to Market Price	-	-	99,468	207,749
Purchases	Agreement Price, Reference to Market Price	-	-	4,673,288	4,365,302
Rental Income	Contract Price	-	-	2,200	2,200
Other Income	Cost Price and Agreement Price	-	-	11,938	13,464
Other Expenses	Cost Price	-	-	4,740	7,135
Purchases Assets	Cost Price	-	-	58	-
Interest Payment	Annual Interest Rate at 2%-5%	-	-	181	119

Pricing Policy		CONSOLIDATED FINANCIAL STATEMENTS For the year ended December 31,		SEPARATE FINANCIAL STATEMENTS For the year ended December 31,	
		2009	2008	2009	2008
		'000 Baht	'000 Baht	'000 Baht	'000 Baht
Inter-Transaction with Associated Companies					
Sales	Agreement Price, Reference to Market Price	530,200	570,214	530,200	549,117
Purchases	Agreement Price, Reference to Market Price	4,059	1,459	246	1,459
Rental Income	Contract Price	2,276	676	2,276	676
Other Income	Market Price	59,936	47,187	59,911	47,187
Other Expenses	Cost Price	18	40	18	40
Purchases Assets	Cost Price	26	-	26	-
Inter-Transaction with Related Companies					
Sales	Agreement Price, Reference to Market Price	1,313	1,301	2	-
Purchases	Agreement Price, Reference to Market Price	1,336,062	877,724	-	-
Rental Income	Contract Price	6,000	-	-	-
Other Income	Cost Price and Market Price	1,145	1,132	815	921
Rental Expenses	Contract Price	15,573	14,867	6,705	6,659
Other Expenses	Cost Price and Market Price	57,193	46,796	2,775	2,001
Inter-Transaction with Directors and Related Persons					
Interest Payment	Annual Interest Rate at 6%	80,070	70,413	26,197	21,371

7.2 Inter-Assets and Liabilities

	CONSOLIDATED FINANCIAL STATEMENTS As of December 31,		SEPARATE FINANCIAL STATEMENTS As of December 31,	
	2009	2008	2009	2008
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Accounts Receivable				
Subsidiary Companies				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	2,514	1,657
GF FOODS CO., LTD.	-	-	861	43,324
Associated Company				
MCKEY FOOD SERVICES (THAILAND) LTD.	21,151	21,096	21,151	-
Related Company				
P.VET. CO., LTD.	283	212	2	-
Notes Receivable				
Associated Company				
MCKEY FOOD SERVICES (THAILAND) LTD.	11,243	-	11,243	-
	32,677	21,308	35,771	44,981

	CONSOLIDATED FINANCIAL STATEMENTS As of December 31, 2009		SEPARATE FINANCIAL STATEMENTS As of December 31, 2009	
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Other Receivable				
Subsidiary Companies				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	485	1,262
M.K.S. FARM CO., LTD.	-	-	68	56
KRUNGTHAI FARM CO., LTD.	-	-	200	102
GP BREEDING CO., LTD.	-	-	75	33
Associated Companies				
MCKEY FOOD SERVICES (THAILAND) LTD.	4,747	4,282	4,747	4,282
GFPT NICHIREI (THAILAND) CO., LTD.	3	-	-	-
Related Companies				
M.K.S. CONDOTOWN CO., LTD.	40	-	40	-
PANALAB CO., LTD.	47	45	-	-
P.CHAROEN PHAN IM-EX FARM CO., LTD.	-	2	-	-
	4,837	4,329	5,615	5,735
Advance Payment				
Subsidiary Companies				
M.K.S. FARM CO., LTD.	-	-	1	-
GF FOODS CO., LTD.	-	-	600	779
	-	-	601	779
Prepaid Expenses				
Related Company				
P.CHAROEN PHAN PRODUCE CO., LTD.	565	565	565	565
	565	565	565	565
Deposit Payment				
Subsidiary Company				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	-	5
Related Companies				
P.CHAROEN PHAN FEEDMILL CO., LTD.	2,104	2,104	911	911
P.CHAROEN PHAN PRODUCE CO., LTD.	125	50	-	-
	2,229	2,154	911	916
Accounts and Notes Payable				
Associated Company				
MCKEY FOOD SERVICES (THAILAND) LTD.	137	-	-	-
Subsidiary Companies				
M.K.S. FARM CO., LTD.	-	-	7,412	9,520
GF FOODS CO., LTD.	-	-	29	189
Related Company				
KRUNG THAI AQUA-CULTURE CO., LTD.	-	12,453	-	-
	137	12,453	7,441	9,709
Accrued Expenses				
Subsidiary Companies				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	145	-
M.K.S. FARM CO., LTD.	-	-	92	-
KRUNGTHAI FARM CO., LTD.	-	-	92	-
Related Companies				
PANALAB CO., LTD.	10	-	-	-
P.CHAROEN PHAN FEEDMILL CO., LTD.	-	102	-	-
M.K.S. CONDOTOWN CO., LTD.	-	72	-	72
	10	174	329	72

	CONSOLIDATED FINANCIAL STATEMENTS As of December 31,		SEPARATE FINANCIAL STATEMENTS As of December 31,	
	2009	2008	2009	2008
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Other Accounts Payable				
Subsidiary Companies				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	-	60
M.K.S. FARM CO., LTD.	-	-	17	11
Associated Companies				
MCKEY FOOD SERVICES (THAILAND) LTD.	-	2	-	2
GFPT NICHIREI (THAILAND) CO., LTD.	-	490	-	490
	-	492	17	563
Deposit Income				
Subsidiary Company				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	25	25
Deferred Income				
Subsidiary Company				
M.K.S. FARM CO., LTD.	-	-	25	25
Short-Term Loans				
Directors in				
Parent Company				
Balance as of Beginning	344,500	360,000	344,500	360,000
Increase	13,000	68,000	13,000	68,000
Decrease	(279,000)	(83,500)	(279,000)	(83,500)
Balance as of Ending	78,500	344,500	78,500	344,500
Subsidiary Companies				
Balance as of Beginning	447,300	547,500	-	-
Increase	11,500	268,700	-	-
Decrease	(453,800)	(368,900)	-	-
Balance as of Ending	5,000	447,300	-	-
Related Persons in				
Subsidiary Companies				
Balance as of Beginning	400,800	330,500	-	-
Increase	-	120,800	-	-
Decrease	(389,900)	(50,500)	-	-
Balance as of Ending	10,900	400,800	-	-
Total	94,400	1,192,600	78,500	344,500
Short-Term Loans				
Subsidiary Company				
Parent Company				
Balance as of Beginning	-	-	-	10,000
Increase	-	-	15,000	-
Decrease	-	-	-	(10,000)
Balance as of Ending	-	-	15,000	-
Long-Term Loans				
Directors in				
Parent Company				
Balance as of Beginning	-	-	-	-
Increase	427,200	-	427,200	-
Decrease	-	-	-	-
Balance as of Ending	427,200	-	427,200	-

	CONSOLIDATED FINANCIAL STATEMENTS As of December 31, 2009 2008		SEPARATE FINANCIAL STATEMENTS As of December 31, 2009 2008	
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Subsidiary Companies				
Balance as of Beginning	-	-	-	-
Increase	609,000	-	-	-
Decrease	(91,000)	-	-	-
Balance as of Ending	518,000	-	-	-
Related Persons in				
Subsidiary Companies				
Balance as of Beginning	-	-	-	-
Increase	457,000	-	-	-
Decrease	(6,000)	-	-	-
Balance as of Ending	451,000	-	-	-
Total	1,396,200	-	427,200	-
<u>Less</u> Current Portion of Long Term Loans	(79,000)	-	(79,000)	-
	1,317,200	-	348,200	-

As of December 31, 2009 and 2008, the whole amount of short-term loans from related persons has loan in form of promissory note in the type of call, carried interest rate at 6.00 % per annum.

As of December 31, 2009, the whole amount of long-term loans from related persons has loan in form of promissory note will be gradually matured within 2011, carried interest rate at 6.00 % per annum.

The Company and subsidiary companies change the term of loan due to related person from the borrowing in form of promissory note in type of call to be loan in type of two years period specification, carried the interest rate of 6.00% per annum and interest in monthly repayable. Therefore, the short-term loan due to related person is transferred into long-term loan due to related person.

- Consolidated Financial Statements

For the year ended December 31, 2009, the Company and subsidiary companies transferred the short-term loan due to related person is into long-term loan due to related person in amount of Baht 1,044.00 million.

- Separate Financial Statements

For the year ended December 31, 2009, the Company transferred the short-term loan due to related person is into long-term loan due to related person in amount of Baht 277.00 million.

The resolutions of the Extra-ordinary Meeting No. 1/2009 dated January 29, 2009 was approved GFPT Public Company Limited and subsidiary companies to receive financial assistance from related persons. The amount of credit line was not exceeding Baht 2,000.00 million. This transaction will help the Company has more liquidity. The annual interest rate is not over 6.00% with maturity of 5 years from February 1, 2009 to January 31, 2014 and pay interest every month, has not any collateral.

7.3 Relationship among the Companies

Consisted of:

Company's Name

Krungthai Farm Co., Ltd.
M.K.S Farm Co., Ltd.
GF Foods Co., Ltd.
Krungthai Feedmill Public Co., Ltd.
GP Breeding Co., Ltd.
McKey Food Services (Thailand) Ltd.
GFPT Nichirei (Thailand) Co., Ltd.
M.K.S. Condotown Co., Ltd.

Relationship

Subsidiary Company by Shareholding and Common Management
Subsidiary Company by Shareholding and Common Management
Subsidiary Company by Shareholding and Common Management
Subsidiary Company by Shareholding and Common Management
Subsidiary Company by Shareholding and Common Management
Associated Company by Shareholding
Associated Company by Shareholding
Common Management

<u>Company's Name</u>	<u>Relationship</u>
P. Charoen Phan Feedmill Co., Ltd.	Common Management
P. Charoen Phan Produce Co., Ltd.	Common Management
P. Charoen Phan G.P.Farm Co., Ltd.	Common Management
P. Charoen Phan Im-Ex Farm Co., Ltd.	Common Management
P.Vet. Co., Ltd.	Common Management
Panalab Co., Ltd.	Common Management
Krung Thai Aqua-Culture Co., Ltd.	Common Management
Related Persons	Directors and Shareholders and Related Persons with Directors and Shareholders

8. Cash and Cash Equivalent

Consisted of:

	Consolidated Financial Statements As of		Separate Financial Statements As of	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Cash	1,860,739.25	536,750.00	1,430,739.25	151,750.00
Cash Deposit - Current Account	59,084,269.42	45,068,859.54	8,758,331.07	3,860,480.16
Cash Deposit - Savings Account	141,189,886.49	99,595,069.36	88,772,226.64	31,496,128.98
Cash Deposit - Fixed Account 3 months	-	10,000,000.00	-	-
Total	202,134,895.16	155,200,678.90	98,961,296.96	35,508,359.14

9. Temporary-Term Investment

For consolidated financial statements as of December 31, 2008, one subsidiary company had temporary investment in the amount of Baht 0.50 million, in the type of bill of exchange with one financial institution at 1 month, and annual interest rate was 2.00%. The subsidiary company had guaranteed and collateral with our obligations (Note 20).

10. Accounts and Notes Receivable-Net

Consisted of:

	Consolidated Financial Statements As of		Separate Financial Statements As of	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Accounts Receivable-Local	334,709,371.02	324,848,396.98	47,268,748.10	60,494,544.78
Accounts Receivable-Foreign	189,116,181.41	279,026,494.28	189,116,181.41	279,026,494.28
Notes Receivable	107,520,776.00	91,768,948.00	-	38,000.00
Less Allowance for Doubtful	(59,207,939.55)	(74,593,142.93)	(4,357,499.95)	(4,357,499.95)
Accounts and Notes Receivable-Net	572,138,388.88	621,050,696.33	232,027,429.56	335,201,539.11

Accounts and notes receivable were classified by aging as followings:

	Consolidated Financial Statements As of		Separate Financial Statements As of	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Accounts and Notes Receivable (within due period)	399,631,600.43	455,830,195.00	217,090,852.86	327,798,750.28
Accounts and Notes Receivable (over due period)				
- Less than 3 months	171,925,721.46	157,190,494.87	14,064,941.16	5,997,833.00
- More than 3 months	33,513,955.54	47,876,156.39	5,229,135.49	5,762,455.78
Total	605,071,277.43	660,896,846.26	236,384,929.51	339,559,039.06
Returned Cheque	26,275,051.00	34,746,993.00	-	-
Total	631,346,328.43	695,643,839.26	236,384,929.51	339,559,039.06
Less Allowance for Doubtful Accounts	(59,207,939.55)	(74,593,142.93)	(4,357,499.95)	(4,357,499.95)
Net	572,138,388.88	621,050,696.33	232,027,429.56	335,201,539.11

For the year ended December 31, 2009 and 2008, the movement of allowance for doubtful accounts was as follows:

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Allowance for Doubtful Accounts - Beginning	(74,593,142.93)	(80,830,362.35)	(4,357,499.95)	(4,357,499.95)
Increased for the Period	(4,091,054.20)	(3,676,123.98)	-	-
Reversed for the Period	13,422,826.72	713,847.00	-	-
Write off to Bad Debts	6,053,430.86	9,199,496.40	-	-
Allowance for Doubtful Accounts - Ending	(59,207,939.55)	(74,593,142.93)	(4,357,499.95)	(4,357,499.95)

11. Accounts and Notes Receivable-Subsidiary, Associated and Related Companies

Consisted of:

	Consolidated Financial Statements As of		Separate Financial Statements As of	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Accounts Receivable-Subsidiary Companies	-	-	3,375,345.05	44,980,636.90
Accounts Receivable-Associated Company	21,150,940.00	21,096,940.00	21,150,940.00	-
Accounts Receivable-Related Companies	282,941.00	211,875.00	2,166.00	-
Notes Receivable-Associated Company	11,242,700.00	-	11,242,700.00	-
Total	32,676,581.00	21,308,815.00	35,771,151.05	44,980,636.90

Accounts and notes receivable from subsidiary, associated and related companies were classified by aging as followings:

	Consolidated Financial Statements As of		Separate Financial Statements As of	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Accounts and Notes Receivable				
(within due period)	32,596,940.00	21,167,065.00	35,738,486.05	16,038,789.00
Accounts Receivable				
(over due period)				
- Less than 3 months	79,641.00	141,750.00	32,665.00	28,941,847.90
Total	32,676,581.00	21,308,815.00	35,771,151.05	44,980,636.90

12. Inventories-Net

Consisted of:

	Consolidated Financial Statements As of		Separate Financial Statements As of	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Finished Goods -				
Processed Chicken Products	72,961,778.73	183,051,687.12	78,948,718.97	125,519,410.76
Finished Goods - Feed Mill	60,020,536.96	58,230,269.52	-	-
Finished Goods - Chicks	7,590.28	50,029.82	-	-
Raw Materials	1,050,836,480.42	1,124,496,831.49	10,948,917.84	15,102,362.25
Work in Process	156,025,470.74	102,033,197.51	141,126,595.17	86,878,349.12
Seed Eggs and Eggs				
during Hatching	60,082,310.02	51,889,428.61	-	-
Rearing Chicken	198,860,061.03	228,970,470.90	-	-
Goods in Transit	1,237,754.70	4,758,459.58	-	-
Medical Supplies, Supplies				
and Others	362,537,310.77	312,924,205.03	38,440,816.24	36,645,089.88
Total	1,962,569,293.65	2,066,404,579.58	269,465,048.22	264,145,212.01
Less Allowance for Decline in				
Value of Non - Movement				
Inventories	(3,158,850.73)	(3,053,639.25)	(2,878,872.85)	(2,771,434.94)
Allowance for Decline in Value				
of Inventories	(6,551,384.79)	(10,274,219.72)	(1,045,249.38)	(6,563,816.16)
Net	1,952,859,058.13	2,053,076,720.61	265,540,925.99	254,809,960.91

13. Investments in Associated and Subsidiary Companies-Net

As of December 31, 2009 and 2008, the Company had investments in its associated and subsidiary companies as follows:

Name of Company	Paid-up Capital	% Share-Holding	Consolidated Financial Statements			
			Equity Method		Dividend	
			As of December 31, 2009	2008	For the year ended 2009	December 31, 2008
	Million Baht	%	Baht	Baht	Baht	Baht
Investments in Associated Companies						
- MCKEY FOOD SERVICES (THAILAND) LTD.	100.00	49.0000 %	197,405,585.00	155,953,816.33	15,680,000.00	15,435,000.00
- GFPT NICHIREI (THAILAND) CO., LTD.	780.00	49.0000 %	381,218,237.19	474,715.32	-	-
	(2008 : Baht 1.00 million)					
Total			578,623,822.19	156,428,531.65	15,680,000.00	15,435,000.00

Name of Company	Paid-up Capital	% Share-Holding	Separate Financial Statements			
			Cost Method		Dividend	
			As of December 31, 2009	2008	For the year ended 2009	December 31, 2008
	Million Baht	%	Baht	Baht	Baht	Baht
Investments in Associated Companies						
- MCKEY FOOD SERVICES (THAILAND) LTD.	100.00	49.0000 %	49,000,000.00	49,000,000.00	15,680,000.00	15,435,000.00
- GFPT NICHIREI (THAILAND) CO., LTD.	780.00	49.0000 %	382,199,700.00	489,970.00	-	-
	(2008 : Baht 1.00 million)					
Total			431,199,700.00	49,489,970.00	15,680,000.00	15,435,000.00
Investments in Subsidiary Companies						
- M.K.S. FARM CO., LTD.	550.00	99.9999 %	549,999,910.00	549,999,910.00	-	-
- KRUNGTHAI FARM CO., LTD.	350.00	99.9999 %	349,999,910.00	349,999,910.00	-	-
- KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	400.00	96.8650 %	592,799,342.86	592,787,342.86	-	-
	(2008 : 96.8625 %)					
- GF FOODS CO., LTD.	40.00	99.9999 %	39,999,100.00	39,999,100.00	-	-
- GP BREEDING CO., LTD.	200.00	99.9999 %	200,499,895.00	200,499,895.00	-	-
Total			1,733,298,157.86	1,733,286,157.86	-	-
Less Impairment of Investments in						
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.			(53,853,227.81)	(100,909,879.99)	-	-
Net			1,679,444,930.05	1,632,376,277.87	-	-

For the year ended December 31, 2009, The Company constitutes reversal loss from impairment of investments in the KRUNGTHAI FEEDMILL PUBLIC CO., LTD., which is subsidiary company in amount of Baht 47.06 million since such subsidiary company constitutes better operating result.

The aggregated amounts of assets, liabilities, revenues and profit(loss) of associated are as follows:

Associated Companies	As of December 31, 2009		For the year ended December 31, 2009	
	Total Assets	Total Liabilities	Total Revenue	Profit(Loss) for the Period
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
MCKEY FOOD SERVICES (THAILAND) LTD.	690,322	287,453	1,878,648	120,122
GFPT NICHIREI (THAILAND) CO., LTD.	847,965	69,968	3,241	(1,972)

Associated Companies	As of December 31, 2008		For the year ended December 31, 2008	
	Total Assets	Total Liabilities	Total Revenue	Profit(Loss) for the Period
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
MCKEY FOOD SERVICES (THAILAND) LTD.	603,566	288,820	1,769,647	86,093
GFPT NICHIREI (THAILAND) CO., LTD.	1,000	31	-	(31)

14. Grandparent Chicken-Net

Consisted of:

	CONSOLIDATED FINANCIAL STATEMENTS					Balance As of December 31, 2009
	Balance As of December 31, 2008	Purchase	Transfer in	Sale	Transfer out	
	Baht	Baht	Baht	Baht	Baht	Baht
Grandparent Chicken	26,898,584.80	24,546,063.13	-	(19,429,217.28)	-	32,015,430.65
Grandparent Chicken During Rearing	25,496,680.43	16,700,571.69	8,196,504.82	(21,845,237.41)	-	28,548,519.53
Total	52,395,265.23	41,246,634.82	8,196,504.82	(41,274,454.69)	-	60,563,950.18
Less Accumulated Depreciation	(17,165,025.24)	(41,225,774.09)	-	36,220,008.26	-	(22,170,791.07)
Net	35,230,239.99					38,393,159.11

Depreciation was shown in Statements of Income

For the year ended December 31,

2009

41,225,774.09

2008

31,598,782.48

15. Parent Chicken-Net

Consisted of:

	CONSOLIDATED FINANCIAL STATEMENTS					Balance As of December 31, 2009
	Balance As of December 31, 2008	Purchase	Transfer in	Sale	Transfer out	
	Baht	Baht	Baht	Baht	Baht	Baht
Parent Chicks	103,681,551.90	99,178,400.00	-	(86,432,401.87)	-	116,427,550.03
Parent Chicks During Rearing	258,582,327.77	268,297,917.62	23,151,918.77	(282,259,585.97)	-	267,772,578.19
Total	362,263,879.67	367,476,317.62	23,151,918.77	(368,691,987.84)	-	384,200,128.22
Less Accumulated Depreciation	(91,131,202.02)	(282,524,274.51)	-	269,695,708.51	-	(103,959,768.02)
Less Allowance from Impairment of Salvage Value of Parent Chicken	(2,116,611.47)	-	-	-	2,116,611.47	-
Net	269,016,066.18					280,240,360.20

Depreciation was shown in Statements of Income

For the year ended December 31,

2009

282,524,274.51

2008

248,778,639.97

For the year ended December 31, 2009, the subsidiary company sold parent chicken retirement with credit in the amount of Baht 4.98 million.

For the year ended December 31, 2009, the subsidiary company purchased parent chicks with credit in the amount of Baht 7.57 million.

16. Assets for Rent-Net

Consisted of:

	CONSOLIDATED FINANCIAL STATEMENTS/ SEPARATE FINANCIAL STATEMENTS					Balance As of December 31, 2009 Baht
	Balance As of December 31, 2008	Purchase	Transfer in	Sale	Transfer out	
	Baht	Baht	Baht	Baht	Baht	
Cost:						
Land	39,628,223.47	-	32,078,550.00	-	-	71,706,773.47
Poultry Houses	166,870,029.67	-	-	-	-	166,870,029.67
Condominium Units	162,431,733.01	-	183,136,956.48	-	-	345,568,689.49
Other Buildings	4,812,914.05	-	-	-	-	4,812,914.05
Total	373,742,900.20	-	215,215,506.48	-	-	588,958,406.68
Accumulated Depreciation						
Poultry Houses	(119,678,446.11)	(6,996,305.40)	-	-	-	(126,674,751.51)
Condominium Units	(64,870,645.22)	(9,181,054.38)	-	-	-	(74,051,699.60)
Other Buildings	(2,928,606.50)	(240,644.50)	-	-	-	(3,169,251.00)
Total	(187,477,697.83)	(16,418,004.28)	-	-	-	(203,895,702.11)
Net	186,265,202.37					385,062,704.57

Depreciation was shown in Statements of Income

For the year ended December 31,

2009	16,418,004.28
2008	11,801,951.82

As of December 31, 2009 and 2008, the Company made a collateral security with banks and financial institutions in order to guarantee the Company and subsidiary companies credits by land at the cost price at Baht 1.01 million and Baht 3.19 million respectively, (Note 20).

17. Property, Plant and Equipment-Net

Consisted of:

	Consolidated Financial Statements					Balance As of December 31, 2009 Baht
	Balance As of December 31, 2008	Purchase	Transfer in	Sale	Transfer out	
	Baht	Baht	Baht	Baht	Baht	
Cost:						
Land and Land Improvement	337,448,961.87	-	9,353,324.43	-	-	346,802,286.30
Building and Building Improvement	2,917,081,049.48	1,107,979.93	618,152,488.89	-	(2,301,227.63)	3,534,040,290.67
Machines and Equipment	1,829,800,029.13	16,046,462.32	181,466,274.28	(2,133,145.19)	(115,142.02)	2,025,064,478.52
Tools	598,665,198.16	14,064,206.33	48,081,402.04	(533,050.38)	(631,380.38)	659,646,375.77
Office Equipment	213,308,007.69	35,055,653.72	48,172,574.34	(1,043,937.41)	(1,534,170.90)	293,958,127.44
Vehicles	428,368,766.45	26,348,910.00	7,715,244.65	(5,866,449.00)	(63,000.00)	456,503,472.10
Others Fixed Assets	963,673.00	78,966.00	-	-	-	1,042,639.00
Construction in Progress	1,137,318,792.17	606,288,874.78	74,897,195.63	(1,179,892.87)	(1,153,841,652.95)	663,483,316.76
Total	7,462,954,477.95	698,991,053.08	987,838,504.26	(10,756,474.85)	(1,158,486,573.88)	7,980,540,986.56

Consolidated Financial Statements						
	Balance As of December 31, 2008	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2009
	Baht	Baht	Baht	Baht	Baht	Baht
Accumulated Depreciation:						
Land Improvement	(13,675,044.65)	(1,264,435.26)	-	-	-	(14,939,479.91)
Building and Building Improvement	(1,558,324,304.84)	(150,307,995.87)	-	-	2,300,745.49	(1,706,331,555.22)
Machines and Equipment	(1,118,050,265.17)	(135,899,453.12)	-	2,003,711.68	115,140.02	(1,251,830,866.59)
Equipment and Tools	(479,486,046.56)	(49,669,818.02)	-	459,795.00	512,309.34	(528,183,760.24)
Office Equipment	(176,755,485.84)	(18,835,783.82)	-	811,429.96	1,471,982.57	(193,307,857.13)
Vehicles	(334,092,743.50)	(33,783,732.54)	(1,871.50)	5,022,291.46	62,995.00	(362,793,061.08)
Others Fixed Assets	(836,099.96)	(40,009.22)	-	-	-	(876,109.18)
Total	(3,681,219,990.52)	(389,801,227.85)	(1,871.50)	8,297,228.10	4,463,172.42	(4,058,262,689.35)
Net	<u>3,781,734,487.43</u>					<u>3,922,278,297.21</u>

For the year ended December 31, 2009

Depreciation Transferred to Statements of Income 356,700,214.62

Depreciation Transferred to Costs of Rearing 31,348,423.59

Depreciation Transferred to Costs of Assets 1,752,589.64

For the year ended December 31, 2008

Depreciation Transferred to Statements of Income 294,077,114.99

Depreciation Transferred to Costs of Rearing 33,759,417.46

Depreciation Transferred to Costs of Assets 1,688,481.89

Separate Financial Statements						
	Balance As of December 31, 2008	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2009
	Baht	Baht	Baht	Baht	Baht	Baht
Cost:						
Land and Land Improvement	64,367,713.22	-	9,353,324.43	-	-	73,721,037.65
Building and Building Improvement	460,030,942.87	146,143.49	3,734,522.99	-	(2,300,127.63)	461,611,481.72
Machines and Equipment	933,504,906.22	4,542,444.23	2,449,801.74	(936,105.70)	(57,231.08)	939,503,815.41
Tools	98,385,564.67	4,243,421.39	5,668,237.16	(81,800.00)	-	108,215,423.22
Office Equipment	111,525,873.00	20,278,459.47	11,405,056.87	(53,892.37)	(9,405.86)	143,146,091.11
Vehicles	88,882,922.01	10,110,460.00	30,520.34	(2,176,000.00)	-	96,847,902.35
Construction in Progress	240,947,734.40	139,819,435.14	-	-	(215,696,931.34)	165,070,238.20
Asset in Transit	-	24,646,559.16	-	-	(30,520.34)	24,616,038.82
Total	1,997,645,656.39	203,786,922.88	32,641,463.53	(3,247,798.07)	(218,094,216.25)	2,012,732,028.48
Accumulated Depreciation:						
Land Improvement	(13,675,044.65)	(1,264,435.26)	-	-	-	(14,939,479.91)
Building and Building Improvement	(204,248,242.66)	(19,775,591.83)	-	-	2,300,126.63	(221,723,707.86)
Machines and Equipment	(370,920,642.63)	(84,881,711.52)	-	936,100.70	35,325.27	(454,830,928.18)
Equipment and Tools	(79,211,568.34)	(5,623,694.21)	(35,325.27)	81,798.00	-	(84,788,789.82)
Office Equipment	(87,599,675.82)	(8,684,846.30)	-	23,841.52	-	(96,260,680.60)
Vehicles	(61,196,933.48)	(9,795,548.98)	-	2,175,997.00	-	(68,816,485.46)
Total	(816,852,107.58)	(130,025,828.10)	(35,325.27)	3,217,737.22	2,335,451.90	(941,360,071.83)
Net	<u>1,180,793,548.81</u>					<u>1,071,371,956.65</u>

Depreciation was shown in Statements of Income

For the year ended December 31,

2009 130,025,828.10

2008 101,370,206.27

- Consolidated Financial Statements

For the year ended December 31, 2009 and 2008, the Company and subsidiary companies purchased assets with credit in the amount of Baht 50.70 million and Baht 19.83 million respectively.

For the year ended December 31, 2008, one subsidiary company sold assets with credit in the amount of Baht 0.02 million.

For the year ended December 31, 2009 and 2008, one subsidiary company was included the cost of borrowing to the cost of construction in the amount of Baht 10.68 million and Baht 20.62 million respectively. The cost of borrowing occurred from loan for general purpose with monthly weighted average interest rate. The monthly interest rate of 2009 was 0.39% - 0.42% and 2008 was 0.41% - 0.46%.

As of December 31, 2009 and 2008, three subsidiary companies guaranteed the credit line to commercial banks and financial institutions with both existing and to be acquired in the future of land and land improvements, machines in the net book value of Baht 498.36 million and Baht 691.62 million respectively, (Note 20).

As of December 31, 2009 and 2008, four subsidiary companies had the assets which had not the depreciation but they still used. The cost price was Baht 1,510.26 million and the net book value was Baht 308,220.00 and the cost price was Baht 1,352.47 million and the net book value was Baht 246,684.00 respectively.

- Separate Financial Statement

For the year ended December 31, 2009 and 2008 the Company purchased assets with credit in the amount of Baht 37.23 million and Baht 1.85 million respectively.

As of December 31, 2009 and 2008 the Company had the assets which had not the depreciation but they still used. The cost price was Baht 465.59 million and the net book value was Baht 7,364.00 and the cost price was Baht 398.26 million and the net book value was Baht 7,185.00 respectively.

The Company had land with buildings and improvement, machines and equipment, both existing and to be acquired in the future, as collateral against credit and guarantee (Note 20).

18. Property and Plant Not Used for Operations - Net

	Consolidated Financial Statements					Balance As of December 31, 2009 Baht
	Balance As of December 31, 2008 Baht	Purchase Baht	Transfer in Baht	Sale Baht	Transfer out Baht	
Land	156,764,894.33	5,375,000.00	-	(4,235,425.00)	(32,078,550.00)	125,825,919.33
Building	2,392,809.17	-	-	-	-	2,392,809.17
Total	159,157,703.50	5,375,000.00	-	(4,235,425.00)	(32,078,550.00)	128,218,728.50
<u>Less</u> Accumulated Depreciation						
Building	(1,129,414.35)	(119,636.05)	-	-	-	(1,249,050.40)
<u>Less</u> Allowance for Land						
Impairment	(27,245,663.50)	-	-	-	1,128,880.00	(26,116,783.50)
Net	<u>130,782,625.65</u>					<u>100,852,894.60</u>

Depreciation was shown in Statements of Income

For the year ended December 31,

2009	119,636.05
2008	103,494.24

	Separate Financial Statements					Balance As of December 31, 2009
	Balance As of December 31, 2008	Purchase	Transfer in	Sale	Transfer out	
	Baht	Baht	Baht	Baht	Baht	Baht
Land	63,884,001.50	5,375,000.00	-	-	(32,078,550.00)	37,180,451.50
Less Allowance for Land Impairment	(11,088,786.50)	-	-	-	-	(11,088,786.50)
Net	<u>52,795,215.00</u>					<u>26,091,665.00</u>

- Consolidated Financial Statements

As of December 31, 2009 and 2008, one subsidiary company brought land at the cost of Baht 0.88 million to guarantee credit of the Company and subsidiary companies with commercial banks and financial institutions (Note 20).

19. Intangible Assets-Net

	Consolidated Financial Statements/Separate Financial Statements					Balance As of December 31, 2009
	Balance As of December 31, 2008	Purchase	Transfer in	Sale	Transfer out	
	Baht	Baht	Baht	Baht	Baht	Baht
Software Royalty	4,653,109.84	3,013,077.76	-	-	-	7,666,187.60
Less Accumulated Amortization Expenses	(597,062.27)	(1,028,275.84)	-	-	-	(1,625,338.11)
Net	<u>4,056,047.57</u>					<u>6,040,849.49</u>

Amortization Expenses was shown in Statements of Income
For the year ended December 31,

2009	1,028,275.84
2008	481,397.72

20. Credits and Guarantees

Bank overdrafts, loans from banks, short-term loans from financial institutions, packing credits payable, trust receipts payable and long-term loans of the Company and subsidiary companies. The collateral was made from the Company and subsidiary companies by temporary investment, land with building, condominium for rent, plant, machines and equipment both existing and to be acquired in the future of the Company and subsidiary companies, and beneficiary from insurance in assets of the Company and subsidiary companies with the financial institutions.

The Company and subsidiary companies group received the credit in the form of long-term loans from related persons in the amount of Baht 2,000.00 million. However, it includes part of the short-term loans, presently, the Company and subsidiary companies group have borrowed from related persons which will be gradually matured within one year call with annual interest rate of 6.00% with maturity of 5 years from February 1, 2009 to January 31, 2014, has not any collateral.

21. Bank Overdrafts and Short-Term Loans from Financial Institutions

Consisted of:

	Consolidated Financial Statements As of		Separate Financial Statements As of	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Bank Overdrafts	-	18,152,700.12	-	492,043.55
Short-Term Loans from Financial Institutions	1,004,000,000.00	959,000,000.00	480,000,000.00	310,000,000.00
Trust Receipts Payable	116,828,996.61	673,237,331.32	-	-
Total	1,120,828,996.61	1,650,390,031.44	480,000,000.00	310,492,043.55

21.1 Terms and Conditions on Short-Term Loans from Financial Institutions for the Company:

As of December 31, 2009 and 2008, short-term loan from financial institutions in the amount of Baht 480.00 million and Baht 310.00 million respectively, were in the form of promissory notes from several commercial banks with 30 - 90 days and 15 - 60 days respectively, at the annual interest rates of 1.50% - 1.75% and 3.60% - 5.03% respectively.

21.2 Terms and Conditions on Short-Term Loans from Financial Institutions for Four Subsidiary Companies

21.2.1 Terms and Conditions on Short-Term Loans from financial institutions for the First Subsidiary Company:

As of December 31, 2008, short-term loans from financial institutions in the amount of Baht 15.00 million, was in the form of promissory note in the type of call and the annual interest rates of 4.60%.

21.2.2 Terms and Conditions on Loans from Financial Institutions for the Second Subsidiary Company:

As of December 31, 2009 and 2008, short-term loans from financial institutions in the amount of Baht 94.00 million and Baht 134.00 million respectively, was in the form of promissory notes with 2 - 3 months at the annual interest rates of 1.70% - 1.80% and 3.90% - 4.85% respectively.

21.2.3 Terms and Conditions on Short-Term Loans from Financial Institutions for the Third Subsidiary Company:

As of December 31, 2009 and 2008, short-term loan from financial institutions in the amount of Baht 380.00 million and Baht 450.00 million respectively, were in the form of promissory note with 1-3 months period and annual interest rates of 1.50% - 1.70% and 3.90% - 4.90% respectively.

21.2.4 Terms and Conditions on Short-Term Loans from financial institutions for the Fourth Subsidiary Company:

As of December 31, 2009 and 2008, short-term loan from financial institutions in the amount of Baht 50.00 million was in the form of promissory note with 90 days and 31-62 days respectively and annual interest rates of 1.65% and 4.50% - 4.90% respectively.

21.3 Trust Receipts Payable

For consolidated financial statements, as of December 31, 2009 and 2008, trust receipts payable with annual interest rates at 1.60% - 1.65% and 3.90% - 4.87% respectively. The commercial banks should have the proprietary rights of inventory importation under trust receipts agreement. The Company should have the proprietary rights until they paid trust receipts payable.

Credits and guarantees, bank overdrafts and short-term loans from financial institutions, please see the notes to financial statements No.20.

22. Long - Term Loans from Financial Institutions-Net

Consisted of:

	Consolidated Financial Statements	
	As of	
	December 31, 2009	December 31, 2008
	Baht	Baht
Long-Term Loans from Financial Institutions	221,050,000.00	304,210,000.00
<u>Less</u> Current Portion of Long - Term Loans	(63,160,000.00)	(83,160,000.00)
Net	157,890,000.00	221,050,000.00

The Movement of Long - Term Loans for the year ended December 31, 2009 and 2008 as follows:

	Consolidated Financial Statements	
	for the year ended December 31,	
	2009	2008
	Baht	Baht
Balance as of Beginning	304,210,000.00	378,750,000.00
Repayment to Long-Term Loans	(83,160,000.00)	(74,540,000.00)
Balance as of Ending	221,050,000.00	304,210,000.00

- Terms and Conditions of Long - Term Loans for One Subsidiary Company:

22.1 Long-term loan from financial institutions, the credit line of Baht 150.00 million, as of December 31, 2008, the outstanding amount of Baht 20.00 million, which has been repaid every 6 months, totally 8 installments. The first and second installments should be paid at Baht 15.00 million and the third to eighth installments should be paid at Baht 20.00 million. The first installment will be started on July 29, 2005. The interest should be paid at quarterly basis at the end of the month. The annual interest rate of the first year is 3.25% and for the year afterwards, the annual interest rate is fixed rate at 6 months fixed deposit plus 2.50% of one financial institution.

22.2 Long-term loan from financial institutions, the credit line of Baht 300.00 million, as of December 31, 2009 and 2008, the outstanding amount of Baht 221.05 million and Baht 284.21 million respectively, which has been repaid every 3 months, totally 19 installments. The first - eighteenth installments should be paid at Baht 15.79 million and the nineteenth installments should be paid at the whole amount of loan. The first installment will be paid on December 30, 2008. The interest should be paid at monthly basis at the last date of the month. The annual interest rate is fixed rate at THBFIX 1 month plus 1.00% of that financial institution.

The whole amount of long-term loan of the Company and subsidiary companies, were secured by the existing and to be acquired in the future of land with buildings and a part of machines and equipment together with the benefits arising from insurance on that building and other assets of the Company and subsidiary companies.

23. Share Capital

	2009			2008	
	Par Value	Number of Share	Amount	Number of Share	Amount
	Baht	Shares	Baht	Shares	Baht
Authorized Share Capital					
As of January 1,					
- Ordinary	10.00	140,000,000	1,400,000,000.00	140,000,000	1,400,000,000.00
As of December 31,					
- Ordinary	10.00	140,000,000	1,400,000,000.00	140,000,000	1,400,000,000.00

	Par Value Baht	Number of Share Shares	2009	Number of Share Shares	2008
			Amount Baht		Amount Baht
issued and Paid-up Share Capital					
As of January 1,					
- Ordinary	10.00	125,382,100	1,253,821,000.00	125,382,100	1,253,821,000.00
As of December 31,					
- Ordinary	10.00	125,382,100	1,253,821,000.00	125,382,100	1,253,821,000.00

24. Dividend Payment

- 24.1 The Minutes of Annual General Shareholders' Meeting in 2009 dated on April 29, 2009 was approved the dividend payment from the Company's performance in 2008 at Baht 2.50 per share, the number of shares was 125,382,100 and amounting to Baht 313.46 million (paid in amount of Baht 313.42 million) and the Company will pay the dividend on May 14, 2009. The Company also approved the amount of Baht 29.49 million for legal reserve.
- 24.2 The Board of Directors' Meeting No.2/2008 dated on February 28, 2008 was approved the dividend payment from the Company's performance in 2007 at Baht 0.80 per share, the number of shares was 125,382,100 and amounting to Baht 100.31 million (paid in amount of Baht 100.29 million) and the Company will pay the dividend on May 15, 2008. The Company also approved the amount of Baht 13.00 million for legal reserve.

25. Management Benefit Expenses

Management benefit expenses represent the benefits paid to the Company's management and directors such as salaries, related benefit and directors' remuneration, including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act.

26. Finance Costs

Consisted of:

	Consolidated Financial Statements for the year ended		Separate Financial Statements for the year ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Fee Co-guarantee Loan Expenses	-	-	3,997,259.67	6,783,849.81
Fee Bank Expenses	157,683.25	-	-	-
Interest Expenses	118,157,642.71	132,042,360.26	36,722,615.92	37,268,462.42
	118,315,325.96	132,042,360.26	40,719,875.59	44,052,312.23

27. Income Tax

For the year ended December 31, 2009 and 2008, the Company calculated corporate income tax of the net profit from promotional activities under the condition of BOI and the Company calculated corporate income tax of the net profit without promotional activities at 25% which complies with royal decree No.475 to reduce corporate income tax from 30% to 25% of net profit not over Baht 300 million for the 3 consecutively accounting periods commenced from the first accounting period which commenced within or after January 1, 2008, and the subsidiary companies calculated corporate income tax of the net profit from promotional activities under the condition of BOI and calculated corporate income tax of the net profit from without promotional activities at 30% and the Company and subsidiary companies calculated corporate income tax of the net profit from without promotional activities after less and plus the adjustment transactions from the Revenue Code. The significant plus or minus of the adjustment transactions are carry forward loss no exceed 5 years, premium on vehicle depreciation, doubtful accounts, charity, loss from decline in value of inventory and loss from impairment of salvage value of parent chicken etc.

28. Expenses by Nature

Consisted of:

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Baht	Baht	Baht	Baht
Changes in Inventories of Finished Goods and Work in Progress	79,788,040.60	(212,966,333.17)	(7,677,554.26)	(85,704,658.50)
Raw Materials and Consumables Used	7,638,760,383.74	7,616,976,415.88	5,371,016,122.85	5,249,392,504.44
Gain (Loss) in Value of Inventories	(3,722,834.93)	8,064,976.25	(5,518,566.78)	6,184,951.59
Employee Benefit Expenses	1,197,285,635.58	1,085,068,359.21	705,769,496.34	634,460,448.16
Depreciation of Fixed Assets	373,237,854.95	305,982,561.05	146,443,832.38	113,172,158.09
Depreciation of Grandparent and Parent Chicken	323,750,048.60	280,377,422.45	-	-
Amortisation Expenses	1,028,275.84	481,397.72	1,028,275.84	481,397.72
Transportation Expenses	260,281,912.23	302,580,199.13	98,764,351.33	106,249,423.22
Operating Lease Expenses	16,127,976.77	15,450,669.31	6,757,800.00	6,711,300.00
Utility Expenses	407,855,371.70	348,253,539.39	178,687,661.60	156,796,972.31
Fee Expenses	9,008,447.66	8,016,769.42	2,151,720.10	2,690,958.77
Traveling Expenses	19,790,930.25	19,305,571.97	5,041,182.51	3,478,897.90
Sale Promotion Expenses	18,161,613.30	15,075,289.55	588,659.95	925,882.43
Loss from Sales of Parent Chicken Retirement	9,104,205.70	26,838,324.60	-	-
Loss from Sales of Grandparent Chicken Retirement	1,492,480.43	2,210,655.42	-	-
Loss from Value of Disposal of Chicken	12,040,788.58	15,952,793.59	-	-
Management Benefit Expenses	37,292,082.00	39,762,010.96	21,446,861.00	23,432,883.96
Other Expenses	61,438,599.87	68,995,500.55	42,212,004.92	34,611,048.87
	10,462,721,812.87	9,946,426,123.28	6,566,711,847.78	6,252,884,168.96

29. Details of Statements of Income Categorized by Activities with Investment Promotional Benefits and Activities without Investment Promotional Benefits

	Separate Financial Statements for the year ended December 31, 2009		
	Activities with Investment Promotional Benefits	Activities without Investment Promotional Benefits	Total
	Baht	Baht	Baht
Sales	2,678,104,529.20	4,240,727,776.33	6,918,832,305.53
Cost of Sales	(2,048,106,450.52)	(4,232,297,738.51)	(6,280,404,189.03)
GROSS PROFIT	629,998,078.68	8,430,037.82	638,428,116.50
Dividend Income from Associated Company	-	15,680,000.00	15,680,000.00
Reverse Impairment of Investments in Subsidiary Company	-	47,056,652.18	47,056,652.18
Other Income	14,644,919.76	58,314,302.95	72,959,222.71
PROFIT BEFORE EXPENSES	644,642,998.44	129,480,992.95	774,123,991.39
Selling Expenses	(95,124,739.30)	(17,406,324.52)	(112,531,063.82)
Administrative Expenses	(48,460,896.97)	(103,868,836.96)	(152,329,733.93)
Management Benefit Expenses	(8,170,918.36)	(13,275,942.64)	(21,446,861.00)
Total Expenses	(151,756,554.63)	(134,551,104.12)	(286,307,658.75)
PROFIT BEFORE FINANCE COSTS AND INCOME TAX	492,886,443.81	(5,070,111.17)	487,816,332.64
FINANCE COSTS	(15,628,735.10)	(25,091,140.49)	(40,719,875.59)
PROFIT BEFORE INCOME TAX	477,257,708.71	(30,161,251.66)	447,096,457.05
INCOME TAX	-	-	-
PROFIT (LOSS) FOR THE PERIOD	477,257,708.71	(30,161,251.66)	447,096,457.05

	Separate Financial Statements for the year ended December 31, 2008		
	Activities with Investment Promotional Benefits	Activities without Investment Promotional Benefits	Total
	Baht	Baht	Baht
Sales	2,599,331,032.24	4,203,454,562.50	6,802,785,594.74
Cost of Sales	(1,910,435,508.47)	(4,069,558,706.99)	(5,979,994,215.46)
GROSS PROFIT	688,895,523.77	133,895,855.51	822,791,379.28
Dividend Income from Associated Company	-	15,435,000.00	15,435,000.00
Other Income	32,529,280.27	41,377,342.06	73,906,622.33
PROFIT BEFORE EXPENSES	721,424,804.04	190,708,197.57	912,133,001.61
Selling Expenses	(99,720,855.55)	(17,225,706.66)	(116,946,562.21)
Administrative Expenses	(41,938,740.60)	(90,571,766.73)	(132,510,507.33)
Management Benefit Expenses	(8,820,240.59)	(14,612,643.37)	(23,432,883.96)
Total Expenses	(150,479,836.74)	(122,410,116.76)	(272,889,953.50)
PROFIT BEFORE FINANCE COSTS AND INCOME TAX	570,944,967.30	68,298,080.81	639,243,048.11
FINANCE COSTS	(16,787,536.28)	(27,264,775.95)	(44,052,312.23)
PROFIT BEFORE INCOME TAX	554,157,431.02	41,033,304.86	595,190,735.88
INCOME TAX	-	(5,360,547.12)	(5,360,547.12)
PROFIT FOR THE PERIOD	554,157,431.02	35,672,757.74	589,830,188.76

30. Presentation of Financial Data Segregated by Business Sector

The information on business sector operation of the Company and subsidiary companies was as follows:

Consolidated Financial Statements for the year ended December 31, 2009									
	Visceration Chicken	Hatchery Farm	Broiler Farm	Feed Mill	Parent Chicken and Chick Distribution	Processed Food Production and Distribution	Grandparent Chicken	Eliminate	Total
	(Unit : Million Baht)								
Sales - General Customers	6,819.36	105.67	5.42	4,025.43	328.80	207.73	14.98	-	11,507.39
- Transfer between Sectors	99.47	875.37	4,821.80	3,792.53	137.05	30.86	109.91	(9,866.99)	-
	6,918.83	981.04	4,827.22	7,817.96	465.85	238.59	124.89	(9,866.99)	11,507.39
Profit from Operation	394.41	24.92	128.59	581.34	32.72	0.39	30.92		1,193.29
Participating Profit in Associated Companies									56.16
Interest Receive									0.53
Finance Costs									(118.32)
Income Tax									(47.67)
Profit from Minority Shareholders' Interest									(16.40)
Profit for the Period of GFPT PUBLIC COMPANY LIMITED.									1,067.59
Fixed Assets	1,572.26	601.99	1,409.84	2,573.90	237.55	25.18	308.78		6,729.50
Common Assets									1,436.37
Total Assets									8,165.87

Consolidated Financial Statements for the year ended December 31, 2008									
	Visceration Chicken	Hatchery Farm	Broiler Farm	Feed Mill	Parent Chicken and Chick Distribution	Processed Food Production and Distribution	Grandparent Chicken	Eliminate	Total
	(Unit : Million Baht)								
Sales - General Customers	6,595.04	113.82	4.27	3,665.64	306.40	303.78	7.55	-	10,996.50
- Transfer between Sectors	207.75	814.21	4,540.21	3,587.95	113.39	1.95	102.07	(9,367.53)	-
	6,802.79	928.03	4,544.48	7,253.59	419.79	305.73	109.62	(9,367.53)	10,996.50
Profit from Operation	646.24	28.97	141.40	295.34	27.43	9.34	29.95		1,178.67
Participating Profit in Associated Companies									42.17
Interest Receive									0.87
Finance Costs									(132.04)
Income Tax									(5.70)
Profit from Minority Shareholders' Interest									(7.90)
Profit for the Period of GFPT PUBLIC COMPANY LIMITED.									1,076.07
Fixed Assets	1,740.06	578.94	1,196.17	2,573.24	237.15	92.60	326.95		6,745.11
Common Assets									753.61
Total Assets									7,498.72

For the year ended December 31, 2009 and 2008, the Company and subsidiary companies had domestic sales and export sales as follows:

(Unit : % of Net Total Sales) Consolidated Financial Statements For the year ended December 31,		
	2009	2008
Domestic Sales - Net	76.24	75.32
Export Sales - Net	23.76	24.68

31. Financial Instruments

31.1 Policy on Financial Risk Management

The Company has the policy to decrease financial risk by using financial instruments such as to make forward contract of foreign currency, to make fixed interest rate contracts in replacement of floating market rate. However the Company has no policy to use financial instruments for speculating or for trading.

31.2 Risk on Interest Rates

The interest rate risk is the risk from the future movements in market interest rates which will be affected the results of the Company and subsidiary companies operations and their cash flows. The Company and subsidiary companies had assets and liabilities which it may have risk on interest rate as follows:

Consolidated Financial Statements				
	Amount		Annual Interest Rate	
	As of December 31, 2009	2008	As of December 31, 2009	2008
	Million Baht	Million Baht	%	%
Temporary Investment in Bill of Exchange	-	0.50	-	2.00
Bank Overdrafts	-	18.15	-	7.00-7.50
Short-Term Loans from Financial Institutions	1,004.00	959.00	1.50-1.80	3.60-5.03
Short-Term Loans from Related Persons	94.40	1,192.60	6.00	6.00
Trust Receipts Payable	116.83	673.24	1.60-1.65	3.90-4.87
Long-Term Loans from Financial Institutions	221.05	304.21	5.50	5.00-5.50
Long-Term Loans from Related Persons	1,396.20	-	6.00	6.00

Separate Financial Statements				
	Amount		Annual Interest Rate	
	As of December 31, 2009	2008	As of December 31, 2009	2008
	Million Baht	Million Baht	%	%
Bank Overdrafts	-	0.49	-	7.40
Short-Term Loans from Financial Institutions	480.00	310.00	1.50-1.75	3.60-5.03
Short-Term Loans from Related Persons	78.50	344.50	6.00	6.00
Short-Term Loans from Subsidiary Company	15.00	-	2.00	-
Long-Term Loans from Related Persons	427.20	-	6.00	-

31.3 Risks on Exchange Rate

Risk on exchange rates of the Company and subsidiary companies occurred from raw material purchases and sold our products as follows:

Type	Consolidated Financial Statements As of December 31, 2009 2008		Separate Financial Statements As of December 31 2009 2008	
Assets				
Million USD	4.65	8.04	4.65	8.04
Million EURO	0.74	-	0.74	-
Liabilities				
Million USD	29.87	4.58	0.05	0.06
Million EURO	0.40	-	0.40	-

The Company and subsidiary companies exposed the risks by making foreign exchange forward contract.

31.4 Risks on Credit Term

The Company has a low risk for credit term on goods for exporting customers because most of the customers transfer money before goods are sent and the rest is sold by opening letter of credit issued to the Company which can be cashed at the bank as soon as goods are sent. For domestic customers, retailers were paid by cash only whereas wholesalers were given credit on a case by case basis depending on their turnover of goods and the payment ability. For subsidiary company had risks on credit term which given credit term to customers on a case by case basis and assets guarantee. The uncollectible debt from general accounts receivable, the company reviewed and recorded the allowance from doubtful debts. The accounts receivable from related companies, had not any risks on payment because the credit term was in the due period and high liquidity.

31.5 Fair Value

Due to the fact that financial assets and liabilities are mainly short term type and some loans have an interest rate at nearby the rate in the market rate. The Company believes that book values of assets and liabilities do not significantly differ from their fair values.

32. Foreign Exchange Forward Contract

The Company and subsidiary companies had policy to decrease any risks on foreign exchange rate, which occurred from sales on goods and payment by hedging forward contract from several financial institutions as follows:

	Consolidated Financial Statements As of December 31, 2009 2008		Separate Financial Statements As of December 31, 2009 2008	
Assets				
Value of Foreign Exchange Forward Contract (Million USD)	6.22	1.40	6.22	1.40
(Million EURO)	1.20	-	1.20	-
Value of Foreign Exchange Contract (Million Baht)	267.21	45.23	267.21	45.23
Fair Value of Foreign Exchange Contract (Million Baht)	265.08	48.94	265.08	48.94
Liabilities				
Value of Foreign Exchange Forward Contract (Million USD)	5.41	4.17	1.59	-
(Million EURO)	0.90	-	0.90	-
(Million AUSTRALIA)	0.90	-	0.90	-
Value of Foreign Exchange Contract (Million Baht)	249.94	145.14	122.55	-
Fair Value of Foreign Exchange Contract (Million Baht)	250.04	146.46	122.53	-

33. Liquidity Problems

For the separate financial statements, as of December 31, 2009 and 2008, were shown that current liabilities exceed current assets by Baht 196.12 million and Baht 185.04 million respectively. However, the Company still has a balance of credit available from banks and financial institutions amounting to Baht 2,805.07 million and Baht 1,891.17 million respectively, and the Company has a credit from directors and related persons. The Company will not facing liquidity problems and it also can repay all liabilities on schedule.

34. The Spread of Bird Flu Problems

At present, Thai still faces the problems of the spread of Avian Flu. The major importers such as Japan, European countries, Singapore, South Korea, Hong Kong etc., permitted to import only cooked chicken products so it will not impact on the Company's performance.

35. Contingent Liabilities and Obligations

35.1 In addition to the liabilities shown in the balance sheets, the Company and subsidiary companies had other contingent liabilities as follows:

Consolidated Financial Statements As of December 31,		
	2009	2008
	Million Baht	Million Baht
Letter of Guarantee	65.38	59.74
Letter of Credit (Unused)	1,500.71	1,206.56
Guarantee on Bank Credit with Subsidiary Companies		
- Credit Line Baht 891.53 Million, Credit Used	334.92	-
- Credit Line Baht 690.41 Million, Credit Used	-	384.21
Joint Guarantee on Bank Credit with Subsidiary Companies		
- Credit Line Baht 1,575.06 Million, Credit Used	435.90	-
- Credit Line Baht 1,689.60 Million, Credit Used	-	715.46

Separate Financial Statements As of December 31,		
	2009	2008
	Million Baht	Million Baht
Letter of Guarantee	28.56	25.74
Letter of Credit (Unused)	149.31	8.23
Guarantee on Bank Credit with Subsidiary Companies		
- Credit Line Baht 891.53 Million, Credit Used	334.92	-
- Credit Line Baht 690.41 Million, Credit Used	-	384.21
Guarantee on Bank Credit with Subsidiary Companies		
- Credit Line Baht 1,575.06 Million, Credit Used	435.90	-
- Credit Line Baht 1,689.60 Million, Credit Used	-	715.46

35.2 As of December 31, 2009 and 2008, one subsidiary company had obligation to buy back live-chicken under the contract agreement of day-old-chicks and also guarantee the purchasing price. The contract agreement had conditions to buy back at 95% of the number of day-old-chicks in amount of Baht 5.29 million and Baht 3.37 million respectively.

35.3 As of December 31, 2009 and 2008, one subsidiary company had obligation to buy back layer chicken under the contract agreement of layer day-old-chicks and also guarantee the purchasing price at Baht 93 per each and Baht 86 per each respectively. The contract agreement had conditions to buy back at 95% of the number of layer day-old-chicks in the amount of Baht 6.19 million and Baht 6.64 million respectively.

35.4 As of December 31, 2009, one subsidiary company had constitutes obligation commitment that will have to repay service fee of high speed signal with one company in one version from August 26, 2009 to July 25, 2012 in the amount of Baht 0.96 million.

- 35.5 As of December 31, 2008, one subsidiary company had obligation to construct buildings and installment machinery for feedmill plant. The outstanding value which is still unpaid under the agreement had the amount of Baht 8.77 million.
- 35.6 One subsidiary company made an agreement to lease land from the company for 3 years period since March 1, 2009 to February 28, 2012 and the monthly rental rate is Baht 0.025 million. The total payment of the lease agreement is Baht 0.65 million.
- 35.7 Five subsidiary companies had obligation to lease office building from one related company. The period of lease is 3 years and it started from August 1, 2009 to July 31, 2012 with the monthly rental rate is Baht 0.62 million. The total payment of the lease agreement is Baht 19.19 million.
- 35.8 One subsidiary company made an agreement to lease farm from a related company for 3 years period since August 1, 2009 to July 31, 2012 and the monthly rental rate is Baht 0.125 million. The total payment of the lease agreement is Baht 3.88 million.
- 35.9 One subsidiary company made an agreement to lease land for farm operation from the company for 3 years period since April 1, 2008 to March 31, 2011 and the year rental rate is Baht 0.10 million. The total payment of the lease agreement is Baht 0.10 million.
- 35.10 One subsidiary company made an agreement to lease land for chicken farm operation with a related company for 20 years period since October 1, 2003 to September 30, 2023 and the monthly rental rate is Baht 40,000.00. The total payment of the lease agreement is Baht 6.60 million. When the agreement is finished, lessee will sell poultry houses and equipment which located on that land to lesser.
- 35.11 As of December 31, 2009, the Company made construction agreement with the value of Baht 131.60 million and the Company paid only in the amount of baht 76.62 million and the Company still had obligation to pay at Baht 54.98 million.
- 35.12 The Company made an agreement to lease office building to one related company. The period of lease is 3 years and it started from August 1, 2009 to July 31, 2012 and the monthly rental rate is Baht 0.45 million. The total payment of the lease agreement is Baht 13.81 million.
- 35.13 The Company made an agreement to lease a building from one related company. The period of lease is 3 years and it started from June 1, 2007 to May 31, 2010 and the monthly rental rate is Baht 0.01 million. The total payment of the lease agreement is Baht 0.05 million.
- 35.14 The Company made an agreement to lease land from one related company for constructing condominiums for employees to rent with 20 years period since August 1, 2007 onwards, the whole rental value was Baht 22.38 million and the company shall pay the amount of Baht 19.47 million until the agreement was finished.

36. Filing Case

One subsidiary company is being sued by a foreign commercial creditor to GAFTA of the United Kingdom concerning a dispute about the buying of raw materials. However, the Company filled a petition at the Central Intellectual Property and International Trade Court on November 11, 2005 requesting withdrawal of the writ by GAFTA's arbitrator since the subsidiary company has not agreed to a sale and purchase agreement with this commercial creditor. As a result, there is no dispute for the arbitrator to consider regarding such sale and purchase agreement. Moreover, foreign commercial creditor has filled at the Central Intellectual Property and International Trade Court on December 19, 2005 a writ with GAFTA's arbitrator that the subsidiary company should pay damages arising from ordering raw materials for USD 1,006,600.00 or approximately Baht 41.32 million. Later, On September 18, 2007, the Central Intellectual Property and International Trade Court was withdrawal of the writ by GAFTA's arbitrator of the United Kingdom. However, the creditor appealed this matter with the Court of Appeals and the Court of Appeals also withdrawal of the writ by GAFTA's arbitrator of the United Kingdom. On November 16, 2007, the creditor appealed this matter with the Central Intellectual Property and International Trade Court and this Court was objected to appeal and the creditor appealed the objection on November 30, 2007. On December 21, 2007, As of June 6, 2008, the Supreme Court accepted the creditor appealed and later on July 21, 2008, the subsidiary company filed a petition in order to object the creditor appealed. Later, on December 23, 2009, the Supreme Court has adjudicated that the subsidiary company wins the case while upholds the decision of the Primary Court, i.e., to withdraw decision of Central Intellectual Property and International Trade Court (GAFTA) at London, United of Kingdom. Moreover, it asks that such account payable - international trading compensates attorney fee instead of the subsidiary company in the supreme level aggregating to Baht 50,000. As a result, such case finalizes.

37. Approval of the Financial Statements

The financial statements have been approved to issue by the board of directors' the Company on February 17, 2010.



บริษัท จีเอฟพีที จำกัด (มหาชน)

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