



รายงานประจำปี 2553 บริษัท จีเอฟพีที จำกัด (มหาชน)

Annual Report

Annual Report 2010 GFPT Public Company Limited



Annual Report 2010

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inancial Highlight

GFPT Public Company Limited and Subsidiary Companies

(Unit : Million Baht)

Consolidated Operating	2010	2009	2008
Revenue from Sale	12,472	11,507	10,996
Total Revenue	12,691	11,710	11,168
Profit Margin	2,015	1,774	1,823
Profit from Operation	1,380	1,250	1,222
Net Profit	1,163	1,067	1,076
Earning per Share (Baht)	0.93	0.85	0.86

Consolidated Financial Position	2010	2009	2008
Total Current Asset	3,284	2,797	2,884
Total Asset	9,215	8,138	7,499
Total Current Liabilities	1,255	2,123	3,480
Total Liabilities	3,833	3,614	3,717
Shareholders' Equity	5,382	4,524	3,781

Financial Ratio	2010	2009	2008
Liquidity Ratio (time)	2.62	1.32	0.83
Profit Margin Ratio (%)	16.16	15.41	16.58
Return on Asset Ratio (%)	12.63	13.12	14.35
Debt to Equity Ratio (time)	0.71	0.80	0.98

M

essage from the Chairman



Message from the Chairman of the Board of Directors

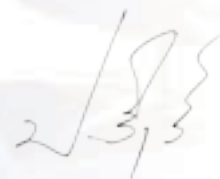
In 2010, operating performance of GFPT continued to improve favorably followed the growth trend of the past previous years. Main factors responsible for this satisfactory performance were the obvious recovering of Thai economy, together with a rather low rate of inflation. Moreover, export growth as well as the rising purchasing power of Thai consumers had also led to the satisfactory business achievement of GFPT.

As stated above, high growth of both domestic consumption and export of chicken meat products in 2010 were the main supporting factors for the success of main GFPT's businesses, which are production and marketing of broiler and chicken meat products. Apart from growth in retail trade due to high purchasing power, the production for domestic market was also boosted by the expansion of fast food chains that add more chicken meat products in their main menus. Furthermore, export to the EU and Japan also increased so that the company's revenue rose favorably.

The progress of GFPT in 2010 has reflected its high potential to efficiently compete and confront with obstacles, either in domestic or international markets. Maintaining of this high potential, however, is a major challenge to the company, considering the present fierce competitive situation. Therefore, GFPT must continuously improve its efficiency in production and management. In doing so, the company has to focus on research and development in order to produce processed chicken meat products that both attract and satisfy the taste of consumers in different markets. Moreover, high standard of hygiene and environmental conservation in the production process have to be maintained and consistently improved to comply with international standard.

The analysis of both positive and negative factors affecting GFPT's future performance indicates that the upward trend of business growth will continue through the year 2011. Although the prospect is good, the company has to greatly concern with some unpredictable factors, especially the possible rise of oil price and animal feed ingredients prices. Nevertheless, the negative effects resulted from these unpredictable factors are likely to be less harmful.

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

Chairman of the Board of Directors



Statement 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 2010, the Audit Committee held 4 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 2011, 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 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



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	: 0-2473-8398
Home Page	: www.gfpt.co.th
Registered Capital	: 1,400,000,000 Baht
Paid-up Capital	: 1,253,821,000 Baht
No. of Shares	: 1,253,821,000 shares
Type of Share	: Common Stock

Subsidiary Company

Name	: Krungthai Feedmill Public Company Limited
Type of Business	: Feed Mill and Parent Chicken Farm
Head Office	: GFPT Tower, No. 312 Rama II Road, Bangmod, Jomthong, Bangkok 10150
Company Certificate No	: 0107537001463
Telephone	: 0-2473-8000
Facsimile	: 0-2473-8398
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	: 0-2473-8398
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	: Krunghthai 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	: 0-2473-8398
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



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	: 0-2473-8398
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	: 0-2473-8398
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	:	77 Moo 4, Hang Sung, Nong Yai, Chonburi 20190
Company Certificate No	:	0105551130397
Telephone	:	038-932-900
Facsimile	:	038-932-999
Registered Capital	:	1,170,000,000 Baht
Paid-up Capital	:	1,170,000,000 Baht
No. of Shares	:	11,700,000 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 Fax : 0-2216-6065
E-mail	:	skaudit@ksc.th.com

G Group Structure

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





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 2010, GFPT has total capacity of 169,500 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, selling day-old-chick, parent chicken farm, broiler farm, feed mill, processed food production.

The GFPT group is integrated poultry business. To begin with the investment of 97.83% 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 2010, 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, Chonburi with the total capacity of 512,000 tons. Moreover, there are parent chicken farms to produce seed eggs for FKT. In 2010, KT has total capacity of 21,000,000 of seed eggs from its 3 farms in Chonburi.

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 2010, GP produces 1,100,000 of parent stocks from its 6 farms in Chonburi.

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 2010, FKT produces 81 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 Chonburi.

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 and after raising them around 41-43 days, MKS sells broiler to GFPT for evisceration and process. In 2010 MKS has total capacity of 61 million broilers from its 11 farms in Chonburi. The excess amount of the production will be sold to local market.

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 and wholesalers, In 2010, 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 2010, McKey has a total production of 30,000 tons from 1 factory in Samutprakarn.

The company invests 49% in GFPT Nichirei (Thailand) Company Limited ("GFN"), with registered capital of 1,170 million Baht. GFN engages in chicken evisceration and processing and distribution to Japan and other countries. The capacity of chicken processing is 66,800 tons per year and the capacity of cooked chicken products is 25,000 tons per year. GFN started the operation in the fourth quarter in 2010 from 1 factory in Chonburi.

Income Structure

Product line	Operated by	%of Share holding	2010 Income (MB)	%	2009 Income (MB)	%	2008 Income (MB)	%
Evisceration / Processed Food	GFPT		7,040.91	56.45	6,819.36	59.26	6,595.04	59.97
Feed Mill	KT	97.83	4,319.61	34.63	4,025.43	34.98	3,665.64	33.33
Parent Chicken Farm			227.90	1.83	328.80	2.86	306.40	2.79
Grandparent Chicken Farm	GP	99.99	21.68	0.18	14.98	0.13	7.55	0.07
Hatchery Farm	FKT	99.99	169.42	1.36	105.67	0.92	113.82	1.04
Broiler Farm	MKS	99.99	271.11	2.17	5.42	0.05	4.27	0.04
Day-Old-Chick			174.39	1.40	-	-	-	-
Processed Food	GFF	99.99	247.46	1.98	207.73	1.80	303.78	2.76
Total			12,472.48	100.00	11,507.39	100.00	10,996.50	100.00

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

In 2010, the company had evisceration and processed food income at 56.45%, feed mill business at 34.63%, parent chicken farm at 1.83%, grandparent chicken farm at 0.18%, hatchery farm at 1.36%, broiler farm at 2.17%, selling day-old-chick at 1.40%, and processed food at 1.98%, respectively.



Statements on Business Overview

The Overview of Broiler Business in 2010 and Prospect for 2011

Situation in 2010

Production

In 2010, most of major broiler producing countries were able to expand their broiler productions as a result of the recovering of world economy and increasing demand for chicken meat, a cheaper and lower fat content protein food, to replace other types of meat product. Moreover, demand was also increasing favorably in countries that per capita chicken meat consumptions were still low such as Mexico, China, and the Eastern European countries. This increasing demand was the main factor encouraging further growth of broiler production. However, the occasional recurrence of Bird Flu outbreak in some countries and the rising of animal feed prices were still an obstacle to the expansion of broiler production.

In 2010, total world broiler production was approximately 74.406 million tons, an increase of 3.3% from 2009. The United States was still the world's largest broiler raiser follow by China, Brazil, and the European Union respectively.

The United States produced approximately 16.348 million tons of chicken meat in 2010, an increase of 3.3% from 2009. The chicken meat production in China, the next major producer, increased from 2009 by 3.7% to reach 12.550 million tons in the same period. Brazil, the world's third largest producer, produced 11.420 million tons of chicken meat which increased from 2009 by 3.6%. Lastly, the EU which was the world fourth largest producer produced approximately 8.920 million tons of chicken meat, an increase of merely 1.8% from the previous year.

As for Thailand, approximately 980 million broilers were raised in 2010 which accounted for about 1.419 million tons of chicken meat. The production was higher than that of 2009 by 2.5%. Part of the increased chicken meat production was to meet the rising demand resulted from growing confidence among consumers on the strict surveillance measures imposed by the government to control the Bird Flu outbreak. Furthermore, since the outbreak did not occur in farms of any integrated broiler firms that produced majority of chicken products in domestic market, most of Thai consumer relaxed their concerns on the dangerous of the deadly Bird Flu. Moreover, some part of the increased production was due to the growth of export demand that still continue, although at a rather low rate.

Market Situation

Domestic Market

Demand for chicken meat product expanded in accordance with the recovering of Thai economy. Despite the continuous rising of oil price that caused inflation rate to increase successively in 2010, its effect on chicken meat consumption was trivial since its price was still at level that most consumers can easily afford and relatively low compared with other type of meat. Furthermore, the regaining of consumer's confidence on safety of chicken meat after its slump in 2004 also helped boost further domestic market. This continued growing domestic demand has lessened the impact of trade discrimination and fierce competition that Thai broiler business has to face in the world market.

Domestic consumption of chicken meat in 2010 was approximately 1.021 million tons which increased from 2009 by 3.1% while the annual consumption per capita increased continuously from approximately 15.2 kilograms to 15.5 kilograms during the same period.

Export market

Volume of chicken meat export in 2010 was about 415,000 tons, up 4.5% from 2009, while its value increased by 5.6% to reach 55,665 million Baht. The difference between these two growth rates was due to the higher export price.

The slow growth of both volume and value of chicken meat export was mainly caused by the appreciation of Baht, the slow recovering of world economy, and the new wave of economic crisis that hit many countries in the EU which is the main export market of Thai chicken meat products. Furthermore, the export could not increase significantly because the agreement on regaining export of Thai frozen chicken meat to the EU and Japan was unable to achieve as expected. As a result, only cooked and processed chicken meat products can be exported to those countries. 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. Although Thai entrepreneurs have high potential to adjust their exports from frozen chicken meat to processed chicken meat products, the higher value of the processed chicken meat were still not high enough to compensate the loss resulting from the ban on frozen products.

As for the export market, the European Union was the most important market of Thai chicken meat products. In 2010, export of chicken meat products to the European Union was approximately 190,000 tons, an increase of 3.2% from the previous year but its proportion to overall chicken meat export decreased from 46.3% in 2009 to 45.8% in 2010. Export to the Japan, the second largest market, was 182,000 tons in 2010, an increase of 4.9% from 2009. Its share of overall chicken meat export also increased somewhat from 43.7% in 2009 to 43.9% in 2010.

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 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 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 increasing of chicken meat export from Thailand in 2010 was resulted from the lower tariff rate in accordance with the signing of Japan-Thailand Economic Partnership Agreement (JTEPA).

Besides these two major markets, the export of Thai chicken meat products to other countries in 2010 was around 43,000 tons, an increase of 8.8% from the previous year. The main causes of this expansion were the success of Thai exporter in opening new export market 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 2011

Production

The broiler production in Thailand is likely to continue expanding. The estimated production in 2011 is 1,017 million broilers or 1.503 million tons of chicken meat, an increase of 7.8% from the year 2010. The cause of this increase in production is the forecasted brighter economic situation after the 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 2011 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

- Since Thailand was not experience any Avian Flu outbreak throughout the year 2010, it is hopefully that the export of raw/uncooked chicken meat from Thailand to the EU and Japan will be regain. Thailand used to earn more than 2,800 million Baht from export of these raw/uncooked chicken meats before the Avian Flu outbreak and the ban on these products in 2004.
- After the signing of Japan-Thailand Economic Partnership Agreement (JTEPA) between Thai and Japanese government on April 3, 2007, Japan has lifted the limit on the number of Thai chicken meat processing plant that will be inspected and approved. This limit used to be set at only 54 plants. The granted of more plants approval by Japanese authority would increase export of Thai chicken meat to Japan. Moreover, according to the JTEPA, Japan will lower its import tariff on Thai cooked chicken meat from 6% to 3% in 5 years. In addition, it is likely that food processing producers from Japan will co-invest with Thai chicken meat exporters and move their production bases to Thailand. As a result, it is expected that the export of Thai chicken meat to Japan will grow continuously.
- Pressure on competition with China has been relaxed due to the increase of domestic consumption of chicken meat in China while its export declines because Chinese producers have shifted their target to focus more on domestic market.



Negative Factors

- Higher cost of energy used in the production of animal feeds and the shortage of some raw materials that has been switched to produce more gasohol and bio-diesel would enhance the cost of broiler production. 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 demand for chicken meat products.
- Influence of the financial crisis originated in Greece and Ireland will negative affect the economic growth as well as consumer's purchasing power in the EU which is the major market of Thai products. The economic downturn will adversely affect all Thai exports including the chicken meat products.
- Although the fixed import quota allocated by the EU may benefit Thai cooked chicken meat producers during the first few years, the problem may arise when the import quantity reaches the quota limit. Then, export of Thai cooked chicken meat may not be able to increase further since the out-of-quota tariff is as high as 1,300 Euro per ton. In addition, although the EU allocates import quota of 92,610 tons for Thai salted chicken meat, the import ban on Thai salted chicken meat is still imposed. Even though Thailand and the EU may reach the agreement on the compartmentalization practice so that Thai salted chicken meat may be imported by the EU again, the allocated quota is rather small because it is only about half of the usual amount imported from Thailand in the past.



Export Volume and Value

Export of Thai Chicken Meat Products to Important Markets (2009 - 2011)

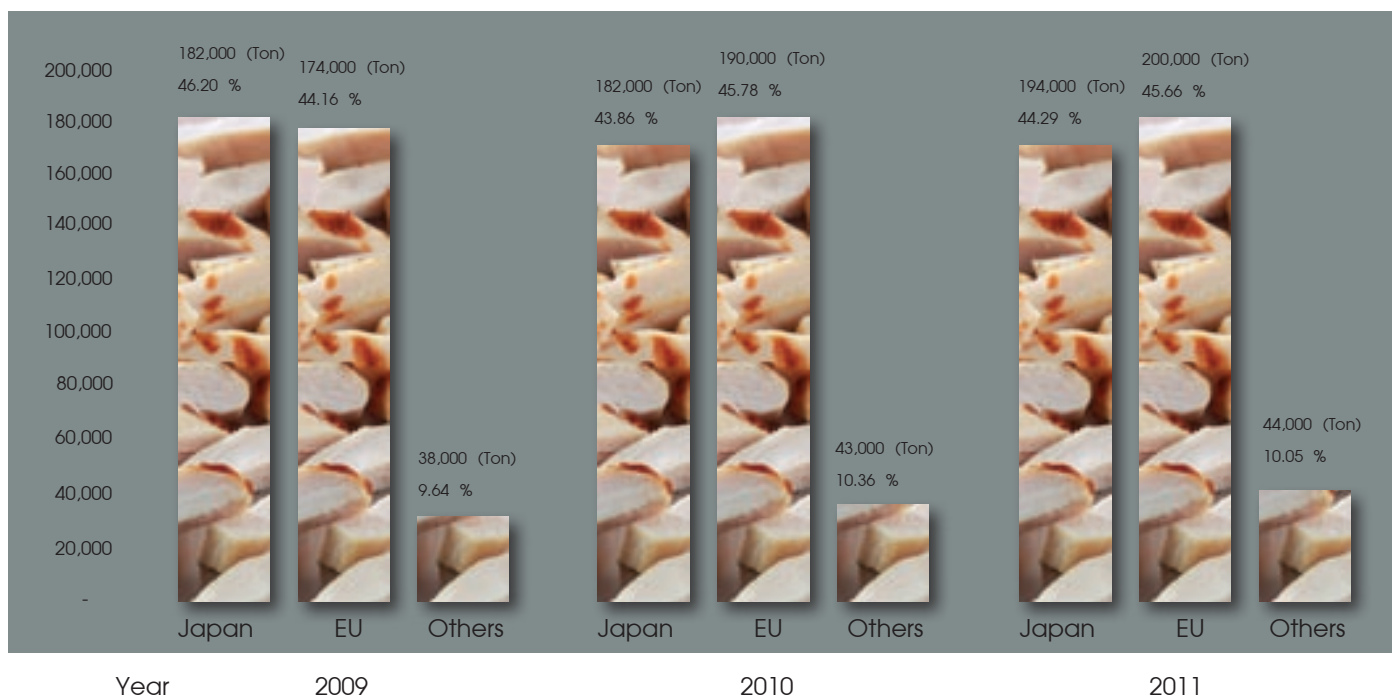
	2009		2010*		2011**	
Market	Volume (ton)	Proportion (%)	Volume (ton)	Proportion (%)	Volume (ton)	Proportion (%)
Japan	182,000	46.20	182,000	43.86	194,000	44.29
EU	174,000	44.16	190,000	45.78	200,000	45.66
Others	38,000	9.64	43,000	10.36	44,000	10.05
Total	394,000	100.00	415,000	100.00	438,000	100.00

Source: Thai broiler processing exporters association.

* Estimated

** Forecasted

Volume (Ton)





Volume and Value of Thai Chicken Meat Export

Volume: ton
Value: Million Baht

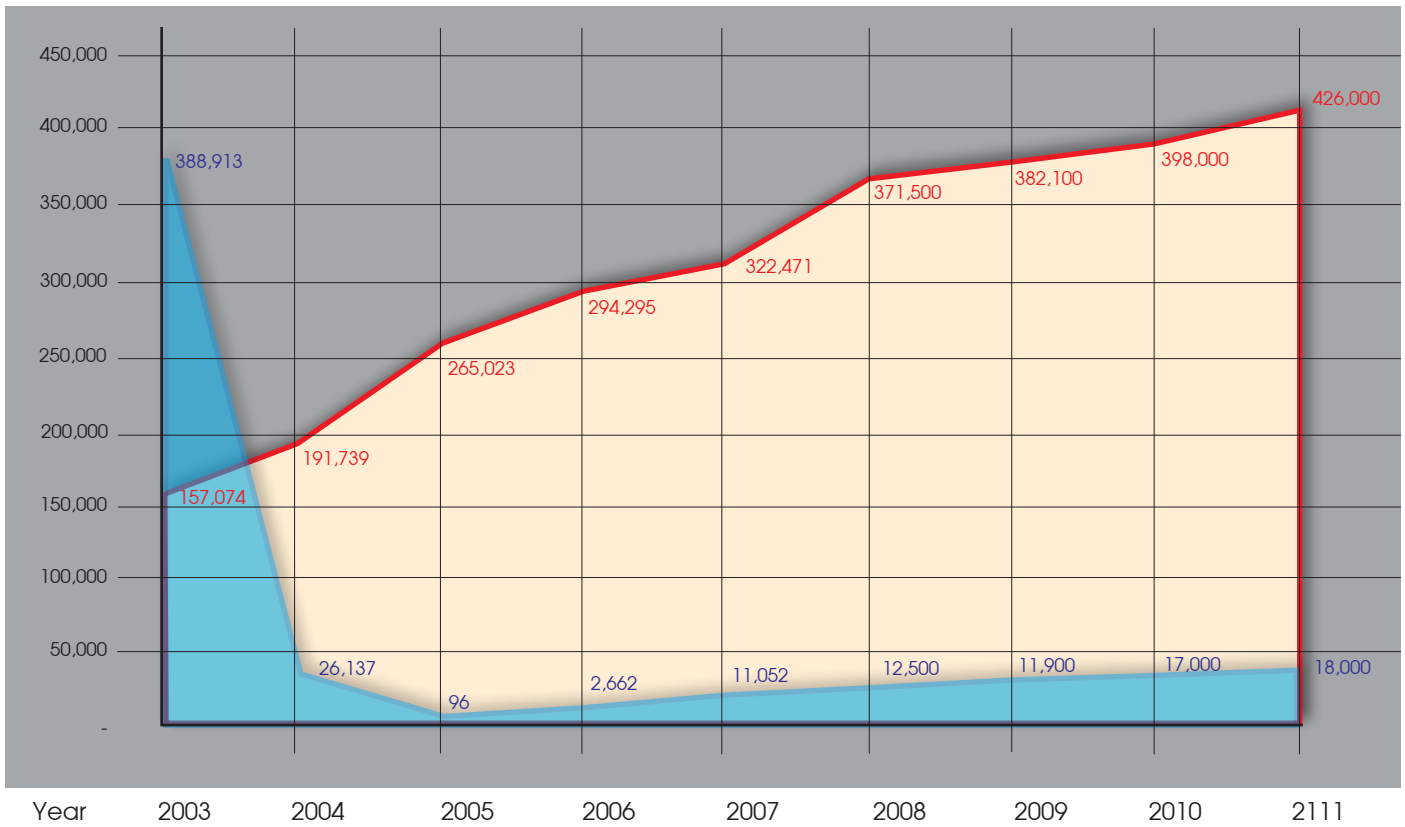
Year	Frozen Products		Processed Products		Total	
	Volume	Value	Volume	Value	Volume	Value
1994	152,903	9,846	15,615	1,850	168,518	11,696
1995	149,935	9,662	26,276	3,088	176,211	12,750
1996	137,215	9,085	31,555	3,372	168,770	12,457
1997	151,120	10,951	41,114	4,951	192,234	15,902
1998	220,776	17,221	60,943	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	12,500	713	371,500	49,410	384,000	50,123
2009	11,900	620	382,100	51,828	394,000	52,448
2010*	17,000	1,139	398,000	54,526	415,000	55,665
2011**	18,000	1,200	426,000	58,500	438,000	53,670

Source: Thai broiler processing exporters association.

* Estimated

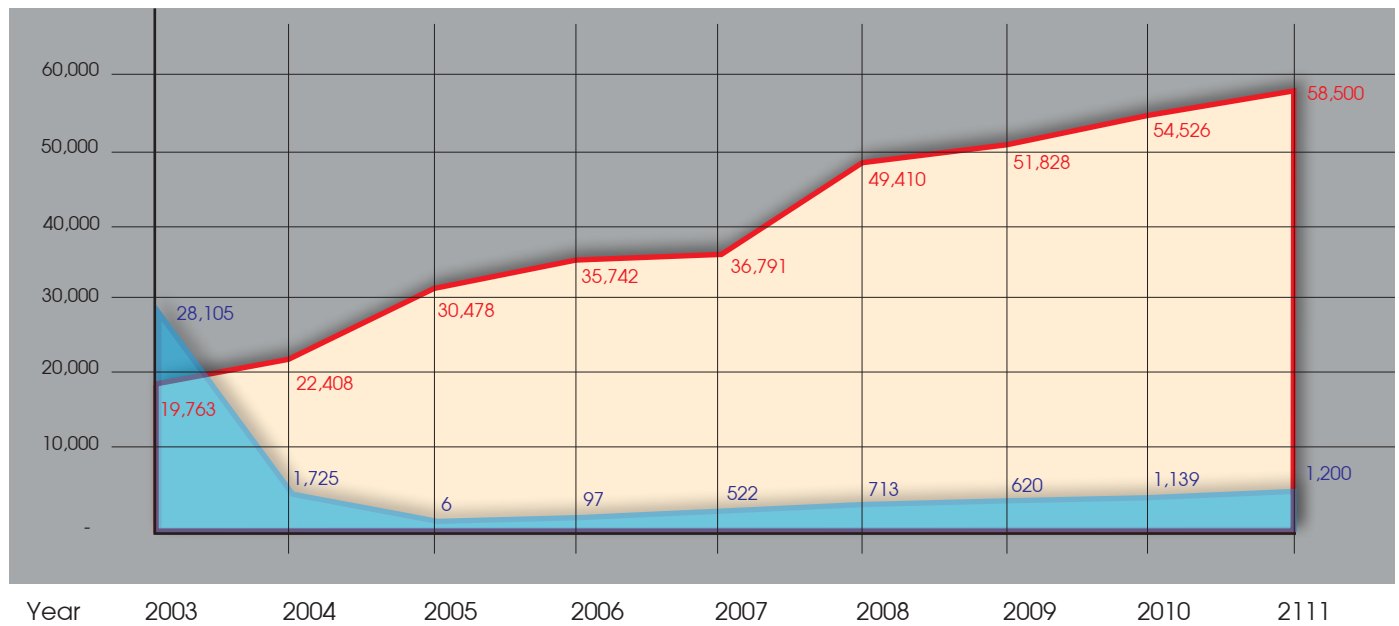
** Forecasted

Volume: ton



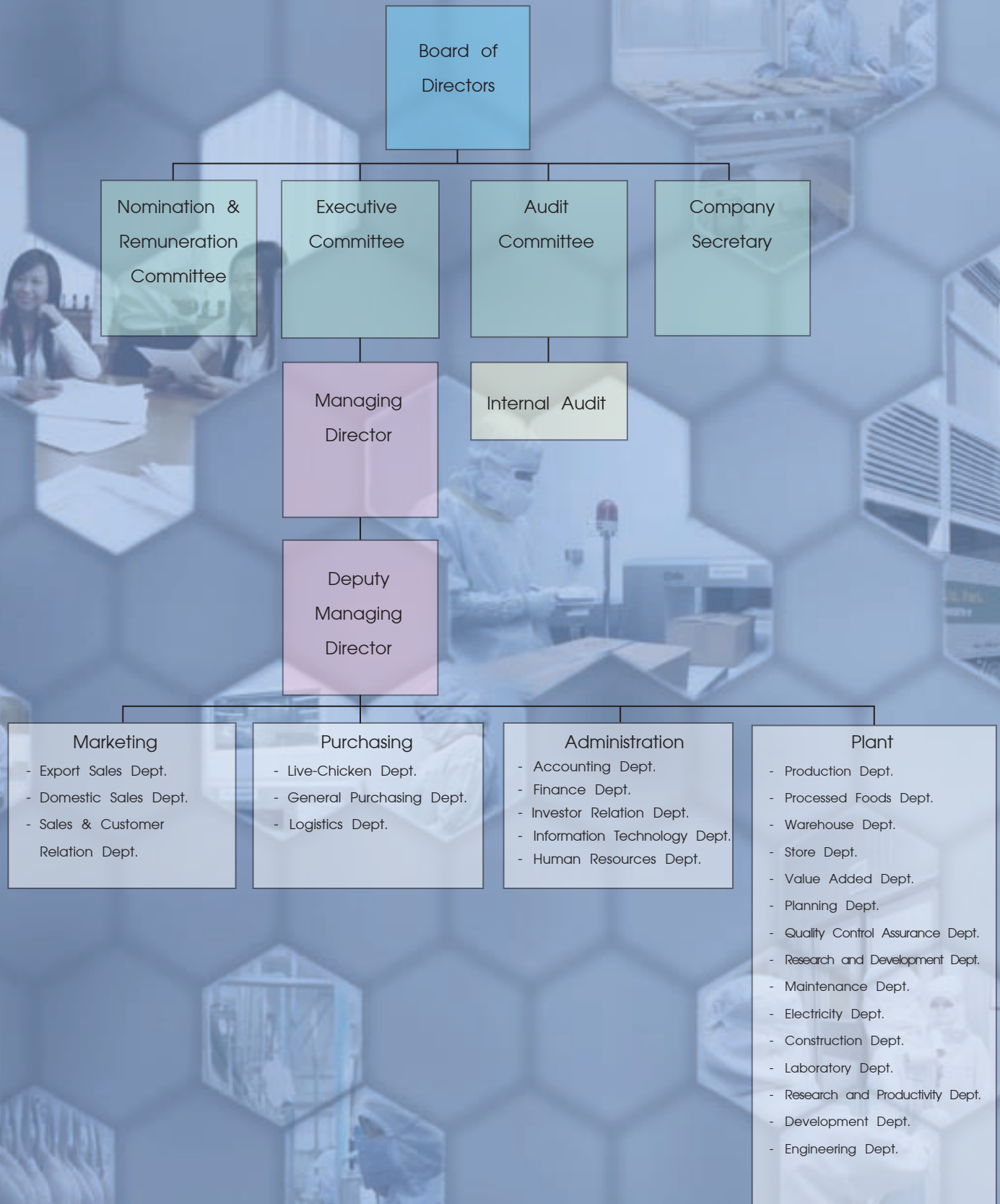
Volume Frozen Products Volume Processed Products

Value: Million Baht



Value Frozen Products Value Processed Products

Organization Chart





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 1,253,821,000 shares at the par value of 1 Baht per share.

2. Shareholder

At the closing date of registrar book dated on 9 April 2010, the top ten major shareholders are as follows:

	Name of shareholders	No. of shares	%
1	Mr. Sujin Sirimongkolkasem	222,795,100	17.77
2	Mr. Prasit Sirimongkolkasem	220,000,000	17.55
3	Mr. Virach Sirimongkolkasem	180,000,000	14.36
4	NICHIREI FOODS INC.	56,716,050	4.52
5	Mr. Anucha Kittanamongkolchai	55,670,000	4.44
6	SOMERS (U.K.) LIMITED	35,900,000	2.86
7	Mr. Prayong Wanitsuwan	25,598,000	2.04
8	Mr. Somkiat Limsong	25,065,200	2.00
9	Thai NVDR Co., Ltd.	23,091,370	1.84
10	Mr. Pitsanu Sirimongkolkasem	22,794,100	1.82
	Total	867,629,820	69.20

Remark: Adjusted number of shares after splitting the par value from 10 Baht per share to 1 Baht per share since 17 May 2010

As of 9 April, 2010, 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	220,000,000	17.55
2	Mr. Virach Sirimongkolkasem	180,000,000	14.36
3	Dr. Anan Sirimongkolkasem	4,134,080	0.33

Remark: Adjusted number of shares after splitting the par value from 10 Baht per share to 1 Baht per share since 17 May 2010

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 2010, 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 2010, 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	Ms. Wannee	Sirimongkolkasem	Director
9	Mr. Sujin	Sirimongkolkasem	Director

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 2010, 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
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 2010, 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 2010, the total remuneration for 9 persons is 4,225,000 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

(b) Monetary Remuneration for Executive Management

As of 31 December 2010, the company had 5 executives and paid 18,586,290 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.



Risk Management

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. In 2010, 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 916 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. Two major customers are GFPT Public Company Limited which purchased live chicken in the amount of 4,744 million Baht in 2010 and GFPT Nichirei (Thailand) Company Limited which purchased live chicken in the amount of 257 million Baht in 2010. However, the company will not have any problems with these customers because the first customer is the parent company of the group which has the same group of executives. The second customer is the associated company of the parent company.

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. , Krungthai Farm Co.,Ltd and GP Breeding Co.,Ltd. which purchased chicken feed mill in the amount of 4,346 million Baht. As for the seed eggs, the major customer is Krungthai Farm Co.,Ltd. which purchased seed eggs in the amount of 189 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 68 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 108 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

Due to the spread of Avian Influenza in Thailand several years ago, 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 58% of the total export or 12.23% of total income on consolidated financial statements. EU market is the second majority of export market. In 2010, GFPT exported to EU market at 40% of the total export or 8.46% 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, quota system, 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 each country impose the regulation trading barrier to protect its livestock Agriculture industry

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 meal 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 meal 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, 2010, 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, 2010, 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. 34.3).

5. Risk Management on Selling Stocks

-None-



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 2010 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 since 1 April 2009 to 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 since 1 June 2007 to 31 May 2010. The contract is renewed since 1 June 2010 to 31 May 2013. 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 to 31 July 2027, the totally rental is 22,377,192 Baht. The objective is to motivate 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 land from P. Charoen Phan G.P. Farm Company Limited by lease 1,000 rai at Choburi province for 20 years since 1 October 2003 to 30 September 2023 at 40,000 Baht per month.

M.K.S. Farm Company Limited, a subsidiary company, lease farm from P. Charoen Phan Produce Company Limited by lease 59 rai 79 square wah at Choburi province for 3 years since 1 August 2009 to 31 July 2012 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 lease 153 rai 2 ngan 8 square wah at Choburi province for 3 years since 1 April 2008 to 31 March 2011 at 100,000 Baht per year.

Krungthai Feedmill Public Company Limited, a subsidiary company, lease land from the Company to operates chicken farm by lease 197 rai 2 ngan 60 square wah at Choburi province for 3 years since 1 March 2009 to 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 and interest rate at 6% per annum of the period not over 5 years during 1 February 2009 to 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 asking for the opinions from our Audit Committee to approve the transactions.

(Please see the details in the notes to financial statements in annual report 2010)

M^aanagement





Management Discussion and Analysis

Summary of Company's Performance

The consolidated financial statements of 2010 showed net profit of 1,163.45 million Baht, or earning per share was 0.93 Baht, comparing to the same period of the previous year, the company had net profit of 1,067.59 million Baht or earning per share was 0.85 Baht or increased by 8.98%. The company's performance in 2010 was increased because the gross profit margin was increased from 15.41% for the year of 2009 to 16.16% for the year of 2010. In 2010, revenue from sales increased from the previous year by 8.39% which the increasing from the export volume and domestic sales volume in 2010 is higher than previous year.

Major Factors Affect Company's Operation

1. Export Limitation

To export chicken meat will face several limitations. It depends on the government policy of each country including tariff or non-tariff barriers i.e. hygienic standards. In this future, the hygienic standard will be widely used as a measure of trading barriers including ISO 9000, GMP, HACCP, Environment and Human Right, and Animal Welfare. The tariff barrier will less important because most countries are entering into the WTO system or the Free Trade Agreement in which the government will decrease import tariff and subsidy.

2. Quota System

2.1 In 2010, the Thai government set import quota on maize at 54,700 tons and the State-Run Public Warehouse Organization was the sole authorized importer. The import period was limited to during 1 March -2010 - 30 June 2010.

2.2 EU has implemented to use the new import quota system for cooked and raw frozen chicken products starting from 1 July 2550 onwards. Thailand has quotas on the cooked chicken in the amount of 160,033 tons.

3. Pricing

Feed mill business is involved with pricing policy for both the purchasing price of raw materials and the selling price of feed mill. For instance, the company must purchase soybean meal from the domestic market at the price not lower than the set price. The company also needs to enter the agreement with the Ministry of Commerce. For 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.

4. Foreign Exchange Rate

Thai Baht currency was dramatically appreciated of the year 2010, so it was directly impact on income and profit of our company.



Feed Mill

The Past Year Performance of Each Business Sector

1) Feed Mill Business

Revenue from Sale

In 2010, the revenue was increased by 9.87 percent from previous year due to the increasing from animal feed sales volume. Land animal feed was increased 12,500 tons and aquatic animal feed was increased 2,200 tons.

Other Income

In 2010, the other income was reduced by 25.71 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 Chonburi province is in the same area of related company's chicken farm so the transportation distance shall be reduced.

Cost and Selling & Administrative Expenses

The cost of goods sold in 2010 was increased by 5.11 percent because the total production of animal feed has been increased. The selling and administrative expenses were increased by 18.00 percent due to the increasing from sales volume, other expenses related to the selling such as transportation expense, promotion, and commission which computed by the sales volume of the customers, etc.

Profitability

The gross profit margin was increased from 10.25 percent to 14.13 percent in this year due to the increasing from animal feed sales volume. In 2010, the company had net profit in the amount of 867.89 million Baht or earning per share was 21.70 Baht whereas in 2009 the company had net profit in the amount of 538.96 million Baht or earning per share was 13.47 Baht.

Return on Equity

In 2010, the company had net profit in the amount of 867.89 million Baht or earning per share was 21.70 Baht. 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.



Grandparent Chicken Farm

2) Grandparent Chicken Farm

Revenue from Sale

In 2010, the company had revenue from selling parent chicks increased by 18% from 2009 due to the increasing from the total production and sales and the selling price per unit in 2010 is higher than 2009.

Other Income

The other income in 2010 increased by 4.93 percent. It was inclined from the normal operation.

Cost and Selling & Administrative Expenses

The cost of goods sold was increased by 4.20 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 increased by 13.90 percent from the normal operation.

Profitability

The gross profit margin of selling parent chicks was increased from 27.64 percent in 2009 to 41.63 percent in 2010 due to the increasing from selling parent chicks. The net profit in this year is 44.17 million Baht or earning per share was 2.21 Baht whereas in 2009 the company had profit in the amount of 28.36 million Baht or earning per share was 1.42 Baht.

Return on Equity

In 2010, The Company had net profit in the amount of 44.17 million Baht or earning per share was 2.21 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

3) Hatchery Farm Business

Revenue from Sale

In 2010, the revenue from sale increased by 25.71 percent because the sales volume was increased by 9.31 percent due to the expansion of the broiler farm of MKS which is the major customer that increased the sales volume of the day old chicks.

Other Income

In 2010, the other income was equal to year 2009. It was the normal transaction from the general operation.

Cost and Selling & Administrative Expenses

The cost of goods sold in 2010 was increased by 24.90 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 increased in the amount of 16.74 million Baht or increased by 50.07 percent since in 2010, there was the loss from selling parent chicken retirement higher than in 2009 and it was the normal transaction from the general operation.

Profitability

The gross profit margin was higher from 5.08 percent in 2009 to 5.69 percent in 2010 because of the increasing in the sales volume. Therefore, the company had net profit in the amount of 10.85 million Baht or earning per share was 0.31 Baht whereas in 2009 the company had net profit in the amount of 9.38 million Baht or earning per share was 0.27 Baht.

Return on Equity

In 2010, the company had net profit in the amount of 10.85 million Baht or earning per share was 0.31 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 2010, the revenue from sale increased by 9.82 percent because the selling quantity increased by 6.14 percent. The parent company had higher export volume resulting increased of selling quantity in year 2010. The company started to sell broiler to GFN (Thailand), the associated company of the parent company, in the fourth quarter. Moreover, the company also sold the excess amount of the DOC broilers to the outside market when the production capacity could not accommodate.

Other Income

In 2010, the other income increased in the amount of 12.25 million Baht due to the income from selling the water to GFN (Thailand). This transaction came from the normal operation.

Cost and Selling & Administrative Expenses

In 2010, the cost of goods sold increased by 11.95 percent which is higher in the same direction with the increasing of revenue due to the increasing of the chicken meat production. The selling and administrative expenses were increased in the amount of 23.96 million Baht because in 2010, the company had higher sales volume that caused higher transportation cost. This transaction came from the normal operation.

Profitability

The gross profit margin was decreased from 3.69 percent in 2009 to 1.83 percent in 2010 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 26.90 million Baht or earning per share was 0.49 Baht whereas in 2009, the company had net profit in the amount of 103.98 million Baht or earning per share was 1.89 Baht.

Return on Equity

In 2010, the company had net profit in the amount of 26.90 million Baht or earning per share was 0.49 Baht. The Board of Directors decided to omit dividend payment in this year because the company paid the interim dividend in the second quarter of year 2010 in amount of 1.95 Baht per share in accordance with the Board of Directors Meeting on July 9th, 2010. The total amount is 107.25 million Baht.



Chicken Evisceration and Processed Food

5) Evisceration Business and Chicken Processed Food

Revenue from Sale

The revenue from sale of the company in 2010 was increased by 4.14 percent due to the increasing of the sales was increased by 6.60 percent. The export quantity of Japan which is the major customer of the company was increased by 1.56 percent.

Other Income

In 2010, the other income increased in amount of 49.45 million Baht due to the profit from exchange rate in 2010 was higher than the previous year and it was the normal transaction from the general operation.

Cost and Selling & Administrative Expenses

In 2010, the cost of goods sold increased by 6.96 percent because the utilities expense increased. The selling and administrative expenses were increased 30.82 million Baht or increased by 11.64 percent which came from increasing of export volume, the increasing of freight cost, and the increasing of the depreciation expense of the fixed assets

Profitability

In 2010, the gross profit margin decreased from 9.23 percent to 6.76 percent because of the increasing in the cost was higher than the increasing of the income from selling. The company had net profit in the amount of 410.14 million Baht or earning per share was 0.33 baht.

Return on Equity

In 2010, the company had net profit in the amount of 410.14 million Baht or earning per share was 0.33 Baht so, the Board of Directors was approved to pay 0.30 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 2010 was increased in amount of 15.84 million Baht or increased by 6.64 percent because sales volume especially sausages was increased in amount of 741 tons from 2009.

Other Income

In 2010, the company had more other income 0.04 million baht or 7.72% that came from general operation.

Cost and Selling & Administrative Expenses

The cost of goods sold in 2010 increased by 4.20 percent same as the increasing from revenue from sales and the selling and administrative expenses were increased due to the higher expenses of the new stores.

Profitability

The gross profit margin increase from 7.17 percent in 2009 to 9.30 percent in 2010 due to the selling quantity increased. The company had net profit in the amount of 3.64 million Baht or earning per share was 9.11 Baht.

Return on Equity

In 2010, the company had net profit in the amount of 3.64 million Baht or earning per share was 9.11 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

As December 31st, 2010, the total assets of the Company equal to 9,215 million Baht. The current assets equal to 3,284 million Baht. Land, buildings, and equipment equal to 4,162 million Baht. The investment in associated company equal to 746 million Baht. Other investment and other non-current assets equal to 1,023 million Baht.

As December 31st, 2010, the assets increased from December 31st, 2009 by 13.23 percent which came from the increasing from the investment in the fixed assets.

2) Liquidity

2.1 Cash Flow

The cash flow provided from operation in 2010 was 1,506 million Baht. It derived from net profit in the amount of 1,163.45 million Baht. The cash used from investing activities was 1,254 million Baht decreased from the previous year in the amount of 82 million Baht due to the company had been invested in the GFPT Nichirei (Thailand) Company Limited as being joint-venture company in amount of 191 million Baht and purchased in fixed assets in the amount of 880 million Baht. For cash used from financing activities, the company had 272 million Baht and it used for pay dividend to shareholders. The cash and cash equivalent as December 31st, 2010 equal to 181.59 million Baht.

2.2 Liquidity Ratio

The liquidity ratio as of the consolidated financial statement as December 31st, 2010, was 2.62 time, Increased from December 31st, 2009 which was 1.31 time. The company expected it would not have any liquidity problems.

2.3 Payment Schedule of Short Term Loan Effects on Liquidity

In 2010, short-term loan was decreased 867 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 2010, the company had less investment than the previous year in the amount of 82 million Baht due to the investment in the fixed assets and the company has been invested in the new joint-venture company.

3.2 Future Investment

In 2010, 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

As December 31st 2010 The consolidated financial statement indicated that a debt to equity ratio was 0.71 : 1 which was the objective of the Company to retain the appropriate shareholding structure.

4.2 Equity

As December 31st, 2010, the equity of the Company was 5,331 million Baht, increased from the previous year by 19 percent which came from the increasing of the net income of this year.

4.3 Liabilities

As December 31st, 2010, the liabilities equal to 3,833 million Baht which consist of the liability without interest and the liability with interest equal to 824 million Baht and 3,009 million Baht, respectively. For the liability with interest, consist of short-term loans equal to 596 million Baht and long-term loans equal to 2,413 million Baht.

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 22, 23, and 24.

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

- None-



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 2010, the Company held the Annual Ordinary General Meeting on April 29, 2010 at 09.30 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 2010 Annual Ordinary General Meeting, there are totally 120 shareholders consisting of 77 shareholders and 43 proxies attended, accounting for 89,738,474 shares or 71.57%.

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 including participation in blood donation and grant tuition assistance to its employee for child's educational support.

In 2010, the Company provides financial support in several CSR projects including (1) the scholarship award for essay writing contest under the topic "One people, One idea, to Protect the Global Warming" to cultivate the awareness of environment conservation, (2) the Novice Ordination Charity Project, (3) the food support program for children on National Children's Day, (4) the donation to educational purposes such as educational equipment and stationery and school maintenance, (5) the donation to support temple construction and maintenance, (6) the donation to the Alkawthar Foundation, etc. Apart from providing financial support in charity projects; the Company also encourages its employees to be part of the CSR activities and to promote the environment awareness 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 2010, 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 website. The Company also organizes Analyst Meetings twice a year to clarify and present business performance. In 2010, GFPT held 2 Analyst Meetings on 16 June 2010 and 23 November 2010. 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 2010, 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 Qualification of the Chairman

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 2010, the directors attended the meeting as following:

	Name		Title	Meeting in 2010		
				Board of Director meeting total	Audit Committee meeting total	Nomination & Remuneration meeting total
				11 meetings/year	4 meetings/year	1 meeting/year
1.	Mr. Prasit	Sirimongkolkasem	Chairman	9/11	-	-
2.	Mr. Virach	Sirimongkolkasem	Vice Chairman and Managing Director	11/11	-	-
3.	Dr. Anan	Sirimongkolkasem	Chairman of Executive Committee and Deputy Managing Director	11/11	-	1/1
4.	Dr. Sathit	Karanes	Chairman of Audit Committee and Independent Director	11/11	4/4	1/1
5.	Mr. Paramet	Hetrakul	Director of Audit Committee and Independent Director	11/11	4/4	1/1
6.	Mr. Thanathip	Pichedvanichok	Director of Audit Committee and Independent Director	11/11	4/4	1/1
7.	Mrs. Somsiri	Ingpochai	Executive Director	10/11	-	-
8.	Ms. Wannee	Sirimongkolkasem	Director	10/11	-	-
9.	Mr. Sujin	Sirimongkolkasem	Director	11/11	-	1/1

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 20 January 2011, The Board of Directors had evaluated the performance of the whole Board of Directors of 2010 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 2010 as follows:

1. Monetary Remuneration

(a) Monetary Remuneration for Directors

As of 31 December 2010, the total remuneration for 9 persons is 4,225,000 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

(b) Monetary Remuneration for Executive Management

As of 31 December 2010, the company had 5 executives and paid 18,586,290 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) Name/Surname	Mr. Prasit Sirimongkolkasem
Position	Chairman of the Board of Directors
Years of Age	70
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 Public Co.,Ltd.
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

220,000,000 Shares - 17.55% of Total Shares

The Year of The Nomination

Since 1981-Present

The Existence of Director / Executive Director in other Business

Other Listed Company

-None-

Other Business (Not Registered Company)

17

Position in Competing / Involving Business

- 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

2) Name/Surname	Mr. Virach Sirimongkolkasem
Position	Vice Chairman and Managing Director
Years of Age	61
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 Services (Thailand) Ltd.

No. of Shareholding

180,000,000 Shares - 14.36% of Total Shares

The Year of The Nomination

Since 1981- Present

The Existence of Director / Executive Director in other Business

Other Listed Company

-None-

Other Business (Not Registered Company)

16

Position in Competing / Involving Business

- Vice Chairman and Managing Director of Krungthai Feedmill Public Co.,Ltd.	Subsidiary Company : Feed Mill
- Vice Chairman and Managing Director of Krungthai 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) Ltd.	Associated Company : Sale on Processed Chicken Food



Board of Directors

3) Name/Surname	Dr. Anan Sirimongkolkasem
Position	Chairman of Executive Committee
Years of Age	59
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 Public Co.,Ltd. Krungthai Farm Co.,Ltd., GF Foods Co.,Ltd. Krungthai Feedmill Public Co.,Ltd.
1991 - Present	Executive 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	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, The Federation of Thai Industries Thai National Shippers' council
	Director	GFPT Nichirei (Thailand) Co.,Ltd.
2008 - Present	Director	4,134,080 Shares - 0.33% of Total Shares Since 1991-Present

No. of Shareholding

The Year of The Nomination

The Existence of Director / Executive Director in other Business

Other Listed Company

-None-

Other Business (Not Registered Company)

17

Position in Competing / Involving Business

- 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 : Broiler 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
- Director of McKey Food Services (Thailand) Ltd.	Associated Company : Sale on Processed Chicken Food
- Director of GFPT Nichirei (Thailand) Co.,Ltd.	Associated Company : Produce and Sale Processed Chicken Food



Board of Directors

4) Name/Surname	Dr. Sathit Karanes
Position	Chairman of Audit Committee and Independent Director
Years of Age	58
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

Other Listed Company

-None-

Other Business (Not Registered Company)

-None-

Position in Competing / Involving Business

-None-



Board of Directors

5) Name/Surname	Mr. Paramet Hetrakul
Position	Director of Audit Committee and Independent Director
Years of Age	47
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
Present	Director

GFPT Public Co.,Ltd.
Si-Phya Publishing Co.,Ltd.
Pra Choom Chang Co.,Ltd.
Saeng Enterprise Corporation Co.,Ltd.
Agri-Union Co.,Ltd.
Piyadamansion Co.,Ltd.

50,000 shares - 0.004% of Total Shares

Since 2005 - Present

No. of Shareholding

The Year of the Nomination

The Existence of Director / Executive Director in other Business

Other Listed Company

-None-

Other Business (Not Registered Company)

-5-

Position in Competing / Involving Business

-None-

เคทีโอ ป.เจียอูพันธ์
GFPT PUBLIC COMPANY LIMITED



Board of Directors

6) Name/Surname	Mr. Thanathip Pichedvanichok
Position	Director of Audit Committee and Independent Director
Years of Age	46
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	Linklaters (Thailand) Co.,Ltd.
2005 - Present	Director	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

Other Listed Company

-None-

Other Business (Not Registered Company)

-1-

Position in Competing / Involving Business

-None-



Board of Directors

7) Name/Surname	Mrs. Somsiri Ingpochai
Position	Executive Director
Years of Age	63
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

2,979,930 Shares - 0.24% of Total Shares

The Year of the Nomination

Since 1981 - Present

The Existence of Director / Executive Director in other Business

Other Listed Company

-None-

Other Business (Not Registered Company)

-9-

Position in Competing / Involving Business

- 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

8) Name/Surname	Ms. Wannee Sirimongkolkasem
Position	Director
Years of Age	53
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

11,129,920 Shares - 0.89% of Total Shares

The Year of the Nomination

Since 1982 - Present

The Existence of Director / Executive Director in other Business

Other Listed Company

-None-

Other Business (Not Registered Company)

-4-

Position in Competing / Involving Business

- Director of P.Vet Co.,Ltd.	Sale on Drug for Animal
- Director of Panalab Co.,Ltd.	Sale on Drug for Plant



Board of Directors

9) Name/Surname	Mr. Sujin Sirimongkolkasem
Position	Director
Years of Age	40
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.
		222,795,100 Shares - 17.77% of Total Shares
		Since 2004 - Present

No. of Shareholding

The Year of the Nomination

The Existence of Director / Executive Director in other Business

Other Listed Company

-None-

Other Business (Not Registered Company)

-3-

Position in Competing / Involving Business

- 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 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, 2010 has reached to the satisfactory level and rendered credibility and reliability.

A handwritten signature in black ink, appearing to be 'Anan' followed by a stylized flourish.

(Dr. Anan Sirimongkolkasem)

Chairman of Executive Committee

A handwritten signature in black ink, appearing to be 'Virach' followed by a stylized flourish.

(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

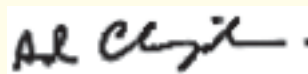
I have audited the accompanying consolidated and the separate balance sheets as of December 31, 2010, the related consolidated and the separate statements of income, the consolidated and the separate statements of changes in shareholders' equity, and the consolidated and the separate statements of cash flow for the year then ended of GFPT PUBLIC COMPANY LIMITED and its subsidiaries, and also the financial statements of GFPT PUBLIC COMPANY LIMITED. 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. The consolidated and separate financial statements for the year ended December 31, 2009, of GFPT PUBLIC COMPANY LIMITED and its subsidiaries and also the financial statement of GFPT PUBLIC COMPANY LIMITED as presented herein for comparison was audited by another auditor in the same firm, who gave an unqualified report there on dated February 17, 2010.

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, 2010, 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.

While my opinion to the financial statements is unqualified according to that mentioned in paragraph 3, I ask to notice note to the financial statements No. 6 in the 1st quarter of 2010, the Company has retroactively adjusted the consolidated and separate financial statements of 2009 from the incidence that the Company did not record recognition of loss from impairment in goodwill in amount of Baht 30.07 million and did not record amortization of negative goodwill that recognized previously in amount of Baht 2.47 million in the consolidated financial statements from change of accounting policy regarding record of investment in subsidiary companies from equity method to be cost method. Moreover, the Company recorded reversal of loss from impairment of investment in subsidiary company over-stated by amount of Baht 30.07 million in the separate financial statements while there is accumulated result that has to reduce beginning retained earnings of 2010 according to the consolidated financial statements in amount of Baht 27.60 million and reduce beginning retained earnings of 2010 according to the separate financial statements in amount of Baht 30.07 million which I have audited adjusted transactions that related and found that such adjusted transactions are appropriated and taken to fairly adjust the consolidated and separate financial statements.

S.K. ACCOUNTANT SERVICES COMPANY LIMITED



(Ampol Chamnongwat)
Authorized Auditor No. 4663

Bangkok,
February 17, 2011

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
BALANCE SHEETS

As of December 31, 2010 and 2009

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
		Baht	Baht (Restated)	Baht	Baht (Restated)
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalent	(Note 10)	181,589,484.35	202,134,895.16	54,472,030.69	98,961,296.96
Accounts and Notes Receivable-Net	(Note 11)	622,184,664.04	572,138,388.88	260,146,641.51	232,027,429.56
Accounts and Notes Receivable-Subsidiary, Associated and Related Companies	(Note 8,2,12)	118,248,027.31	32,676,581.00	72,137,962.20	35,771,151.05
Inventories-Net	(Note 13)	2,306,033,019.04	1,952,859,058.13	176,805,126.59	265,540,925.99
Other Current Assets		56,083,717.64	37,495,511.82	37,145,764.43	24,054,784.91
TOTAL CURRENT ASSETS		3,284,138,912.38	2,797,304,434.99	600,707,525.42	656,355,588.47
NON-CURRENT ASSETS					
Investment in Associated Companies	(Note 14)	746,157,099.47	578,623,822.19	622,299,700.00	431,199,700.00
Investment in Subsidiary Companies-Net	(Note 15)	-	-	1,661,436,142.35	1,649,370,473.35
Other Long-Term Investment		25,000.00	20,000.00	-	-
Grandparent Chickens-Net	(Note 16)	40,557,764.87	38,393,159.11	-	-
Parent Chickens-Net	(Note 17)	300,099,744.75	280,240,360.20	-	-
Assets for Rent-Net	(Note 18)	466,991,741.04	391,042,086.03	466,991,741.04	391,042,086.03
Property, Plant and Equipment-Net	(Note 19)	4,161,741,546.58	3,916,298,915.75	977,636,338.44	1,065,392,575.19
Property and Plant Not Used for Operations-Net	(Note 20)	177,820,492.85	100,852,894.60	107,794,765.00	26,091,665.00
Intangible Assets-Net	(Note 21)	6,012,745.86	6,040,849.49	6,012,745.86	6,040,849.49
Goodwill		1,294,911.36	1,294,911.36	-	-
Other Non-Current Assets		30,413,479.84	28,152,081.97	2,565,123.68	11,599,080.54
TOTAL NON-CURRENT ASSETS		5,931,114,526.62	5,340,959,080.70	3,844,736,556.37	3,580,736,429.60
TOTAL ASSETS		9,215,253,439.00	8,138,263,515.69	4,445,444,081.79	4,237,092,018.07

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, 2010 and 2009

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
		Baht	Baht (Restated)	Baht	Baht (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-Term Loans from Financial Institutions	(Note 22,23)	452,858,369.47	1,120,828,996.61	280,000,000.00	480,000,000.00
Accounts and Notes Payable		451,326,621.32	560,104,436.19	114,918,977.74	102,159,214.21
Accounts and Notes Payable-Subsidiary and Related Companies	(Note 8.2)	3,218,422.50	136,950.00	11,697,430.70	7,441,255.40
Current Portion of Long-Term Loans					
Long-Term Loans from Financial Institutions	(Note 22,24)	143,160,000.00	63,160,000.00	-	-
Long-Term Loans from Related Persons	(Note 8.2,22)	-	79,000,000.00	-	79,000,000.00
Short-Term Loans from Related Persons	(Note 8.2,22)	-	94,400,000.00	-	78,500,000.00
Short-Term Loans from Subsidiary Company	(Note 8.2)	-	-	5,000,000.00	15,000,000.00
Other Current Liabilities					
Accrued Expenses		125,711,566.36	112,030,096.45	45,039,049.12	44,942,240.15
Other Accounts Payable		49,484,245.93	66,580,538.39	13,486,459.67	41,938,529.10
Other Current Liabilities		29,821,278.90	26,749,387.96	11,669,251.91	13,484,853.14
TOTAL CURRENT LIABILITIES		1,255,580,504.48	2,122,990,405.60	481,811,169.14	862,466,092.00
NON-CURRENT LIABILITIES					
Long-Term Loans from Financial Institutions-Net	(Note 22,24)	414,730,000.00	157,890,000.00	-	-
Long-Term Loans from Related Persons-Net	(Note 8.2,22)	1,998,100,000.00	1,317,200,000.00	692,200,000.00	348,200,000.00
Other Non-Current Liabilities		164,906,006.95	16,081,232.60	162,856,668.59	14,543,851.60
TOTAL NON-CURRENT LIABILITIES		2,577,736,006.95	1,491,171,232.60	855,056,668.59	362,743,851.60
TOTAL LIABILITIES		3,833,316,511.43	3,614,161,638.20	1,336,867,837.73	1,225,209,943.60

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, 2010 and 2009

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
	Baht	Baht (Restated)	Baht	Baht (Restated)
SHAREHOLDERS' EQUITY				
Share Capital (Note 25)				
Authorized Share Capital:				
1,400,000,000 Ordinary Shares @ Baht 1	1,400,000,000.00	-	1,400,000,000.00	-
140,000,000 Ordinary Shares @ Baht 10	-	1,400,000,000.00	-	1,400,000,000.00
Issued and Paid-up Share Capital				
1,253,821,000 Ordinary Shares @ Baht 1	1,253,821,000.00	-	1,253,821,000.00	-
125,382,100 Ordinary Shares @ Baht 10	-	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
Discount from Purchase Investment in Subsidiary Company (Note 15)	2,505,154.90	-	-	-
Retained Earnings				
Appropriated				
Legal Reserve	140,000,000.00	136,098,384.32	140,000,000.00	136,098,384.32
Unappropriated	3,409,442,251.21	2,563,338,418.41	1,189,755,244.06	1,096,962,690.15
SHAREHOLDERS' EQUITY OF GFPT PUBLIC COMPANY LIMITED	5,330,768,406.11	4,478,257,802.73	3,108,576,244.06	3,011,882,074.47
MINORITY SHAREHOLDERS' INTEREST	51,168,521.46	45,844,074.76	-	-
TOTAL SHAREHOLDERS' EQUITY	5,381,936,927.57	4,524,101,877.49	3,108,576,244.06	3,011,882,074.47
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	9,215,253,439.00	8,138,263,515.69	4,445,444,081.79	4,237,092,018.07

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, 2010 and 2009

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
		Baht	Baht (Restated)	Baht	Baht (Restated)
Sales		12,472,487,067.42	11,507,389,948.59	7,204,956,916.65	6,918,832,305.53
Cost of Sales		(10,457,482,912.25)	(9,733,755,266.69)	(6,717,772,031.69)	(6,280,404,189.03)
GROSS PROFIT		2,015,004,155.17	1,773,634,681.90	487,184,884.96	638,428,116.50
Dividend Income from Associated Company	(Note 14, 26.3, 26.4)	-	-	22,050,000.00	15,680,000.00
Dividend Income from Subsidiary Companies	(Note 15, 26.5, 26.6)	-	-	145,995,955.45	-
Reverse Loss from Impairment of Investments in Subsidiary Company	(Note 15)	-	-	-	16,982,195.48
Other Income		219,734,648.72	147,035,635.77	122,408,951.36	72,959,222.71
PROFIT BEFORE EXPENSES		2,234,738,803.89	1,920,670,317.67	777,639,791.77	744,049,534.69
Selling Expenses		(349,372,623.70)	(307,440,686.02)	(124,249,425.59)	(112,531,063.82)
Administrative Expenses		(463,198,237.11)	(382,117,166.69)	(171,433,734.76)	(152,329,733.93)
Management Benefit Expenses	(Note 27)	(40,361,759.00)	(37,292,082.00)	(22,811,290.00)	(21,446,861.00)
Total Expenses		(852,932,619.81)	(726,849,934.71)	(318,494,450.35)	(286,307,658.75)
PROFIT BEFORE PARTICIPATING PROFIT (LOSS) IN ASSOCIATED COMPANIES		1,381,806,184.08	1,193,820,382.96	459,145,341.42	457,741,875.94
Participating Profit (Loss) in Associated Companies		(1,516,722.72)	56,165,560.54	-	-
PROFIT BEFORE FINANCE COSTS AND CORPORATE INCOME TAX		1,380,289,461.36	1,249,985,943.50	459,145,341.42	457,741,875.94
FINANCE COSTS	(Note 28)	(134,974,880.56)	(118,315,325.96)	(49,009,921.83)	(40,719,875.59)
PROFIT BEFORE CORPORATE INCOME TAX		1,245,314,580.80	1,131,670,617.54	410,135,419.59	417,022,000.35
CORPORATE INCOME TAX	(Note 29)	(60,718,567.17)	(47,673,926.97)	-	-
NET PROFIT		1,184,596,013.63	1,083,996,690.57	410,135,419.59	417,022,000.35
ATTRIBUTABLE TO :					
Equity Holders of the GFPT PUBLIC COMPANY LIMITED		1,163,446,698.48	1,067,594,631.71		
Minority Shareholders' Interest		21,149,315.15	16,402,058.86		
		1,184,596,013.63	1,083,996,690.57		
BASIC EARNINGS PER SHARE OF					
GFPT PUBLIC COMPANY LIMITED		0.93	0.85	0.33	0.33
THE NUMBER OF SHARES (Unit : Shares)	(Note 30)	1,253,821,000	1,253,821,000	1,253,821,000	1,253,821,000

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, 2010 and 2009
CONSOLIDATED FINANCIAL STATEMENTS

	Discount from Purchase				Retained Earnings		Minority		
	Issued and Paid-up		Premium on	Investment in Subsidiary	Appropriated	Unappropriated	Total	Shareholders' Interest	Total
	Share Capital	Share Capital	Share Capital	Company	Legal Reserve				
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Balance as of December 31, 2008 (Before Adjustment)	1,253,821,000.00	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
Previous Year Adjust Transactions (Note 6)	-	-	-	-	-	(27,603,701.82)	(27,603,701.82)	-	(27,603,701.82)
Balance as of December 31, 2008 (Restated)	1,253,821,000.00	525,000,000.00	-	-	106,606,874.88	1,838,657,021.14	3,724,084,896.02	29,467,842.67	3,753,552,738.69
Net Profit (Note 26.2)	-	-	-	-	-	1,067,594,631.71	1,067,594,631.71	16,402,058.86	1,083,996,690.57
Dividend Payment (Note 26.2)	-	-	-	-	-	(313,421,725.00)	(313,421,725.00)	-	(313,421,725.00)
Legal Reserve (Note 26.2)	-	-	-	-	29,491,509.44	(29,491,509.44)	-	-	-
Decrease in Minority Shareholders' Interest	-	-	-	-	-	-	-	(25,826.77)	(25,826.77)
Balance as of December 31, 2009	1,253,821,000.00	525,000,000.00	-	-	136,098,384.32	2,563,338,418.41	4,478,257,802.73	45,844,074.76	4,524,101,877.49
Net Profit	-	-	-	-	-	1,163,446,698.48	1,163,446,698.48	21,149,315.15	1,184,596,013.63
Discount from Purchase Investment in Subsidiary Company	-	-	-	2,505,154.90	-	-	2,505,154.90	(2,505,154.90)	-
Dividend Payment (Note 26.1)	-	-	-	-	-	(313,441,250.00)	(313,441,250.00)	-	(313,441,250.00)
Legal Reserve (Note 26.1)	-	-	-	-	3,901,615.68	(3,901,615.68)	-	-	-
Decrease in Minority Shareholders' Interest	-	-	-	-	-	-	-	(13,319,713.55)	(13,319,713.55)
Balance as of December 31, 2010	1,253,821,000.00	525,000,000.00	2,505,154.90	-	140,000,000.00	3,409,442,251.21	5,330,768,406.11	51,168,521.46	5,381,936,927.57

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, 2010 and 2009
SEPARATE FINANCIAL STATEMENTS

	Retained Earnings				Total
	Issued and Paid-up Share Capital	Premium on Share Capital	Appropriated Legal Reserve	Unappropriated	
	Baht	Baht	Baht	Baht	Baht
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
Net Profit (Before Adjustment)	-	-	-	447,096,457.05	447,096,457.05
Previous Year Adjust Transactions (Note 6)	-	-	-	(30,074,456.70)	(30,074,456.70)
Net Profit (Restated)	-	-	-	417,022,000.35	417,022,000.35
Dividend Payment (Note 26.2)	-	-	-	(313,421,725.00)	(313,421,725.00)
Legal Reserve (Note 26.2)	-	-	29,491,509.44	(29,491,509.44)	-
Balance as of December 31, 2009 (Restated)	1,253,821,000.00	525,000,000.00	136,098,384.32	1,096,962,690.15	3,011,882,074.47
Net Profit	-	-	-	410,135,419.59	410,135,419.59
Dividend Payment (Note 26.1)	-	-	-	(313,441,250.00)	(313,441,250.00)
Legal Reserve (Note 26.1)	-	-	3,901,615.68	(3,901,615.68)	-
Balance as of December 31, 2010	1,253,821,000.00	525,000,000.00	140,000,000.00	1,189,755,244.06	3,108,576,244.06

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

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CASH FLOW

For the year ended December 31, 2010 and 2009

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
	Baht	Baht (Restated)	Baht	Baht (Restated)
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Corporate Income Tax	1,245,314,580.80	1,131,670,617.54	410,135,419.59	417,022,000.35
Adjustment to Profit before Corporate Income Tax for Cash Received (Paid) from Operations				
Depreciation-Grandparent Chicken	46,052,851.37	41,225,774.09	-	-
Depreciation-Parent Chicken	295,440,566.94	282,524,274.51	-	-
Depreciation-Assets for Rent	22,674,027.70	16,418,004.28	22,674,027.70	16,418,004.28
Depreciation-Fixed Assets	399,798,395.43	356,700,214.62	127,320,037.86	130,025,828.10
Depreciation-Assets Not Used for Operations	119,322.80	119,636.05	-	-
Amortization Expenses	1,639,383.53	1,028,275.84	1,639,383.53	1,028,275.84
Loss from Assets Dilapidation	657,118.34	172,341.65	-	1.00
Negative Goodwill	-	(13,826.77)	-	-
Doubtful Debts-Advance Payment	-	80,000.00	-	80,000.00
Doubtful Debts-Withholding Tax	3,033,841.77	37,787.67	-	-
Reverse Doubtful Debts-Accounts Receivable	(8,420,832.07)	(9,331,772.52)	-	-
Loss from Sales of Grandparent Chicken Retirement	1,090,033.53	1,492,480.43	-	-
Loss from Sales of Parent Chicken Retirement	18,982,387.00	9,104,205.70	-	-
Reverse Loss from Impairment of Salvage Value of Parent Chicken	-	(2,116,611.47)	-	-
Loss from Value of Disposal of Chicken	2,777,207.42	12,040,788.58	-	-
Loss from Decline in Value of Inventories (Reverse)	(1,484,277.05)	(3,722,834.93)	2,825,195.79	(5,518,566.78)
Loss from Decline in Value of Non-Movement Inventories (Reverse)	(12,751.99)	105,211.48	-	107,437.91
Reverse Loss from Decline in Office Supplies	(4,130.63)	(11,312.55)	-	-
Gain from Sales of Fixed Assets	(4,157,368.03)	(1,293,541.87)	(1,911,085.16)	(717,093.35)
Reverse Loss from Impairment of Land Not Used for Operations	(546,209.65)	(1,128,880.00)	-	-
Gain from Sales of Land Not Used for Operations	(4,713,927.40)	(1,844,575.00)	-	-
Gain from Unrealized Exchange Rate	(135,785.94)	(209,685.43)	(100,977.18)	(772,931.30)
Gain from Receipt as Asset	(3,391.00)	-	-	-
Transferred Assets to be Expenses	612,056.34	15,668.61	612,056.34	15,668.61
Reverse Loss from Impairment of Investments in Subsidiary Company	-	-	-	(16,982,195.48)
Dividend Income from Associated Company	-	-	(22,050,000.00)	(15,680,000.00)
Dividend Income from Subsidiary Companies	-	-	(145,995,955.45)	-
Interest Received	(529,904.38)	(549,568.55)	(258,925.78)	(234,760.99)
Interest Paid	134,302,689.92	118,157,642.71	46,570,892.78	36,722,615.92
Participating (Profit) Loss in Associated Companies	1,516,722.72	(56,165,560.54)	-	-
Profit from Operating Activities before Changes in Operating Assets and Liabilities	2,154,002,607.47	1,894,504,754.13	441,460,070.02	561,514,284.11

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

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CASH FLOW

For the year ended December 31, 2010 and 2009

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
	<u>Baht</u>	<u>Baht</u> (Restated)	<u>Baht</u>	<u>Baht</u> (Restated)
CASH FLOW FROM OPERATING ACTIVITIES (CONTINUE)				
(Increase) Decrease in Accounts and Notes Receivable	(125,946,857.14)	52,238,697.23	(64,381,821.84)	112,768,836.66
(Increase) Decrease in Inventories	(425,722,975.15)	99,863,026.29	85,910,603.61	(5,319,836.21)
(Increase) Decrease in Other Current Assets	(9,487,044.51)	(3,071,193.75)	(5,303,161.25)	(1,689,557.41)
(Increase) Decrease in Other Non-Current Assets	(11,051,237.23)	(20,674,531.88)	10,327,755.52	(10,569,815.54)
Increase (Decrease) in Accounts and Notes Payable	(105,657,382.04)	161,024,889.60	17,015,938.83	(31,778,253.62)
Increase (Decrease) in Accrued Expenses	8,785,433.81	13,641,771.20	281,321.29	5,769,546.62
Increase (Decrease) in Other Accounts Payable	(66,667,043.64)	(44,745,914.72)	(34,082,768.59)	(21,361,835.90)
Increase (Decrease) in Other Current Liabilities	3,071,890.94	5,346,506.43	(1,815,601.23)	3,738,690.78
Increase (Decrease) in Other Non-Current Liabilities	148,824,774.35	420,800.18	148,312,816.99	28,193.18
Cash Received (Paid) from Operating Activities	1,570,152,166.86	2,158,548,804.71	597,725,153.35	613,100,252.67
Cash Received from Interest Income	524,904.38	556,232.93	258,925.78	234,760.99
Cash Received from Corporate Income Tax	412,865.94	1,777,228.18	-	952,368.90
Cash Payment from Corporate Income Tax	(64,739,270.91)	(30,828,862.43)	(9,084,841.01)	(5,804,888.84)
Net Cash Provided (Used) from Operating Activities	1,506,350,666.27	2,130,053,403.39	588,899,238.12	608,482,493.72
CASH FLOW FROM INVESTING ACTIVITIES				
Cash Received from Temporary Investment	-	500,000.00	-	-
Cash Received from Dividend from Associated Company	22,050,000.00	15,680,000.00	22,050,000.00	15,680,000.00
Cash Received from Investment in Associated Company	-	270.00	-	270.00
Cash Received from Dividend from Subsidiary Companies	-	-	145,995,955.45	-
Cash Payment from Investment in Associated Company	(191,100,000.00)	(381,710,000.00)	(191,100,000.00)	(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	(12,065,669.00)	(12,000.00)	(12,065,669.00)	(12,000.00)
Cash Payment from Investment in Grandparent Chicken	(44,588,962.75)	(41,246,634.82)	-	-
Cash Payment from Investment in Parent Chicken	(375,760,977.84)	(359,907,317.62)	-	-
Cash Received from Sales of Grandparent Chicken Retirement	3,538,310.00	3,561,966.00	-	-
Cash Received from Sales of Parent Chicken Retirement	77,479,664.00	84,914,931.63	-	-
Cash Payment from Purchases of Assets for Rent	(296,699.63)	-	(296,699.63)	-
Cash Payment from Purchases of Fixed Assets	(880,168,655.92)	(648,292,436.17)	(351,970,012.91)	(166,558,104.03)
Cash Payment from Purchases of Land Not Used for Operations	(95,760,000.00)	(5,375,000.00)	(95,760,000.00)	(5,375,000.00)
Cash Payment from Purchases of Intangible Assets	(1,611,279.90)	(3,013,077.76)	(1,611,279.90)	(3,013,077.76)
Cash Payment in Interest Expenses Capitalize to Assets	(6,075,485.77)	(10,678,047.60)	-	-
Cash Received from Sales of Fixed Assets	240,089,889.35	3,752,788.62	235,065,856.70	747,154.20
Cash Received from Sales of Land and Plant Not Used for Operations	10,226,316.00	6,080,000.00	-	-
Net Cash Provided (Used) from Investing Activities	(1,254,043,551.46)	(1,336,234,527.72)	(249,691,849.29)	(540,730,727.59)

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

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CASH FLOW

For the year ended December 31, 2010 and 2009

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
	<u>Baht</u>	<u>Baht</u> (Restated)	<u>Baht</u>	<u>Baht</u> (Restated)
CASH FLOW FROM FINANCING ACTIVITIES				
Increase (Decrease) in Bank Overdrafts	-	(18,152,700.12)	-	(492,043.55)
Increase (Decrease) in Trust Receipt	26,026,096.24	(556,437,758.80)	-	-
Cash Received from Short-Term Loans from Financial Institutions	2,748,000,000.00	3,526,000,000.00	2,010,000,000.00	1,440,000,000.00
Cash Payment from Short-Term Loans from Financial Institutions	(3,442,000,000.00)	(3,481,000,000.00)	(2,210,000,000.00)	(1,270,000,000.00)
Cash Received from Short-Term Loans from Related Persons	-	24,500,000.00	-	13,000,000.00
Cash Payment from Short-Term Loans from Related Persons	(25,000,000.00)	(78,700,000.00)	(20,000,000.00)	(2,000,000.00)
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	726,500,000.00	449,200,000.00	226,500,000.00	150,200,000.00
Cash Payment from Long-Term Loans from Related Persons	(194,000,000.00)	(97,000,000.00)	(20,000,000.00)	-
Cash Received from Long-Term Loans from Financial Institutions	400,000,000.00	-	-	-
Cash Payment from Long-Term Loans from Financial Institutions	(63,160,000.00)	(83,160,000.00)	-	-
Cash Payment from Interest Expenses	(134,523,327.31)	(118,712,475.49)	(46,755,405.10)	(36,585,059.76)
Cash Payment for Dividends	(313,441,250.00)	(313,421,725.00)	(313,441,250.00)	(313,421,725.00)
Minority Shareholders' Interest in Dividends	(1,254,044.55)	-	-	-
Net Cash Provided (Used) from Financing Activities	(272,852,525.62)	(746,884,659.41)	(383,696,655.10)	(4,298,828.31)
Net Increase (Decrease) in Cash and Cash Equivalent	(20,545,410.81)	46,934,216.26	(44,489,266.27)	63,452,937.82
Cash and Cash Equivalent at the Beginning Balance (Note 10)	202,134,895.16	155,200,678.90	98,961,296.96	35,508,359.14
Cash and Cash Equivalent at the Ending Balance (Note 10)	181,589,484.35	202,134,895.16	54,472,030.69	98,961,296.96

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, 2010 AND 2009

1. General Information

The Company was registered as a corporate entity under the Civil and Commercial Code 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. 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, 31(1), 31(3), 31(4), 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 as follows:

The Company

<u>Certificate No.</u>	<u>Date</u>	<u>Type of Promotional Activities</u>	<u>The First Date</u>	<u>The Expiry Date</u>
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
1329(2)/2552	April 24, 2009	Evisceration Chicken	None Income Yet	-
1051(3)/2553	January 18, 2010	Semi-Finished Chicken Products	None Income Yet	-

In accordance with the Minute of the Board of Directors Meeting no. 7/2010 on July 5, 2010, it unanimously resolves to approve that, the Company proceeds with right transfer of investment promotion 1565(3)/2550 receipt to the MCKEY FOOD SERVICES (THAILAND) LTD. which is associated company in order to further receive privilege instead of the Company. In addition, the Company will not prosecute or claim any right from such associated company.

The Subsidiary Companies

<u>Certificate No.</u>	<u>Date</u>	<u>Type of Promotional Activities</u>	<u>The First Date</u>	<u>The Expiry Date</u>
1429(2)/2546	August 21, 2003	Seed Eggs	June 14, 2006	June 13, 2014
1850(2)/2548	September 20, 2005	Feed Mill Production and Premix	June 1, 2009	May 31, 2017
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
1932(2)/2548	October 11, 2005	Parent Chicken Farm	September 9, 2006	September 8, 2014
1571(2)/2551	June 6, 2008	Broiler Farm	April 17, 2010	April 16, 2018
2085(2)/2551	November 19, 2008	Broiler Farm	October 8, 2010	October 7, 2018
1341(2)/2552	April 28, 2009	Broiler Farm	None Income Yet	-
1407(2)/2552	June 5, 2009	Broiler Farm	None Income Yet	-
1897(2)/2553	August 24, 2010	Broiler Farm	None Income Yet	-
1898(2)/2553	August 24, 2010	Broiler Farm	None Income Yet	-
2106(2)/2553	October 19, 2010	Broiler Farm	None Income Yet	-
2107(2)/2553	October 19, 2010	Broiler Farm	None Income Yet	-
2108(2)/2553	October 19, 2010	Broiler Farm	None Income Yet	-
1187(2)/2553	January 26, 2010	Chicken Farm	None Income Yet	-
1591(2)/2553	March 16, 2010	Chicken Farm	None Income Yet	-

3. Basis of Financial Statements Preparation

- 3.1 The Company had prepared the financial statements have been prepared in accordance with the accounting standards enunciated under the Accounting Profession Act B.E. 2547. The presentation of the financial statements has been made in accordance with Accounting Standards TAS 1 (Revised 2007) "Presentation of Financial Statements" and in accordance with the determination of the office of the Securities and Exchange Commission on the subject of preparation and presentation of the financial reports.
- 3.2 The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies.
- 3.3 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.
- 3.4 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.
- 3.5 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 net profit or shareholders' equities. The detail was as follows:

Balance Sheets	Consolidated Financial Statements As of December 31, 2009	Separate Financial Statements As of December 31, 2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
Other Current Assets Decreasing	(13,826)	(9,986)
Other Non-Current Assets Increasing	13,826	9,986
Assets for Rent - Net Increasing	5,979	5,979
Property, Plant and Equipment - Net Decreasing	(5,979)	(5,979)

Statements of Income	Consolidated Financial Statements for the year ended December 31, 2009
	<u>'000 Baht</u>
Other Income Decreasing	(2,117)
Administrative Expenses Increasing	2,117

4. Adoption of New Accounting Standards, Financial Reporting Standards and Interpretation

The Federation of Accounting Professions has issued Notification No. 17/2010 and No. 50 to No. 55/2010, regarding new accounting standards, financial reporting standards and interpretation. These are not effective for the current year, except Framework for the Preparation and Presentation of Financial Statements, which was effective immediately.

	Effective date
Framework for Preparation and Presentation of Financial Statements (revised 2009)	Immediately
TAS 1 (revised 2009) Presentation of Financial Statements	1 January 2011
TAS 2 (revised 2009) Inventories	1 January 2011
TAS 7 (revised 2009) Statement of Cash Flows	1 January 2011
TAS 8 (revised 2009) Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2011
TAS 10 (revised 2009) Events After the Reporting Period	1 January 2011
TAS 11 (revised 2009) Construction Contracts	1 January 2011
TAS 12 Income Taxes	1 January 2013
TAS 16 (revised 2009) Property, Plant and Equipment	1 January 2011
TAS 17 (revised 2009) Leases	1 January 2011
TAS 18 (revised 2009) Revenue	1 January 2011

TAS 19	Employee Benefits	1 January 2011
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2013
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	1 January 2013
TAS 23 (revised 2009)	Borrowing Costs	1 January 2011
TAS 24 (revised 2009)	Related Party Disclosures	1 January 2011
TAS 26	Accounting and Reporting by Retirement Benefit Plans	1 January 2011
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements	1 January 2011
TAS 28 (revised 2009)	Investments in Associates	1 January 2011
TAS 29	Financial Reporting in Hyperinflationary Economies	1 January 2011
TAS 31 (revised 2009)	Interests in Joint Venture	1 January 2011
TAS 33 (revised 2009)	Earnings per Share	1 January 2011
TAS 34 (revised 2009)	Interim Financial Reporting	1 January 2011
TAS 36 (revised 2009)	Impairment of Assets	1 January 2011
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	1 January 2011
TAS 38 (revised 2009)	Intangible Assets	1 January 2011
TAS 40 (revised 2009)	Investment Property	1 January 2011
TFRS 2	Share-based Payment	1 January 2011
TFRS 3 (revised 2009)	Business Combinations	1 January 2011
TFRS 5 (revised 2009)	Non-Current Assets Held for Sale and Discontinued Operations	1 January 2011
TFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2011
Interpretation 15	Agreements for the Construction of Real Estate	1 January 2011

The management of the Company has assessed the effects of new accounting standards, financial reporting standards and interpretation and believes that these standards will not have any significant impact on the financial statements for the year in which they are initially applied. Except, the TAS 19 Employee Benefits, the management of the Company has been evaluating for the contingent liabilities from Retirement Benefit Plans.

5. Basis of Consolidated Financial Statements Preparation

5.1 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, 2010	December 31, 2009	
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.	Production and Distribution Feed Mill and Parent Chicken Farm	97.8312	96.8650	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

For consolidated financial statements, as of December 31, 2010 and 2009, the Company had goodwill with subsidiary companies were as follows:

	Goodwill As of Date of Purchase	Goodwill Amortization Accumulated	As of December 31, 2010	Goodwill Outstanding As of December 31, 2009
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
KRUNGTHAI FARM CO., LTD.	3,703	(2,408)	1,295	1,295
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	83,927	(53,853)	30,074	30,074
Less Impairment of Goodwill - KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	(30,074)	(30,074)
Goodwill - Net	87,630	(56,261)	1,295	1,295

The percentage of these companies total assets in subsidiaries, as of December 2010 and 2009, and revenues for the year ended December 2010 and 2009, to these of the consolidated financial statements as a whole are as follows:

	Assets as a percentage to the consolidated total assets		Revenues as a percentage to the consolidated total revenues	
	As of		For the year ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	%	%	%	%
M.K.S. FARM CO., LTD.	22.69	18.57	3.76	0.20
KRUNGTHAI FARM CO., LTD.	7.70	7.58	1.37	0.94
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	34.27	35.96	36.40	37.92
GF FOODS CO., LTD.	0.55	0.40	1.95	1.78
GP BREEDING CO., LTD.	3.28	3.92	0.18	0.14

- 5.2 Accounting policy for subsidiary companies will utilize the same policy as the GFPT PUBLIC COMPANY LIMITED.
- 5.3 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.

6. Previous Year Adjust transactions

In the 1st quarter of 2010, the Company has retroactively adjusted the consolidated and separate financial statements for the year ended December 31, 2009, since the Company did not record recognition of loss from impairment in goodwill and did not record amortization of negative goodwill that recognized previously in the consolidated financial statements from the change of accounting policy regarding record of investment in subsidiary companies from equity method to cost method. Moreover, the Company recorded reversal of loss from impairment of investment in subsidiary company over-stated. As a result, the Company retroactively adjusts the consolidated and separate financial statements of 2009, since goodwill that impairment has ever been recognized cannot be reversed while there is affected result to the financial statements as follows:

Balance Sheets	Consolidated	Separate
	Financial Statements As of December 31, 2009	Financial Statements As of December 31, 2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
Goodwill	30,074	-
Negative Goodwill	(2,470)	-
Goodwill Decreasing	27,604	-
Retained Earnings as of Ending Decreasing	27,604	30,074
Retained Earnings as of Beginning Decreasing	27,604	-
Investment in Subsidiary Companies-Net Decreasing	-	30,074

Statements of Income	Separate
	Financial Statements For the year ended December 31, 2009
	<u>'000 Baht</u>
Reversal Loss from Impairment of Investments in Subsidiary Company Decreasing	30,074

7. Summary of Significant Accounting Policy

7.1 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 calculated from the outstanding principal.
- Revenue from tax return is recorded to other income when tax return are received.
- Dividend Income are recognised when the right to receive the dividends is established.

7.2 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.

7.3 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.

7.4 Trade Account Receivable, 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.

7.5 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.

7.6 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.

7.7 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.

7.8 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.

7.9 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.

7.10 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.

The Group did not carry depreciation for land and asset being construction.

Expenditure in respect of extension, life renewal or asset improvement which causes the present replacement price increased materially. It will combine as cost of asset. Regarding repairing fee and maintenance, it is recognized as expense in the incurred accounting period.

Gain or loss from disposal of property, plant and equipment is computed from discrepancy between net cash received and book value and recognized as other revenue or other expense in the statement of income.

7.11 Cost of Borrowing

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

7.12 Intangible Assets

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

7.13 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 an asset's carrying or cash-generating unit exceeds its recoverable amount; the Group 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.

7.14 Accounts Payable and Others Payable

Accounts Payable and others payable were shown in cost method.

7.15 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 Group 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.

7.16 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.

7.17 A Provision of Liabilities

The Group are recognized when the Group 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 Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

7.18 Earnings per Share

Primary earnings per share is calculated by dividing net profit 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.

7.19 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.

7.20 Subsidy Fund from the Government

The Group receives subsidy fund from the government relating to asset while the Group selects to bring such subsidy fund to reflect as deduction from cost price of related asset in order to obtain book value of asset and recognizes subsidy fund from the government as revenue throughout useful life of dilapidated asset according to amount of declined depreciation.

7.21 Employees Benefit

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

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

7.22.1 Income was allocated from the type of products which produces from machinery with promotional

investment and without promotional investment.

7.22.2 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.

8. 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:

8.1 Inter-Revenues and Expenses

Pricing Policy		CONSOLIDATED FINANCIAL STATEMENTS For the year ended December 31,		SEPARATE FINANCIAL STATEMENTS For the year ended December 31,	
		2010	2009	2010	2009
		'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	-	-	164,043	99,468
Purchases	Agreement Price, Reference to Market Price	-	-	4,864,935	4,673,288
Rental Income	Contract Price	-	-	2,340	2,200
Other Income	Cost Price and Agreement Price	-	-	9,975	11,938
Other Expenses	Cost Price	-	-	5,345	4,740
Purchases Assets	Cost Price	-	-	-	58
Interest Payment	Annual Interest Rate at 2%-5%	-	-	138	181

Pricing Policy		CONSOLIDATED FINANCIAL STATEMENTS For the year ended December 31,		SEPARATE FINANCIAL STATEMENTS For the year ended December 31,	
		2010	2009	2010	2009
		'000 Baht	'000 Baht	'000 Baht	'000 Baht
Inter-Transaction with Associated Companies					
Sales	Agreement Price, Reference to Market Price	1,075,952	530,200	818,794	530,198
Purchases	Agreement Price, Reference to Market Price	26,967	4,059	22,903	246
Rental Income	Contract Price	4,953	2,276	4,953	2,276
Other Income	Market Price	82,840	59,936	70,146	59,911
Other Expenses	Cost Price	42	18	30	18
Purchases Assets	Cost Price	-	26	-	26
Sales Assets	Agreement Price	233,672	-	233,000	-

		CONSOLIDATED FINANCIAL STATEMENTS For the year ended December 31,		SEPARATE FINANCIAL STATEMENTS For the year ended December 31,	
Pricing Policy		2010	2009	2010	2009
		'000 Baht	'000 Baht	'000 Baht	'000 Baht
Inter-Transaction with Related Companies					
Sales	Agreement Price,	952	1,313	-	2
	Reference to Market Price				
Purchases	Agreement Price,	1,815,199	1,336,062	-	-
	Reference to Market Price				
Rental Income	Contract Price	-	6,000	-	-
Other Income	Cost Price and Market Price	9,030	1,145	542	815
Rental Expenses	Contract Price	16,343	15,573	6,790	6,705
Other Expenses	Cost Price and Market Price	55,801	57,193	2,763	2,775
Inter-Transaction with Related Persons					
Interest Expenses	Annual Interest Rate at 6%	108,399	80,070	37,637	26,197

8.2 Inter-Assets and Liabilities

		CONSOLIDATED FINANCIAL STATEMENTS As of December 31,		SEPARATE FINANCIAL STATEMENTS As of December 31,	
		2010	2009	2010	2009
		'000 Baht	'000 Baht	'000 Baht	'000 Baht
Accounts Receivable					
Subsidiary Companies					
	KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	2,293	2,514
	GF FOODS CO., LTD.	-	-	1,779	861
Associated Companies					
	MCKEY FOOD SERVICES (THAILAND) LTD.	58,299	21,151	58,299	21,151
	GFPT NICHIREI (THAILAND) CO., LTD.	59,741	-	9,767	-
Related Company					
	P.VET. CO., LTD.	208	283	-	2
Notes Receivable					
Associated Companies					
	MCKEY FOOD SERVICES (THAILAND) LTD.	-	11,243	-	11,243
		118,248	32,677	72,138	35,771
Other Receivable					
Subsidiary Companies					
	KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	195	485
	M.K.S. FARM CO., LTD.	-	-	302	68
	KRUNGTHAI FARM CO., LTD.	-	-	110	200
	GP BREEDING CO., LTD.	-	-	29	75
	GF FOODS CO., LTD.	-	-	6	-
Associated Companies					
	MCKEY FOOD SERVICES (THAILAND) LTD.	12,763	4,747	11,605	4,747
	GFPT NICHIREI (THAILAND) CO., LTD.	8,088	3	923	-

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As of		As of	
	December 31,		December 31,	
	2010	2009	2010	2009
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Related Companies				
P.VET. CO., LTD.	2	-	-	-
M.K.S. CONDOTOWN CO., LTD.	-	40	-	40
PANALAB CO., LTD.	20	47	-	-
Notes Receivable				
Associated Company				
MCKEY FOOD SERVICES (THAILAND) LTD.	-	-	1,158	-
	20,873	4,837	14,328	5,615
Advance Payment				
Subsidiary Companies				
M.K.S. FARM CO., LTD.	-	-	-	1
GF FOODS CO., LTD.	-	-	706	600
	-	-	706	601
Prepaid Expenses				
Related Company				
P.CHAROEN PHAN PRODUCE CO., LTD.	594	565	594	565
Deposit Payment				
Related Companies				
P.CHAROEN PHAN FEEDMILL CO., LTD.	2,104	2,104	911	911
P.CHAROEN PHAN PRODUCE CO., LTD.	125	125	-	-
	2,229	2,229	911	911
Accounts and Notes Payable				
Associated Companies				
MCKEY FOOD SERVICES (THAILAND) LTD.	-	137	-	-
GFPT NICHIREI (THAILAND) CO., LTD.	3,218	-	2,925	-
Subsidiary Companies				
M.K.S. FARM CO., LTD.	-	-	7,291	7,412
KRUNGTHAI FARM CO., LTD.	-	-	578	-
GF FOODS CO., LTD.	-	-	903	29
	3,218	137	11,697	7,441
Accrued Expenses				
Subsidiary Companies				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	48	145
M.K.S. FARM CO., LTD.	-	-	28	92
KRUNGTHAI FARM CO., LTD.	-	-	28	92
Related Company				
PANALAB CO., LTD.	15	10	-	-
	15	10	104	329
Other Accounts Payable				
Subsidiary Companies				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	94	-
M.K.S. FARM CO., LTD.	-	-	98	17
Associated Company				
MCKEY FOOD SERVICES (THAILAND) LTD.	4	-	4	-
	4	-	196	17

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As of		As of	
	December 31,		December 31,	
	2010	2009	2010	2009
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Deposit Income				
Subsidiary Companies				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	25	25
M.K.S. FARM CO., LTD.	-	-	140	-
	-	-	165	25
Deferred Income				
Subsidiary Company				
M.K.S. FARM CO., LTD.	-	-	25	25
Associated Company				
MCKEY FOOD SERVICES (THAILAND) LTD.	154,683	-	154,683	-
	154,683	-	154,708	25
Short-Term Loans				
Directors in				
Parent Company				
Balance as of Beginning	78,500	344,500	78,500	344,500
Increase	-	13,000	-	13,000
Decrease	(78,500)	(279,000)	(78,500)	(279,000)
Balance as of Ending	-	78,500	-	78,500
Subsidiary Companies				
Balance as of Beginning	5,000	447,300	-	-
Increase	-	11,500	-	-
Decrease	(5,000)	(453,800)	-	-
Balance as of Ending	-	5,000	-	-
Related Persons in				
Subsidiary Companies				
Balance as of Beginning	10,900	400,800	-	-
Decrease	(10,900)	(389,900)	-	-
Balance as of Ending	-	10,900	-	-
Total	-	94,400	-	78,500
Short-Term Loans				
Subsidiary Company				
Parent Company				
Balance as of Beginning	-	-	15,000	-
Increase	-	-	-	15,000
Decrease	-	-	(10,000)	-
Balance as of Ending	-	-	5,000	15,000
Long-Term Loans				
Directors in				
Parent Company				
Balance as of Beginning	427,200	-	427,200	-
Increase	285,000	427,200	285,000	427,200
Decrease	(20,000)	-	(20,000)	-
Balance as of Ending	692,200	427,200	692,200	427,200

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As of		As of	
	December 31,		December 31,	
	2010	2009	2010	2009
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Subsidiary Companies				
Balance as of Beginning	518,000	-	-	-
Increase	364,500	609,000	-	-
Decrease	(138,000)	(91,000)	-	-
Balance as of Ending	744,500	518,000	-	-
Related Persons in				
Subsidiary Companies				
Balance as of Beginning	451,000	-	-	-
Increase	146,400	457,000	-	-
Decrease	(36,000)	(6,000)	-	-
Balance as of Ending	561,400	451,000	-	-
Total	1,998,100	1,396,200	692,200	427,200
<u>Less</u> Current Portion of Long Term Loans	-	(79,000)	-	(79,000)
	1,998,100	1,317,200	692,200	348,200

As of December 31, 2009, 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, 2010 and 2009, the whole amount of long-term loans from related persons has loan in form of promissory note will be gradually matured within 2014, carried interest rate at 6.00 % per annum.

The Company and subsidiary companies change the term of loan due to related persons from the borrowing in form of promissory note in type of call to be loan in type of 2 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 persons is transferred into long-term loan due to related persons.

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.

8.3 Relationship among the Companies

Consist of:

<u>Company's Name</u>	<u>Relationship</u>
Krungthai Farm Co., Ltd.	Subsidiary Company by Shareholding and Common Management
M.K.S. Farm Co., Ltd.	Subsidiary Company by Shareholding and Common Management
GF Foods Co., Ltd.	Subsidiary Company by Shareholding and Common Management
Krungthai Feedmill Public Co., Ltd.	Subsidiary Company by Shareholding and Common Management
GP Breeding Co., Ltd.	Subsidiary Company by Shareholding and Common Management
McKey Food Services (Thailand) Ltd.	Associated Company by Shareholding
GFPT Nichirei (Thailand) Co., Ltd.	Associated Company by Shareholding
M.K.S. Condotown Co., Ltd.	Common Management
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

<u>Company's Name</u>	<u>Relationship</u>
P.Vet. Co., Ltd.	Common Management
Panalab Co., Ltd.	Common Management
Krungthai Aqua-Culture Co., Ltd.	Common Management
Related Persons	Directors and Shareholders and Related Persons with Directors and Shareholders

9. Non-Cash Transactions

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the year ended		For the year ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Purchased Assets with Credit	31,946,376.23	50,698,616.91	5,630,699.16	37,228,818.85
Receipt Transfer Assets Not Used for Operations for Repay Debt Accounts Receivable	350,000.00	-	-	-
Purchased Parent Chicken with Credit	17,623,500.00	7,569,000.00	-	-
Sold Parent Chicken Retirement with Credit	1,492,440.00	4,977,142.00	-	-
Transferred the Short-Term Loan due to Related Persons is into Long-Term Loan due to Related Persons	69,400,000.00	1,044,000,000.00	58,500,000.00	277,000,000.00

10. Cash and Cash Equivalent

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Cash	488,000.00	1,860,739.25	52,000.00	1,430,739.25
Cash Deposit — Current Account	75,110,387.12	58,895,011.93	19,253,929.51	8,758,331.07
Cash Deposit — Savings Account	105,991,097.23	141,379,143.98	35,166,101.18	88,772,226.64
Total	181,589,484.35	202,134,895.16	54,472,030.69	98,961,296.96

11. Accounts and Notes Receivable-Net

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Accounts Receivable-Local	355,668,133.73	334,709,371.02	46,539,652.67	47,268,748.10
Accounts Receivable-Foreign	217,964,488.79	189,116,181.41	217,964,488.79	189,116,181.41
Notes Receivable	98,925,710.00	107,520,776.00	-	-
<u>Less</u> Allowance for Doubtful Accounts	(50,373,668.48)	(59,207,939.55)	(4,357,499.95)	(4,357,499.95)
Accounts and Notes Receivable-Net	622,184,664.04	572,138,388.88	260,146,641.51	232,027,429.56

Accounts and notes receivable were classified by aging as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Accounts and Notes Receivable (within due period)	391,670,569.98	399,631,600.43	195,647,335.23	217,090,852.86
Accounts and Notes Receivable (over due period)				
- Less than 3 months	230,508,765.99	171,925,721.46	64,499,306.28	14,064,941.16
- More than 3 months	27,779,374.55	33,513,955.54	4,357,499.95	5,229,135.49
Total	649,958,710.52	605,071,277.43	264,504,141.46	236,384,929.51
Returned Cheque	22,599,622.00	26,275,051.00	-	-
Total	672,558,332.52	631,346,328.43	264,504,141.46	236,384,929.51
<u>Less</u> Allowance for Doubtful Accounts	(50,373,668.48)	(59,207,939.55)	(4,357,499.95)	(4,357,499.95)
Net	622,184,664.04	572,138,388.88	260,146,641.51	232,027,429.56

For the year ended December 31, 2010 and 2009, the movement of allowance for doubtful accounts was as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Allowance for Doubtful Accounts - Beginning	(59,207,939.55)	(74,593,142.93)	(4,357,499.95)	(4,357,499.95)
Increased for the Period	(3,043,156.75)	(4,091,054.20)	-	-
Reversed for the Period	11,463,988.82	13,422,826.72	-	-
Write off to Bad Debts	413,439.00	6,053,430.86	-	-
Allowance for Doubtful Accounts - Ending	(50,373,668.48)	(59,207,939.55)	(4,357,499.95)	(4,357,499.95)

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

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Accounts Receivable-Subsidiary Companies	-	-	4,072,260.20	3,375,345.05
Accounts Receivable-Associated Companies	118,040,077.31	21,150,940.00	68,065,702.00	21,150,940.00
Accounts Receivable-Related Companies	207,950.00	282,941.00	-	2,166.00
Notes Receivable-Associated Company	-	11,242,700.00	-	11,242,700.00
Total	118,248,027.31	32,676,581.00	72,137,962.20	35,771,151.05

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

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Accounts and Notes Receivable (within due period)	105,305,008.00	32,596,940.00	63,095,871.20	35,738,486.05
Accounts Receivable (over due period)				
- Less than 3 months	12,943,019.31	79,641.00	9,042,091.00	32,665.00
Total	118,248,027.31	32,676,581.00	72,137,962.20	35,771,151.05

13. Inventories-Net

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Finished Goods - Processed Chicken Products	79,055,735.11	72,961,778.73	79,406,084.14	78,948,718.97
Finished Goods - Feed Mill	59,662,663.08	60,020,536.96	-	-
Finished Goods - Chicks	76,379.90	7,590.28	-	-
Raw Materials	1,341,754,311.11	1,050,836,480.42	13,279,012.68	10,948,917.84
Work in Process	74,557,070.91	156,025,470.74	49,372,639.34	141,126,595.17
Seed Eggs and Eggs during Hatching	72,386,478.65	60,082,310.02	-	-
Rearing Chicken	265,837,242.89	198,860,061.03	-	-
Goods in Transit	-	1,237,754.70	-	-
Medical Supplies, Supplies and Others	420,916,343.87	362,537,310.77	41,496,708.45	38,440,816.24
Total	2,314,246,225.52	1,962,569,293.65	183,554,444.61	269,465,048.22
<u>Less</u> Allowance for Decline in Value of Non-Movement Inventories	(3,146,098.74)	(3,158,850.73)	(2,878,872.85)	(2,878,872.85)
Allowance for Decline in Value of Inventories	(5,067,107.74)	(6,551,384.79)	(3,870,445.17)	(1,045,249.38)
Net	2,306,033,019.04	1,952,859,058.13	176,805,126.59	265,540,925.99

For the year ended December 31, 2010 and 2009, the movement of allowance for decline in value of non-movement inventories and allowance for decline in value of inventories was as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the year ended December 31, 2010	For the year ended December 31, 2009	For the year ended December 31, 2010	For the year ended December 31, 2009
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Allowance for Decline in Value of Non-Movement Inventories-Beginning	(3,158,850.73)	(3,053,639.25)	(2,878,872.85)	(2,771,434.94)
Increased for the Period	-	(107,437.91)	-	(107,437.91)
Sold for the Period	12,751.99	2,226.43	-	-
Allowance for Decline in Value of Non-Movement Inventories-Ending	(3,146,098.74)	(3,158,850.73)	(2,878,872.85)	(2,878,872.85)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended December 31, 2010	For the year ended December 31, 2009	For the year ended December 31, 2010	For the year ended December 31, 2009
	Baht	Baht	Baht	Baht
Allowance for Decline in Value of Inventories-Beginning	(6,551,384.79)	(10,274,219.72)	(1,045,249.38)	(6,563,816.16)
Increased for the Period	(3,133,823.49)	(3,308,598.93)	(2,825,195.79)	-
Reversed/Sold for the Period	4,618,100.54	7,031,433.86	-	5,518,566.78
Allowance for Decline in Value of Inventories-Ending	(5,067,107.74)	(6,551,384.79)	(3,870,445.17)	(1,045,249.38)

14. Investments in Associated Companies

As of December 31, 2010 and 2009, the Company had investments in its associated companies as follows:

Name of Company	Paid-up Capital	% Share- Holding	Consolidated Financial Statements			
			Equity Method		Dividend	
			As of December 31, 2010	2009	For the year ended December 31, 2010	2009
	'000 Baht	%	Baht	Baht	Baht	Baht
Investments in Associated Companies						
- MCKEY FOOD SERVICES (THAILAND) LTD.	100,000	49.00	248,153,307.19	197,405,585.00	-	-
- GFPT NICHIREI (THAILAND) CO., LTD.	1,170,000	49.00	498,003,792.28	381,218,237.19	-	-
	(2009: 780,000 Thousand Baht)					
Total			746,157,099.47	578,623,822.19	-	-

Name of Company	Paid-up Capital	% Share- Holding	Separate Financial Statements			
			Cost Method		Dividend	
			As of December 31, 2010	2009	For the year ended December 31, 2010	2009
	'000 Baht	%	Baht	Baht	Baht	Baht
Investments in Associated Companies						
- MCKEY FOOD SERVICES (THAILAND) LTD.	100,000	49.00	49,000,000.00	49,000,000.00	22,050,000.00	15,680,000.00
- GFPT NICHIREI (THAILAND) CO., LTD.	1,170,000	49.00	573,299,700.00	382,199,700.00	-	-
	(2009: 780,000 Thousand Baht)					
Total			622,299,700.00	431,199,700.00	22,050,000.00	15,680,000.00

The financial statements of MCKEY FOOD SERVICES (THAILAND) LTD., which is associated company was audited by another auditor, who gave an unqualified report.

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

Associated Companies	As of December 31, 2010		For the year ended December 31, 2010	
	Total Assets	Total Liabilities	Total Revenue	Net Profit(Loss)
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
MCKEY FOOD SERVICES (THAILAND) LTD.	786,727	279,427	2,164,458	149,432
GFPT NICHIREI (THAILAND) CO., LTD.	2,415,973	1,399,058	181,724	(151,082)

Associated Companies	As of December 31, 2009		For the year ended December 31, 2009	
	Total Assets	Total Liabilities	Total Revenue	Net Profit(Loss)
	'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)

15. Investments in Subsidiary Companies-Net

As of December 31, 2010 and 2009, the Company had investments in its subsidiary companies as follows:

Name of Company	Paid-up Capital	% Share-Holding	Separate Financial Statements			
			Cost Method		Dividend	
			As of December 31,	For the year ended	December 31,	
			2010	2009	2010	2009
	'000 Baht	%	Baht	Baht	Baht	Baht
Investments in Subsidiary Companies						
- M.K.S. FARM CO., LTD.	550,000	99.99	549,999,910.00	549,999,910.00	107,249,982.45	-
- KRUNGTHAI FARM CO., LTD.	350,000	99.99	349,999,910.00	349,999,910.00	-	-
- KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	400,000	97.8312	604,865,011.86	592,799,342.86	38,745,973.00	-
	(2009 : 96.8650)					
- GF FOODS CO., LTD.	40,000	99.99	39,999,100.00	39,999,100.00	-	-
- GP BREEDING CO., LTD.	200,000	99.99	200,499,895.00	200,499,895.00	-	-
Total			1,745,363,826.86	1,733,298,157.86	145,995,955.45	-
<u>Less</u> Impairment of Investments in KRUNGTHAI FEEDMILL PUBLIC CO., LTD.			(83,927,684.51)	(83,927,684.51)	-	-
Net			1,661,436,142.35	1,649,370,473.35	145,995,955.45	-

For the year ended December 31, 2010, The Company additionally invests in the KRUNGTHAI FEEDMILL PUBLIC CO., LTD., which is subsidiary company in number of 386,499 shares in amount of Baht 12.07 million. The proportion of shares holding increases from rate of 96.8650% to rate of 97.8312% which is buying in the price lower than book value. As a result, it results discount from purchase investment in subsidiary company acquisition in amount of Baht 2.51 million reflected in the shareholders' equity since it regards as change of shareholders' equity after controlling in such subsidiary company.

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 16.98 million since such subsidiary company constitutes better operating result.

16. Grandparent Chicken-Net

Consist of:

CONSOLIDATED FINANCIAL STATEMENTS						
	Balance As of December 31, 2009	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2010
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Grandparent Chicken	32,015,430.65	25,160,660.50	-	(24,092,869.42)	-	33,083,221.73
Grandparent Chicken During Rearing	28,548,519.53	19,428,302.25	8,256,837.91	(23,684,392.65)	-	32,549,267.04
Total	60,563,950.18	44,588,962.75	8,256,837.91	(47,777,262.07)	-	65,632,488.77
<u>Less</u> Accumulated Depreciation	(22,170,791.07)	(46,052,851.37)	-	43,148,918.54	-	(25,074,723.90)
Net	<u>38,393,159.11</u>					<u>40,557,764.87</u>

Depreciation was shown in Statements of Income

For the year ended December 31,

2010

46,052,851.37

2009

41,225,774.09

17. Parent Chicken-Net

Consist of:

CONSOLIDATED FINANCIAL STATEMENTS						
	Balance As of December 31, 2009	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2010
	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
Parent Chicken	116,427,550.03	111,717,701.17	-	(92,361,998.15)	-	135,783,253.05
Parent Chicken During Rearing	267,772,578.19	281,666,776.67	19,869,964.65	(275,163,779.53)	-	294,145,539.98
Total	384,200,128.22	393,384,477.84	19,869,964.65	(367,525,777.68)	-	429,928,793.03
<u>Less</u> Accumulated Depreciation	(103,959,768.02)	(295,440,566.94)	-	269,571,286.68	-	(129,829,048.28)
Net	<u>280,240,360.20</u>					<u>300,099,744.75</u>

Depreciation was shown in Statements of Income

For the year ended December 31,

2010

295,440,566.94

2009

282,524,274.51

18. Assets for Rent-Net

Consist of:

CONSOLIDATED FINANCIAL STATEMENTS/ SEPARATE FINANCIAL STATEMENTS						
	Balance As of December 31, 2009	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2010
	Baht	Baht	Baht	Baht	Baht	Baht
Cost:						
Land and	77,686,154.93	-	23,755,464.16	-	-	101,441,619.09
Land Improvement						
Poultry Houses	166,870,029.67	-	-	-	-	166,870,029.67
Condominium Units	345,568,689.49	296,699.63	-	-	-	345,865,389.12
Factory Buildings	-	-	74,571,518.92	-	-	74,571,518.92
Other Buildings	4,812,914.05	-	-	-	-	4,812,914.05
Total	594,937,788.14	296,699.63	98,326,983.08	-	-	693,561,470.85
Accumulated						
Depreciation						
Land Improvement	-	(406,542.42)	-	-	-	(406,542.42)
Poultry Houses	(126,674,751.51)	(6,996,305.40)	-	-	-	(133,671,056.91)
Condominium Units	(74,051,699.60)	(13,758,914.74)	-	-	-	(87,810,614.34)
Factory Buildings	-	(1,271,620.64)	-	-	-	(1,271,620.64)
Other Buildings	(3,169,251.00)	(240,644.50)	-	-	-	(3,409,895.50)
Total	(203,895,702.11)	(22,674,027.70)	-	-	-	(226,569,729.81)
Net	391,042,086.03					466,991,741.04

Depreciation was shown in Statements of Income

For the year ended December 31,

2010	22,674,027.70
2009	16,418,004.28

As of December 31, 2010 and 2009, the Company made a collateral security with commercial banks and financial institutions in order to guarantee the Group credits by land at the cost price at Baht 15.07 million and Baht 1.01 million respectively (Note 22).

19. Property, Plant and Equipment-Net

Consist of:

	Consolidated Financial Statements					Balance As of December 31, 2010
	Balance As of December 31, 2009	Purchase	Transfer in	Sale	Transfer out	
	Baht	Baht	Baht	Baht	Baht	Baht
Cost:						
Land and	340,822,904.84	950,622.00	-	-	-	341,773,526.84
Land Improvement						
Building and Building	3,534,040,290.67	663,090.00	396,985,310.03	-	(74,571,518.92)	3,857,117,171.78
Improvement						
Machines and Equipment	2,025,064,478.52	24,548,439.69	93,975,452.65	(281,722,253.02)	(976,456.85)	1,860,889,660.99
Tools	659,646,375.77	17,306,872.32	49,108,651.88	(5,971,905.84)	(622,038.36)	719,467,955.77
Office Equipment	293,958,127.44	29,017,248.93	3,052,195.88	(23,762,367.63)	(1,705,446.83)	300,559,757.79
Vehicles	456,503,472.10	30,830,330.00	673,591.14	(8,256,507.68)	(151,600.00)	479,599,285.56
Others Fixed Assets	1,042,639.00	-	-	-	-	1,042,639.00
Construction in Progress	663,483,316.76	808,798,429.21	97,493,088.95	(2,696,961.57)	(568,656,565.04)	998,421,308.31
Total	7,974,561,605.10	912,115,032.15	641,288,290.53	(322,409,995.74)	(646,683,626.00)	8,558,871,306.04
Accumulated						
Depreciation:						
Land Improvement	(14,939,479.91)	(1,361,957.35)	-	-	-	(16,301,437.26)
Building and Building	(1,706,331,555.22)	(166,357,864.75)	-	-	-	(1,872,689,419.97)
Improvement						
Machines and Equipment	(1,251,830,866.59)	(139,984,200.82)	-	53,694,565.92	437,741.52	(1,337,682,759.97)
Equipment and Tools	(528,183,760.24)	(52,919,943.67)	-	2,328,742.25	576,902.01	(578,198,059.65)
Office Equipment	(193,307,857.13)	(29,126,652.64)	-	22,197,669.57	1,610,793.44	(198,626,046.76)
Vehicles	(362,793,061.08)	(38,324,218.13)	-	8,256,496.68	150,257.64	(392,710,524.89)
Others Fixed Assets	(876,109.18)	(45,401.78)	-	-	-	(921,510.96)
Total	(4,058,262,689.35)	(428,120,239.14)	-	86,477,474.42	2,775,694.61	(4,397,129,759.46)
Net	3,916,298,915.75					4,161,741,546.58

For the year ended December 31, 2010

Depreciation Transferred to Statements of Income	399,798,395.43
Depreciation Transferred to Costs of Rearing	28,126,802.56
Depreciation Transferred to Costs of Assets	195,041.15

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

Separate Financial Statements						
	Balance As of December 31, 2009	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2010
	Baht	Baht	Baht	Baht	Baht	Baht
Cost:						
Land and Land Improvement	67,741,656.19	-	-	-	-	67,741,656.19
Building and Building Improvement	461,611,481.72	570,000.00	4,510,086.69	-	(74,571,518.92)	392,120,049.49
Machines and Equipment	939,503,815.41	4,338,039.29	6,141,431.65	(280,246,647.57)	-	669,736,638.78
Equipment and Tools	108,215,423.22	7,480,384.99	7,114,856.44	(5,686,016.85)	(22,993.69)	117,101,654.11
Office Equipment	143,146,091.11	16,491,096.70	760,249.86	(21,043,198.77)	-	139,354,238.90
Vehicles	96,847,902.35	11,818,050.00	-	(920,150.22)	-	107,745,802.13
Construction in Progress	165,070,238.20	124,240,981.12	217,276,521.38	(503,954.84)	(28,814,516.05)	477,269,269.81
Asset in Transit	24,616,038.82	192,662,159.97	-	-	(217,276,521.38)	1,677.41
Total	2,006,752,647.02	357,600,712.07	235,803,146.02	(308,399,968.25)	(320,685,550.04)	1,971,070,986.82
Accumulated Depreciation:						
Land Improvement	(14,939,479.91)	(1,361,957.35)	-	-	-	(16,301,437.26)
Building and Building Improvement	(221,723,707.86)	(17,026,434.08)	-	-	-	(238,750,141.94)
Machines and Equipment	(454,830,928.18)	(76,255,926.45)	-	52,720,747.97	-	(478,366,106.66)
Equipment and Tools	(84,788,789.82)	(7,243,865.01)	-	2,082,259.83	264.60	(89,950,130.40)
Office Equipment	(96,260,680.60)	(13,780,130.39)	-	19,522,040.69	-	(90,518,770.30)
Vehicles	(68,816,485.46)	(11,651,724.58)	-	920,148.22	-	(79,548,061.82)
Total	(941,360,071.83)	(127,320,037.86)	-	75,245,196.71	264.60	(993,434,648.38)
Net	1,065,392,575.19					977,636,338.44

Depreciation was shown in Statements of Income

For the year ended December 31,

2010	127,320,037.86
2009	130,025,828.10

- Consolidated Financial Statements

As of December 31, 2010 and 2009, 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 292.73 million and Baht 335.42 million respectively, (Note 22).

As of December 31, 2010 and 2009, five subsidiary companies had the assets which had not the depreciation but they still used. The cost price was Baht 1,694.46 million and the net book value was Baht 315,112.00 and the cost price was Baht 1,510.26 million and the net book value was Baht 308,220.00 respectively.

- Separate Financial Statements

As of December 31, 2010 and 2009, the Company had the assets which had not the depreciation but they still used. The cost price was Baht 498.42 million and the net book value was Baht 7,585.00 and the cost price was Baht 465.59 million and the net book value was Baht 7,364.00 respectively.

As of December 31, 2010 and 2009, 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 22).

20. Property and Plant not Used for Operations-Net

Consolidated Financial Statements						
	Balance As of December 31, 2009	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2010
	Baht	Baht	Baht	Baht	Baht	Baht
Land	125,825,919.33	96,110,000.00	-	(5,290,693.95)	(14,056,900.00)	202,588,325.38
Building	2,392,809.17	-	-	(326,704.05)	-	2,066,105.12
Total	128,218,728.50	96,110,000.00	-	(5,617,398.00)	(14,056,900.00)	204,654,430.50
Less Accumulated Depreciation Building	(1,249,050.40)	(119,322.80)	-	105,009.40	-	(1,263,363.80)
Less Allowance for Land Impairment	(26,116,783.50)	-	-	-	546,209.65	(25,570,573.85)
Net	100,852,894.60					177,820,492.85

Depreciation was shown in Statements of Income

For the year ended December 31,

2010	119,322.80
2009	119,636.05

Separate Financial Statements						
	Balance As of December 31, 2009	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2010
	Baht	Baht	Baht	Baht	Baht	Baht
Land	37,180,451.50	95,760,000.00	-	-	(14,056,900.00)	118,883,551.50
Less Allowance for Land Impairment	(11,088,786.50)	-	-	-	-	(11,088,786.50)
Net	26,091,665.00					107,794,765.00

- Consolidated Financial Statements

As of December 31, 2010 and 2009, one subsidiary company brought land at the cost of Baht 0.88 million to guarantee credit of the Group with commercial banks and financial institutions (Note 22).

21. Intangible Assets-Net

Consolidated Financial Statements/Separate Financial Statements						
	Balance As of December 31, 2009	Purchase	Transfer in	Sale	Transfer out	Balance As of December 31, 2010
	Baht	Baht	Baht	Baht	Baht	Baht
Software Royalty	7,666,187.60	1,611,279.90	-	-	-	9,277,467.50
Less Accumulated Amortization	(1,625,338.11)	(1,639,383.53)	-	-	-	(3,264,721.64)
Net	6,040,849.49					6,012,745.86

Amortization Expenses was shown in Statements of Income

For the year ended December 31,

2010	1,639,383.53
2009	1,028,275.84

22. Credits and Guarantees

Bank overdrafts, short-term loans and long-term loans from financial institutions, packing credits payable and trust receipts payable of the Group. 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 Group received the credit in the form of long-term loans from related persons in the amount of Baht 2,000.00 million. Annual interest rate of 6.00% with maturity of 5 years from February 1, 2009 to January 31, 2014, has not any collateral.

23. Short-Term Loans from Financial Institutions

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	Baht	Baht	Baht	Baht
Short-Term Loans from Financial Institutions	310,000,000.00	1,004,000,000.00	280,000,000.00	480,000,000.00
Trust Receipts Payable	142,858,369.47	116,828,996.61	-	-
Total	452,858,369.47	1,120,828,996.61	280,000,000.00	480,000,000.00

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

As of December 31, 2010 and 2009, short-term loans from financial institutions in the amount of Baht 280.00 million and Baht 480.00 million respectively, were in the form of promissory notes from several commercial banks with 90 days and in the type of call and 30 - 90 days respectively, at the annual interest rates of 1.78 - 1.95% and 1.50 - 1.75% respectively.

23.2 Terms and Conditions on Short-Term Loans from Financial Institutions for Three Subsidiary Companies

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

As of December 31, 2010 and 2009, short-term loans from financial institutions in the amount of Baht 30.00 million and Baht 94.00 million respectively, was in the form of promissory notes with 1 - 3 months at the annual interest rates of 1.50% - 2.10% and 1.70% - 1.80% respectively.

23.2.2 Terms and Conditions on Short-Term Loan from Financial Institutions for the Second Subsidiary Company:

As of December 31 and 2009, short-term loan from financial institutions in the amount of Baht 380.00 million was in the form of promissory notes with 3 months at the annual interest rates of 1.50% - 1.70%.

23.2.3 Terms and Conditions on Loan from Financial Institutions for the Third Subsidiary Company:

As of December 31, 2009, 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 annual interest rates of 1.65%.

23.3 Trust Receipts Payable

For consolidated financial statements, as of December 31, 2010 and 2009, trust receipts payable with annual interest rates at 2.05% - 2.12% and 1.60% - 1.65% respectively. Under term of trust receipt contract, the Group receives merchandise ordered by using credit of the finance institutes. Hence, the Group constitutes obligation commitment to the finance institutes for such merchandise fee both that kept or disposed.

Credits and guarantees, bank overdrafts and short-term loans from financial institutions, please see the notes to financial statements No.22.

24. Long - Term Loans from Financial Institutions-Net

Consist of:

	Consolidated Financial Statements As of	
	December 31, 2010	December 31, 2009
	Baht	Baht
Long-Term Loans from Financial Institutions	557,890,000.00	221,050,000.00
<u>Less</u> Current Portion of Long - Term Loans	(143,160,000.00)	(63,160,000.00)
Net	414,730,000.00	157,890,000.00

The Movement of Long - Term Loans for the year ended December 31, 2010 and 2009 as follows:

	Consolidated Financial Statements For the year ended	
	December 31, 2010	December 31, 2009
	Baht	Baht
Balance as of Beginning	221,050,000.00	304,210,000.00
Increased for the Period	400,000,000.00	-
Repayment for the Period	(63,160,000.00)	(83,160,000.00)
Balance as of Ending	557,890,000.00	221,050,000.00

- Term and Conditions on Long-Term Loans from Financial Institutions for two Subsidiary Companies

24.1 Terms and Conditions on Long-Term Loans from Financial Institutions for the First Subsidiary Company:

Long-term loans from financial institutions, the credit line of Baht 300.00 million, as of December 31, 2010 and 2009, credit used amount of Baht 157.89 million and Baht 221.05 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 one financial institution.

The whole amount of long-term loans of the subsidiary company, were secured by the existing and to be acquired in the future of land together with the benefits arising from insurance on that building and other assets of the subsidiary companies. The Company and subsidiary companies also pledged their guarantees.

24.2 Terms and Conditions on Long-Term Loans from Financial Institutions for the Second Subsidiary Company:

Long-term loans from financial institutions, the credit line of Baht 400.00 million, as of December 31, 2010, credit used amount of Baht 400.00 million which has been repaid every 3 months, totally 20 installments. Baht 20.00 million per installment commences the first installment repayment on the final business day of the 13th month commenced from the month the first installment loan is withdrawn forwards and following installments is repayable every final business day of the month that due for repayment while there is interest charged from the first month commenced from the month that the first installment loan is withdrawn - twelve installment in the rate equivalent to interest rate of THBFIX plus interest rate of 1.35% and from the 13th month forwards in the interest rate of THBFIX plus interest rate of 1.75%.

The whole amount of long-term loans of the subsidiary company, There is land plus property that existing and that will be contingent in the future from expansion project of chicken feeding farm production capacity and there is Company jointly guaranteed.

25. Share Capital

	2010			2009	
	Par Value Baht	Number of Share Shares	Amount Baht	Number of Share Shares	Amount 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
Add Change in Par Value from Baht 10 to Baht 1	1.00	1,260,000,000	-	-	-
As of December 31,					
- Ordinary	1.00	1,400,000,000	1,400,000,000.00	140,000,000	1,400,000,000.00
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
Add Change in Par Value from Baht 10 to Baht 1	1.00	1,128,438,900	-	-	-
As of December 31,					
- Ordinary	1.00	1,253,821,000	1,253,821,000.00	125,382,100	1,253,821,000.00

26. Dividend Payment

- 26.1 The Minutes of Annual General Shareholders' Meeting in 2010 dated on April 29, 2010, was approved the dividend payment from the Company's performance in 2009 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 313.44 million) and the amount of Baht 3.90 million for legal reserve, whereby the Company has already paid dividend.
- 26.2 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 amount of Baht 29.49 million for legal reserve, whereby the Company has already paid dividend.
- 26.3 The Minute of the General Shareholders' Meeting no. 1/2010 on April 30, 2010, of the MCKEY FOOD SERVICES (THAILAND) LTD., which is associated company, it unanimously resolves to approve the dividend payment of Baht 45.00 per share while the Company receives dividend from such associated company in amount of Baht 22.05 million.
- 26.4 The Minute of the General Shareholders' Meeting no. 1/2009 on April 30, 2009, of the MCKEY FOOD SERVICES (THAILAND) LTD., which is associated company, it unanimously resolves to approve the dividend payment of Baht 32.00 per share while the Company receives dividend from such associated company in amount of Baht 15.68 million.
- 26.5 The Minutes of Annual General Shareholders' Meeting in 2009 dated on April 29, 2010, of the KRUNGTHAI FEEDMILL PUBLIC CO., LTD., which is subsidiary company, it unanimously resolves to approve the dividend payment of Baht 1.00 per share while the Company receives dividend from such subsidiary company in amount of Baht 38.75 million.
- 26.6 The Minute of the Company's Board of Directors Meeting no. 9/2010 dated on July 9, 2010, of the M.K.S. FARM CO., LTD., which is subsidiary company, it unanimously resolves to approve the dividend payment of Baht 1.95 per share while the Company receives dividend from such subsidiary company in amount of Baht 107.25 million.

27. 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 are the persons who are defined under the Securities and Exchange Act.

28. Finance Costs

Consist of:

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	Baht	Baht	Baht	Baht
Fee Co-guarantee Loan Expenses	-	-	2,439,029.05	3,997,259.67
Fee Bank Expenses	672,190.64	157,683.25	-	-
Interest Expenses	134,302,689.92	118,157,642.71	46,570,892.78	36,722,615.92
	134,974,880.56	118,315,325.96	49,009,921.83	40,719,875.59

29. Corporate Income Tax

For the year ended December 31, 2010 and 2009, the Company 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 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 inventories and loss from impairment of salvage value of parent chicken etc.

30. Basic Earnings Per Share

For the year ended December 31, 2010 and 2009, the Company calculated the basic earnings per share as follows:

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
Net Profit ('000 Baht)	1,163,447	1,067,595	410,135	417,022
Weighted Average Number of Ordinary Shares ('000 Shares)	1,253,821	125,382	1,253,821	125,382
Number of Ordinary Share after to Change in Par value from Baht 10 to Baht 1 ('000 Shares)	-	1,253,821	-	1,253,821
Basic Earnings per Share (Baht)	0.93	0.85	0.33	0.33

31. Expenses by Nature

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the year ended		For the year ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	Baht	Baht	Baht	Baht
Changes in Inventories of Finished Goods and Work in Progress	(2,380,068.08)	79,788,040.60	91,296,590.66	(7,677,554.26)
Raw Materials and Consumables Used	8,276,944,188.37	7,638,760,383.74	5,654,087,087.92	5,371,016,122.85
Gain (Loss) in Value of Inventories	(1,484,277.05)	(3,722,834.93)	2,825,195.79	(5,518,566.78)
Employee Benefit Expenses	1,303,555,486.93	1,197,285,635.58	744,401,126.08	705,769,496.34
Depreciation of Fixed Assets	422,591,745.93	373,237,854.95	149,994,065.56	146,443,832.38
Depreciation of Grandparent and Parent Chicken	341,493,418.31	323,750,048.60	-	-
Amortization Expenses	1,639,383.53	1,028,275.84	1,639,383.53	1,028,275.84
Transportation Expenses	294,004,961.04	260,281,912.23	112,702,350.05	98,764,351.33
Operating Lease Expenses	17,731,097.85	16,127,976.77	6,843,093.75	6,757,800.00
Utility Expenses	457,450,938.27	407,855,371.70	202,202,132.28	178,687,661.60
Fee Expenses	8,925,415.98	9,008,447.66	1,696,701.74	2,151,720.10
Traveling Expenses	22,812,204.32	19,790,930.25	4,535,060.51	5,041,182.51
Sale Promotion Expenses	30,136,989.57	18,161,613.30	1,432,970.72	588,659.95
Loss from Sales of Parent Chicken Retirement	18,982,387.00	9,104,205.70	-	-
Loss from Sales of Grandparent Chicken Retirement	1,090,033.53	1,492,480.43	-	-
Loss from Value of Disposal of Chicken	2,777,207.42	12,040,788.58	-	-
Management Benefit Expenses	40,361,759.00	37,292,082.00	22,811,290.00	21,446,861.00
Other Expenses	73,782,660.14	59,321,988.40	39,799,433.45	42,212,004.92
	11,310,415,532.06	10,460,605,201.40	7,036,266,482.04	6,566,711,847.78

32. 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, 2010			
	Activities with Investment Promotional Benefits	Activities without Investment Promotional Benefits	Total
	Baht	Baht	Baht
Sales	2,602,277,974.07	4,602,678,942.58	7,204,956,916.65
Cost of Sales	(2,202,283,380.74)	(4,515,488,650.95)	(6,717,772,031.69)
GROSS PROFIT	399,994,593.33	87,190,291.63	487,184,884.96
Dividend Income from Associated Company	-	22,050,000.00	22,050,000.00
Dividend Income from Subsidiary Companies	-	145,995,955.45	145,995,955.45
Other Income	54,328,269.06	68,080,682.30	122,408,951.36
PROFIT BEFORE EXPENSES	454,322,862.39	323,316,929.38	777,639,791.77
Selling Expenses	(107,694,159.73)	(16,555,265.86)	(124,249,425.59)
Administrative Expenses	(49,441,028.43)	(121,992,706.33)	(171,433,734.76)
Management Benefit Expenses	(8,138,566.44)	(14,672,723.56)	(22,811,290.00)
Total Expenses	(165,273,754.60)	(153,220,695.75)	(318,494,450.35)
PROFIT BEFORE FINANCE COSTS AND CORPORATE INCOME TAX	289,049,107.79	170,096,233.63	459,145,341.42
FINANCE COSTS	(17,687,179.54)	(31,322,742.29)	(49,009,921.83)
PROFIT BEFORE CORPORATE INCOME TAX	271,361,928.25	138,773,491.34	410,135,419.59
CORPORATE INCOME TAX	-	-	-
NET PROFIT	271,361,928.25	138,773,491.34	410,135,419.59

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	-	16,982,195.48	16,982,195.48
Other Income	14,644,919.76	58,314,302.95	72,959,222.71
PROFIT BEFORE EXPENSES	644,642,998.44	99,406,536.25	744,049,534.69
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 (LOSS) BEFORE FINANCE COSTS AND CORPORATE INCOME TAX	492,886,443.81	(35,144,567.87)	457,741,875.94
FINANCE COSTS	(15,628,735.10)	(25,091,140.49)	(40,719,875.59)
PROFIT BEFORE CORPORATE INCOME TAX	477,257,708.71	(60,235,708.36)	417,022,000.35
CORPORATE INCOME TAX	-	-	-
NET PROFIT	477,257,708.71	(60,235,708.36)	417,022,000.35

33. 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, 2010										
	Visceration Chicken	Hatchery Farm	Broiler Farm	Feed Mill	Parent Chicken	Chick Distribution	Processed Food Production and Distribution	Grandparent Chicken	Eliminate	Total
(Unit : Million Baht)										
Sales - General Customers	7,040.91	169.42	271.11	4,319.61	1.30	400.99	247.46	21.68	-	12,472.48
- Transfer between Sectors	164.05	1,063.88	4,754.09	4,364.01	189.65	101.50	6.96	125.66	(10,769.80)	-
	7,204.96	1,233.30	5,025.20	8,683.62	190.95	502.49	254.42	147.34	(10,769.80)	12,472.48
Profit from Operation	286.59	26.72	3.76	863.20	43.26	107.77	5.29	44.69		1,381.28
Participating Loss in Associated Companies										(1.52)
Interest Received										0.52
Finance Costs										(134.97)
Corporate Income Tax										(60.72)
Profit from Minority Shareholders' Interest										(21.15)
Net Profit of GFPT PUBLIC COMPANY LIMITED										1,163.44
Assets by Business Sector										
- Fixed Assets	951.26	293.68	1,437.25	1,026.61	135.94	-	13.88	234.43		4,093.05
- Center Fixed Assets	26.38	0.32	0.22	39.77	-	-	1.99	0.01		68.69
- Other Assets	504.19	385.13	481.38	1,854.27	66.50	21.91	19.66	55.35		3,388.39
Common Assets										1,665.12
Total Assets										9,215.25

Consolidated Financial Statements										
For the year ended December 31, 2009										
	Visceration Chicken	Hatchery Farm	Broiler Farm	Feed Mill	Parent Chicken	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	1.11	327.69	207.73	14.98	-	11,507.39
- Transfer between Sectors	99.47	875.37	4,594.58	3,792.53	137.06	227.22	30.86	109.91	(9,867.00)	-
	6,918.83	981.04	4,600.00	7,817.96	138.17	554.91	238.59	124.89	(9,867.00)	11,507.39
Profit from Operation	394.41	24.92	127.40	581.34	1.31	32.60	0.39	30.92		1,193.29
Participating Profit in Associated Companies										56.16
Interest Received										0.53
Finance Costs										(118.32)
Corporate Income Tax										(47.67)
Profit from Minority Shareholders' Interest										(16.40)
Net Profit of GFPT PUBLIC COMPANY LIMITED										1,067.59
Assets by Business Sector										
- Fixed Assets	1,042.97	258.82	1,086.69	1,038.96	153.26	-	9.50	255.93		3,846.13
- Center Fixed Assets	22.42	0.36	0.20	45.61	-	-	1.55	0.02		70.16
- Other Assets	523.31	343.16	323.15	1,531.38	57.05	30.80	15.68	52.85		2,877.38
Common Assets										1,344.59
Total Assets										8,138.26

The Company and subsidiaries companies are engaged of Evisceration Chicken, Hatchery Farm, Broiler Farm, Feed Mill, Parent Chicken and Chick Distribution, Processed Food Production and Distribution and Grandparent Chicken Profit (loss) on each type of business arises from total sales less cost of sales and selling and administrative expenses of each business.

Basis in the determination of transferred prices between sectors of the Company and its subsidiaries and associated companies (see note to financial statements Note. 8.1)

Basis in the determination of transferred prices between sectors of subsidiary and associated companies incurred between each other which is materialized as follows:

Pricing Policy

Sales	Agreement Price, Reference to Market Price
Purchases	Agreement Price, Reference to Market Price
Other Income	Cost Price and Market Price

For the year ended December 31, 2010 and 2009, 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,		
	2010	2009
Domestic Sales - Net	78.84	76.24
Export Sales - Net	21.16	23.76

34. Financial Instruments

34.1 Policy on Financial Risk Management

The Group 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 Group has no policy to use financial instruments for speculating or for trading.

34.2 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 Group operations and their cash flows. The Group had liabilities which it may have risk on interest rate as follows:

Consolidated Financial Statements				
	Amount		Annual Interest Rate	
	As of December 31,		As of December 31,	
	2010	2009	2010	2009
	Million Baht	Million Baht	%	%
Short-Term Loans from Financial Institutions	310.00	1,004.00	1.50-2.10	1.50-1.80
Short-Term Loans from Related Persons	-	94.40	-	6.00
Trust Receipts Payable	142.86	116.83	2.05-2.12	1.60-1.65
Long-Term Loans from Financial Institutions	557.89	221.05	2.17-5.50	5.50
Long-Term Loans from Related Persons	1,998.10	1,396.20	6.00	6.00

Separate Financial Statements				
	As of December 31,		As of December 31,	
	2010	2009	2010	2009
	Million Baht	Million Baht	%	%
Short-Term Loans from Financial Institutions	280.00	480.00	1.78-1.95	1.50-1.75
Short-Term Loans from Related Persons	-	78.50	-	6.00
Short-Term Loans from Subsidiary Company	5.00	15.00	2.00	2.00
Long-Term Loans from Related Persons	692.20	427.20	6.00	6.00

34.3 Risks on Exchange Rate

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

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
Assets				
Value of Foreign Exchange Forward Contract				
(Million USD)	20.04	6.22	20.04	6.22
(Million EURO)	6.34	1.20	6.34	1.20
Value of Foreign Exchange Contract				
(Million Baht)	868.30	267.21	868.30	267.21
Fair Value of Foreign Exchange Contract				
(Million Baht)	861.81	265.08	861.81	265.08
Liabilities				
Value of Foreign Exchange Forward Contract				
(Million USD)	-	5.41	-	1.59
(Million EURO)	-	0.90	-	0.90
(Million AUSTRALIA)	-	0.90	-	0.90
Value of Foreign Exchange Contract				
(Million Baht)	-	249.94	-	122.55
Fair Value of Foreign Exchange Contract				
(Million Baht)	-	250.04	-	122.53

The fair value of foreign exchange forward contract computed by using rates determined by those counter contract party banks as of the date in the balance sheet.

Other than that were hedged by derivative financial instruments. The Group had liabilities that were not hedged by derivative financial instruments were as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As of		As of	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
Liabilities that were not Hedged by				
Derivative Financial Instruments				
(Million USD)	-	5.59	-	-
(Million EURO)	-	0.02	-	-

34.4 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.

34.5 Fair Value

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

35. 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.

36. Contingent Liabilities and Obligations

36.1 In addition to the liabilities shown in the balance sheets, the Group had other contingent liabilities as follows:

Consolidated Financial Statements		
As of December 31,		
	2010	2009
	Million Baht	Million Baht
Letter of Guarantee	70.34	65.38
Letter of Credit (Unused)	2,137.10	1,500.71
Guarantee on Bank Credit with Subsidiary Companies		
- Credit Line Baht 1,303.41 Million, Credit Used	587.89	-
- Credit Line Baht 891.53 Million, Credit Used	-	334.92
Joint Guarantee on Bank Credit with Subsidiary Companies		
- Credit Line Baht 1,302.13 Million, Credit Used	-	-
- Credit Line Baht 1,575.06 Million, Credit Used	-	435.90

Separate Financial Statements		
As of December 31,		
	2010	2009
	Million Baht	Million Baht
Letter of Guarantee	28.76	28.56
Letter of Credit (Unused)	125.33	149.31
Guarantee on Bank Credit with Subsidiary Companies		
- Credit Line Baht 1,303.41 Million, Credit Used	587.89	-
- Credit Line Baht 891.53 Million, Credit Used	-	334.92
Joint Guarantee on Bank Credit with Subsidiary Companies		
- Credit Line Baht 1,302.13 Million, Credit Used	-	-
- Credit Line Baht 1,575.06 Million, Credit Used	-	435.90

- 36.2 As of December 31, 2010 and 2009, 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 16.20 million and Baht 5.29 million respectively.
- 36.3 As of December 31, 2010 and 2009, 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 for both year. The contract agreement had conditions to buy back at 95% of the number of layer day-old-chicks in the amount of Baht 7.73 million and Baht 6.19 million respectively.
- 36.4 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 21, 2009 to August 20, 2012. The total payment of the lease agreement as follows:

	As of December 31, 2010	As of December 31, 2009
	Million Baht	Million Baht
Within 1 year	0.36	0.36
Over 1-5 years	0.24	0.60
Total	0.60	0.96

- 36.5 The Group had obligation to lease land, lease office building, lease factory building, lease farm and lease a building from the subsidiary companies, related companies for 3 years period and lease a building from outsider for 2 and 3 year period. The total payment of the lease agreement are as follows:

	As of December 31, 2010	As of December 31, 2009
	Million Baht	Million Baht
Within 1 year	17.05	16.50
Over 1-5 years	9.83	25.38
Total	26.88	41.88

- 36.6 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. When the agreement is finished, lessee will sell poultry houses and equipment which located on that land to lesser. The total payment of the lease agreement as follows:

	As of December 31, 2010	As of December 31, 2009
	Million Baht	Million Baht
Within 1 year	0.48	0.48
Over 1-5 years	1.92	1.92
Over 5-10 years	2.40	2.40
Over 10 years	1.32	1.80
Total	6.12	6.60

- 36.7 As of December 31, 2010 and 2009, One subsidiary company had value order assets from export in amount of USD 175,778.00 and amount of USD 329,940.00 respectively, whereas there is purchasing order value of USD 52,733.40 and USD 98,982.00 respectively, which it creates value that has to repay until contract terminates in amount of USD 123,044.60 and amount of USD 230,958.00 respectively.
- 36.8 As of December 31, 2010, the Company made construction agreement with the value of Baht 34.53 million and the Company paid only in the amount of Baht 23.10 million and the Company still had obligation to pay at Baht 11.43 million.

36.9 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. The total payment of the lease agreement as follows:

	As of December 31, 2010	As of December 31, 2009
	Million Baht	Million Baht
Within 1 year	1.02	1.02
Over 1-5 years	4.22	4.17
Over 5-10 years	5.72	5.61
Over 10 years	7.49	8.67
Total	18.45	19.47

37. Capital Management

The primary objectives of the Company's and its subsidiaries capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As of December 31, 2010 and 2009, debt to equity ratio in the consolidated financial statements are 0.71 : 1 and 0.80 : 1 respectively and the separate financial statements are 0.43 : 1 and 0.41 : 1 respectively.

38. Approval of the Financial Statements

The financial statements have been approved to issue by the board of directors' the Company on February 17, 2011.

Annual Report

Annual Report 2010 **GFPT** Public Company Limited

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