



2013



Sustainable Growth for the Future

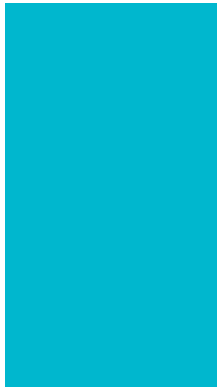


ANNUAL REPORT

GFPT PUBLIC COMPANY LIMITED



GFPT operates chicken meat processing and fully cooked chicken products with modern production technology, food safety, and feed-to-food traceability. The Company is committed to operating the business with environmental friendliness and contributing to society.

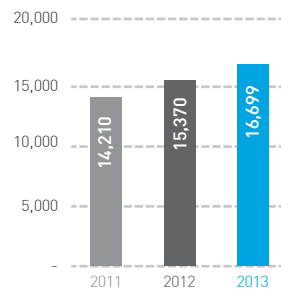


02	Financial Highlights
04	Chairman's Message
06	Company Information
09	Group Structure
10	Major Development of the Company
12	Business Operations
14	Income Structure
16	Management Discussion & Analysis
26	Business Outlook
34	Risk Factors and Risk Management
40	Connected Transactions
42	Shareholding Structure
44	Dividend Policy
46	Organization Chart
48	Management
52	Board of Directors
58	Good Corporate Governance
78	Internal Control
82	Corporate Social Responsibility Report
96	Report of the Audit and Risk Management Committee
98	Report of the Board of Directors' Responsibilities for Financial Statements
99	Audit fee
102	Auditor's Report
104	Financial Statements

Financial Highlights

Revenue from Sales

(million Baht)

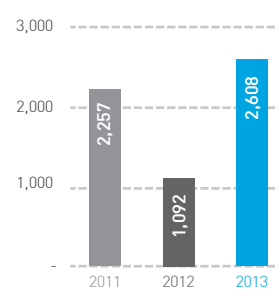


2013:

9% Growth

EBITDA

(million Baht)

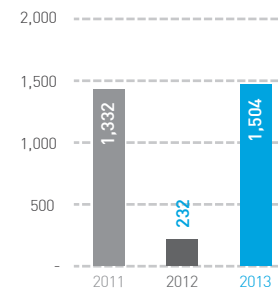


2013:

139% Growth

Net Profit

(million Baht)

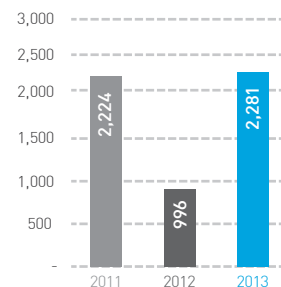


2013:

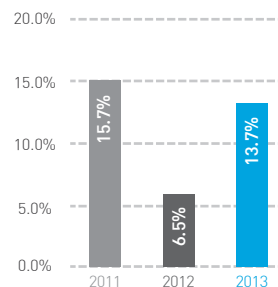
548% Growth

Gross Profit

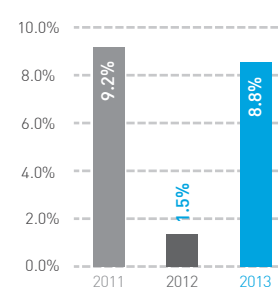
(million Baht)



Gross Profit Margin

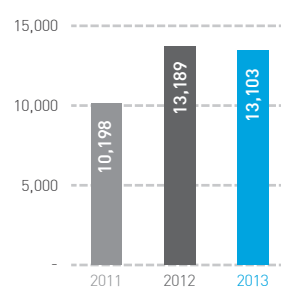


Net Profit Margin



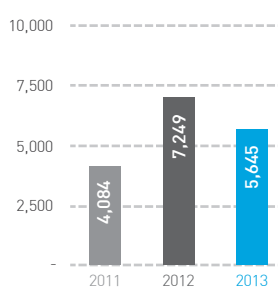
Total Assets

(million Baht)



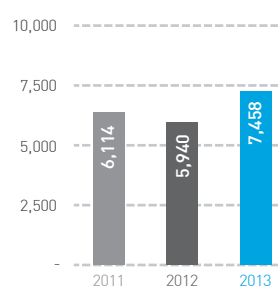
Total Liabilities

(million Baht)



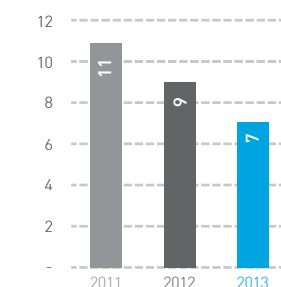
Shareholders' Equity

(million Baht)



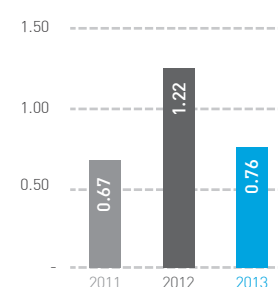
Cash Cycle

(Days)

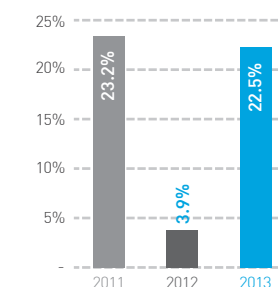


Debt to Equity Ratio

(Times)



Return on Equity



GFPT Public Company Limited and its Subsidiary Companies

Consolidated Operating Result	2013	2012	2011
Total Revenue (Million Baht)	17,011	15,651	14,433
Revenue from Sales (Million Baht)	16,699	15,370	14,210
Gross Profit (Million Baht)	2,281	996	2,224
Profit from Operation (Million Baht)	1,716	197	1,435
Net Profit (Million Baht)	1,504	232	1,332
Earnings per Share (Baht)	1.20	0.18	1.06

Consolidated Financial Position	2013	2012	2011
Total Current Assets (Million Baht)	4,646	5,476	3,815
Total Non-Current Assets (Million Baht)	8,457	7,713	6,383
Total Assets (Million Baht)	13,103	13,189	10,198
Total Current Liabilities (Million Baht)	5,076	4,655	1,427
Total Non-Current Liabilities (Million Baht)	569	2,594	2,657
Total Liabilities (Million Baht)	5,645	7,249	4,084
Shareholders' Equity (Million Baht)	7,458	5,940	6,114

Financial Ratio	2013	2012	2011
Liquidity Ratio (time)	0.92	1.18	2.67
Gross Profit Margin Ratio (%)	13.66	6.48	15.65
Return on Asset Ratio (%)	11.55	2.05	13.93
Debt to Equity Ratio (time)	0.76	1.22	0.67



Chairman's Message

The success of our past year performance was primarily from the effective production cost reduction and the capability to raise productivity. More importantly, we carefully planned and prepared for any challenges without negligence.

Year 2013 was the best year in our history. We delivered our strongest financial performance even though we had faced some challenges in Thai politics and economics. The success of our past year performance was primarily from the effective production cost reduction and the capability to raise productivity. More importantly, we carefully planned and prepared for any challenges without negligence.

As the result of the successful implementation of control measures to prevent Avian Flu in Thailand, The EU eventually lifted the ban of importation of Thai frozen chicken since July 2012. This incident had ensured the confidence of other international countries including Japan. Japan market had been a major export market of Thai frozen chicken in the past. Currently, Japan has also lifted the ban of importation of Thai frozen chicken since December 25, 2013. All these factors have supported the Company's performance. Moreover, China was an important competitor for Thai Chicken industry. However, the concerns on food safety issue and Avian Flu outbreak in China have weakening the competitiveness of

China's chicken industry. In addition, the declining in feed materials also benefited our competitive position in the international markets.

Currently, major meat importers in the world have raised concerns on food safety standard. We have focused on our production system and quality assurance to make sure that our products and processes are met with international standard. Our facilities and processes have been certified and accredited i.e. GMP, HACCP, ISO 9001, ISO 14001, and the British Retail Consortium (BRC) by internal audit, customer audit, and third parties audit. Our food quality and standard are important for our growth. In addition, we also focus on developing new products such as processed food and semi-processed food according to the needs of the market and consumers' trend. We believe that food innovation is a key for attain our competitiveness.

We are committed to social responsibility and environmental community to assure our sustainable growth to the future. We are fully concerned about the needs and benefits of

our stakeholders. Our social responsibility report as an integrated part of this annual report shows our commitment to stakeholders in various aspects including our employees, our customers, our communities, our societies, and our planet.

On behalf of the Chairman of GFPT, I wish to thank all shareholders for your trust and confidence in GFPT. We are appreciated our customers and partners for their supports and thanks to the managements and all employees to work hardly for the Company. Their dedications bring proud and success of the Company. Finally, I sincerely hope to get the full support and kind cooperation to continue to drive the sustainable growth of GFPT.



Mr. Prasit Sirimongkolkasem
Chairman

Company Information

The Company sets business policy to be a leading food processing company with the integrated chicken production and livestock products.



OTHER INFORMATION

Registrar Name

Thailand Securities
Depository Co., Ltd.

Address

62 The Securities Exchange of
Thailand Building,
Ratchadapisek Road, Klongtoey,
Bangkok 10110

Telephone

0 2229 2800
0 2229 2888

Home Page

www.tsd.co.th

Registrar Debenture

-None-

Auditor

SAM NAK-NGAN A.M.C Co., Ltd.

Address

191 Silom Complex Building,
19th Floor, Silom Road, Bangrak,
Bangkok 10500

Telephone

0 2231 3980-7

Facsimile

0 2231 3988

Home Page

www.amc-mri.com

GFPT

Issuing Company

Name

GFPT Public Company Limited

Type of Business

Chicken Evisceration, Processed Chicken
Food, and By-Products

Head Office

312 Rama 2 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

KT

Subsidiary Company

Name

Krunghthai Feedmill
Public Company Limited

Type of Business

Feed Mill and Parent Chicken Farm for Egg
Production and Distribution

Head Office

312 Rama 2 Road, Bangmod,
Jomthong, Bangkok 10150

Company Certificate No

0107537001463

Telephone

0 2473 8000

Facsimile

0 2473 8398

Home Page

www.ktfeedmill.co.th

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



GP

Subsidiary Company

Name

GP Breeding Company Limited

Type of Business

Grandparent Chicken Farm for Parent Stock
Chicks Production and Distribution



FKT

Subsidiary Company

Name

Krungthai Farm Company Limited

Type of Business

Parent Chicken Farm and Hatchery for
Chicks Production and Distribution



MKS

Subsidiary Company

Name

M.K.S. Farm Company Limited

Type of Business

Broiler Farm

Head Office

312 Rama 2 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

Head Office

312 Rama 2 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

Head Office

312 Rama 2 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

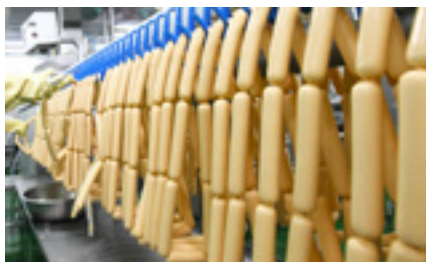
550,000,000 baht

No. of Shares

55,000,000 shares

Type of Share

Common Stock



GFF

Subsidiary Company

Name

GF Foods Company Limited

Type of Business

Processed Chicken Food



McKey

Associated Company

Name

McKey Food Services (Thailand) Limited

Type of Business

Frozen Processed Food



GFN

Associated Company

Name

GFPT Nichirei (Thailand) Company Limited

Type of Business

Chicken Evisceration and
Processed Chicken Food

Head Office

312 Rama 2 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

Head Office

210 Moo 1, Teparak Road, K.M. 20.5
Bangsaothong District, Bangsaothong
Sub-District, 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

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

3,014,000,000 baht

Paid-up Capital

3,014,000,000 baht

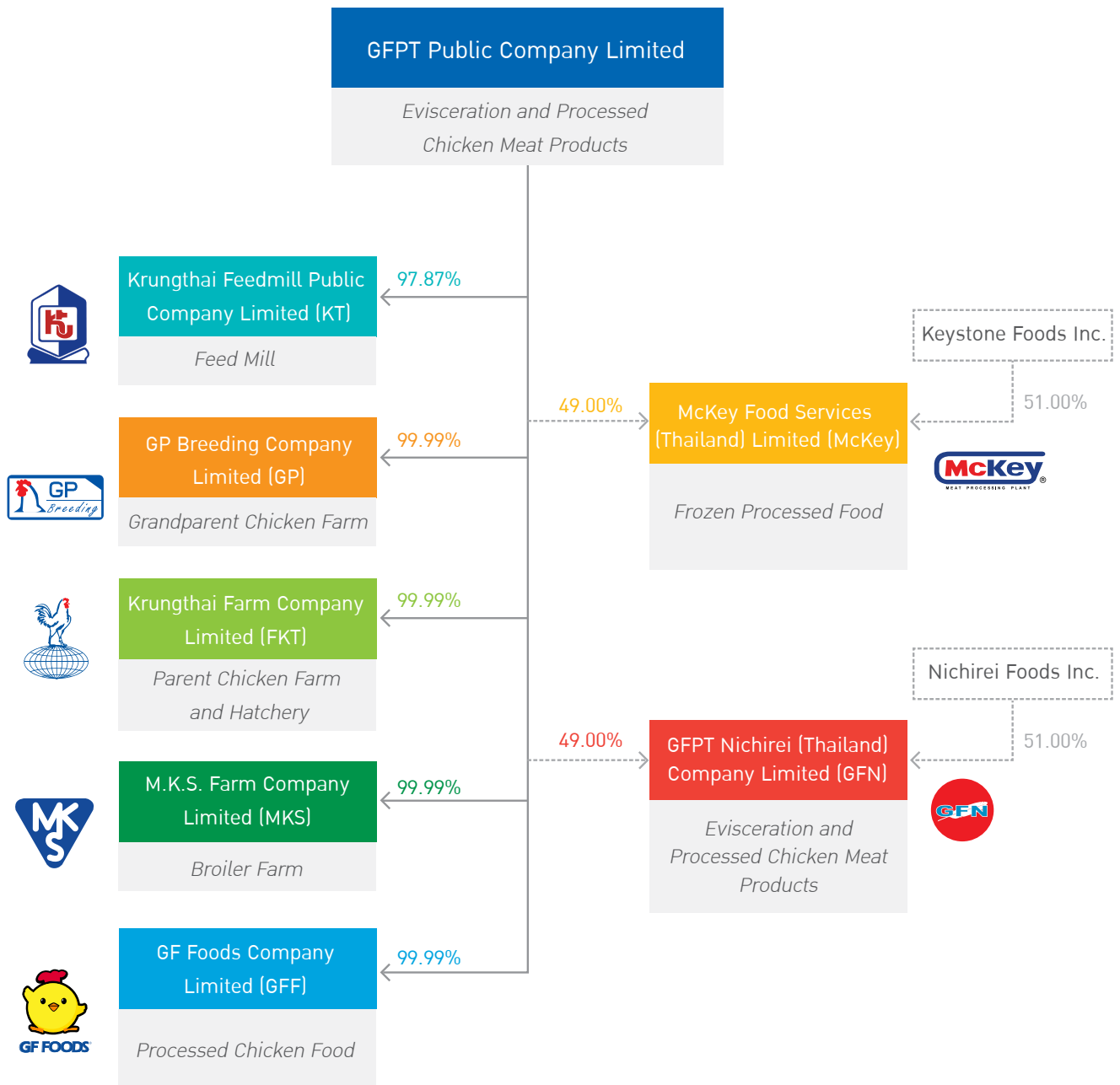
No. of Shares

30,140,000 shares

Type of Share

Common Stock

Group Structure



Group Structure as of 31 December 2013

Major Development of the Company

GFPT Public Company Limited (the “Company”) was incorporated as a juristic person under the Civil and Commercial Code on 25 November 1981. The Company’s major business is to manufacture and sell fresh frozen chicken meat and further processing chicken products in both of domestic and international market.

1981

- ☛ Registered in the name of General Foods Poultry (Thai) Company Limited, consisted of 3 parties of shareholders
 1. P. Charoen Phan Feedmill Company Limited (Thailand) holding 51%
 2. General Foods Poultry Company Limited (New Zealand) holding 34%
 3. United Trading Corporation (Luxemburg) holding 15%

1985

- ☛ 2 parties of shareholders; General Foods Poultry Company Limited and United Trading Corporation withdrawn their shares, so, P. Charoen Phan Group purchased all the shares.

1987

- ☛ The Company increased its share capital from 77.7 million Baht to 100 million Baht in order to expand the production capacity to eviscerate chicken at the rate of 6,000 birds/hour.

1989

- ☛ The Company increased its registered share capital from 100 million Baht to 150 million Baht in order to expand the production capacity to eviscerate chicken at the rate of 7,200 birds/hour.
- ☛ In October, the Company’s name changed to “P. Charoen Phan Poultry Company Limited”.
- ☛ In December, the Company’s name changed to “GFPT Company Limited”.

1990

- ☛ The Company increased its registered share capital from 150 million Baht to 420 million Baht to expand the business as an integrated chicken farm and acquired 99.99% shares of 2 subsidiary companies:
 1. Krunghthai Farm Company Limited operates parent chicken farm.
 2. M.K.S. Farm Company Limited operates broiler farm.

1991

- ☛ The Company invested 99.99% shares in a subsidiary company, GF Foods Company Limited, operates the production and distribution of processed food.
- ☛ The Company increased its registered share capital from 420 million Baht to 1,000 million Baht.
- ☛ The Company acquired 65% shares in a subsidiary company, Krunghthai Feedmill Public Company Limited, listed in the Stock Exchange of Thailand since 1988, which operates feed mill business.

1992

- ☛ The Company was listed in the Stock Exchange of Thailand with the registered share capital of 1,000 million Baht and paid-up capital of 570 million Baht.

1993

- ☛ The Company invested 49.00% shares in McKey Food Services (Thailand) Limited, which manufactures and sells processed frozen food. McKey Food Services (Thailand) Limited has a registered and paid-up capital of 100 million Baht and is a joint-venture company between the Company and Keystone Foods Corporation (USA) that holds the remaining 51.00% shares.



1994

- GFPT Company Limited changed from being a "Company Limited" to "Public Company Limited".
- Krungthai Feedmill Company Limited changed from being a "Company Limited" to "Public Company Limited".

1998

- Krungthai Feedmill Public Company Limited delisted from the Stock Exchange of Thailand.

2000

- The Company increased its paid-up capital from 570 million baht to 626.91 million baht.

2002

- The Company bought additional shares of Krungthai Feedmill Public Company Limited, consequently, the Company's share ownership increased from 65% to 96.5%.

2003

- The Company increased its share registered capital from 1,000 million baht to 1,400 million baht and paid-up capital from 626.91 million baht to 1,253.82 million baht.
- The Company invested 99.99% shares in a subsidiary company, GP Breeding Company Limited, operates rearing grandparent chicken.

2008

- The Company invested 49.00% shares in GFPT Nichirei (Thailand) Company Limited, operated fully cooked chicken products and chicken meat for domestic and international sales. GFPT Nichirei (Thailand) Company Limited has a registered and paid-up capital of 1,170 million baht and is a joint-venture company between the Company and Nichirei Foods Inc. (Japan) that holds the remaining 51.00% shares.

2010

- The Company performed stock split from 10 Baht per share to 1 Baht per share. Therefore, the registered share capital of GFPT Public Company Limited was unchanged at 1,400 million Baht but the number of shares outstanding increased from 140 million shares to 1,400 million shares.

2011

- The Company bought additional shares of Krungthai Feedmill Public Company Limited, consequently, the Company's share ownership increased from 96.5% to 97.85%.

2012

- GFPT Nichirei (Thailand) Company Limited, a joint-venture company, increased its registered share capital. Therefore, the Company bought additional shares being offered amounted 903.56 million Baht to maintain its 49% share ownership. The details of GFPT Nichirei (Thailand) Company Limited registered capital are as follows:
 - In May, GFPT Nichirei (Thailand) Company Limited increased registered capital from 1,170 million Baht to 1,514 million Baht. (GFPT 168.56 million Baht)
 - In December, GFPT Nichirei (Thailand) Company Limited increased registered capital from 1,514 million Baht to 3,014 million Baht. (GFPT 735.00 million Baht)
- The Company bought additional shares of Krungthai Feedmill Public Company Limited, consequently, the Company's share ownership increased from 97.85% to 97.86%.

2013

- The Company bought additional shares of Krungthai Feedmill Public Company Limited, consequently, the Company's share ownership increased from 97.86% to 97.87%.



Business Operations

GFPT Public Company Limited (“GFPT”) founded in 1981 and became a public Company in 1994. Nowadays, GFPT has registered capital of 1,400,000,000 Baht and paid-up capital of 1,253,821,000 Baht.

GFPT Public Company Limited (“GFPT”) founded in 1981 and became a public Company in 1994. Nowadays, 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 2013, GFPT has chicken processing capacity of 124,600 tons per year and cooked chicken products capacity of 24,000 tons per year 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-chicks, grandparent chicken farm, parent chicken farm, broiler farm, feed mill, processed food production.

The GFPT group is integrated poultry business. Beginning with the investment of 97.87% 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 2013, KT has total capacity of 1,111,000 tons per year. The first feed mill, located at Samutprakarn Province, consists of 1 land animal feed line and 2 aquatic feed lines, with the total capacity of 599,000 tons. The second feedmill, at Banbueng, Chonburi province, has 1 broiler feed line with the total capacity of 512,000 per year. Moreover, KT also operates parent chicken farms to produce seed eggs for selling to FKT. In 2013, KT has total capacity of 21,000,000 of seed

eggs from its 3 farms in Chonburi province. There is no conflict of interest between the rests of shareholders and The Company.

The company invests 99.99% in GP Breeding Company Limited (“GP”), with registered capital 200 million bath, GP engages in grandparent chicken farming to produce parent day-old-chicks for FKT, KT, and customers. In 2013, GP has total capacity of 1.1 million of parent stocks from its 1 farm in Chonburi province.

The company invests 99.99% in Krungthai Farm Company Limited (“FKT”), with registered capital of 350 million Baht, FKT engages in parent breeder farming and hatchery business. For the commercial day-old-chicks, FKT purchases parent breeders from GP to produce commercial day-old-chicks and sells to MKS. In addition, FKT also imports the layer breeders to produce layer day-old-chicks and sell to KT and domestic layer farmers. In 2013, FKT produces 92 million commercial day-old-chicks from its 5 farms and 3 million layer day-old chicks from its 1 layer farm in Chonburi province.

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 business by purchasing commercial day-old-chicks from FKT and raising them for 41-43 days. MKS sells broilers to GFPT and GFN (joint venture company). In 2013, MKS has total capacity of 73 million broilers from its 12 farms in Chonburi province. 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, meat balls, chicken rolls, and other processed products which are distributed under “GF Foods” brand through

fresh markets and wholesalers. In 2013, GFF has total capacity of 9,000 tons per year from 1 factory in Samutprakarn province.

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 semi-finished frozen foods for export market. McKey's products are distributed to McDonalds' restaurants both in Thailand and overseas. In 2013, McKey has a total production 25,000 tons per year from 1 factory in Samutprakarn province. There is no conflict of interest between the rests of shareholders and The Company.

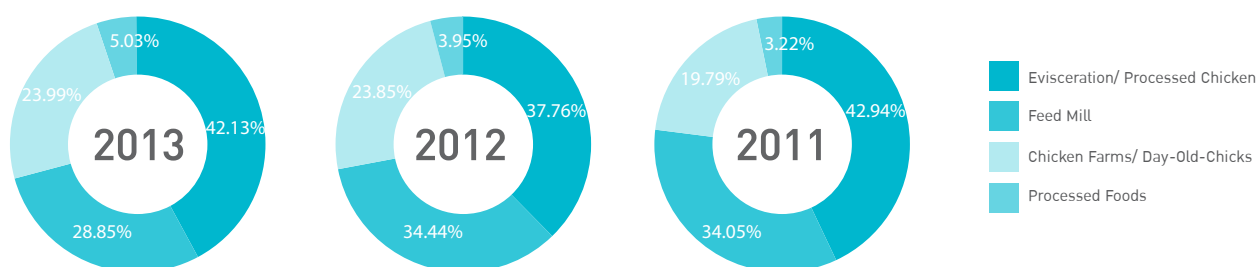
The company invests 49% in GFPT Nichirei (Thailand) Company Limited ("GFN"), with registered capital of 3,014 million baht. GFN engages in chicken evisceration and processing and distribution for export and domestic market. The capacity of chicken processing is 81,600 tons per year and the capacity of cooked chicken products is 26,000 tons per year from 1 factory in Chonburi province. There is no conflict of interest between the rests of shareholders and The Company.



Income Structure

In 2013, the revenue of the Company and its subsidiaries consisted of 42.13% from evisceration and processed chicken business, 28.85% from feed mill business, 23.99% from chicken farms and day-old-chicks distribution business and 5.03% from processed foods business. More detail is provided in the notes to financial statements no.31 “Segment Information”.

Income Structure Charts



Revenue Breakdown of GFPT and its subsidiaries	Operated by	% of Share holding	2013 Income (MB)	%	2012 Income (MB)	%	2011 Income (MB)	%
Evisceration/ Processed Chicken	GFPT		7,035.44	42.13	5,803.86	37.76	6,101.15	42.94
Feed Mill	KT	97.87	4,817.96	28.85	5,294.03	34.44	4,838.82	34.05
Chicken Farms / Day-Old-Chicks	FKT, GP, MKS	99.99	4,004.94	23.99	3,664.25	23.85	2,812.83	19.79
	KT	97.87						
Processed Foods	GFF	99.99	840.69	5.03	607.67	3.95	456.75	3.22
Total			16,699.03	100.00	15,369.81	100.00	14,209.55	100.00



Benefits and Privileges from Board of Investment (BOI) Promotion

The Company, its subsidiaries, and joint ventures were granted investment promotional certificates from the Board of Investment (BOI) as follows:

(1) Tax Benefits and Privileges from Investment Promotion as follows:

Company	Province	Certificate No.	Type of Promotional Activities	Beginning Year - Ending Year
GFPT PCL.	Samutprakarn	1776(2)/2545	Finished Chicken Products	2005 - 2013
		1699(3)/2547	Finished Chicken Products	2007 - 2015
		1329(2)/2552	Evisceration Chicken	2011 - 2019
		1051(3)/2553	Finished Chicken Products	2011 - 2019
Krungthai Feedmill PCL.	Chonburi	1429(2)/2546	Seed Eggs	2006 - 2014
		1850(2)/2548	Feed Mill Production and Premix	2009 - 2017
		1173(2)/2553	Feed Mill Production and Premix	2012 - 2020
M.K.S. Farm Co., Ltd.	Chonburi	1632(2)/2546	Broiler Farm	2005 - 2013
		1571(2)/2551	Broiler Farm	2010 - 2018
		2085(2)/2551	Broiler Farm	2010 - 2018
		1341(2)/2552	Broiler Farm	2011 - 2019
		1470(2)/2552	Broiler Farm	2011 - 2019
		1897(2)/2553	Broiler Farm	2011 - 2019
		1898(2)/2553	Broiler Farm	None Income Yet
		2106(2)/2553	Broiler Farm	None Income Yet
		2107(2)/2553	Broiler Farm	None Income Yet
		2108(2)/2553	Broiler Farm	None Income Yet
		1674(2)/2554	Broiler Farm	None Income Yet
		1022(2)/2555	Broiler Farm	None Income Yet
Krungthai Farm Co., Ltd.	Chonburi	1187(2)/2553	Chicken Farm	None Income Yet
		1591(2)/2553	Chicken Farm	2013 - 2021
GP Breeding Co., Ltd.	Chonburi	1932(2)/2548	Primary Breeder Farm and Hatchery	2006 - 2014
McKey Food Services (Thailand) Ltd.	Samutprakarn	2109(3)/Aor./2553	Finished Chicken Products	2010 - 2016
GFPT Nichirei (Thailand) Co., Ltd.	Chonburi	1977(2)/2552	Evisceration Chicken and Premix	2010 - 2018
		1978(3)/2552	Finished Products and Frozen Chicken	2010 - 2018
		2258(3)/2555	Frozen Cooked Chicken	2013 - 2021

(2) Benefits and Privileges from Import Duties as follows:

Company	Province	Certificate No.	Type of Promotional Activities	Beginning Year - Ending Year
McKey Food Services (Thailand) Ltd.	Samutprakarn	1106/2541	Finished Chicken Products	1998 - 2014

Management Discussion & Analysis

Summary of Consolidated Statements of

Financial Position of GFPT Public Company Limited and its subsidiary companies as at 31 December 2013, 2012 and 2011

	As at 31 December					
	2013		2012		2011	
	MB	%	MB	%	MB	%
Cash and Cash Equivalent	311	2	283	2	179	2
Accounts Receivable-Net	1,101	8	960	8	811	8
Inventories-Net	3,217	25	4,212	32	2,816	27
Other Current Assets	17	-	21	-	9	-
Total Current Assets	4,646	35	5,476	42	3,815	37
Investment in Associated Companies-Net	1,616	12	1,429	11	630	6
Grandparent Chickens-Net	46	-	38	-	41	-
Parent Chickens-Net	367	3	288	2	309	3
Investment property-Net	375	3	328	2	263	3
Property, Plant and Equipment-Net	5,686	44	5,225	40	4,933	49
Deferred Tax Assets	322	3	320	2	130	1
Other Non-Current Assets	45	-	85	1	77	1
Total Non-Current Assets	8,457	65	7,713	58	6,383	63
Total Assets	13,103	100	13,189	100	10,198	100
Short-Term Loans from Financial Institutions	2,047	16	3,533	26	666	7
Accounts and Notes Payable	921	7	1,027	8	623	6
Current Portion of Long-Term Loans	2,080	16	80	1	80	1
Other Current Liabilities	28	-	15	-	58	-
Total Current Liabilities	5,076	39	4,655	35	1,427	14
Long-Term Loans	80	1	2,160	17	2,240	22
Provision for Employee Benefit	292	2	271	2	253	3
Advance Received for Rental Income from Associate	134	1	141	1	148	1
Other Non-Current Liabilities	63	-	22	-	16	-
Total Non-Current Liabilities	569	4	2,594	20	2,657	26
Total Liabilities	5,645	43	7,249	55	4,084	40
Total Shareholders' Equity	7,458	57	5,940	45	6,114	60
Total Liabilities and Shareholders' Equity	13,103	100	13,189	100	10,198	100

Remark: Figures in the 2011 and 2012 consolidated financial statement were restated for comparison.

Comprehensive Income Statements of GFPT Public Company Limited

For the year ended 31 December 2013, 2012, and 2011

	2013		2012		2011	
	MB	%	MB	%	MB	%
Revenue from Sales	16,699	98	15,370	98	14,210	98
Other Income	312	2	281	2	223	2
Total Revenue	17,011	100	15,651	100	14,433	100
Cost of Sales	(14,418)	(85)	(14,374)	(92)	(11,986)	(83)
Selling and Administrative Expenses	(1,098)	(6)	(1,006)	(6)	(901)	(6)
Total Expenses	(15,516)	(91)	(15,380)	(98)	(12,887)	(89)
Participating Profit /(Loss) in Associated Companies	221	1	(74)	-	(111)	(1)
Profit before Financial Costs and Income Taxes	1,716	10	197	2	1,435	10
Financial Costs	(186)	(1)	(147)	(1)	(136)	(1)
Income Tax Revenue (Expenses)	(12)	-	190	1	53	-
Profit for The Period	1,518	9	240	2	1,352	9
Non-Controlling Interests	(14)	-	(8)	-	(20)	-
Net Profit	1,504	9	232	2	1,332	9

Remark: Figures in the 2011 and 2012 consolidated financial statement were restated for comparison.

Consolidated Cash Flows Statements of GFPT Public Company Limited

For the year ended 31 December 2013, 2012 and 2011

	2013	2012	2011
	MB	MB	MB
Net Cash Provided (Used) from Operating Activities	3,072	(135)	1,546
Net Cash Used in Investing Activities	(1,292)	(1,991)	(1,018)
Net Cash Provided (Used) from Financing Activities	(1,752)	2,230	(540)
Net Increase (Decrease) in Cash and Cash Equivalent	28	104	(12)
Cash and Cash Equivalent at the Beginning Balance	283	179	191
Cash and Cash Equivalent at the Ending Balance	311	283	179

Remark: Figures in the 2011 and 2012 consolidated financial statement were restated for comparison.

Financial Ratios of GFPT Public Company Limited and its subsidiaries

	2013	2012	2011
Liquidity Ratio			
Current Ratio ¹ (times)	0.92	1.18	2.67
Quick Ratio ² (times)	0.27	0.26	0.66
Cash Ratio ³ (times)	0.63	(0.04)	1.15
Account Receivable Turnover ⁴ (times)	16.72	18.15	18.87
Average Collection Period ⁵ (days)	22	20	19
Inventory Turnover ⁶ (times)	77.06	73.90	71.56
Inventory Turnover Period ⁷ (days)	5	5	5
Account payable Turnover ⁸ (times)	18.42	22.27	26.47
Average Payment Period ⁹ (days)	20	16	14
Cash Cycle ¹⁰ (days)	7	9	11
Profitability Ratio			
Gross Profit Margin ¹¹ (%)	13.66	6.48	15.65
Operating Profit Margin ¹² (%)	10.28	1.28	10.10
Cash Profit Margin ¹³ (%)	179.03	(68.49)	107.70
Net Profit Margin ¹⁴ (%)	8.84	1.48	9.23
Return on Equity or ROE ¹⁵ (%)	22.45	3.84	23.19
Efficiency Ratio			
Return On Assets or ROA ¹⁶ (%)	11.55	2.05	13.93
Return On Fixed Assets ¹⁷ (%)	35.14	13.68	36.14
Total Assets Turnover ¹⁸ (times)	1.29	1.34	1.49
Leverage Ratio			
Debt/Equity Ratio ¹⁹ (times)	0.76	1.22	0.67
Interest Coverage Ratio ²⁰ (times)	8.51	1.25	9.53
Debt Service Coverage Ratio ²¹ (times)	0.19	(0.02)	0.53
Dividend Payout Ratio ²² (%)	82.14	0.00	97.23

Remark:

- 1) Current Ratio = Current Assets/ Current Liabilities
- 2) Quick Assets = (Cash + Short-term Investments + Accounts Receivable) / Current Liabilities
- 3) Cash Ratio = Cash Flow from Operating / Current Liabilities
- 4) Account Receivable Turnover = Net Credit Sales / Average Accounts Receivable
- 5) Average Collection Period = 360 / Account Receivable Turnover
- 6) Inventory Turnover = Cost of Goods Sold / Average Inventory
- 7) Inventory Turnover Period = 360 / Inventory Turnover
- 8) Account payable Turnover = Cost of Goods Sold / Average Account payable
- 9) Average Payment Period = 360 / Account payable Turnover
- 10) Cash Cycle = Average Collection Period + Inventory Turnover Period - Average Payment Period
- 11) Gross Profit Margin = Gross Profit / Sales
- 12) Operating Profit Margin = Operating Profit / Sales



- 13) Cash Profit Margin = $\text{EBIT} / \text{Net Income}$
- 14) Net Profit Margin = $\text{Net Profit} / \text{Total Sales}$
- 15) Return On Equity or ROE = $\text{Net Profit} / \text{Average Equity}$
- 16) Return on Assets or ROA = $\text{Net Profit} / \text{Average Total Assets}$
- 17) Return on Fixed Assets = $(\text{Net Profit} + \text{Depreciation}) / \text{Average Total Fixed Assets}$
- 18) Total Assets Turnover = $\text{Sales} / \text{Average Total Assets}$
- 19) Debt/Equity Ratio = $\text{Total Debt} / \text{Equity}$
- 20) Interest Coverage = $(\text{Cashflow from Operations} + \text{Interest Expenses} + \text{Tax}) / \text{Interest Expenses}$
- 21) Debt Service Coverage = $\text{EBITDA} / (\text{Debt payment} + \text{Capital Expenditure} + \text{Investment in Fixed Assets} + \text{Dividend Payment})$
- 22) Dividend Payout = $\text{Dividends} / \text{Net Income}$

Management Discussion and Analysis

Overview

The result of operations in the year 2013 was impressive, delivering the best year in our Company's 32-years history. Total sales reached THB 17.01 billion, an increase of 8.69%.

Export volume of chicken products for fiscal 2013 was 22,500 MT increasing 3,850 MT or 21% from fiscal 2012. Considering direct and indirect export of GFPT Group in year 2013, the market share was 14% of total Thailand export of chicken products, positioning in no. 4 of Thai chicken exporters (include export volume of associated companies).

The Company's consolidated gross profit margin improved from 6% in fiscal 2012 to 14% in fiscal 2013, reflecting from the strategy of accelerating growth in value-added cooked chicken product sales. The cooked chicken product featured higher margin and less volatile selling price. In addition, the market price for poultry products improved from fiscal 2012 while the corn price sharply declined from 2012.

The participating profit in associated companies of year 2013 increased THB 295 million, turnaround from THB 74 million loss in year 2012 as the result of GFN's operational performance that turnaround since the first quarter of year 2013.

The consolidated net profit of the Company for fiscal 2013 was THB 1.50 billion, increased THB 1.27 billion or 548%, from fiscal 2012 (adjusted). The 2013 operational result was record high in GFPT's history since its startup.

In 2013, the Company adopted the Thai Accounting Standard No. 12 on Income Taxes. The consolidated and separate financial statements for the year ended December 31, 2012, summary of consolidated financial statement, and management discussion and analysis for fiscal 2013 presented herein have been retrospectively adjusted for comparison.

Overall Financial Performance and Profitability

Revenue from Sales

The consolidated net sales for fiscal 2013 was THB 16.70 billion, increased THB 1.33 billion or 8.65%, from fiscal 2012; mainly from higher export volume of cooked chicken product, improved selling price of chicken meat products, and expansion of meat retail outlets in various provinces in Thailand.

Chicken Processing Segment

For fiscal 2013, revenue from chicken processing segment represented 42%, being the largest portion of GFPT's consolidated net sales amounting THB 7.04 billion, an increase of THB 1.23 billion or 21% from fiscal 2012. The export volume of chicken product in 2013 significantly increase of 3,850 MT or 21% from 2012; mainly from higher export volume of chicken products to Japan and EU. The export price of chicken products in 2013 also increased 12% from previous year.

Feed Segment

Revenue from feed segment in fiscal 2013 represented 29% of the consolidated net sales amounting THB 4.82 billion, declined by THB 476 million or 9% from 2012; mostly from decreasing in feed sales. In particular, the volume sales of shrimp feed was 24% decreased compare to last year due to the Emergency Mortality Syndrome (EMS) outbreak. Whilst, sales from fish feed segment in fiscal 2013 increased 12% from fiscal 2012 in both volume sales and selling price. Therefore, total revenue from feed segment of the group did not significantly decline.

Business Segment of GFPT and its subsidiaries	2013		2012		2011	
	MB	%	MB	%	MB	%
Chicken Processing	7,035.44	42.13	5,803.86	37.76	6,101.15	42.94
Feed	4,817.96	28.85	5,294.03	34.44	4,838.82	34.05
Farm and Day-Old-Chicks Sales	4,004.94	23.99	3,664.25	23.85	2,812.83	19.79
Processed Food	840.69	5.03	607.67	3.95	456.75	3.22
Total Sales	16,699.03	100.00	15,369.81	100.00	14,209.55	100.00

Farm & Day-Old-Chicks Segment

The revenue from chicken farm has become a consistent major source of revenue for the company ever since we have started supplying live broilers to GFN (an associated company that operates since year 2011). The revenue from live broilers and day-old-chicks sales in 2013 was THB 4.01 billion, an increase of THB 341 million or 9% from 2012; mainly from the increase in volume sales of live broiler to GFN.

Processed Foods

From the continuous expansion of meat wholesale outlets in large provinces, the processed foods segment's growth looks promising as the revenue from food products such as chicken sausages, meatballs and other processed foods. In 2013, the revenue from processed foods was THB 841 million, grew by THB 233 million, a 38% increase from 2012; mainly from higher sales volume of 30% that came from chicken sausage and chicken meatballs as well as slightly increased in domestic selling price.

In 2013, the Company has opened 12 meat wholesale outlets in 12 provinces including Phuket, Songkhla, Nakorn Pathom, Bureerum, Chiang Mai, Lampang, Surat Thani, Nakhon Sawan, Chiang Rai, Ubon Ratchathani, Tak and Phetchaburi. GFPT has plans to continue its expansion in the wholesale store in preparation for the Asian Economic Community in 2015.

Cost of Sales

Cost of sales for fiscal 2013 was THB 14.42 billion, slightly increase by THB 44 million from 2012. The cost of goods sold ratio in 2013 declined from 92% in 2012 to only 85% or dropped

by 9% as compared to 2012. This is due to the efficient costs management and corn price declined in year 2013.

Gross Profit

In 2013, the consolidated gross margin was THB 2.28 billion, significantly increased THB 1.29 billion or 129% from 2012, driven by the company's strategy to focus on higher export cooked chicken products with higher margin and stable selling price. In addition, selling price of most products in fiscal 2013 improved from previous year. The corn price declined similarly to the global price trend; result in lower production cost of feed and chicken meat products. The consolidated gross margin improved from 6% in fiscal 2012 to 14% in fiscal 2013.

Other Income

In 2013, other income of the Company and its subsidiaries was THB 312 million, increased THB 31 million or 11% from 2012, mainly from foreign exchange gains by THB 46 million or 102% from 2012. The consolidated other incomes in 2013 was 2% of net sales, remained similar percentage as 2012.

Selling General and Administrative Expenses

The Consolidated SG&A expenses in fiscal 2013 totaled THB 1.10 billion, increased THB 92 million or 9% from fiscal 2012. The higher expenses were mainly from increasing in salary and bonus of employee, depreciation of fixed-assets and utilities expenses. The consolidated SG&A expenses in 2013 were 6% of net sales, remained similar percentage as 2012.



Share of Profit from associated companies

In 2013, the Company's share of profit from associates under the equity method in the amount of THB 221 million, an increase of THB 295 million, or 397% from 2012 mainly from the investments in its 2 joint ventures. McKey's profit contribution was THB 81 million and GFN's was THB 140 million. The operating results of GFN in 2013 turned around from a loss to a profit due to the hike in export volume of frozen chicken meat to the EU market since the EU has lifted the ban of Thai frozen chicken meat in 3Q2012. In addition, the higher production capacity of cooked chicken products from the new production line which increased the amount of cooked chicken products from 16,800 MT to 21,600 MT since May 2013 also helped boosting performance of GFN.

Financial Costs

Financial costs of the group include interest expense and bank charges. The Company's finance costs in 2013 were THB 186 million, up THB 39 million or 27% from 2012 mainly from the fact that the group has higher level of short-term loan from institutions comparing to previous year. The consolidated financial costs of the group in 2013 were 1% of net sales, remained similar percentage as 2012.

Net Profit

The Company's net income during fiscal 2013 was THB 1.50 billion, increased in amount of THB 1.27 billion or 548% increased from 2012 of THB 232 million (restated). The EPS of fiscal year was THB 1.20 per share. The improved net income of the Company was primarily driven from higher sales revenues, improved average selling price, gained from foreign exchange rate, and participating profit from associated companies. The consolidated net profit margin in 2013 was 9% of net sales, significantly improved from 2% in 2012.

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

In 2013, the Consolidated EBITDA was THB 2.61 billion, an increase of THB 1.52 billion or increased by 139% from 2012. The increasing in EBITDA resulted from the hike in the sales growth and its ability to control cost. The EBITDA margin in 2013 was 15.62% increased from 7.10% in 2012.

Unit: THB million

	2013	2012	2011
EBIT	1,716	197	1,435
Depreciation Expense	888	892	820
Amortization Expense	4	3	2
EBITDA	2,608	1,092	2,257
EBITDA Margin (%)	15.62	7.10	15.88

Return on Equity

In 2013, the return on equity of the Company and its subsidiaries was 22.45%, significantly improved from 2012. The group improves efficiency in generating profit, slightly lower utilization of asset and lower risk from 2012 as follow:

DuPont Analysis	2013	2012	2011
Return on Equity or ROE ¹⁵ (%)	22.45	3.84	23.19
Operating Profit Margin ¹² (%)	10.28	1.28	10.10
Total Assets Turnover ¹⁸ (times)	1.29	1.34	1.49
Equity Multiplier (times) (1+DE)	1.76	2.22	1.67

Financial position

Assets

For the consolidated financial statements as of December 31, 2013, total assets of the Company equal to THB 13.10 billion including THB 4.65 billion (35% of total assets) in current assets, THB 5.69 billion (44% of total assets) in property, plant and equipment (PP&E) - net, THB 1.62 billion (12% of total assets), in investments in associated companies, THB 413 million (3% of total assets) in grandparent chicken and parent chicken-net and THB 742 million (6% of total assets) in other assets.

Total assets as at December 31, 2013 decreased in amount of THB 86 million or 1% from 31 December 2012 primarily from the decrease in inventory-net in amount of THB 995 million as average corn price in 2013 declined from previous year. However, the PP&E-net increased in amount of THB 461 million. Trade and other receivables - net increased THB 141 million. Investments in associates – net increased THB 187 million. Grandparent and parent chickens – net increased THB 87 million.

Trade and other Receivables

In fiscal 2013, the Company and its subsidiaries recorded allowance for doubtful accounts in amount of THB 37 million, decreased of THB 11 million from fiscal 2012 of THB 48 million. The allowance for doubtful accounts was in acceptable level at 3.3% of total trade receivables. The average collection period of the Company and its subsidiaries was 22 days in fiscal 2013, slightly increased from 20 days in fiscal 2012. The account receivable turnover was 17 times, remained similar level as 2012.

Inventory

In fiscal 2013, the consolidated inventories – net of THB 3.22 billion substantially decreased about THB 995 million or 24% decreased from fiscal 2012; primarily from reduction in raw materials and raw materials in transit. The Inventory Turnover was 77 times, slightly increased from fiscal 2012 at 74 times. The Company and its subsidiaries recorded allowance for non-movement inventories in amount of THB 3 million and allowance for decline in value of inventories in amount of THB 28 million which accounted only 1% of total inventories value.

In 2013, the utilization of assets of the Company and its subsidiaries were highly efficient. The consolidated return on asset was 11.55 times much higher than fiscal 2012 at 2.05 times.

Liabilities

As at December 31, 2013, total liabilities of the Company and its subsidiaries in amount of THB 5.65 billion comprising of THB 5.08 billion in current liabilities and THB 569 million in non-current liabilities.

The total liabilities as at December 31, 2013 decreased by THB 1.60 billion or 22% from December 31, 2012 primarily from the repayment of short-term borrowings from financial institutions in amount of THB 1.49 billion and trade and other payables in amount of THB 106 million. Loan from related parties of THB 2 billion was shifted from long-term loans to the current portion as the loans are due in 31 January 2014. All short-term and long-term loans of the group are in THB currency only. The Company has no exposure in foreign currency borrowings.

In fiscal 2013, trade and other payables of the Company and its subsidiaries was THB 921 million, decreased in amount of THB 106 million or 10% decreased from fiscal 2012. The 2013 account payable turnover was 18.42 times decreased from fiscal 2012 at 22.27 times. The consolidated average payment period in 2013 was 20 days.

The consolidated interest-bearing liabilities as at December 31, 2013 were THB 4.21 billion, decreased from fiscal 2012 in amount of THB 1.57 billion, mainly from the repayment of short-term loan from financial institutions in amount of THB 1.49 billion. The consolidated financing cost was 3.7% and 3.4% for fiscal 2013 and 2012, respectively.

Shareholders' Equity

As at December 31, 2013, the consolidated shareholders' equity in amount of THB 7.46 billion increased THB 1.52 billion or increased 26% from December 31, 2012; primarily from the increase in retained earnings in amount of THB 1.50 billion as a result of outstanding performance in the year 2013. The consolidated book value as at December 31, 2013 was THB 5.95 per share.

Liquidity

Cash Flow Activities

In fiscal 2013, the Company and its subsidiaries generated cash flows from operating activities of approximately THB 3.07 billion increased of THB 3.21 billion from 2012; resulted primarily from the increasing in net income before tax in amount of THB 1.48 billion. The cash cycle of the Company and its subsidiaries was only 7 days in 2013 shorter than the 9 days in 2012.

The Company and its subsidiaries used cash in its investing activities in amount of THB 1.29 billion in fiscal 2013. The investing activities was made mostly in the investment in fixed assets in amount of THB 860 million, the grandparent and parent breeder stocks in amount of THB 456 million, and the investment properties of THB 86 million.

The Company and its subsidiaries used net cash from its financing activities in an amount of THB 1.75 billion mainly in repayment of short-term loan of THB 1.49 billion and interest payment of THB 186 million.

As at December 31, 2013, the Company and its subsidiaries' cash position in cash and cash equivalents was THB 311 million increased of THB 28 million from 2012.

Liquidity ratios

In 2013, the liquidity of the Company and its subsidiaries was considerably appropriate for its operations. As at December 31, 2013, the consolidated liquidity ratio was only 0.92 times decreased from previous year which was 1.18 times. The quick ratio in fiscal 2013 was 0.27 times quite similar to fiscal 2012 at 0.26 times. The cash ratio of the Company was 0.63 times much improved from previous year of (0.04).

Short-term Debt Maturity

As at December 31, 2013, the Company and its subsidiaries' current liabilities of THB 5.08 billion comprise of short-term loans from financial institutions THB 2.05 billion, trade payables and other payables THB 921 million, other current liabilities THB 28 million, the current portion of long-term loans from financial institutions of THB 80 million, and the current portion of long-term loans from related parties of THB 2.00 billion.

Due to its strong cash position and liquidity, the Company and its subsidiaries can repay the debt obligations including trade payables, short term loans, the current portion of long-term loans from financial institutions, and interest expenses. The repayment can be made from cash flow from operation activities. In 2013, the consolidated interest coverage ratio in was 8.51 times and the

net debt to equity ratio was low at 0.56: 1. The Company and its subsidiaries have available credit line of the revolving short-term borrowings with banks including overdraft and promissory notes in amount of THB 3.11 billion and trade finance facilities being letter credit and trust receipt line for THB 3.57 billion.

The long-term loans from related parties in amount of THB 2.00 billion due on January 31, 2014 was re-classified as current liabilities since the first quarter of fiscal 2013. According to the resolution of the extraordinary shareholders' meeting no.1/2556 on December 12, 2012, the Company and its subsidiaries granted the approval from its shareholders to receive financial assistance from related parties in the amount not more than THB 2.00 billion with the interest rate of no more than 5.5% p.a., the maturity of not more than 10 years starting from February 1, 2014 until January 31, 2024, and no collateral pledging requirement.

Capital Structure

The Company and its subsidiaries had strong financial position. As at December 31, 2013, the consolidated debt to equity ratio was 0.76: 1 declined from 1.22: 1 as at December 31, 2012 resulting from improved operating performance and repayment of short-term loan.

As at December 31, 2013, the consolidated interest-bearing liabilities were THB 4.21 billion. The net debt to equity of the Company was considerably low at 0.56: 1.

Capital Expenditure and Capital Resources

In 2013, the Company made an investment of THB 1.29 billion; mostly in purchasing of fixed assets in amount of THB 860 million, grandparent breeder and breeder stocks in amount of THB 456 million, and an investment property in amount of THB 86 million.

According to the investment plan in 2013, the Company has continued to expand its broiler production capacity mainly in the grandparent farm, breeder farm, hatchery, broiler farm, and processed food plant (sausage). The investment of THB 946 million was paid by cash flow from operations, short-term loans, and long-term loans.

In the few years ahead, the Company already planned for its future growth by emphasis on the upstream expansion of chicken farm areas with the investment budget of THB 800 million per year (similar level of investment budget for the past 3 years). However, this investment budget can be adjusted depending on the changes in future situation.

Factors that may affect future operations

or financial position

Currency Fluctuations

The Company and its subsidiaries are exposed to fluctuations in the value of the U.S. dollar against Thai baht through foreign exchange transactions. Currency fluctuation risk relates primarily to sales proceeds from GFPT's export of chicken products as well as GFPT's import of feed grains. There is a common misperception that the Company and its subsidiaries will be adversely affected from the THB appreciation against the U.S. dollar, as the company will incur foreign exchange losses on its exports. However, the negative effects on the value of GFPT's export of chicken meat are offset by the positive gains from GFPT's import of feed grains. This implies a natural hedge between GFPT's import and export, limiting the risk of foreign exchange gains and losses at the minimum level. In addition, GFPT also uses forward contract to hedge the FX position.

Export limit

The export of chicken meat has limit depending on the policy of each country, some countries either impose tax or sanitation policy. In the future, sanitation policy will be the main policy use for trade barriers such as industry standard or ISO9000, GMP and HACCP or environmental policy or human rights policy or animal welfare policy. The imposition of tax sanctions will be reduced because each country will enter WTO or free trade where the government will reduce its support on import tax.

Quota limit

The government limit quota on import of corn, which is the main raw material in feed mill production. The import has to be made only through Public Warehouse Organization. The corn are imported from the WTO member countries at the quota limit of 54,700 ton and import tax of 20%, however, if the imported quantity exceeds the quota, the import tax will be 73% plus

additional fee of THB 180 per ton. In the case of import from non-WTO member countries, it has to comply with the government's condition. Other than corn, there are other raw materials that need to import from abroad include soybean residue and fish powder, which will also need to comply with the government's condition as well (refer to the detail in Feed Mill Business (C) Demand of raw material for feed mill).

The European Union has implemented the import quota system since 1 July 2007. Thailand's import quota of processed chicken amount of 160,033 tons and exported at full quota, thus, export expansion will be difficult. Exported quantity that exceed the quota will have to bear import tax of up to 1,024 Euro per ton. The European Union allow the import of fresh frozen chicken, thus, the Company is able to export during the end of year 2012.

Price control

Feed mill business is under the price control policy, either for the purchase of raw materials or selling price of feed mill. Whereby the Company has to purchase domestic soybean residue at a minimum price at factory and enter into purchase agreement with the Ministry of Commerce. For the selling price of feed mill, the Company and its subsidiaries can not immediately increase the selling price because it has to be approved from the Department of Internal Trade, Ministry of Commerce.



The Overview of Broiler Business in 2013 and Prospect for 2014

Situation in 2013

Production

In 2013, most top broiler production countries such as the United States and Brazil managed to increase their productions as a result of the world economic recovery and the rising demand for chicken meat. Comparing with other protein meat, chicken is relatively cheaper and having lower cholesterol. Furthermore, demand for chicken meat also increased favorably in the countries where chicken meat consumptions per capita were still low such as Mexico, China and the eastern European countries. However, the broiler production and export in some countries were limit due to the Avian Flu outbreaks and rising cost of feed material such as China and Mexico.

In 2013, total world broiler production was approximately 84.640 million tons, an increase of 2.69% from 2012. The United States was still the world's largest broiler production followed by China, Brazil, and the European Union, respectively.

The United States produced approximately 16.958 million tons of chicken meat in 2013, an increase of 2.93% from 2012. China, the second largest world broiler producer, produced 13.500 million tons of chicken meat, decreased from 2012 by 1.46%. Brazil, the world's third largest producer, produced 12.770 million tons of chicken, increased from 2012 by only 0.16% while the EU, the world's fourth largest producer, increased its production

by approximately 2.85% to reach 9.750 million tons in 2013.

In 2013, the broiler production of Thailand was approximately 1,104.050 million birds, equivalent to 1.524 million tons of chicken meat, increased only 0.63% from 2012. The broiler production increased less than expected because one of the largest integrated broiler companies temporary stopped its operations in late 2012. However, other top integrated broiler companies increased their productions to meet the export growth to EU market after lifting of the ban of Thai frozen chicken meat. Steady rising export demand was also expected after Japan and South Korea planned to lift the ban on Thai frozen chicken meat.

Market Situation

Domestic Market

Despite the negative effect of the inflation and political instability on the consumers' purchasing power, domestic consumption of chicken meat has managed to increase around 8.36% from 0.932 million tons in 2012 to 1.010 million tons in 2013. Although the increase is rather low, it is a good sign which reveals that the effect of economic and political crisis on the broiler meat industry is minimal.



The consumption of domestic market increased from the price of feed materials in 2013 was stable, which help maintaining the production cost and the price of chicken meat remained affordable by consumers. Furthermore, the growth of chicken meat consumption is partly from the growing concern on healthy diet among Thai consumers, who prefers low fat meat. The economic condition in Thailand had impact on the spending of Thai consumer; thus, chicken meat has become a preferred choice. Furthermore, the fast food business and quick service restaurants also helped in raising domestic demand because chicken meat is widely used as part of meat ingredients by various fast food chains. Chicken price is considerably low in comparison with other kinds of meats. Moreover, the increasing of Thai consumers' confidence on the food safety, strict bio-security system, and surveillance on Avian Flu outbreak of chicken meat also helps provide the growth of domestic consumption.

Export market

Export volume of Thai chicken meat products in 2013 was lower than expected because one of the largest integrated broiler companies temporary stopped its operations. As a result, export volume in 2013 was 525,217 tons, reduced 4.91% from previous year.

The main obstacle of chicken meat export in 2013 was the slow recovery of world economy and economic recession in the EU which is the major export markets of Thai chicken meat products. However, Thai chicken export showed positive trend as Japan has announced the lifting ban of Thai fresh frozen chicken meat on December 25, 2013. In addition, major export competitors like China and Mexico cannot effectively control the Avian Flu outbreak that has repeatedly occurred in their countries.

As for the export market, the European Union was the most important market of Thai chicken meat products. In 2013, export of chicken meat products to the European Union was approximately 243,825 tons, increased 2% from previous year and its proportion to overall chicken meat export increased from 43.3% in 2012 to 46.4% in 2013. The increase was mainly from the lifting ban of Thai frozen chicken meat since July 2012.

Chicken Export to Japan, the second largest market of Thai chicken export, was 211,061 tons in 2013, decreased 5% from 2012. Its share of overall chicken meat export was minimally decreased from 40.3% in 2012 to 40.2% in 2013. This decrease was primarily from the reluctant to lift its ban on Thai frozen chicken meat. Furthermore, the declining of export volume in 2013 was caused by the temporally stopped operation of one Thai integrated



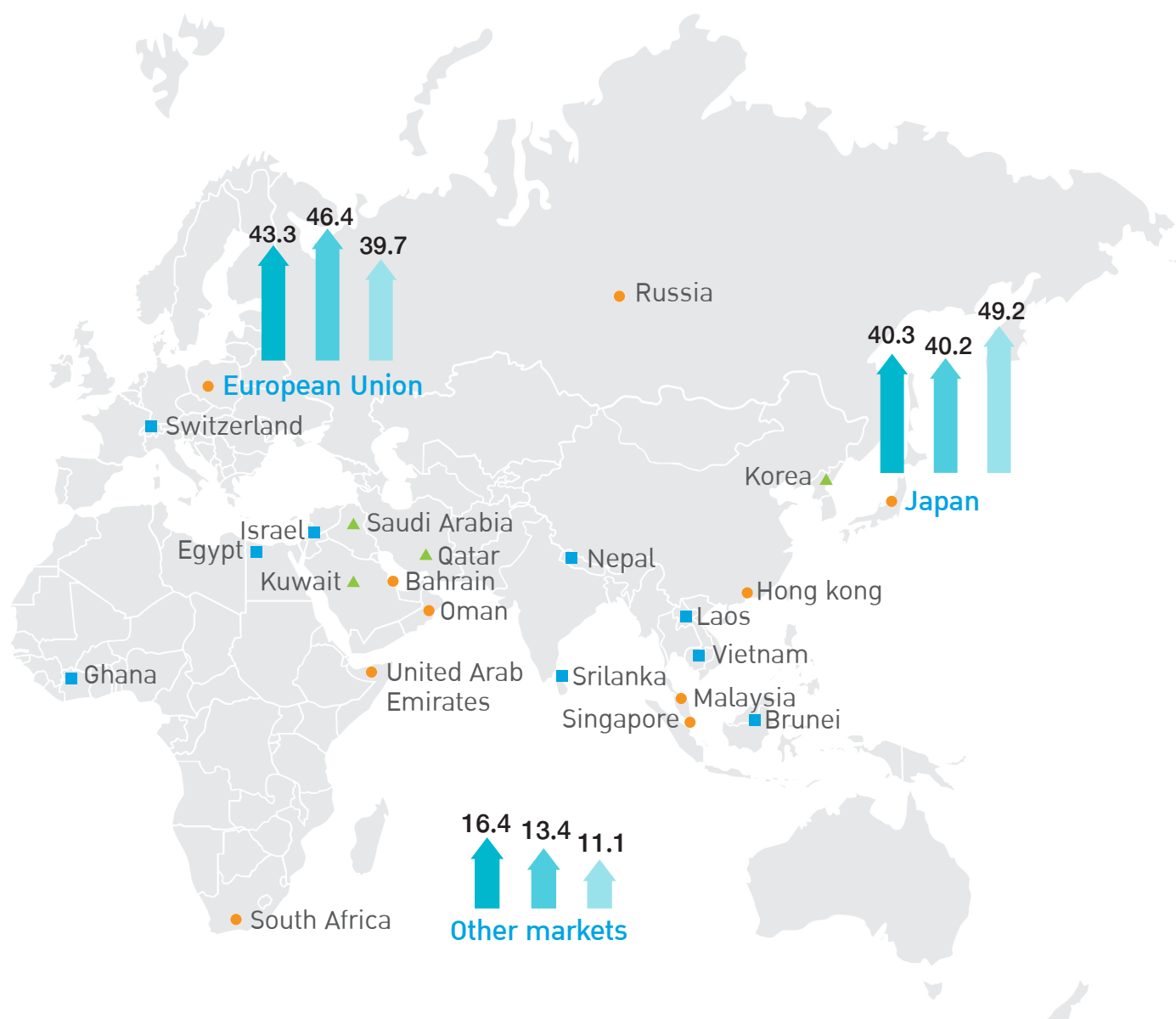
broiler company.

Besides these two major export markets, the export of Thai chicken meat products to other countries in 2013 was approximately 70,331 tons, declined 22.51% from previous year. The chicken meat export quickly recovered and grew favorably due to the lifting ban of Thai fresh chicken meat in many countries such as South Africa, Ghana, Bahrain, the United Arab Emirates, Egypt, Oman, Israel, Vietnam, Malaysia, Hong Kong, Lao PDR, Brunei, Nepal, Sri Lanka, and Singapore.



Source: Thai broiler processing exporters association and forecasting.
Remark:
* Estimated
** Forecasted





● Fresh Frozen Chicken Meat and Fully Cooked Chicken Products

▲ Fully Cooked Chicken Products

■ Fresh Frozen Chicken Meat

Export of Thai Chicken Meat Products to Important Markets

(2012 – 2014)

Market	2012		2013E*		2014F**	
	Volume (ton)	Proportion (%)	Volume (ton)	Proportion (%)	Volume (ton)	Proportion (%)
Japan	222,358	40.3	211,061	40.2	310,000	49.2
EU	239,241	43.3	243,825	46.4	250,000	39.7
Others	90,763	16.4	70,331	13.4	70,000	11.1
Total	552,362	100.0	525,217	100.0	630,000	100.0



Prospects for 2014

Production

The broiler production in Thailand is likely to expand consistently in 2014. The estimated broiler production is 1.160 million birds or 1.680 million tons of chicken meat, an increase of 7.69% from year 2013. The broiler production in 2014 is expected to increase due to the anticipated recovering economic and political situation that should help boosting the domestic consumption. Furthermore, the high standard of farm management and strict bio-security of Thai broiler producers help enhance the export demand from major import countries such as Japan and Singapore.

The broiler production tends to increase due to the declining in price of major feed materials, which will partially offset the increase in cost of production resulting from the rising of minimum wage.

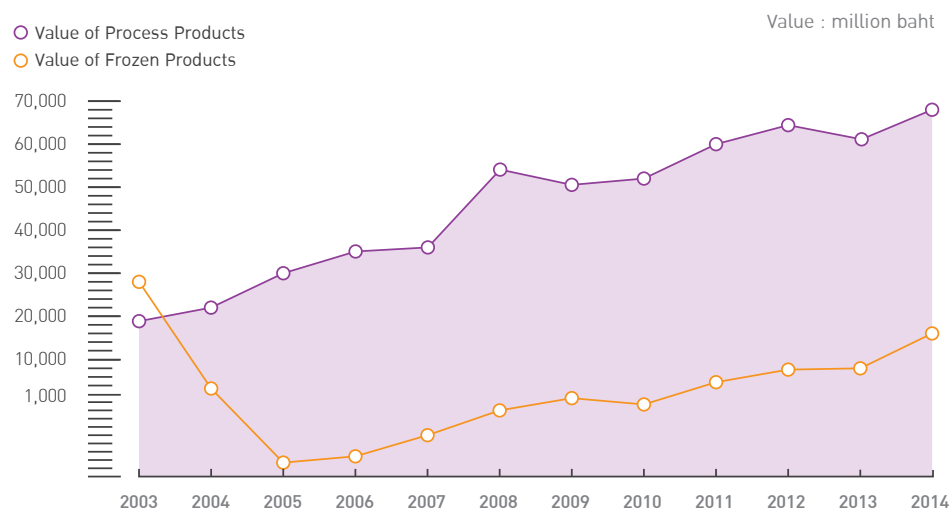
Market Situation

Although the growth of economic and political situation in Thailand still unclear, the domestic market for chicken meat products is expected to grow in 2014 because chicken meat is a better choice for consumers who prefers rich nutrient diet at reasonable price. It is expected that demand for chicken meat in 2014 will increase around 3.96% to reach approximately 1.050 million tons.

In 2014, the export market of Thai chicken meat is expected to recover and grow. The export volume of Thai chicken meat is forecasted to increase by 22% from 2013 reach approximately 630,000 tons in 2014; primarily from the recovering of world economy and the opportunity of other countries will lift ban of Thai frozen chicken meat such as Japan.

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:

Value of Thai Chicken Meat Export



Volume and Value of Thai Chicken Meat Export

Volume: ton Value: million baht

Year	Frozen		Processed Product		Total	
	Volume	Value	Volume	Value	Volume	Value
1997	151,120	10,951	41,114	4,951	192,234	15,902
1998	220,776	17,221	60,943	9,020	281,719	26,241
1999	211,675	14,817	61,924	8,669	273,599	23,486
2000	245,994	15,990	86,800	11,284	332,794	27,274
2001	320,779	23,096	117,018	15,212	437,797	38,308
2002	336,837	24,589	127,406	16,244	464,243	40,833
2003	388,913	28,105	157,074	19,763	545,987	47,868
2004	26,137	1,725	191,739	22,408	217,876	24,133
2005	96	6	265,023	30,478	265,119	30,484
2006	2,662	97	294,295	35,742	296,957	35,839
2007	11,052	522	322,471	36,791	333,523	37,313
2008	14,367	862	387,127	54,567	401,494	55,429
2009	18,260	1,242	378,809	51,492	397,069	52,734
2010	17,054	1,147	418,005	53,805	435,059	54,952
2011	27,258	1,881	435,267	60,290	462,525	62,171
2012	89,411	6,491	462,951	64,394	552,362	70,885
2013 (E)	95,000	7,885	435,000	61,495	530,000	69,380
2014 (F)	180,000	14,620	450,000	68,489	630,000	83,109

Source: Thai broiler processing exporters association and forecasting.

Remark: 2013 (E) is Estimated, 2014 (F) is Forecasted

Positive Factors

- The high standard of Thai production system and the ability of Thai exporter to develop processed chicken meat products in accordance with consumer demand in international market would attain acceptance of Thai chicken meat products in the international markets with high purchasing power such as Japan and the EU. Moreover, the superior standard also give Thai chicken products a high competitive potential to export to other international markets such as neighboring countries in the ASEAN, South Africa, South Korea, and Russia.
- The efficiency of Thai government and broiler producers to handle and control the Avian Flu outbreak has made many countries gradually lift their ban Thai frozen chicken meat. As a result, the opportunity to enhance Thai chicken meat export in the major export markets such as the EU, Japan, and the ASEAN is promising.
- Pressure on competition with China has been relaxed due to the inability of Chinese government to efficiently control the Avian Flu outbreak. Furthermore, Chinese producers have shifted their target to focus more on domestic market so that the export of chicken meat declines.
- Skill of Thai labors specialized in cutting-up chicken parts, together with short transportation time of only 10-14 days from Thailand to Japan compare with 8 weeks from Brazil, help Thai uncooked chicken meat export gain comparative advantage over Brazil. If Japan lifts ban on Thai uncooked chicken meat in 2013, it is likely that Thailand will be able to earn some of Brazil market shares.
- The declining prices of feed materials and the clear government policy on import of these raw materials help Thai producers efficiently plan and control their production cost.





Negative Factors

- The nationwide increase of minimum wage rate to 300 Baht per day at the beginning of 2013 in accordance with the government policy has raised the production cost of chicken meat products. As a result, the competitiveness of Thai export will be reduced when compare with other competing countries of which their minimum wage rates do not change.
- The rising of oil price may raise the cost of energy used in feed production. Moreover, some feed materials may be used in production of gasohol and bio-diesel, which may cause increasing in price of feed materials.
- The inability to reach the agreement with the EU concerning the increase quota of cooked chicken meat export may limit the export growth of Thai cooked chicken product. EU has fixed its import quota allocated to Thai cooked chicken meat products and the out-of-quota tariff is high.
- The instability of Thai political situation since the second half of 2013 may affect the growth of Thai economy as well as the Thai tourism industry and hence the growth of domestic chicken meat market.

Risk Factors and Risk Management

Nowadays, business trend have changed dramatically and rapidly in both domestic and international market. Risk management is essential for the Company and its subsidiaries to survive and persist when unexpected situation occur.

The Company has been continuously monitoring the business situation and risk factors closely as well as assessing any potential impact to the Company both short term and long term in order to use them as a guide in the risk management. Thus, it is deem necessary for the Company to have a mechanism to effectively manage and control standards and quality, as well as, prepare to handle risks in advance in order to strengthen the Company's business.

The Company applies the COSO ERM Framework in risk management. The Company has established the Audit and Risk Management Committee to identify risk factors and determined ways to mitigate these risks to the acceptable levels. All departments in the Company are the risk owners and responsible for monitoring and managing the risk.

Nonetheless if the risks factors incur, it may impact the performance and / or the financial position of the Company. The Company may not perform as expected and/or impact the ability to achieve its objectives and goals. There may be other unknown risks or risks that may not materially affect the Company at this moment. The main risks factors that may affect the Company consist of two types of risks, the internal risk factors and external risk factors. For the internal risk factors, which is the risk that the Company's Board and management try to diminish or eliminate as much as possible, while the external risk factors is the risk that the Company's Board and management have tried to impose management policies to reduce the negative impact as much as possible, as will be discussed in each of the following risk factors;



1. Internal Risk factors

1.1 Financial Liquidity

This industry requires high investment. If unexpected event occurs, it may cause liquidity problems.

Risk Management

The Company has policy to continually maintain liquidity position by focusing on investment projects with acceptable risk and high feasibility level. In addition, the Company also arranges the revolving credit facility to manage liquidity problem, therefore, the Company is confident that there will be adequate funding when unexpected situation happens.

1.2 Marketing and Sales

Marketing and sales is considered to be the important success factor for business, therefore, the Company is committed to build long lasting brand that is continuously acceptable by consumers.

Risk Management

We build the management team to support customer from before sale service, during sale service, and after-sales service. This will bring the confidence to consumers. In addition, the Company use new distribution channels for market expansion such as E – Marketing and Social media etc.

1.3 Human Resources

Recruiting good and talented people is difficult but keeping the good people is more difficult. The Company highly focused on retaining human resources that will drive the business to grow.

Risk Management

The Company has provided both opportunities and channels for employees to express their talents which are the main idea to make employees aware of their own value and commitment to develop the Company to steadily and sustainably grow, embed responsibilities to all stakeholders, as well as entrepreneurial spirit.

1.4 The Confidence of Consumer in Food Safety.

The consumer behavior trend is more focuses on fresh, clean, and safety of chicken meat products and cooked products. Therefore, the Company's operations may be affected if the consumers have lower confidence on food safety due to the risk of contaminated products or perishable products; which may occur during any production process and from other raw materials in the production, transportation and storage. Thus, the Company shall implement process that will ensure freshness, cleanliness, and safe product for consumption.

Risk Management

The Company pays high attention on the food safety. In order to reduce the risk, the Company implemented new technology in the production process to meet international standards and able to effectively trace the system back for error detection. Therefore, the Company has quality assurance in every production process. The quality control of raw material is done at all stages starting from the receiving of raw materials packaging design, packing, transportation, storage, and handling to ensure that the standard are met. In addition, the Company set out procedure for product compliant and product recall to ensure the safety of consumers and gain customers' confidence in the product quality. Thus, it is evident that the Company has been awarded on the quality assessment of various products such as GMP, HACCP, ISO 9001:2000, etc. which is a verification for quality products

1.5 Risk on Administrative Management

As of October 31, 2013, the major shareholders, the Sirimongkolkasem family, hold 704,023,240 shares or 56.15% of total shares of total shares of the Company which allow the Sirimongkolkasem family can control the votes in the shareholders' meeting such as the appointment of the Company's directors or other matters that required majority votes except the matters need to be approved by 3/4 of the shareholders who attends the Meeting. Thus, the minority shareholders do not have the power to check and balance the vote of the majority shareholders.

Risk Management

The Company has provided explanation to the major shareholders related to the conditions, guidelines including the conservative judgment to obtain the benefits to the Company. The business activities are based on fair, equitability and transparency. The authorized directors and executives are responsible for their duties and the results of their actions to all stakeholders of the Company including shareholders, creditors, employees, customers, suppliers and the public.



2. External Risk Factors

2.1 Disease Outbreaks

The disease outbreaks in animals would affect confidence of the consumer. Although, most animal disease may not be able to contact with people directly, it may impact directly to the Company's performance due to the declining in meat consumption. In particular, the avian influenza (AI) outbreak, though has no direct impact on the Company's operation, it significantly impacts the confidence of consumers to avoid the consumption of chicken meat. If the outbreak magnifies, it will impact the export market that has trade limit, as a result, the Company cannot operate effectively.

Risk Management

The Company has been monitoring and surveillance of the disease in animals both domestic and other countries. The Company mitigates the risk of disease outbreak by improving its chicken farm management system and technologies including using the closed chicken houses with Evaporative Cooling System (EVAP) to prevent air carried germs to enter the chicken house. The Company has animal welfare policy and practice that comply with the international standard. There are many measures to prevent disease outbreaks in poultry farms of the Company. The Company has been certified by the Department of Livestock, Ministry of Agriculture and Cooperatives for the good agricultural practices for its integrated chicken farms including breeder farms, hatchery facilities, and broiler farms. In addition, the Company provides up-to-date knowledge about animal diseases to its employee. The Company assures that its employees understand the risk factors, able to assess risks associated with the disease outbreaks, and can perform early warning to prevent the spreading of disease.

The Company can prevent the risk of disease outbreak at its farm facilities; however, the disease outbreak still have indirect impact to the Thai chicken industry as a whole and also have impact on its ability to the generate revenue. For the previous bird flu outbreak, the Company cannot export frozen chicken and processed chicken. But today the situation has returned to normal. The Company can export the frozen chicken. In addition, Japan allows imports of poultry from Thailand for both frozen chicken and processed chicken. However, diseases outbreak is a factor that cannot be controlled.

2.2 Fluctuations in the Prices of Feed Materials

The price volatility of feed commodities such as corn, soybean meal, and fish meal has an impact on the product cost of the feed. The commodity price changes according to volume output in each period and crop season. In addition, the price is also determined by the demand and supply of the world markets as well as domestic market in Thailand. Not only animal feed production but also demand for renewable energy and speculation in commodity futures market also affect the demand of these commodities. These factors may affect the price volatility of raw material. As for the supply side, climate changes and natural disasters may contribute to lower crop production. These factors are uncontrollable and unexpected. Therefore, the price volatility of these commodities is the risk that has impact on the Company's performance. If commodities prices increase higher than estimated, the production costs of feed and chicken meat will be higher.

Risk Management

The Company mitigated the risk of commodity price by assigning the specialized purchasing unit with high expertise and experience in procurement of these raw materials to follow up related news closely, to look for alternative sources in term of quality and availability to meet the demands of production. In addition, the Company builds more storage to store these raw materials and maintain higher stock level. The Company has the feed nutritionists to modify the feed formulation by using other equivalent feed materials. The Company sometime uses derivative financial instruments to manage its exposure from the price fluctuations of the imported feed materials. When the Company expects that the future commodity prices tend to increase, then, the Company can adjust the selling feed price to compensate with the increased cost of raw materials. However, the feed price increase must be approval by the Department of Internal Trade. Due to the fact that the government controls the feed price, the rise in feed price may not compensate the total increasing amount in commodity prices.

2.3 Price Volatility of Livestock and Meat Products

The main products of the Company are chicken day-old-chicks and chicken meat products that generate income to the Company. The prices of these products were determined by the market's demand and supply in each period. The factors that affected the demand consist of purchasing power, confidence, and seasonal demand. When the supply of these products exceeds the demand, the price of these products may be lower than expected and also impact on the revenue of the Company.

Risk Management

The Company mitigates the risk from the price volatility of the chicken meat products by launching new products and adds value in the products to fit the demand of consumers. Nonetheless, the price volatility of day-old-chicks, chicken meat, and chicken parts, may be beyond the control and expectation of the Company.

2.4 Price Volatility on Fuel

During the past few years, the fuel price in the world market had fluctuated dramatically, which were difficult to avoid the effect from the fluctuation of fuel price. According to this fluctuation, it has direct and indirect impacts on the Company's performance including higher production cost and transportation cost.

Risk Management

The Company mitigates the risk from the volatility of fuel price by managing the logistic system. A subsidiary company has 1 feed mill plant at Banbueng, Chonburi Province which is the close proximity from its broiler farm facilities, located in Chonburi Province. Due to the shorter distance of the new feed mill, which previously located on Bangplakod, Samutprakarn Province, the transportation cost of the chicken feed to the broiler farms of the group was reduced. Previously, the Company can reduce the production cost and transportation cost accordingly.

2.5 Change in Consumers' Behavior

The lifestyle of consumer is changing rapidly, product development is important. We have to study and understand the consumers' behavior for both domestically and internationally in order to deliver the products that meet consumers' demand and satisfaction.

Risk Management

The Company has a team to study the trend and change of its consumers' behavior both domestic and international market by focusing on collecting consumer data in depth. The results of the study are used in product development and marketing planning in order to offer the suitable products to fit the need of the customers and also gain their satisfactions. Previously, the Company is able to achieve consumers' demand and satisfaction.

2.6 Competition and the liberalization of trade and the move towards becoming an ASEAN Economic Community (AEC)

Business is more competitive because there are new companies entering the market, each company focus to increase sales and profit along with the ASEAN Economic Community (AEC) in 2015. The AEC will affect the flexibility to transfer resources, capital, labor and larger international trade, which results in higher competition by importing from countries which have lower production cost including relocation of production base to the countries which have lower wages. These facts will impact the revenues and operations of the Company.

Risk Management

The Company is preparing for price competition, quality, and product differentiation by developing technologies to produce the products that meet the needs of consumers and sufficient for the market demand. Our staffs are studying and monitoring the needs of foreign markets and sources of raw materials used in the production from the member countries to find lower price of raw materials with high quality. Also, increase product distribution channels and develop an effective delivery model to reduce risks on time management and minimize damage in the products of Company

2.7 The Volatility on Foreign Exchange Rate

The Company has foreign currencies transactions for both exports and imports. Therefore, the Company may be affected by the volatility of the foreign currencies exchange rates. In terms of exports, if Thai Baht appreciated, it would lower the revenue after converting to Baht. For the import of raw materials that used to produce feed mill, if Thai Baht depreciated, it would increase the cost of raw materials after converting to Baht. The Company also imports machinery, supply materials, and some equipment from overseas.

Risk Management

The Company and subsidiaries use financial instruments to mitigate the foreign currency exchange risk by setting a policy to buy forward contracts with several financial institutions to manage the volatility of foreign currencies transactions. As a result, the Company is able to recognize accurate production cost and able to effectively set the selling price. Thus, the Company can ensure that the target profit can be reach as expected. However, the aforementioned forward contract does not guarantee that the Company shall be able to mitigate the exchange rates better than the market because the exchange rate cannot be accurately predicted on the date of purchase.

2.8 Volatility on Interest Rates

Interest rate risk arises from changes in market interest rates against the future expectation, which affected the operation and cash flow of the Company.

Risk Management

The Company mitigates the interest rate risk by assigning a team to closely monitor the trend of interest rates. In addition, the Company set policy to manage the interest rate risk by using fixed interest rate for its long-term loan to ensure that the cost of funds is comparable to the market rate in the future.

2.9 Risks on Rules and Regulations

The Company exports its chicken meat products to several countries, which can be impacted by the international trade barriers. According to the free trade agreement, the tax barriers i.e. tariff had become less popular; however, the non-tax barriers are imposed for example, the quota system, the additional measures to improve hygiene standards, and setting higher importing standard. The new market expansion is also difficult and time consuming because each country has a policy to protect its livestock industry. The changes in these factors that may have an impact on production costs, sales and profitability of the Company in the future either directly or indirectly as well as the competitiveness of the Thai chicken export industry.

Risk Management

To reduce the risk of international trade barriers, the Company continuously concentrates on updating the law and regulations of the international trade in order to develop strategic business direction in accordance with the international regulations. However, the trade barrier is uncontrollable and unpredictable, thus, the risk cannot be fully managed to protect the business operation.

Connected Transactions

The Company and its subsidiary companies had the inter-transactions within the group which are normal business transactions of the Company and subsidiary companies in accordance with the general trading condition.

Procedure for Approval of Inter-Transactions

The Board of Directors considers the potential conflict of interest or related transactions properly under the ethical framework and moderated by the Audit Committee in order to comply with the requirements of the Securities and Exchange Commission and The Stock Exchange of Thailand, including the accounting standards set by the Federation of Accounting Professions and consider the disclosure of the transaction that may have a conflict of interest to the public with accuracy and completeness. The management can execute such transactions, as a general trading. The transactions are undertaken without the influence of their status as being director, executives, or related persons. The transactions are carried out as normal business transaction. The pricing methods are fair and reasonable similarly to the transactions that are undertaken with other third parties.

Reason for Inter-Transactions

In the approval process of executing the inter-transaction, the Company shall execute the inter-transaction similarly to other normal business transaction done with other parties. As normal, the Company sets the authorized person and specifies the amount of credit limit for the inter-transaction. Moreover, the Audit Committee is responsible for reviewing the inter-transactions of the

Company, its subsidiaries and related persons quarterly to eliminate conflicts of interest for the best interest of the Company. For the inter-transactions that occurred in 2013, the term and condition of the inter-transactions were fair and reasonable which were approved by the management or the Board of Directors before the transaction occurred. For the year ended December 31, 2013 and 2012, the Company and its subsidiaries had the inter-transactions were disclosed in the notes to audited financial statements by the Company's auditor. As reviewed by the Audit Committee, the audit committee had opinion that all transactions were carried out as normal business transaction with normal terms and conditions.

Inter-Transactions in the Future

In the future, the inter-transactions of the Company shall be carried out as normal business transactions in compliance with the regulations of the Stock Exchange of Thailand or other related organizations strictly and consider the reasonableness, appropriateness in commercial terms for the equitable treatment of the shareholders and any stakeholders according to the "Good Corporate Governance Policy". However, the inter-transactions, that may be carried out in the future, shall be executed according to the approval process as mentioned above.



Inter-transactions in the past year and the current year

For the year 2013 and 2012, the Company and its subsidiaries had the inter-transactions disclosed in the notes to audited financial statements note. 6. Inter-transactions with related companies. The details are as follows:

Related Companies/ Relationship among the Companies	Type of transactions	Value of Inter- Transactions for the year ended December 31, 2013 (Million Baht)		Value of Inter- Transactions for the year ended December 31, 2012 (Million Baht)		Reasons and Necessity of the Transactions/ Pricing Condition
		Separated Financial Statements	Consolidated Financial Statements	Separated Financial Statements	Consolidated Financial Statements	
1. P. Charoen Phan Feedmill Co., Ltd. / Common Management	1. Sales 2. Purchases 3. Other Income 4. Rental Income 5. Other Expense	- - 0.09 7.05 2.55	223.39 221.97 17.31 15.30 78.80	- - - 6.65 2.39	- - 6.72 14.42 71.89	- Providing rental office building / Pricing by Independent Appraiser. - Selling of Chicken Meat Products / Pricing by Contract Price based on Market Price
2. P. Charoen Phan Produce Co., Ltd. / Common Management	1. Rental Income	1.04	2.54	1.02	2.52	Providing rental farms / Pricing by Contract Price
3. Panalab Co., Ltd. / Common Management	1. Other Income 2. Rental Income 3. Other Expense	- - -	0.06 0.08 0.01	- - -	0.13 0.12 0.02	Selling on plant drug / Pricing by Market Price
4. P.Vet. Co., Ltd. / Common Management	1. Sales 2. Other Income	- -	0.23 0.02	- -	0.44 0.02	Selling on animal drug / Pricing by Market Price
5. P. Charoen Phan G.P.Farm Co., Ltd. / Common Management	1. Rental Income	-	0.48	-	0.48	Providing land lease for broiler farms / Pricing by Contract Price
6. Krungthai Aqua-Culture Co., Ltd. / Common Management	1. Purchases	-	2,241.54	-	3,022.79	Expertise in Corn Supply for Feed Production / Pricing by Market Price
7. M.K.S. Condotown Co., Ltd. / Common Management	1. Other Income 2. Rental Income 3. Other Expense	1.35 0.35 0.91	1.35 0.35 0.91	1.28 0.34 0.85	1.28 0.34 0.85	Providing Rental Accommodations / Pricing by Market Price
8. Nichirei Food Inc. / Related Companies by Major Shareholding	1. Sales 2. Other Income 3. Other Expense	1,294.18 0.31 -	1,294.18 0.31 -	683.72 0.27 0.05	683.72 0.27 0.05	Producing and Selling of Chicken Meat Products / Pricing by Market Price
9. KEYSTONE FOODS (AP) LTD. / Related to the Associated Company by Shareholding with the Associated Company	1. Sales	268.96	268.96	317.78	317.78	Producing and Selling of Chicken Meat Products / Pricing by Market Price
10.Surapon Foods Public Co., Ltd. / Related to the Associated Company by Shareholding of Surapon Nichirei Foods Co., Ltd.	1. Sales	4.30	4.30	4.64	4.64	Producing and Selling of Chicken Meat Products / Pricing by Market Price
11.Surapon Nichirei Foods Co., Ltd / Related to the Associated Company by Joint Venturing with the Associated Company	1. Sales	378.50	378.50	654.35	654.35	Producing and Selling of Chicken Meat Products / Pricing by Market Price
12.Related Persons / Directors and Shareholders and Related Persons with Directors and Shareholders	1. Interest Expenses	41.50	119.97	41.65	120.33	According to the Minute of Extraordinary General Meeting No.1/2009 dated January 29, 2009, it was approved that the Company and its subsidiaries to receive financial assistance from related persons to help the Company has more liquidity. The amount of credit line was not exceeding Baht 2,000 million with annual interest rate is not over 6.00%

Shareholding Structure

Shareholding Structure

Company Security

As of December 31, 2013, the company's registered capital was 1,400,000,000 Baht. 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.

Major Shareholders

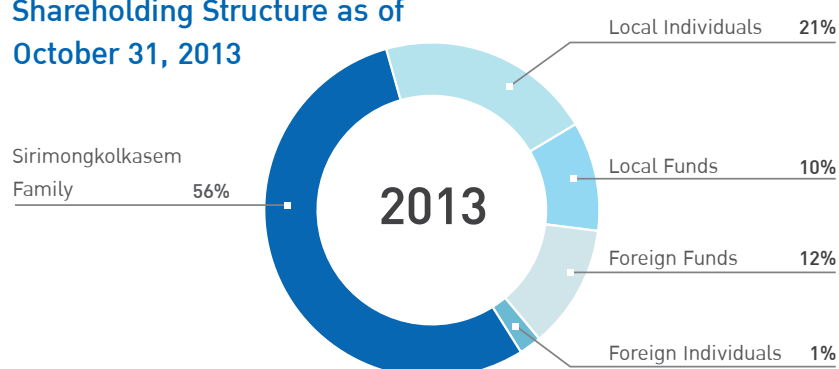
At the closing date of registrar book dated on October 31, 2013, the top ten major shareholders are as follows:

No.	Name of shareholders	No. of shares (shares)	%
1	Sirimongkolasem Family ⁽¹⁾	704,023,240	56.15%
2	THAI NVDR CO., LTD.	59,342,149	4.73%
3	NICHIREI FOODS INC.	56,716,050	4.52%
4	Mr. Anucha Kittanamongkolchai	41,860,000	3.34%
5	SOMERS (U.K.) LIMITED	38,153,500	3.04%
6	Mr. Somkiat Limsong	25,065,200	2.00%
7	Mrs. Piangjai Chayawiwatkul	20,000,000	1.60%
8	NORBAX INC., 79	15,818,982	1.26%
9	NORTRUST NOMINEES LTD.	10,577,400	0.84%
10	K STAR EQUITY FUND	8,889,400	0.71%
Top 10 Shareholders		980,445,921	78.19%

Note:

⁽¹⁾ Sirimongkolasem family have 17 members (as acting in concert Re: Acting in concert as a result of the nature of a relationship or behavior and requirements under Sections 246 and 247)

Shareholding Structure as of October 31, 2013



List of Sirimongkolkasem Family are as follow:

No.	Name of shareholders		No. of shares [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	Mr. Pisanu	Sirimongkolkasem	22,794,100	1.82%
5	Mrs. Pranee	Parksook	11,391,930	0.91%
6	Ms. Wannee	Sirimongkolkasem	10,100,000	0.81%
7	Ms. Warisara	Sirimongkolkasem	6,368,100	0.51%
8	Ms. Nisa	Sirimongkolkasem	6,031,600	0.48%
9	Ms. Wiwanya	Sirimongkolkasem	5,982,700	0.48%
10	Ms. Jutamas	Ingpochai	5,000,000	0.40%
11	Mr. Pongsathorn	Ingpochai	4,390,000	0.35%
12	Dr. Anan	Sirimongkolkasem	4,134,080	0.33%
13	Mrs. Somsiri	Ingpochai	2,979,930	0.24%
14	Ms. Papinya	Sirimongkolkasem	2,000,000	0.16%
15	Mr. Napol	Sirimongkolkasem	54,500	0.00%
16	Mr. Jedsada	Sirimongkolkasem	1,000	0.00%
17	P. Chareonphan Produces Co., Ltd. *		200	0.00%
Sirimongkolkasem Family			704,023,240	56.15%

Remark:

* P. Chareonphan Produces Co., Ltd. Operates real estates for rent. The shareholders are Sirimongkolkasem family.

Shareholders who have significant influences on the Company's management policy

As of October 31, 2013, the major shareholders who have significant influences on the Company's management policy or operation are:

No.	Name of shareholders		No. of shares (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%
Total			404,134,080	32.24%

Dividend Payment Policy

Dividend Payment Policy of GFPT Public Company Limited

The dividend policy of GFPT Public Company Limited is “to 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 the Company’s cash flow, liquidity, future investment plans of the Company and its subsidiaries, and economic situation.

Dividend Payment Information

Year	2008 ⁽¹⁾	2009 ⁽¹⁾	2010	2011 ⁽²⁾	2012 ⁽²⁾
Earnings per Share – separated financial statement (THB/share)	0.47	0.33	0.33	0.38	(0.31)
Dividend per Share (THB/share)	0.25	0.25	0.30	0.33	-
Dividend Payout Ratio – separated financial statement (%)	53.14%	75.17%	91.71%	85.89%	-

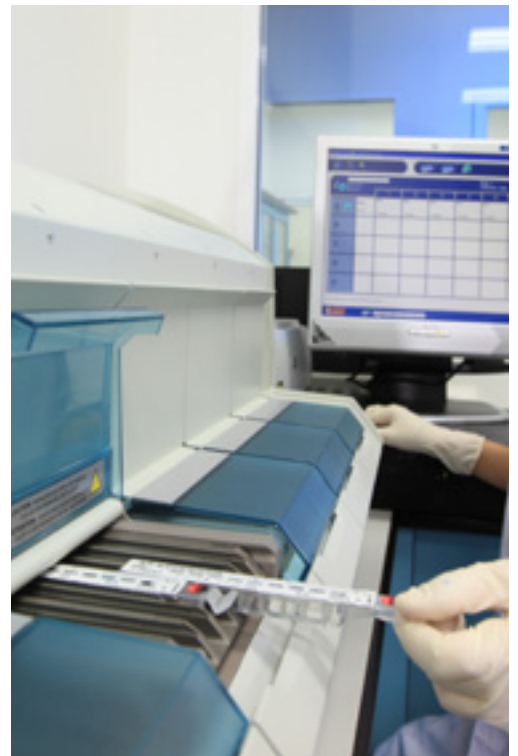
Note:

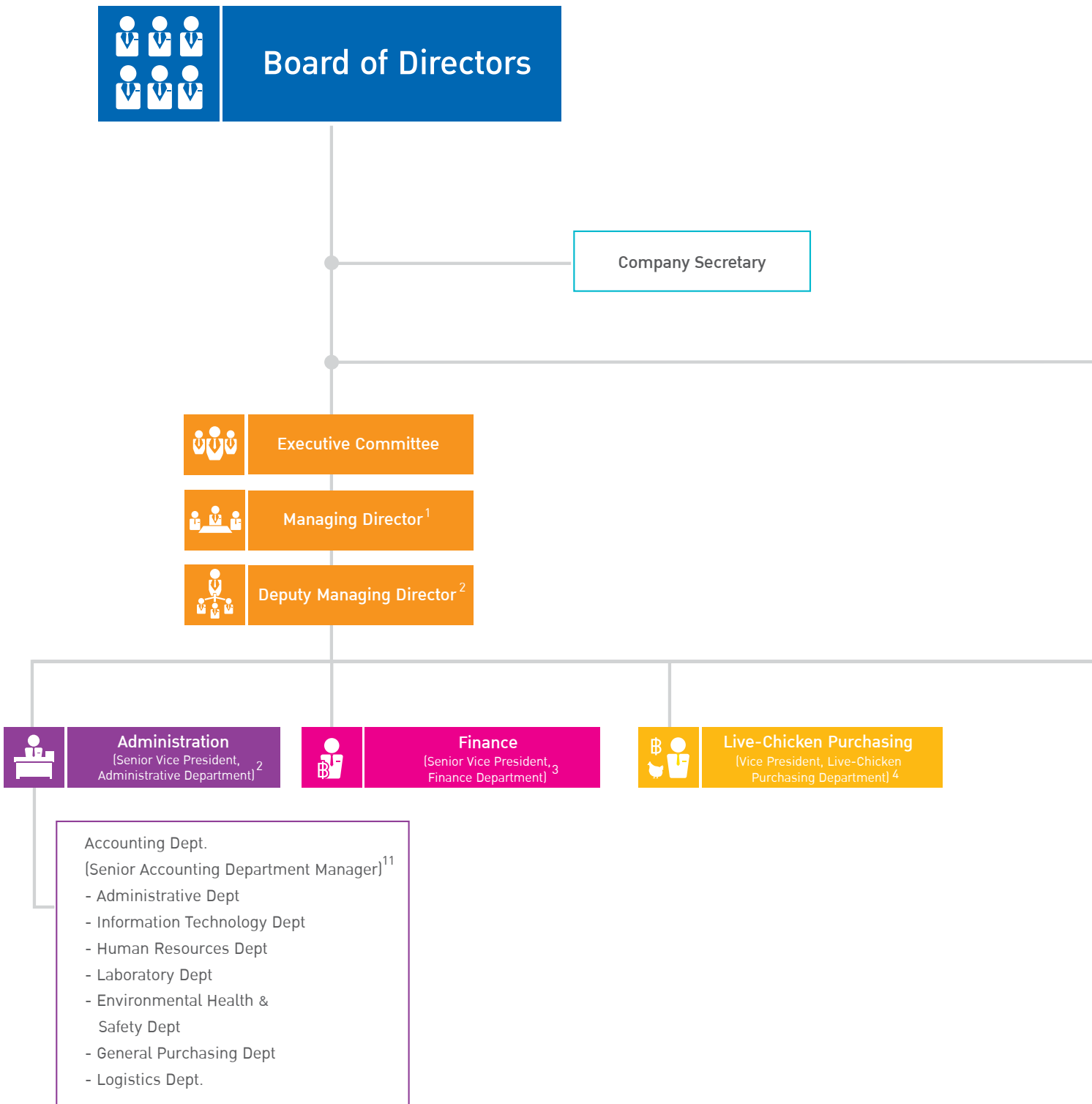
- ⁽¹⁾ Earnings per share and dividend per share for fiscal 2008 and fiscal 2009 were restated due to stock-splits from THB 10 per share to THB 1 per share on May 17, 2010
- ⁽²⁾ Separated dividend payout ratio for fiscal 2011 and fiscal 2012 were restated due to the adoption of Thai Accounting Standard No. 12 on Income Taxes

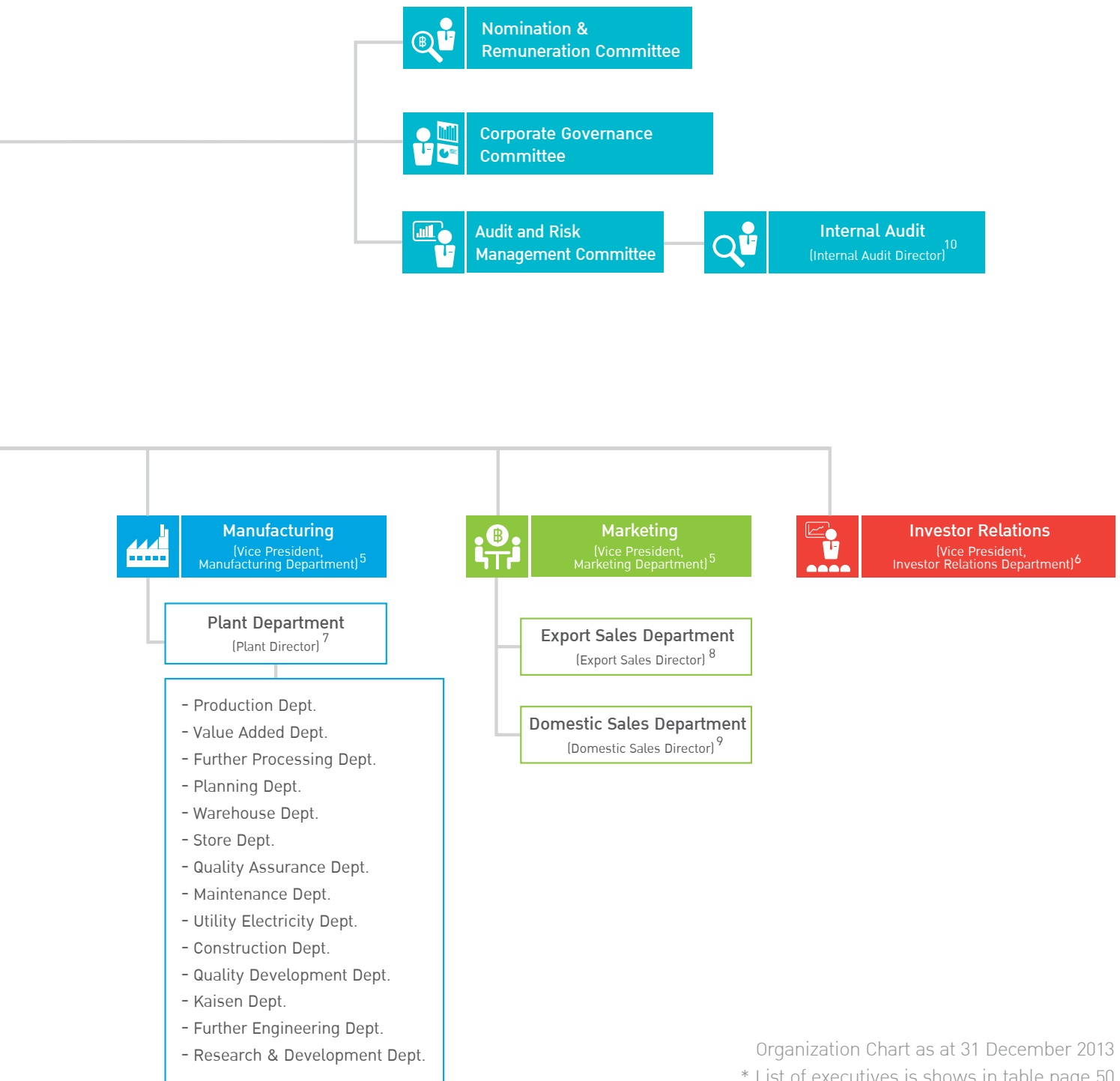
Dividend Payment Policy of Subsidiaries

The dividend policy of subsidiaries and joint ventures is “to pay from net profit after deduct legal reserves requirement, and subject to the Company’s cash flow, liquidity, future investment plans of each company.”

As of December 31, 2013, the Company received the dividend from subsidiaries in amount of THB 30 million and a joint-venture company in amount of THB 34.30 million.







Organization Chart as at 31 December 2013

* List of executives is shown in table page 50

Management

In 2013, the management structure of GFPT Public Company Limited composes of (1) the Board of Directors, (2) the Audit and Risk Management Committee, (3) the Nomination and Remuneration Committee, (4) the Corporate Governance Committee, and (5) the Executive Committee.

Board of Directors

As of 31 December 2013, the Board of Directors of GFPT Public Company Limited comprised of 9 directors as follows;

Name - Surname		Title
1. Mr. Prasit	Sirimongkolkasem ⁽¹⁾	Chairman
2. Mr. Virach	Sirimongkolkasem ⁽¹⁾	Vice Chairman Managing Director
3. Dr. Anan	Sirimongkolkasem ⁽¹⁾	Chairman of Executive Committee Deputy Managing Director Member of Nomination and Remuneration Committee Member of Corporate Governance Committee
4. Dr. Sathit	Karanes	Independent Director Chairman of Audit and Risk Management Committee Chairman of Nomination and Remuneration Committee Chairman of Corporate Governance Committee
5. Mr. Paramet	Hetrakul	Independent Director Member of Audit and Risk Management Committee Member of Nomination and Remuneration Committee
6. Mr. Thanathip	Pichedvanichok	Independent Director Member of Audit and Risk Management Committee Member of Nomination and Remuneration Committee
7. Mrs. Somsiri	Ingpochai	Executive Director
8. Ms. Wannee	Sirimongkolkasem	Director
9. Mr. Sujin	Sirimongkolkasem	Director Member of Nomination and Remuneration Committee Member of Corporate Governance Committee

Note: Ms. Jutamas Ingpochai is a Secretary of the Board of Directors.

⁽¹⁾ Being authorized directors of the Company. The Company requires at least 2 directors are authorized to sign on behalf of the Company with the Company's seal.

Sub-Committees

(1) Audit and Risk Management Committee (ARC)

As of 31 December 2013, the Audit and Risk Management Committee comprised of 3 directors as follows;

Name - Surname		Tittle
1. Dr. Sathit	Karanes	Chairman of Audit and Risk Management Committee
2. Mr. Paramet	Hetrakul ⁽¹⁾	Member of Audit and Risk Management Committee
3. Mr. Thanathip	Pichedvanichok ⁽²⁾	Member of Audit and Risk Management Committee

Note : Mr.Chatchai Ratanawalai is a Secretary of the Audit and Risk Management Committee

⁽¹⁾ Audit committee who has extensive knowledge and experiences in reviewing financial statement.

⁽²⁾ Audit committee who has extensive knowledge and experiences in legal aspect

(2) Nomination and Remuneration Committee (NRC)

As of 31 December 2013, the Nomination and Remuneration Committee comprised of 5 directors as follows;

Name - Surname		Tittle
1. Dr. Sathit	Karanes	Chairman of Nomination and Remuneration Committee
2. Mr. Paramet	Hetrakul	Member of Nomination and Remuneration Committee
3. Mr. Thanathip	Pichedvanichok	Member of Nomination and Remuneration Committee
4. Dr. Anan	Sirimongkolkasem	Member of Nomination and Remuneration Committee
5. Mr. Sujin	Sirimongkolkasem	Member of Nomination and Remuneration Committee

Note : Mr.Chatchai Ratanawalai is a Secretary of the Nomination and Remuneration Committee

(3) Corporate Governance Committee (CGC)

As of 31 December 2013, the Corporate Governance Committee comprised of 7 directors as follows:

Name - Surname		Tittle
1. Dr. Sathit	Karanes	Chairman of Corporate Governance Committee
2. Dr. Anan	Sirimongkolkasem	Member of Corporate Governance Committee
3. Mr. Sujin	Sirimongkolkasem	Member of Corporate Governance Committee
4. Ms. Jutamas	Ingpochai	Member of Corporate Governance Committee
5. Mr. Thiti	Wanachate	Member of Corporate Governance Committee
6. Mr. Theerasak	Piamsuphakphong	Member of Corporate Governance Committee
7. Mr. Noparat	Srichan*	Member of Corporate Governance Committee

Note: Mr. Noparat Srichan is a Secretary of the Corporate Governance Committee

Executive Committee

In 2013, the Executive Committees of GFPT comprised of 11 executives as follows:

Name - Surname		Tittle
1. Mr. Virach	Sirimongkolkasem	Vice Chairman and Managing Director
2. Dr. Anan	Sirimongkolkasem	Chairman of Executive Committee Deputy Managing Director and Senior Vice President, Administration Department
3. Mrs. Pranee	Parksook	Senior Vice President, Finance Department
4. Mr. Sujin	Sirimongkolkasem	Vice President, Live-Chicken Purchasing Department
5. Mr. Kittichai	Sirimongkolkasem	Vice President, Manufacturing Department and Vice President, Marketing Department
6. Ms. Jutamas	Ingpochai	Vice President, Investor Relations Department and Company Secretary
7. Mr. Thiti	Wanachate	Plant Director
8. Mr. Artorn	Uapopol	Export Sales Director
9. Mr. Danai	Booncharoensukpisarn	Domestic Sales Director
10. Mr. Theerasak	Piamsuphakphong	Internal Audit Director
11. Ms. Ratchaneegorn	Pavitrpok	Senior Accounting Department Manager

Note: Definition of Executives is according to the Security and Exchange Act with the Company's criteria

Securities Holding Report of Directors and Executives as of 31 December 2013

Name – Surname		Amount (Shares)				
		As of 31 December 2012		As of 31 December 2013		Increase / Decrease
		Direct	Indirect	Direct	Indirect	
1. Mr. Prasit	Sirimongkolkasem	220,000,000	-	220,000,000	-	-
2. Mr. Virach	Sirimongkolkasem	180,000,000	-	180,000,000	-	-
3. Dr. Anan	Sirimongkolkasem	4,134,080	-	4,134,080	-	-
4. Dr. Sathit	Karanes	-	-	-	-	-
5. Mr. Paramet	Hetrakul	50,000	-	50,000	-	-
6. Mr. Thanathip	Pichedvanichok	-	-	-	-	-
7. Mrs. Somsiri	Ingpochai	2,979,930	-	2,979,930	-	-
8. Ms. Wannee	Sirimongkolkasem	10,100,000	-	10,100,000	-	-
9. Mr. Sujin	Sirimongkolkasem	222,795,100	-	222,795,100	-	-
10. Mrs. Pranee	Parksook	11,391,930	-	11,391,930	-	-
11. Mr. Kittichai	Sirimongkolkasem	-	-	-	-	-
12. Ms. Jutamas	Ingpochai	5,000,000	-	5,000,000	-	-
13. Mr. Thiti	Wanachate	-	-	-	-	-
14. Mr. Artorn	Uapopol	1,000	-	1,000	-	-
15. Mr. Danai	Booncharoensukpisarn	1,000	-	1,000	-	-
16. Mr. Theerasak	Piamsuphakphong	1,000	-	1,000	-	-
17. Ms. Ratchaneegorn	Pavitrpok	-	-	-	-	-
Total		656,454,040	-	656,454,040	-	52.37%

Note: Indirect means number of share hold by the spouse and minor children of directors and executives

Board of Directors

Mr. Prasit
Sirimongkolkasem

Chairman

Mr. Virach
Sirimongkolkasem

Vice Chairman and
Managing Director

Dr. Anan
Sirimongkolkasem

Chairman of Executive Committee
Deputy Managing Director

Dr. Sathit
Karanes

Independent Director
Chairman of Audit and Risk
Management Committee



**Mr. Parameth
Hetrakul**

Independent Director
Member of Audit and Risk
Management Committee

**Mr. Thanathip
Pichedvanichok**

Independent Director
Member of Audit and Risk
Management Committee

**Mrs. Somsiri
Ingpochai**

Executive Director

**Ms. Wannee
Sirimongkolkasem**

Director

**Mr. Sujin
Sirimongkolkasem**

Director



Mr. Prasit Sirimongkolkasem Age : 73 years**Chairman (The authorized director)****Education / Director Certificate**

- Secondary School
- Directors Accreditation Program

Experience / Other Positions

1. Chairman of Krungthai Feedmill PCL.
2. Chairman of Krungthai Farm Co., Ltd.
3. Chairman of M.K.S. Farm Co., Ltd.
4. Chairman of GF Foods Co., Ltd.
5. Chairman of GP Breeding Co., Ltd.
6. Chairman of P.Charoenphan Feedmill Co., Ltd.
7. Chairman of P.Vet Co., Ltd.
8. Chairman of Panalab Co., Ltd.
9. Chairman of P.Charoenphan Im-Ex Farm Co., Ltd.
10. Chairman of P.Charoenphan G.P. Farm Co., Ltd.
11. Chairman of Krung Thai Aqua-Culture Co., Ltd.
12. Chairman of P.Charoenphan Produce Co., Ltd.
13. Chairman of P.Charoenphan Foods Co., Ltd.
14. Chairman of M.K.S.Condo Town Co., Ltd.
15. Chairman of Julchat Co., Ltd.
16. Director of Sap Sirichai Co., Ltd.
17. Director of Asia Flowers Co., Ltd.

Number of Shareholding 220,000,000 shares (17.55%)
(as of 31 December 2013)

Family Relations Brother of Mr. Virach Sirimongkolkasem
Brother of Dr. Anan Sirimongkolkasem
Brother of Mrs. Somsiri Ingpochai
Brother of Ms. Wannee Sirimongkolkasem
Uncle of Mr. Sujin Sirimongkolkasem

Year of Nomination 27 January 1992 – Present
(22 years)

Training / Seminar in 2013 - None -

Mr. Virach Sirimongkolkasem Age : 64 years**Vice Chairman and Managing Director
(The authorized director)****Education / Director Certificate**

- Secondary School
- Directors Accreditation Program

Experience / Other Positions

1. Vice Chairman and M.D. of Krungthai Feedmill PCL.
2. Vice Chairman and M.D. of Krungthai Farm Co., Ltd.
3. Vice Chairman and M.D. of M.K.S. Farm Co., Ltd.
4. Vice Chairman and M.D. of GF Foods Co., Ltd.
5. Vice Chairman and M.D. of GP Breeding Co., Ltd.
6. Vice Chairman and M.D. of P.Charoenphan Feedmill Co., Ltd.
7. Vice Chairman and M.D. of P.Charoenphan Im-Ex Farm Co., Ltd.
8. Vice Chairman and M.D. of P.Charoenphan G.P. Farm Co., Ltd.
9. Vice Chairman and M.D. of Krung Thai Aqua-Culture Co., Ltd.
10. Vice Chairman and M.D. of P.Charoenphan Produce Co., Ltd.
11. Vice Chairman and M.D. of M.K.S.Condo Town Co., Ltd.
12. Vice Chairman and M.D. of Julchat Co., Ltd.
13. Chairman and M.D. of Ferma Co., Ltd.
14. Director of Mckey Food Services (Thailand) Ltd.

Number of Shareholding 180,000,000 shares (14.36%)
(as of 31 December 2013)

Family Relations Brother of Mr. Prasit Sirimongkolkasem

Year of Nomination 27 January 1992 – Present
(22 years)

Training / Seminar in 2013 - None -

Dr. Anan Sirimongkolkasem

Age : 62 years

Chairman of Executive Committee
Deputy Managing Director (The authorized director)
Member of Nomination and Remuneration Committee
Member of Corporate Governance Committee

Education / Director Certificate

- Faculty of Doctor of Medicine, Diplomate Thai Board of Ophthalmologist, Ramathibodi Hospital, Mahidol University
- Directors Accreditation Program

Experience / Other Positions

1. Chairman of Executive Committee and Deputy M.D. of GP Breeding Co., Ltd.
2. Chairman of Executive Committee and Deputy M.D. of Krungthai Farm Co., Ltd.
3. Chairman of Executive Committee and Deputy M.D. of M.K.S. Farm Co., Ltd.
4. Chairman of Executive Committee and Deputy M.D. of GF Foods Co., Ltd.
5. Executive Director of Krungthai Feedmill PCL.
6. Director of P.Charoenphan Feedmill Co., Ltd.
7. Director of P.Vet Co., Ltd.
8. Director of Panalab Co., Ltd.
9. Director of Mckey Food Services (Thailand) Ltd.
10. Director of GFPT Nichirei (Thailand) Co., Ltd.
11. Director of Vet pha Co., Ltd.
12. Director of P.Charoenphan Produce Co., Ltd.
13. Director of Ferma Co., Ltd.
14. Managing Director of Asia Flowers Co., Ltd.
15. President of Thai Broiler Processing Exporters Association
16. Director of The Federation of Thai Industries
17. Director of Thai National Shippers' Council

Number of Shareholding 4,134,080 shares (0.33%)
(as of 31 December 2013)

Family Relations Brother of Mr. Prasit Sirimongkolkasem

Year of Nomination 27 January 1992 – Present
(22 years)

Training / Seminar in 2013 Logistics Trend : The Transformation for Tomorrow Move

Dr. Sathit Karanes

Age : 61 years

Independent Director
Chairman of Audit and Risk Management Committee
Chairman of Nomination and Remuneration Committee
Chairman of Corporate Governance Committee

Education / Director Certificate

- Faculty of Doctor of Medicine, Diplomate Thai Board of General Surgery, and Pediatric Surgery, Mahidol University
- Directors Accreditation Program
- Audit Committee Program

Experience / Other Positions

1. Instructor and Doctor of Faculty of Medicine, Ramathibodi Hospital
2. Director of S.V.K. Family Mart Co., Ltd.

Number of Shareholding - None -
(as of 31 December 2013)

Family Relations - None -

Year of Nomination 25 June 1998 – Present
(16 years)

Training / Seminar in 2013 - None -

Mr. Paramet Hetrakul

Age : 50 years

Independent Director**Member of Audit and Risk Management Committee****Member of Nomination and Remuneration Committee****Education / Director Certificate**

- MBA, University of Hartford, Connecticut, USA
- The Institute of Chartered Financial Analysts, Virginia, USA
- Directors Accreditation Program

Experience / Other Positions

1. Director of Si-Phya Publishing Co., Ltd.
2. Director of Pra Choom Chang Co., Ltd.
3. Director of Agri-Union Co., Ltd.
4. Director of Piyadamansion Co., Ltd.

Number of Shareholding 50,000 shares (0.004%)
(as of 31 December 2013)

Family Relations - None -

Year of Nomination 1 July 2005 – Present
(9 years)

Training / Seminar in 2013 Logistics Trend : The Transformation
for Tomorrow Move

Mr. Thanathip Pichedvanichok

Age : 49 years

Independent Director**Member of Audit and Risk Management Committee****Member of Nomination and Remuneration Committee****Education / Director Certificate**

- Law, LL. M. University of Pennsylvania
- Law, LL. M. Southern Methodist University
- Law, LL. B. Thammasat University
- Directors Accreditation Program

Experience / Other Positions

1. Director of Thanathip and Partners Law Consultant Co., Ltd.

Number of Shareholding - None -
(as of 31 December 2013)

Family Relations - None -

Year of Nomination 1 July 2008 – Present
(6 years)

Training / Seminar in 2013 - None -

Mr. Sujin Sirimongkolkasem

Age : 43 years

Director**Member of Nomination and Remuneration Committee****Member of Corporate Governance Committee****Education / Director Certificate**

- B.B.A. in Economic, Boston University
- Directors Certification Program

Experience / Other Positions

1. Vice President, Live-Chicken Purchasing
Department of GFPT PCL.
2. Vice President, Marketing Department of Krungthai Feedmill PCL.
3. Director of P.Vet Co., Ltd.
4. Director of Panalab Co., Ltd.
5. Director of Ferma Co., Ltd.

Number of Shareholding 222,795,100 shares (17.77%)
(as of 31 December 2013)

Family Relations Nephew of Mr. Prasit
Sirimongkolkasem

Year of Nomination 18 April 2003 – Present
(11 years)

Training / Seminar in 2013 - None -



Mrs. Somsiri Ingpochai

Age : 66 years

Executive Director**Education / Director Certificate**

- Primary School
- Directors Accreditation Program

Experience / Other Positions

1. Senior Vice President, Accounting & Finance Department of Krungthai Feedmill PCL.
2. Executive Director of Krungthai Farm Co., Ltd.
3. Director of M.K.S. Farm Co., Ltd.
4. Director of GF Foods Co., Ltd.
5. Director of P.Charoenphan Feedmill Co., Ltd.
6. Director of P.Charoenphan Produce Co., Ltd.
7. Director of P.vet Co., Ltd.
8. Director of Panalab Co., Ltd.
9. Director of Ferma Co., Ltd.

Number of Shareholding 2,979,930 shares (0.24%)
(as of 31 December 2013)

Family Relations Sister of Mr. Prasit
Sirimongkolkasem

Year of Nomination 27 January 1992 – Present
(22 years)

Training / Seminar in 2013 - None -

Ms. Wannee Sirimongkolkasem Age : 56 years**Director****Education / Director Certificate**

- Bachelor Degree in Education, Srinakharinrajvirote University
- Directors Accreditation Program

Experience / Other Positions

1. Senior Vice President, Import and Chemicals Purchasing Department of Krungthai Feedmill PCL.
2. Director of P.Vet Co., Ltd.
3. Director of Panalab Co., Ltd.
4. Director of Ferma Co., Ltd.

Number of Shareholding 10,100,000 shares (0.81%)
(as of 31 December 2013)

Family Relations Sister of Mr. Prasit
Sirimongkolkasem

Year of Nomination 18 April 2003 – Present
(11 years)

Training / Seminar in 2013 - None -



Good Corporate Governance

Corporate Governance

GFPT Public Company Limited (the “Company”) realizes the importance of good corporate governance and believes that good management system; the Board of Directors and management with a vision and responsibility; implementation of control mechanism and balance of power for transparency and verification; equitable treatment of shareholders; and responsible for all stakeholders are key factor in adding value and maximum return to the shareholders of the Company in the long run.

The Company’s Good Corporate Governance Principles are 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

The Board of Director has regularly monitor compliance with corporate governance policies and best practice. 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 Home Page (www.gfpt.co.th) under the “Corporate Governance” section.

Compliance to the Good Corporate Governance Policies in the year 2013

Chapter 1 Rights of Shareholders

1.1 Policy to protect the rights of shareholders

The Board values the rights of shareholders and encouraging shareholders to exercise their rights. It covers the basic rights of the shareholders by law namely the right to sell, buy, or transfer shares; the right to allocate the dividend equally; the right to receive sufficient information; the right to attend shareholders’ meetings; the right of shareholders to propose agenda; the right to vote at shareholders’ meeting to appoint and dismiss of directors; determine remuneration of directors; appointment of auditor and determine audit fee; and issues that affect the fundamentals of the Company, which include the articles of association, memorandum of associations and decrease or increase share capital and approve special items.

The board of director also determined the best practice for shareholders more than legal basic rights by providing the right to get significant information on a timely and sufficient basis such as the results of operations, analysis of its operations, the credit ranking or newsletter to shareholders, via the company’s Home Page and the Home Page of the Stock Exchange of Thailand that can be easily accessible and convenient.

In addition, the board of director will not act on any violation or deprivation of the rights of shareholders.

1.2 Shareholders’ Meeting

The Company has scheduled its Annual General Meeting of Shareholders 1 time within 4 months after the fiscal year. If there is an urgent matter that relates to certain conditions, rules or applicable law that needs shareholders approval, the Company will call an Extraordinary General Meeting of Shareholders.

The Board has a policy to support and encourage all shareholders, including institutional shareholders attending the shareholders’ meeting by requiring the invitation letter of Annual General Meeting of Shareholders to clarify on details about registration procedures and documents used to register for each type of shareholders including three types of proxy consisting of Form A, Form B and Form C and provide download channels for documentation of the meeting through the Company’s Home Page at least 30 days before the meeting. The Company will facilitate the shareholders to exercise their rights to attend and vote at the meeting fully and will not take any action to limit the opportunity to access information of the Company.

The Company has complied with the law and the best practices of the AGM Checklist of the SEC. Also, considers the rights of shareholders and equitable treatment of shareholders by the principles of good corporate governance.

1.2.1 Proceedings before the Shareholders' Meeting

- 1) The Company has an opportunity for shareholders to propose agenda of the meeting and nominate qualified persons for appointment as a director. Shareholders can also send questions related to the agenda prior to the Annual General Meeting of Shareholders under the method identified by the board of directors. The information are disclose to shareholders thorough SEC's News and published on the Company's Home Page.
- 2) The Company has distributed the resolution of the board of directors including the date of the Annual General Meeting of Shareholders, the record date to attend the meeting and to receive dividends, the closing date of the share registration book and dividends payment to the shareholders on the same date of the board of directors' meeting through the news on Stock of Exchange.
- 3) The Company has prepared the notice to attend the Annual General Meeting of shareholders and related documents in both Thai and English language (for the convenience of foreign shareholders) with complete details, including information about the date / time / location of the meeting, meeting agenda by separate each item with a statement indicating the reasons and opinion of the board of directors, issues to take into consideration, proxy forms as set by the Ministry of Commerce, rules and procedures in attendance and the process of voting on each agenda.
- 4) To permit shareholders to have adequate time to study the information associated with the meeting, the Company announced the notice to shareholders and enclosures through the news of the Stock of Exchange and Company's Home Page at least 30 days before the meeting. The notice and enclosures, which is the same set that was published on the Home Page, will be sent to the shareholders by registered mail 21 days in advance of the meeting date which over the time period prescribed by law. The notice of meeting advertised in the daily newspapers in the English version and Thai version for 3 consecutive days and 8 days before the meeting.
- 2) The Company invites shareholders to register for the meeting 2 hours before the meeting starts and organizes easy inspection system.
- 3) 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 other persons as their proxy holder. The Company provides all proxies including Proxy Form A., Proxy Form B., and Proxy Form C (for custodian) together with the notice and also clearly indicates the evidence for proxy and directions. In addition, shareholders can download the proxy through the Company's Home Page.
- 4) The Company uses information technology (computer systems and bar code) and the ballot (every agenda) at the shareholders' meeting. IT was also use for the registration of shareholders; vote counting and; vote result for fast, accuracy, reliability of information.
- 5) The Company determined that the chairman, directors, chief executive officer, managing director, Chairman of various committees, the highest level of financial executives, and auditors attend the shareholders' meeting to answer questions on subjects related.
- 6) The Company has volunteers from the meeting of shareholders (independent parties) acting on behalf of the meeting to witness in counting or checking out the vote in the Annual General Meeting or the Extraordinary General Meeting of shareholders.
- 7) The Company provides voting for each item on the agenda such as the election of directors, the shareholders can vote each director individually.
- 8) The Company gives guidelines in conducting the meetings of shareholders. The process of casting vote includes the right to vote. Inform from the start, the right of shareholders to vote on a one share for one voice to shareholders meetings.
- 9) Chairman of the meeting allocate sufficient time and opens opportunity for the shareholders to independently comment and ask questions on matters relating to the agenda or related to the Company in the shareholders meeting.
- 10) The Company held clear and transparent the voting and disclosure of voting results in each agenda in the meeting of shareholders.

1.2.2 Conducted at the meeting of shareholders

- 1) The date, time and place of the meeting of shareholders are taking into account the convenience of the shareholders to attend the meeting by providing a place of sufficient size and can be easily accessible (accessible by public bus)



- 11) The Company will take no agenda other than that specified in the notice of meeting and no significant changes during the meeting.

1.2.3 After the shareholders' meeting

- 1) The Company published the resolutions of the shareholders' meeting and voting results of each agenda item through the Stock Exchange of Thailand and the Company's Home Page on the date of the Annual General Meeting.
- 2) The Company prepares minutes of shareholders that is accurate and complete for submission to the Stock Exchange of Thailand and on the Company's Home Page within 14 days from the date of the meeting.
- 3) The Company has published a recording with sound in the webcast separate by agenda to ensure transparency and verification.

The General Meeting of Shareholders for the year 2013, the Company has an opportunity for shareholders to propose agenda items and names in advance for 3 months before the end of the year during 1 October to 31 December 2012. And at the end of such period, there were no shareholders to propose agenda or candidates or submit questions in advance of the meeting.

The Company held the Annual General Meeting of Shareholders for the year 2013 on Friday, 5 April 2013 at 9:30 AM at GFPT Building, No. 312, Rama 2 Road, Kwang Bangmod, Khet Jomthong, Bangkok 10150. There were 221 shareholders attending the Meeting in person and by proxy, accounted for 789,859,258 shares representing 63.00% of the shares sold.

For the Annual Ordinary General Meeting of Shareholders for the year 2013, the Company has assessed the quality of the Annual Ordinary General Meeting of Shareholders (AGM Assessment) by Thai Investors Association with over 100 points in "excellent" level.

The Company also held the Extraordinary General Meeting of Shareholders No. 1/2013 on Thursday, 12 December 2013 at 9:30 AM at GFPT Building, No. 312, Rama 2 Road, Kwang Bangmod, Khet Jomthong, Bangkok 10150. There were 294 shareholders attending in person and by proxy accounting for 912,517,140 shares representing 72.78% of the shares sold.

Chapter 2 Equitable Treatment of Shareholders

The Company recognizes the importance to treat all shareholders equally and fairly both major and minor shareholders and no shareholder has any special privileges over other shareholders. By doing the following:

2.1 Measures to prevent the use of inside information

The Company has measures to prevent the use of inside information. The directors, management, employees and stakeholders will not allow the use of inside information to benefit themselves or others. The Company set up written data holding policies of inside information and the securities trading of the Company's directors, executives and employees in the Company's Code of Ethics that will be granted to directors, executives and employees on the job. It can be summarized as follows:

- Directors, management and employees at all levels must keep critical business information as well as the confidential information about the Company and the various stakeholders of the Company. The information will not be disclosed to those not involved, both inside and outside the Company, or to seek benefits for themselves and others in wrongful way. This also applies to the retirement, resignation or termination of work from the Company, unless the information is already required by law to disclose to third parties involved.
- The Company's regulations on the security of computer systems and information technology need to be very strict in order to prevent the important information being revealed in the case that directors, executives, employees of the Company use inside information.
- Third party with an opportunity to get involved or have inside information need to sign an agreement to keep the information confidential (Confidentiality Agreement) to ensure that they will take precautions to maintain the confidentiality of inside information in the same manner of the employees of the company.
- Disclosure of key business information must be made by authorized personnel of the Company. When unauthorized personnel were asked about the business information that

he/she has no duty to disclose that information, it should be recommended to contact the authorize persons.

- The directors, management, employees and related persons (spouse and minor children) cannot use inside information that are undisclosed to public or Stock Exchange of Thailand. The information includes financial statements or other finformation that affect the share price of the Company.
- The directors, management, employees and related persons (spouse and minor children) who have inside information prohibit trading of securities of the Company during the period of 1 month before disclosing information to the public and within 24 hours after disclosure (Blackout Period).
- In the case that the director, executive or employee who have inside information breach the code of conduct or behave in a way that will damage the Company, they will be punished ranging from a warning to cutting wages, suspension without pay or termination.
- Directors and executives (as defined by the SEC and SET) and related persons (spouse and minor children) are required to report holdings of securities of the Company to the SEC under Section 59 of the Securities Exchange Act of B.E. 2535 within 3 days from the date of chaning ownership. Also, the change in ownership will have to be notified to the Company Secretary to record the changes and summarize the securities held by each directors and executive officers individually. The changes will be informed to the Board of Directors in the next meeting and shall be disclosed in the annual report and Annual Registration Statement (Form 56-1).

For the year 2013, the Company has no events that directors, management, employees, and related persons traded in securities by using inside information.

2.2 Governance on the conflict of interest

The Company has established an important policy that the directors, executives, managers, and employees must not exploit their relationship with the Company for personal gain. For the best interest of the Company, the following guidelines regarding the conflict of interests are stipulated as follows:

2.2.1 Receiving Money or Other Remuneration

The Company's directors, executives, managers, and staff members at all levels shall not personally receive any money or benefits from the Company's customers or business partners, or from any other persons when working on behalf of the Company.

2.2.2 Giving Gifts, Entertainment and Gratuities

The Company has no policy on offering money, incentives or other special benefits to its business partners, suppliers, customers, creditors or any other person they are dealing with on behalf of the Company in order to influence, or in exchange for, business deals, except for providing normal business entertainment, trade discounts or promotional campaigns. Such practices could be applied as a basis for the anti-corruption policy of the Company.

2.2.3 Outside Directorships

In the case that the Company's director, executive, manager, or employee participates as a shareholder or the management of the Company's competitors, which may cause a conflict of interest, shall notify to the Board of Directors in writing except being the director of the non-profit organization. Being such the directorship does not infringe on any related laws or regulations governing the business of the Company. In addition, the person involved shall not use his or her position in the Company to promote the business outside of the company.

2.2.4 Engaging in Other Business Outside of the Company and the Subsidiary Companies

Directors, executives, managers and staff members at all levels shall not engage in any other business that affects their performance, duties and working hours in the Company and are prohibited from participating in any other business which is in competition with the companies in the group, regardless of whether directly or indirectly benefiting from that business.

2.2.5 Engaging in Business with Companies within the group

The directors, executives, managers and employees, who may have a conflict of interest, shall disclose his or her relationship and relevant information about the transaction to the Company prior engaging in the connected transaction. No director, manager or employee, who may enter into connected transactions, participates in consideration or approval of the related transaction. The authorized person who acts on behalf of the Company shall investigate and review whether the Company's directors, executives, managers, or employees have any relationship and conflicts of interest on such transaction. The definition of relationship shall be in accordance with "the Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions" set by the Stock Exchange of Thailand and The Office of The Securities and Exchange Commission.

2.2.6 Related Transactions within the Group

In the event of a related transaction, all connected transactions will be submitted for consideration and approved by the Audit Committee and the Board of Directors, respectively, the Company will ensure that the transactions with related parties of the Company are in accordance with the conditions and procedures under the Notification of the Board of Governors of the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC) and shall be dealt on a fair and arm's length basis and taking into account the Company's best interests. The stakeholders that will have conflict of interest will not approve or consider the transaction. The related transactions will be disclosed in the annual report and Annual Registration Statement (Form 56-1)

2.3 Conflict of interest of Directors

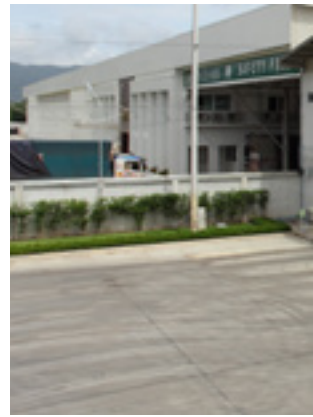
The Company has stipulated that the directors and management, including their related persons including spouse and minor children, must prepare and submit a report on interests, connected transactions and acquisition or disposal of assets to the Company in accordance with the regulations of the Capital Market Commission and the Stock Exchange of Thailand prior to the Board of Directors' or shareholders' approval. The directors at stake will not participate or vote on the agenda related to their own interests. The Company Secretary is responsible for collection and delivery of copies of the report on interests to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7 working days from the date of the receipt of the report.

Chapter 3 Roles of Stakeholders

3.1 Policy on practice to the stakeholders

The Board of Directors commit on providing the stakeholders equal rights by law or as agreed with the Company by having a policy on practice to the stakeholders as follow:

Shareholders	The Company is committed to creating sustainable growth and returns to shareholders. Taking into account the current and future risks to achieve added value for our shareholders over the long term.
Employees	The Company is committed to treating employees fairly, respectfully, equitably, and professionally so that its employees will have a reasonable salary, personal career development, good quality of life, and safeguard at work and respecting the privacy rights of all employees.
Customers	The Company is committed to gain highest customer satisfaction through continuously improve product and service quality and to ensure that our customers shall get good quality products and services at reasonable prices. As well as to develop and maintain a sustainable relationship. It also provides a system for monitoring the implementation of the work that was provided to the customers.
Business partners	The Company is committed to fair and equal treatment of its suppliers and business partners to establish mutual trust and provide monitoring systems that will not allow disclosure of the business partners' information and use it by illegal means. The Company also has transparent and fair selection process of suppliers.
Creditors	The Company intends to strictly comply with the terms of the contract and financial obligations especially in terms of guarantee and the event default payment.
Competitors	The Company is committed to comply with the international trade rules and promote fair competition. The Company shall not perform any illegal or unethical transaction. The Company shall not allege its competitors in disgrace without real information.
Communities, Social and Environment	The Company is committed to conduct business that benefits the economy, society and consciously preserved and protect the environment together with sustainable development of the Company. The Company promotes a spirit of social responsibility in its employees at all levels. The Company welcomes feedback and suggestions from all parts of society to achieve a common approach in the implementation of sustainable business alongside the development of community and society.



3.2 Whistle-Blowing Service

Board of Directors develop processes and provide a channel for receiving and dealing with complaints of stakeholders through various channels as follows.

Contact Independent Directors

Email : independentdirectors@gfpt.co.th

Facsimile : 0 2473 8398

Mail : Independent Directors

GFPT Public Company Limited
GFPT Tower, 18th Floor
No. 312 Rama 2 Road, Bangmod,
Jomthong, Bangkok 10150

Contact Board of Directors

Email : boardofdirectors@gfpt.co.th

Facsimile : 0 2473 8398

Mail : Directors

GFPT Public Company Limited
GFPT Tower, 18th Floor
No. 312 Rama 2 Road, Bangmod,
Jomthong, Bangkok 10150

Corporate Governance committee

Email : cgcommittee@gfpt.co.th

Facsimile : 0 2473 8398

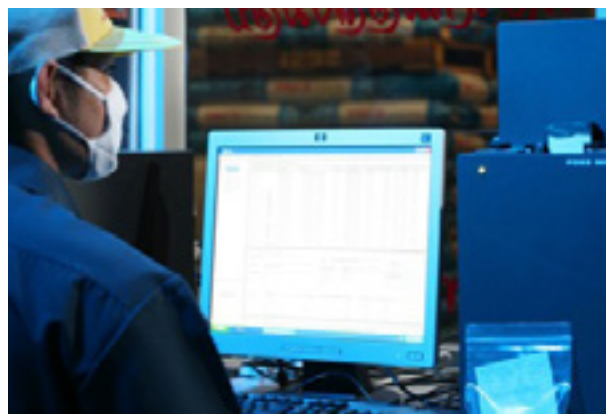
Mail : Corporate Governance committee

GFPT Public Company Limited
GFPT Tower, 18th Floor
No. 312 Rama 2 Road, Bangmod,
Jomthong, Bangkok 10150

For employees, the Company has a process for dealing with complaints from the employees. The Company will consider which case is wrong and the level of the wrong conduct in order to impose a fair and accurate penalty for the offense itself. The employees can report complaints or feedback directly through the Company's email.

The Company discloses the process and channels on its Home Pages and annual reports to enhance the confidence of the person that report complaints, the Company strictly keeps all complaints confidential and the process of 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 and risk management committees to consider.

In the year 2013, the Company did not receive a complaint of fraud or ethical misconduct or any case about negative reputation of the Company due to the administration of the Board of Directors and non-executive directors never resigned due to any mistake about corporate governance of the Company as well as any legal disputes concerning labor, consumer rights, and conducting trades.



Chapter 4 Disclosure and Transparency

4.1 Disclosure Policy

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 in accordance with “The Securities and Exchange Commission” (SEC) and “The Stock Exchange of Thailand” (SET) and other state agencies

In the year 2013, the Company has complied with the principles of good corporate governance. No record of delayed sending report under section 56 for both forms 56-1 and form 56-2, including quarterly and yearly financial statements.

4.2 Channel Disclosure

The company provides a wide variety of channels to disseminate information so that users can equally access the information. The information is distributed both in Thailand and English language through the following channels:

- 1) SET's news
- 2) Annual Report and Annual Registration Statement (Form 56-1)
- 3) Company's Home Page (www.gfpt.co.th)

4.3 Information Disclosure Policy or Interview with the Press or Public

The Company has policy to provide information, advertise or public release in a clear and correct manner without misinterpretation with a focus to communicate complete, timely and fair understanding about the Company to all stakeholders.

4.4 Investor Relations Department

The Company established an **IR (Investor Relations)** as the representative of the Company and responsible for the information disclosure and any activities of the Company to its shareholders,

investors, analysts and the general public. The channels include the Company's Home Page, announces of the quarterly results of operations, analysts meeting, conference call, road show in Thailand and abroad, etc. The Company has prepared the Management Discussion and Analysis (MD&A) on a quarterly basis to provide investors with information and understand the performance of the Company. Any information disclosure about the Company must be based on informations which are true, accurate and treated with caution. Anyone who does not get involved or assigned cannot provide information or interviews to the media or the public in any way which may affect the reputation and business operations of the Company.

Investors may contact Investor Relations by phone at 02 473 8000 or www.gfpt.co.th or email ir@gfpt.co.th.

In the year 2013, the Company had investor relations activities for the Company's information disclosures to investors continuously throughout the year and arranges an evaluation of the effectiveness of the information disclosure, which has been evaluated by analysts. The evaluation results are at a good level. Investor relations activities shall be summarized as follows:

Investor relations activities in the year 2013	No. of time
Analyst Meeting	4
Plant Visit	3
Roadshow	4
Local Roadshow	4
One on One Meeting	46

Chapter 5 Responsibilities of the Board of Directors

The Board of Directors has an important role in corporate governance that will most benefit the Company. The Company has established the following guidelines.

5.1 Structure of the Board of Directors

5.1.1 Component of the Board of Directors

- 1) The Board of Directors shall consist of at least 5 and not more than 12 people.
- 2) The Board of Directors shall consist of not less than one-half of the directors must be resident in the Kingdom of Thailand.
- 3) The Board of Directors shall consist of at least three independent directors and the proportion is not less than one-third of the entire Board of Directors (according to the rules set forth in the Notice No. TorJor. 4/2552).
- 4) The Board of Directors shall have various skills, experience and knowledge and capability that benefit the Company regardless of gender, racial, religious, age or other specific qualifications. At least three of the directors must have knowledge and expertise in the Company's business. At least one of the directors must be knowledgeable in law. At least one of the directors must be knowledgeable in accounting and finance. At least one independent director must have experience in the Company's industry.
- 5) The Chairman shall not hold office as President or members of sub-committees and not the same person as the Managing Director.

As of 31 December 2013, GFPT Public Company Limited has a total of 9 directors consisted of:

- Non-Executive Director 3 persons (representing 33.33 percent of the number of Board of Directors)
- Executive Committee of 3 persons (representing 33.33 percent of the number of Board of Directors)
- Independent directors of 3 persons (representing 33.33 percent of the number of Board of Directors)

5.1.2 The Qualifications and Criteria for Selection of Director

- 1) The qualifications for a director shall have and shall not possess qualities defined in section 68 of Public Limited Company Act B.E. 2535, section 89/3 of Securities and Exchange Act B.E. 2535 amended by Securities and Exchange Act

(No.4) B.E. 2551, Notification of the Securities and Exchange Commission No. KorJor. 8/2553 concerning stipulation on distrustful characters of company's director and executive and the Company's Article of Association.

- 2) The Board of Director of the Company shall have the knowledge, skills and understanding of the nature of business and industry and also good reputation and ethics, honest and good moral principals.
- 3) Directors must not serve on more than 3 other boards of Thai listed public companies.
- 4) If the directors are appointed as directors or executives in other companies that are not subsidiaries or affiliates, shall report to the office for information.

5.1.3 The Qualifications of Independent Directors

The qualifications of Independent Directors of the Company shall be as prescribe in the Notification of the Capital Market Supervisory Board and other future amendments except for the percentage of shareholding that will be more strict than the SEC's definition of Independent Directors (SEC imposes a 1 percent).

- 1) Hold share in total not more than 0.5 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.
- 2) Not participate in the management and not an employee or staff or an advisor receiving regular salary or have control over GFPT, its subsidiaries, associated companies, or related companies that may have conflict of interest both at present or prior to being nominated for at least 2 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 with the 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 2 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 Capital Market Advisory Board 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 (hold more than 10% of total shares including related persons), 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 not less 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 not less 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 that 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.

5.1.4 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

5.1.5 Term and Election of Director

One-third of the total number of members of the Board of Directors must retire by rotation at every annual ordinary general meeting of shareholders. The directors who have held office longest shall retire. If the number of directors to retire is not a multiple of three, the number of directors closest to one-third shall retire. However, any retiring director may be re-elected to continue his/her office.

For the appointment of Directors, anyone who has been proposed to be the directors must pass the process of nomination by the Nomination and Remuneration Committee, consisting of 3 independent directors out of 5 Nomination and Remuneration Committee. The Nomination and Remuneration Committee will propose a list of those who qualified to the Board of Directors in amount of not less than the amount of directors in replacement of those who complete their terms by rotation and the Board of Directors will propose to the Annual General Meeting for the appointment. The Company has proposed that shareholders can vote to appoint the Board of Directors individually. Anyone who receives the highest number of votes will be appointed as the Board of Directors. The amount of the nominated directors is equal to the number of directors to be elected at that time. In the case of anyone who receives the votes equally which exceed the number of directors to be elected at that time, The Chairman of the Meeting will receive additional vote as the decisive vote.

In case of the Board of Directors' seat is vacant for reasons other than retirement by rotation, the Board of Directors shall elect a person who is qualified and not prohibited by law to be a director unless the available term is less than two months. The term of the newly appointed directors will equal to the remaining term of the former director. The appointment must be approved by a majority vote of at least three-fourth of the remaining directors.

5.1.6 Segregation of duties and responsibilities between the Board of Directors and executives.

The Company has segregation of responsibilities between the board and executives clearly as follow:

- 1) The Board is responsible for setting policy and overseeing the operations of the executive in policy.
- 2) Executives are responsible for management of the company in various fields. The Chief Executive Office and other executives will lead the team to manage business in accordance with the policies that cover the following areas:
 - Manage and control the operations related to the general management of the company in order to meet the objectives, policies, rules and regulations of the company.
 - Consider investment plan in businesses and present it to the Executive Committee and Board of Directors for consideration and approval.
 - Have authority to bind the Company to the extent set out in the policies and regulations on “authorize approval”
 - Perform any tasks assigned by the Board of Directors and / or the resolution of the shareholders meeting of the Company.

Delegation of authority and responsibility to the Chief Executive Officer shall not authorize or mandate the Chief Executive Officer or attorney of the Chief Executive Officer to approve connected transactions or any transactions that may incur conflict of interest to the Company's group unless the approval is in accordance with the policies and regulations of the Board of Directors. The connected transactions will be submitted to the Board of Directors and/or the meeting of shareholders for approval as set out by the Stock Exchange of Thailand's or Office of the Securities and Exchanges Commission's regulations or other related laws.

5.1.7 Segregation of duties and responsibilities between the Chairman and Managing Director

The Company is clearly distinct the position of Chairman and position of Managing Director as follow:

- 1) Chairman
 - The Chairman takes the role of leader for the Board to define the policies, the direction of business operations as well as support the management and sub-committees to perform the duties in accordance with the Company's plan and policies.
 - Act as chairman of the Board of Directors' meeting and chairman of shareholders' meeting of the Company.

- Cast vote in the event that the votes in the Board of Directors' meeting are equally divided (no majority vote).
- 2) The Managing Director is responsible to implement the Board of Directors' policies.

Therefore, the Chairman and Managing Director is not the same person. In order to select the most suitable persons for the two positions, it must be appointed by the Board of Directors.

5.2 Roles, Duties and Responsibilities of the Board of Directors

Roles, Duties and responsibilities of the Board shall cover the following:

- 1) Perform duties in compliance with the laws, objectives and regulations provided by the Company and take action according to the resolutions of the shareholders' meeting with loyalty, care, accountability and ethically and most beneficial to the Company based on the Principle of Good Corporate Governance, taking into account the interests of all shareholders equally.
- 2) Consider and approve matters relating to the operations of the company, such as vision, mission, strategies, goals, business plans, financial plans and funding, risks, plans and budgets
- 3) Give direction of business operations of the Company including funding, capital management, risk management and governance.
- 4) Monitor the management to effectively and efficiently implement the plan and policies.
- 5) 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 to be in accordance with the regulations of the Office of the Securities and Exchange Commission (SEC), and Stock Exchange of Thailand (SET), and laws and regulations of the Company.
- 6) Approve financial statements prior to submission to the Stock Exchange of Thailand.
- 7) Set up reliable accounting system and financial reports.
- 8) Set up adequate and effective internal control system and risk management, both operational and financial reporting that can be assessed, monitor and manage significant risks.
- 9) 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.

- 10) Consider and appoint sub-committee such as the Audit and Risk Management Committee, the Nomination and Remuneration Committee, Corporate Governance and Business Ethics Committee, Executive Committee, management, define the segregation of duties and responsibilities of other sub-committees. The sub-committees will assist the Board of Directors in governing the Company's business to achieve the Company's objectives. The members of the sub-committee mainly consist of independent directors.
- 11) Assess the Company's compliance to the Good Corporate Governance policy and consistently review such policy.
- 12) Provide succession plan and human resource development plan for employee, directors and executives.
- 13) Define and amend the list of authorized directors.
- 14) Authorize one or more directors, or any other persons, to take any action on their behalf within the authority approved by the Board of Directors and clearly define the authority of the authorized person.

5.3 Sub-Committees

The Company has set up sub-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, GFPT has the following sub-committees:

- 1) Audit and Risk Management Committee
- 2) Nomination and Remuneration Committee
- 3) Corporate governance Committee

5.3.1 Audit and Risk Management Committee

Structure and Qualifications

- 1) The Board of Directors has appointed the Audit and Risk Management Committee.
- 2) The Audit and Risk Management Committee consists of 3 independent directors, at least one person must be knowledgeable in accounting and finance.
- 3) The Board of Directors will appoint one independent director as Chairman of the Audit and Risk Management Committee.
- 4) The Audit and Risk Management Committee can appoint

an employee to act as Secretary of the Audit and Risk Management Committee.

Term of office

- 1) The Audit and Risk Management Committee has term of office of 3 years. The members of the Audit and Risk Management Committee, whom retired from office by rotation, may be appointed by the Board of Directors for another term.
- 2) The Audit and Risk Management Committee shall hold office for a period equal to the tenure of directors. The term of office will end at the Annual General Meeting of Shareholders, same as the term of being a director.
- 3) If the Audit and Risk Management Committee becomes vacant, the Board of Director shall elect a person who is qualified and not prohibit by law to become a Member of Audit and Risk Management Committee. The term of the newly Member of Audit and Risk Management Committee will equal to the remaining term of the former director.

The Audit and Risk Management Committee has the following duties and responsibilities: Financial reporting, disclosure and auditing

- 1) Review the Company's financial reports to be accurate, complete, and reliable. The financial reporting and disclosures should be prepared in accordance with the accounting standards, laws and other standards.
- 2) Consider the disclosure of the Company in case of the related transactions 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 and correctly maintain accounting records to be complete and transparent.
- 3) Prepare and publish an Audit and Risk Management Committee Report in the Company's Annual Report and give opinion on the following:
 - 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 and risk management system.
 - An opinion on the suitability of an auditor.
 - Comment about compliance with the law on securities and exchange, the Exchange Act, regulations or laws relating to the Company's business.
 - Comment on the transactions that may have potential conflicts of interest and related party transactions.
 - Comment or make observations under the Charter.

- Comment about other transactions that shareholders and investors should be aware under the scope of duties and responsibilities assigned by the Board of Directors.
- 4) Consider, select and nominate an independent auditor to serve the company including the proposed of dismissal of the auditor.
- 5) Consider the remuneration of the auditors of the Company.
- 6) Promote independence and provide comments on the suitability of an auditor.

Internal audit

- 1) Review the Company's internal control system and internal audit to be adequate and effective.
- 2) Supervise the internal audit department in both policy and operational level by approving a charter, independence and the scope and audit plan of the internal audit.
- 3) Provide review of internal control system by an independent assessor from outside the organization (Independent Quality Assessment Review) at least every 5 years.
- 4) Approve the annual internal audit plan and budget for the internal audit process toward efficiency and effectiveness of activities.
- 5) Select the appropriate person to work for auditors including consideration of rotation, dismissal of the internal auditor.

Risk Management

- 1) Propose risk management policy and guideline to cover risks that may affect the Company's business such as price risk, market risk, exchange rate risk, liquidity risk, and operational risk to the Board of Directors for consideration.
- 2) Monitor, audit, and evaluate the risk management according to the risk management policy
- 3) Review the adequacy and efficiency of the policy and risk management system as a whole.
- 4) Review and revise risk management manual to be up-to-date and appropriate for the business environment and propose to the Board of Directors for approval annually.

Others

- 1) Review and amend the Charter of the Audit and Risk Management Committee to be up-to-date and appropriate to the environment of the organization and propose to the Board of Directors for approval.
- 2) Review the Company's compliance with the law on securities and exchange, the regulations of the Stock Exchange, and laws relating to the Company's business.

- 3) Perform any other duties as assigned by the Board of Directors.
- 4) Conduct meeting at least 4 times a year.

5.3.2 Nomination and Remuneration Committee

Structure and Qualifications

- 1) The Board of Directors appointed the Nomination and Remuneration Committee
- 2) The Nomination and Remuneration Committee consisting of not less than 5 members and at least 3 members must be independent directors.
- 3) The Board of Directors will appoint one independent director as Chairman of the Nomination and Remuneration Committee
- 4) The Nomination and Remuneration Committee of the Company can appoint an employee to act as Secretary of the Nomination and Remuneration Committee.

Term of office

- 1) The Nomination and Remuneration Committee has term of office of 3 years. The members of the Nomination and Remuneration Committee, whom retired from office by rotation, may be appointed by the Board of Directors for another term.
- 2) The Nomination and Remuneration Committee shall hold office for a period equal to the tenure of directors. The term of office will end at the Annual General Meeting of Shareholders, same as the term of being a director.
- 3) If the Nomination and Remuneration Committee becomes vacant, the Board of Director shall elect a person who is qualified and not prohibit by law to become a Member of Nomination and Remuneration Committee. The term of the newly Member of the Nomination and Remuneration Committee will equal to the remaining term of the former director.

The Nomination and Remuneration Committee have the following duties and responsibilities:

- 1) Review the organization structure to be appropriate to the strategic needs of the company.
- 2) Establish rules and procedures for recruitment and selection to the position of director, member of the sub-committees, president and the executive and company secretary to propose to the Board of Directors or shareholders for approval.
- 3) Review, select and screen names and profiles of those to be nominated as directors, member of committees, president and the executive and company secretary in the event of a position vacancy and propose to the Board of Directors for approval.
- 4) Disclosure policies and details of the recruitment process in the annual report of the Company.
- 5) Set out clear and transparent criteria and policy of the remuneration package for the directors, sub-committees, and executives to propose to Board of Directors and/or the shareholder meeting for approval.
- 6) Recommend appropriate remuneration of the Board of Directors, sub-committee and management as compare to their duties and responsibilities.
- 7) Disclose remuneration policy and the various type of remuneration in the Annual Report of the Company.
- 8) Propose the criteria of succession of executive's position for further consideration by the Board of Directors.
- 9) Prepare succession plan and continuity management right for the position of Chief Executive Officer, Managing Director, Authorized Management, and high level executives and propose to the Board of Directors for approval.
- 10) Determine criteria for evaluating the performance of the Board of Directors annually and report to the Board of Directors.
- 11) Conduct annual performance evaluation of the Board of Directors and Chief Executive Officer and report to Board of Directors.
- 12) Provide an annually self-assessment evaluation of the performance of duties of the Nomination and Remuneration Committee and report to the Board of Directors.
- 13) Any other action with respect to the nomination and remuneration assign by the Board of Directors.
- 14) Conduct meeting at least 2 times a year.

5.3.3 Corporate Governance Committee

Structure and Qualifications

- 1) The Board appointed the Corporate Governance Committee
- 2) The Corporate Governance Committee consisting of 7 members and at least 3 members must be director of the Company and at least 2 members from employees.
- 3) The Board of Directors will appoint one independent director as Chairman of the Corporate governance Committee. The Corporate Governance Committee of the Company can appoint an employee to act as Secretary of the Corporate Governance Committee.

Term of Office

- 1) The Corporate Governance Committee has term of service of 3 years. The members of the Corporate Governance Committee, whom retired from office by rotation, may be appointed by the Board of Directors for another term.
- 2) The Corporate Governance Committee shall hold office for a period equal to the tenure of directors. The term of office will end at the Annual General Meeting of Shareholders, same as the term of being a director.
- 3) If the Corporate Governance Committee becomes vacant, the Board of Director shall elect a person who is qualified and not prohibit by law to become a Member of Corporate Governance Committee. The term of the newly Member of the Corporate Governance Committee will equal to the remaining term of the former director.

The Corporate Governance Committee has the following duties and responsibilities: Corporate Governance

- 1) Set the policy and direction of the Corporate Governance and propose to the Board of Directors for approval.
- 2) Regulate advice and monitor compliance with the Company's Corporate Governance Policy and Code of Conduct and related laws.
- 3) Consistently review and improve corporate governance policies to be more appropriate.
- 4) Recommend corporate governance requirements of the business to directors, management and employees.
- 5) Promote information about the corporate governance policies and best practices for employees in the Company.
- 6) Annually issue report on the corporate governance of the Company.

Business Ethics

- 1) Prepare code of business ethics handbook and propose to the Board of Directors for approval.
- 2) Regulate, advice and monitor the compliance with the Company's code of business ethics and related laws.
- 3) Regularly review and update code of business ethics handbook to be more appropriate.
- 4) Recommend the code of business ethics requirements to directors, management and employees.
- 5) Accept complaints on actions that may violate business ethics and conduct investigation to clarify facts, questions, and interpretations of suspicious cases.
- 6) Create awareness and train employees to understand business ethics and promote employees to practice and follow the code of business ethics.
- 7) Annually issue report on the Company's business ethics to the Board of Directors for information. In the case of significant matters that may affect the Company, Corporate Governance and Business Ethics Committee will comment on the practice and suggest appropriate action.

5.4 Board of Directors' Meeting

5.4.1 Attendance of the Meeting

The Board of Directors shall have regular meetings every month. The meeting schedule is set out in advance since January of each year and designated to be last Thursday of each month (not less than 6 times per year). The Company Secretary shall notify each director of the schedule and agenda in advance. However, the schedule of meetings can be changed based on the significance of the agenda items to be considered.

The Company will submit reports on operational performance to the Board of Directors if no meeting was held in that month. The Board of Director, therefore, can consistently and timely monitor, administer and supervise the operation of the management.



For the year 2013, the directors attended the meetings are as follow:

Name			Meetings in the 2013				
			Board of Directors	Audit and Risk Management Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Shareholders Meeting (Ordinary and Extraordinary)
			Total 11 times	Total 4 times	Total 2 times	Total 2 times	Total 2 times
1. Mr. Prasit	Sirimongkolkasem	Chairman	11/ 11	-	-	-	2 / 2
2. Mr. Virach	Sirimongkolkasem	Vice Chairman Managing Director	11/ 11	-	-	-	2 / 2
3. Dr. Anan	Sirimongkolkasem	Chairman of Executive Committee Deputy Managing Director Member of Nomination and Remuneration Committee Member of Corporate Governance Committee	11/ 11	-	2 / 2	2 / 2	2 / 2
4. Dr. Sathit	Karanes	Independent Director Chairman of Audit and Risk Management Committee Chairman of Nomination and Remuneration Committee Chairman of Corporate Governance Committee	11/ 11	4 / 4	2 / 2	2 / 2	2 / 2
5. Mr. Paramet	Hetrakul	Independent Director Member of Audit and Risk Management Committee Member of Nomination and Remuneration Committee	11/ 11	3 / 4	2 / 2	-	2 / 2
6. Mr. Thanathip	Pichedvanichok	Independent Director Member of Audit and Risk Management Committee Member of Nomination and Remuneration Committee	11/ 11	4 / 4	2 / 2	-	2 / 2
7. Mrs. Somsiri	Ingpochai	Executive Director	11/ 11	-	-	-	2 / 2
8. Ms. Wannee	Sirimongkolkasem	Director	11/ 11	-	-	-	2 / 2
9. Mr. Sujin	Sirimongkolkasem	Director Member of Nomination and Remuneration Committee Member of Corporate Governance Committee	11/ 11	-	2 / 2	2/2	2 / 2



5.4.2 Meeting Agenda

The chairman, chairman of executive committee and managing director will together determine the agenda to ensure that all significant matters are included. The directors have the opportunity to freely propose agendas that will benefit the Company.

5.4.3 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 at least 5 working days before the meeting.

5.4.4 The Meeting

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

5.4.5 Invite management to attend the Meeting

The senior executives shall be invited to attend the Board's meetings to provide additional insights into the agenda items being discussed because of their personal involvement in these areas and gives opportunity to the management to know the Board of Directors.

5.4.6 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 within the scope of the policy and, if necessary, independent opinion from external consultants or specialists can be provided at the cost of the Company.

5.4.7 Meeting with Non-Executive Directors

The Board of Directors encourages non-executive directors to independently meet and discuss interested matters among themselves without the management participation. The results of the meeting should be notified to the Managing Director (not less than 3 times per year).

5.5 Remuneration of the Board of Directors and Executives

5.5.1 Remuneration for Directors

The Board of Directors has delegated to the Nomination and Remuneration Committee for considering the appropriateness of the directors' remuneration for each year. Then, the directors' remuneration shall be proposed to the Board for Directors and the General Meeting of Shareholders for final approval.

The Nomination and Remuneration Committee determines the remuneration policies and guidelines comparable to the practices of industry, experience, duties and accountability and responsibilities of the role, fair and in accordance with the result of operations.

The Nomination and Remuneration Committee consider director's remuneration by conducted remuneration survey to assess reasonableness and compatibility.

As of December 31, 2013, the total remuneration for 9 persons is 4,225,000 baht in the form of monthly remuneration and bonus in compliance with the approval of the shareholder's meeting. In addition, some directors received remuneration from subsidiaries of the Company in total amount of THB 0.52 million. The details of monetary remuneration of each director are shown as follow:

Name/Surname		Remuneration (Baht)		
		Director and Independent Director of GFPT	Director of Subsidiaries	Total
Mr. Prasit	Sirimongkolkasem	520,000	130,000	650,000
Mr. Virach	Sirimongkolkasem	455,000	130,000	585,000
Dr. Anan	Sirimongkolkasem	455,000	130,000	585,000
Dr. Sathit	Karanes	520,000	-	520,000
Mr. Paramet	Hetrakul	455,000	-	455,000
Mr. Thanathip	Pichedvanichok	455,000	-	455,000
Mrs. Somsiri	Ingpochai	455,000	130,000	585,000
Ms. Wannee	Sirimongkolkasem	455,000	-	455,000
Mr. Sujin	Sirimongkolkasem	455,000	-	455,000

5.5.2 Remuneration for Executives

The Board of Directors has delegate the Nomination and Remuneration Committee to be responsible for considering the appropriateness of executive compensation each year and propose to the Board of Directors for consideration and approval in determining reasonable compensation as compared to experience, roles and responsibilities of the scope of work. Under the transparent criterias, the remuneration for executives should be consistent with the results of operations of the Company, individual performance and comparable to the agricultural and food industry and the leading companies in Thailand.

As of December 31, 2013, the Company had 10 executives and paid 32,436,122 baht for salary, bonus, and other remuneration (excluding accounting manager).

5.6 Performance Evaluation of the Board of Directors and the Chairman of Executive Committee

The Nomination and Remuneration Committee set up evaluation of the Board of Directors and Chief Executive Officer at least once a year and the disclose criterias, procedures, and result of the evaluation in the annual report.

5.6.1 Performance Evaluation of the Board of Directors

Criterias

The Nomination and Remuneration Committee provide annual performance evaluation of the Board of Directors at least 1 time per year based on the self-assessment guideline provided by the Stock Exchange

of Thailand and adapt it to fit the Company's structure. The self-assessment serves as a framework to monitor the performance of the duties of the Board of Directors, promote collaborative consideration of the operational results and problems, create good corporate governance and disclose criterias, procedures, and evaluation result in the annual report.

Criteria in performance evaluation of the Board of Directors are as follow:

- 1) Structure and qualifications of the Board
- 2) Roles and responsibility of the Board
- 3) Meeting of the Board
- 4) Act of duties of directors
- 5) Relationship with the management
- 6) Self-development of directors and development of executives
- 7) Thai Institute of Directors' assessment of the Corporate Governance of listed companies

Procedures

The Board of Directors shall arrange the annual performance evaluation of the Board of Directors in January of each year to evaluate the previous year operation. The Company Secretary will distribute the evaluation form to each director and present it to the Nomination and Remuneration Committee and propose it to the Board of Directors to consider. As for the recommendations on the performance evaluation, the Company will use it to improve effectiveness of the Board's operation and maximize the benefits of corporate governance.

On January 30, 2013, the Committee held an annual evaluation of the operation of the Board both on a collective and individual basis. The result has reached to the satisfactory level based on an assessment of the Stock Exchange of Thailand. The result and recommendations are presented to the Corporate Governance and Business Ethics Committee and Board of Directors to enhance the work of the Board.

5.6.2 Performance evaluation of the sub-committee

Criteria

The Board of Directors provides annual evaluation of the performance of the Chief Executive Officer at least 1 time per year on leadership, roles and responsibilities, policy and practice, Board meeting, management and relationships with those involved.

Procedures

The Company has annually evaluated the performance of each of the committees in January of each year to evaluate the previous year operation. The Company Secretary will distribute the evaluation form to Chief Executive Officer to evaluate the performance of each sub-committee and present it to the Board of Directors to consider.

5.6.3 Performance evaluation of the Chief Executive Officer

Criteria

The Board of Directors provides annual evaluation of the performance of the Chief Executive Officer at least 1 time per year on leadership, set up and implementation of strategy, planning and financial result, relationship with the Board of Directors, relationship with outsiders, operational management and relationship with employees, succession plan, knowledge on product and service, risk management and internal control, corporate governance and business ethics, personal characteristics based on the assessment guideline provided by the Stock Exchange of Thailand.

Procedures

The Company has annually evaluated the performance of Chief Executive Officer in January of each year to evaluate the previous year operation. The Company Secretary will distribute the evaluation form to independent directors or non-executive directors or Nomination and Remuneration Committee to evaluate the performance and present it to the Board of Directors to consider.

5.7 Development of Directors and Executives

5.7.1 Orientation

The orientation will be held every time new director is being appointed. This orientation will include Director's Handbook and other useful information in being a director. The Company has assigned the Company Secretary to make orientation for new directors to be informed of their duties and responsibilities as director.

This orientation will include presentations by senior management on the Company's information about business operations.

5.7.2 Succession Plan and Knowledge Development

- 1) The Board of Directors has determined that management is responsible for the development of succession plan for the Company's uninterrupted operation in case of the executives cannot work as usual.
- 2) Chief Executive Officer is responsible to regularly report to the Board of Directors on the succession plan to ensure that the Company has a good human resource management for any level of management.
- 3) The Board of Directors has encouraged the training and provision of knowledge for directors, Audit and Risk Management Committee members, company secretary, and senior executives about corporate governance principle, duties, and knowledge development to allow on-going improvement of performance of duties and enhance efficiency.

5.8 Internal Audit Department

The Board of Directors established the internal audit department that directly reports to the Audit and Risk Management Committee. The internal audit activities include administrative and operational activities of the business. The internal audit department and the auditor will attend meeting of at least 4 times with the Audit and Risk Management Committee.

The Audit and Risk Management Committee has appointed Mr. Theerasak Piamsuphakphong to be as director of internal audit department. The duties and responsibilities are as follows

- 1) Report on the review of internal control system and related transactions of the Company.
- 2) Consider the nomination and appointment of the auditors and qualified through the approval of SEC.
- 3) Review financial reports.
- 4) Oversee compliance with regulations and company policies.
- 5) Prepare both short and long term internal audit plan.
- 6) Control of internal audit to ensure compliance with the audit plans and standards.
- 7) Review the internal audit plan.
- 8) Prepare and review the annual budget of the internal audit.
- 9) Training and Development Agency audit.
- 10) Perform other tasks as assigned.

5.9 The Company Secretary

The Board of Directors has appointed Ms. Jutamas Ingpochai as the Company Secretary on 16 October 2008, under Section 89/15 of the Act. Securities and Exchange Commission Securities and Exchange Act B.E. 2535 amended by Act No. 4 in B.E. 2551. Ms. Jutamas Ingpochai graduated with a doctoral degree in business management and participated in training courses regarding Company Secretary Role such as Company Secretary Program and Fundamental Practice for Company Secretary. The roles and responsibility include:

- 1) Provide necessary basic advice to the directors on memorandum of association, laws and rules and regulations of the relevant authorities
- 2) Arrange and coordinate the Board of Directors' meeting, sub-committees' meeting and the shareholders' meeting in accordance with the objective, memorandum of association, Board's resolution, Shareholders' resolution and other rules and regulations.
- 3) Prepare minutes of the shareholders' meeting and the board of directors' meeting and monitor the implementation of the resolutions.
- 4) Prepare and file documents, including the directors register, notice of the meeting and minute of the board of directors / shareholders and the Annual Report of the Company.
- 5) Retain report on conflict of interest that prepared by the directors and executives and report to the Chairman and Chairman of the Audit and Risk Management Committee within 7 days from the receipt date.
- 6) Ensure that the disclosure and reporting information to the regulatory agencies comply with laws and regulations.
- 7) Provide training and necessary information to the newly appointed directors.
- 8) Provide advice and coordinate with the secretary of the various committees.
- 9) Perform other duties as assigned by the Capital Market Supervisory Board or the Board of Directors.

Internal Control

Board of Directors and management of the Company emphasize on having strong internal control system and risk management in order to ensure that the risk will be reduced and prevent damage that may occur to the Company.

Internal Control and Risk Management

The Company has set goals and action plans as guidance for operations and it can be measurable. The organization structure was set up to support the management to operate efficiently and effectively in accordance with the regulations and policies and encourage continuous development. The organization structure is divided into divisions where the Chief Executive Officer is responsible for overseeing the operations. Written policies and procedures are maintained. Training courses are provided to employees to improve skills and understanding, so that employees understand and can perform correctly and efficiently. The Company also provide employee handbooks and code of conduct to employees in order to work more efficiently.

The Company also authorize the Audit and Risk Management Committee to oversee appropriateness of internal control system and risk management of the Company and its subsidiary companies. The Audit and Risk Management Committee reviews work of internal audit department, risk management department and auditors. Monitor the operation of the Company and its subsidiaries in order to prevent conflicts of interests as well as related transactions to safe guard the Company's assets. Review the effectiveness of operational control of the Company in various aspects. The Company provides independent internal audit department, evaluate operational efficiency and adequacy of the internal control system and risk management based on COSO (The Committee of Sponsoring Organizations of the Tread way Commission) framework and enterprise risk management framework.

Summary of the Company's internal control system and risk management:

1. The Company gave importance on risk management whereby the management will analyze and assess risk and inform the purpose of risk management policies to each department. In order to provide basis for risk assessment such as identifying the type of risk, measuring risk, controlling risk, reducing risk, monitoring and evaluating risk in order for the company to manage risks more efficiently.
2. The Company has defined the duties and powers of the executives and employees in written policy. Implement segregation of duties, the persons that have control is not the same persons that evaluate, therefore, promotes check and balance, transparency and prevent fraud. The Company defines operational procedures by considering the benefit of the Company.
3. The Company recognizes the importance of developing an information system that provide updated, correct and sufficient information to the executive and Board of Directors to make decisions.
4. The Company has compared actual operational performance to the quarterly target. In the case that the actual is significantly below target, the management will assign internal audit to check for the reason of the performance below target and make suggestions to find solutions and report to the Board accordingly.

Audit and Risk Management Committee

The key activities of the Audit and Risk Management Committee during the year 2013 under the duties and responsibilities assigned by the Board of Directors are summarized as follows:

1. Reviewed the quarterly financial statements and audited financial statements for the accounting period which covers the review of the compliance of accounting standards. The selection of accounting policies and disclosures in the financial statements.
2. Reviewed the transactions and disclosures on related transactions between the Company and the related parties that may have conflict of interest during the year 2013.
3. Reviewed the independence of the internal audit department and result of the internal audit that carried out during the year including reviewed the adequacy and appropriateness of internal controls and risk management.
4. Reviewed legal compliance with the rules and regulations related to Securities and Exchange, regulations of the Stock Exchange and other laws related to the business of the Company.
5. Reviewed appropriateness of the transactions and disclosures on related transactions between the Company and the related parties that may have conflict of interest during the year 2013. The transactions had to be justified and adhere to guidelines published by the Capital Market Supervisory Board.
6. Reviewed policies and practices of the Company to ensure compliance with good corporate governance of the Company as guideline given by The Stock Exchange of Thailand.
7. Reviewed independence, result and opinion of the auditor. Also, propose an appointment of the auditor of the Company and related audit fees to the Board of Directors to propose to the shareholders' meeting for consideration.
8. Meetings with the auditors without any executives of the company to enable the auditor to report freely on events and information about the Company. This include opinion on the internal control system and risk management.
9. Reviewed internal audit charter to be consistent with the practices and laws once a year.

For enterprise risk management, the Company categorized the risks that may affect the business directly into 5 areas:

1. Strategic Risk

is the risk of strategy and policy of the Company, which result from inappropriate strategic plan and inappropriate implementation of strategy. This also include inconsistencies between policy, goals, strategies, organizational structures, competitive environment, resources, implementation of plan and environment. The Company consistantly monitor significant strategy and policies that may effect the business operation in order to achieve the strategic goals.

2. Operational Risk

is the risk arising from operation, covering every step of the factors related to process, equipment, information technology and personnel that may affect the performance of the organization. The Company has set clear procedure and measures to oversee the operation of each department that may cause damage to the organization. To ensure that the work is correct and appropriate.

3. Financial Risk

is the risk of insufficient budget, financial problems, including the risks that affect the operating results and financial position of the organization. The Company has to take into account the source of fund that will be both sufficient and obtainable on a timely basis in order to minimize the risks that may affect the Company's investments.

4. Compliance Risk

is the risk of not following the rules, regulations or related laws. As well as, the existing rules or laws that are not practical and may obstruct the business operations. The Company strictly complies to rules (both inside and outside of the Company) and related laws by constantly monitoring and reviewing the operations.

5. Hazard Risk

is the risk that may affect the safety of the employees and assets of the Company. This can be caused by both internal and external factors which the Company has a policy and strict security measures to prevent such risk that may damage the Company.

After reviewed the risks discussed above, the Audit and Risk Management Committee has an opinion that the Company and its subsidiaries provided and maintained appropriate and effective internal control system and risk management. Therefore, the Audit

and Risk Management Committee reasonably believes that the financial statements of the Company are reliable and present fairly, in all material respects. The related transactions that may have conflicts of interest were reasonably executed. The related transactions that are considered being normal business or supporting normal business with general commercial conditions were performed in accordance with the principles approved by the Board of Directors. The related transactions that are considered not being normal business or not supporting normal business were executed under the regulations and guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand. The information of the related transactions is disclosed in the notes to the financial statements of the interim and annual financial statements. For compliance with various laws, there was no material breach or non-compliance. The Audit and Risk Management Committee can perform their duties independently.

The Board of Directors has an opinion that the Company and its subsidiaries have sufficient and internal control system and risk management that appropriate to the business operations. Also, the internal control system and risk management is effective enough to minimize business risk and protect the Company's assets from the executives' wrongful conduct or without authorization. The Company assessed the adequacy of internal controls system and risk management annually to be in accordance with the Office of the Securities and Exchange Commission (SEC). The internal audit department also reviewed the operations of various departments of the Company to ensure that those departments had followed the predetermined internal control system and risk management. In

the case that significant deficiencies are found, it will be reported to the Executive Committee and the Audit and Risk Management Committee for consideration and action.

In addition, SAM NAK-NGAN A.M.C. Co., Ltd., the Company's auditor who audited the quarterly and annual financial statements for fiscal 2013, assessed the Company and its subsidiaries and had an opinion that no material deficiency found to be impact on the results of Company's as follows:

- **A controlled environment** - the Company had set up a good internal control environment by defined clear and appropriate organizational structure and organization lines as well as set up business goals and Key Performance Indicators (Key Performance Indicators: KPI) to evaluate the efficiency of operational performance to be in line with the Company's goals. The Company had written working manual as guideline for the business operations. In addition, the Company encouraged management and employees of the Company and its affiliates to recognize the importance of good corporate governance by having business ethics and ethics for directors, executives and employees, as well as, encourage training to educate employees on an annual basis. As a result, the operation will be fair and transparent to all stakeholders.

- **Risk assessment** - The Company's risk management policies are determined by the Risk Management Committee. The Risk Management Committee oversees the implementation of the Company's risk assessment to identify and analyze risk factors according to the target level and at a level that is acceptable to the



Company. The risk factors include strategic, operational, financial compliance and hazard. The result of the assessment is reported regularly to the Audit and Risk Management Committee and the risk factors are being reviewed on an annual basis.

- **Control Activities** - The Company had segregation of duties and responsibilities of each position clearly stated. The Company also had working manual or operational guideline that suit the operational structure of the Company. The current practices included review of performance to be in accordance with the rules, regulations, article of associations and authorization and working manual. This is to ensure that the performance had adequate internal control system and operational efficiency.

- **Information Technology (IT) and communication system** - the Company with a realized the importance of the IT and communication system and always encouraged the improvement of the system to ensure that all information was accurate and up-to-date. An efficient and modern IT system was adopted to guarantee the safety of the information and to bring such information to management work of the executive members and interested parties. This process should be carried out as a complete, accurate method and within an appropriate time so that it could be used in the business decision makings. Intranet function is initiated as a communication channel within the organization to broadcast policy, regulations and working manual and other bulletins.

- **Tracking system and evaluation** - The board of directors conducts an internal system that covers all fields such as accounting and finance, operation, compliance to laws and

regulations and safe guard of assets. The internal audit department was assigned to be in charge of this duty.

For investment in various projects of the Company and its subsidiaries, the Audit and Risk Management Committee evaluates the risks prior to obtaining approval from the Board of Directors in order to mitigate the investment risks. However, the Company still continues to monitor the risk management on a regular basis. In every level there will be a report on risk management on a regular basis. This is to minimize the risk level to an acceptable level and reviewed risks to be in accordance with the situation every year.

The Board of Directors has appointed Mr.Theerasak Piamsuphakpong to be Director of Internal Audit Department of the Company because he has extensive experience in performing the internal audit and had been trained in courses related to the practice of internal audit together with an understanding of the activities and operations of the Company. Therefore, the Company considers it to be appropriate to appoint him to perform such duties.

However, the Company continues to appreciate the recommendations and comments from the auditor and the Audit and Risk Management Committee to improve the internal controls system and operational risk management to be more efficient and effective.

In addition, the Audit and Risk Management Committee had commented that from the hard work of executives and employees of the Company, the Company will grow satisfactorily, which will allow all stakeholders to receive high and sustainable returns.



Corporate Social Responsibility Report

GFPT disclosed this Corporate Social Responsibility Report (CSR Report) as an integrated annual report. The information in this report covers our social responsibility activities relevant to our communities, societies, and environment during the period of 1 January 2013 – 31 December 2013.

This CSR Report is prepared according to the SEC's Guidelines for Social Responsibility (B.E. 2555).

GFPT is planning to prepare and upgrade this report to the Sustainability Report to convey information on our operations and activities on various dimensions, including economic, social, environmental, and governance performance. The information will be clearly and timely disclosed in accordance to the framework of Global Reporting Initiative (GRI) in order to generate sustained value of the Company and to build confidence of all stakeholders.



1. Ethical and Fair Business Practice

Policy on Ethical and Fair Business Practice

The Company has established guidelines practice of its stakeholders in the Company's Code of Conduct in regard to the stakeholders' responsibility including shareholders, employees, contractors, customers, suppliers, communities, and the environment. We also promote free competition. The Company shall avoid any activity that relates to conflict of interest, violation of intellectual property, and all kinds of corruption. We promote social responsibility at every step of our production chain. (Details can be found in the Company's Code of Conduct)

Business Policies

The Company sets business policy to be 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.

Corporate Governance Policy

The Company recognizes the importance of the good corporate governance and believes that good management system, the board of directors and executives with vision and responsibility, the control mechanism and the balance of power for the transparent administration, accountable, respect the equality of shareholders, and responsible to stakeholders shall be an important factor to add value and maximize returns to shareholders of the Company in the long run.

Corporate Social Responsibility Policy

The Company sets the Corporate Social Responsibility Policy (CSR) under the ethical principles to be fair for all stakeholders and apply the principle of good corporate governance practices to maintain the stability of the community, social and economic environment that led to the development of sustainable business success.



Business Ethics Policy

The Company follows principle to operate business with honesty, integrity and ethics, including compliance with the laws, rules and regulations by equally taking into account the rights of stakeholders such as the shareholders, employees, customers, suppliers, creditors, competitors, community, society and the environment. The Company defines and encourages business ethics to the directors, management and employees in the Code of Business Ethics.

Management and Maintain Business Ethics

- Directors, management and employees should understand and strictly follow a code of business ethics, if found to have violated or acted upon on the contrary to the company's business ethics, appropriate process will be considered. In the event that such action is contrary to regulations and Memorandum of Association, the Company will consider appropriate punishment or penalty to the case.
- Directors, management and employees have signed acknowledgment of business ethics once employed and when changes are made.
- Managers and supervisors have to be role model in practicing business ethics and responsible for monitoring and encouraging subordinates to follow the business ethics.
- Corporate Governance and Business Ethics Committee has been appointed by the Board of Directors and is responsible for reviewing the Business Ethics Handbook to be in accordance with the Company's business, laws and regulations. Corporate Governance and Business Ethics Committee must arrange a meeting at least 2 times per year and reports to the Board of Directors.

Report on non-compliance of business ethics

- Directors, management and employees have obligation to report conduct that may violate the Code of Business Ethics. If witness, pressured or forced to act in contrary to the business ethics, report to the supervisor or the executive or Corporate Governance and Business Ethics Committee ethics case

- The company has a policy to maintain confidentiality and protect those who report, the whistle blower will not be punished if it is good intention.

Compliance with laws, rules and regulation policy

The Company emphasizes on compliance to laws and regulations that follows the international business ethics. The directors, management and employees must perform within the framework of laws, rules and regulations and will not participate in any action that will violate the law, rules or regulations.

In 2013, the Company has not found guilty or not done any violation on the laws, the public company laws, the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand.

Intellectual Property or Copyright Policy

The Company has policy to comply with applicable laws or regulations relating to intellectual property rights, including patent, copyright, trademark, trade secret and other aspects of intellectual property law, such as the use copyright computer software. All computer software must be audited and installed by the Information Technology Department. Encourage employees to review their work or information that will not infringe the intellectual property of others.

Safeguarding of Assets Policy

Assets of the Company include tangible and intangible assets i.e. movable properties, properties, technology, production formula, rights, patent, copyright and confidential information such as business plan, financial forecast and personnel information.

Directors, management and employees at all levels shall have responsibilities for safeguarding, maintaining and maximizing the use of property and fixed assets that belong to the Company in the best interests of the Company and not for their own or other's benefits.

No director, manager or employee may disclose material inside information to the public or gain benefit from the Company's confidential information.

Resources Utilization Policy

The Company encourages directors, management and employees at all levels in the organization to use resources efficiently and maximize efficiency and effectiveness. The Company communicates, educates, supports, and creates awareness to employees and related parties to fully utilize and manage the resources for the benefit of the Company.

2. Anti-corruption

Anti-corruption Policy

The Company has policy prohibits directors and employees of the Company to accept corrupt in any form, either directly or indirectly, which covers all businesses in every countries and all agencies involved. The Company consistently monitors the compliance with policies against corruption, revise guidelines and regulations in the business operation in order to comply with the changing regulations and the requirements of the law. The framework is as follows:

- The Company will assess the risks associated with corruption and make recommendations to employees and directors in the business in the fight against corruption.
- The Company prohibits bribery in all its forms in all activities under the control and monitoring to ensure that donations to charities, raising funds, gifts, entertainment and other expenses are transparent and will not be for the purpose of attempting to bribe whether with a public or private organization.
- The company has published its policy in the Code of Business Ethics as guideline for the director, management and employees to follow and stated the penalty if violated.
- The Company provides training to our employees to know about the policies and practices against fraud, as well as promoting moral, honesty, responsibility and their obligations to conduct business according to business ethics.

In 2013, the Company has no issue or deficiency in relation to the litigation charges involving anti-competition, discredit, monopoly trading, discrimination, and corruption. The Company has no fine or non-monetary penalty due to the illegal action, not comply with the applicable law, or violation of business ethics.

3. Human Rights

Human Rights Policy

The Company has a policy to support and respect the protection of the human rights. The business of the Company will not be involved with forced labor or child labor, fair treatment to all stakeholders on the common practical principles by taking into the consideration human dignity, non-discrimination, equal treatment without prejudice regardless of their origin, ethnic, gender, age, color, religion, disability or family status. Promote human rights compliance within the Company and subsidiaries and among its joint venture partners, suppliers and all stakeholders based on international standards. Protect the rights of stakeholders that have been violated by the Company's business operations and compensate at a minimum rate of not less than the rate specified by law.

Employment of Disabilities Policy

The Company recognizes to improve the quality of life of people with disabilities. Encourage disabilities to have the opportunity to earn income, self-reliance and reduce the burden on families and society, as well as, encouraging people with disabilities, especially for the working age group, to be a part in strengthening their own family's financial status and the country's economy. According to the Persons with Disabilities Empowerment Act B.E. 2550 that aims to promote and improve the lives of people with disabilities includes provisions to adopt measures concerning the promotion and protection of the employment of the disabled.

In 2013, the Company has employed 35 people with disabled workers in accordance with the legal requirement of 1:100 ratios of disabled workers to normal workers re: The Persons with Disabilities Empowerment Act B.E. 2550 section 35. The Company provides several job functions for disable workers in 14 retail shops inside the factory.

Employing disabled people (person)



2011



2012



2013

Corporate Social Responsibility Policy

GFPT is committed to operate its business under ethical principles and good corporate governance practices for the importance of stakeholders. We aim to contribute to sustainable development to economic, community, society, and environment that led to growth and success.

4. Workforce Equality and Fairness

GFPT sets employment policy and practice toward equality and fairness to its employees at all level including remuneration, transfer of employee, training, skill development, career advancement, promotion, wellness, health, safety, and labor protection. We set up a Labor Relations unit to responsible for planning, monitoring, and evaluating labor relations activities and also coordinating with other relevant departments.

Labor Relations Policy

The Company is committed to treat its employees equally, to provide decent working conditions, to offer appropriate benefits, and to provide fair treatment to its employees at all level. Supervisors must be good role model and dependable to its subordinates. The Company also promotes employee engagement activity to establish good relationships.

Employees' compensation and benefit policy

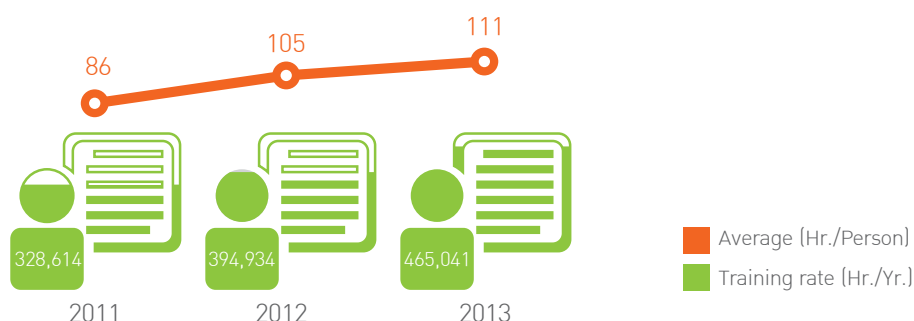
The Company has a policy of paying fair compensation as well as strengthens the vocational and career advancement opportunities; provide welfare for employees as required by law, such as Social Security and apart from the law, such as the health and accident insurance to employees in the sales, information technology department and employees working in other provinces. Provide other support including uniform for employees, financial aid, such as support for the funeral of staff's parents and education scholarships for employees' children.

Human resources training and development policy

The Company has a policy of promoting human resources development by supports staff to develop in various areas including expertise, capabilities, positive attitude, moral values, business ethics and teamwork through training, seminars or study trips. The Company focuses to promote the employees from within the organization and assess their performance regularly. This is considered to be an important factor for strong business expansion.

The Company also emphasizes on organizational development and human resources management by focusing on production efficiency, clear roles and job responsibilities, appropriated employee's remuneration, competitive pay structure, and employees' evaluation. The Company has provided various training programs such as company orientation to new employee, leadership, total production system etc.

Employee training



Training

The Company has designed and updated its training courses to facilitate its short-term and long-term objective and direction. We focus on the development of employees' skill, competences, experiences, technical know-how, managerial knowledge, and other relevant knowledge for new potential business opportunity. In addition, the Company provides information about human rights including the Labor Protection Act B.E. 2551 (amended) Section 11/1 re: the policy change, as well as labor laws. We also support our employees to join external training and seminar; thus, our employees can share and exchange knowledge and experience with other organizational and applied in the Company.

In 2013, the Company provides trainings in total of 465,041 hours, equivalent to an average of 111 hours of training hours per person per year. We offer a wide range of essential training programs such as executive development program, senior executive program, safety workplace to task force level, defensive driving, corporate social responsibility through sustainable development, corporate governance (CG), risk management, safety and health program, environmental conservation, and so on.

Safety and Working Environment Policy

The Company sets occupational health and safety policy to encourage employees to work safely and to have good hygiene in the workplace. The Company shall prevent any possible accidents at its full capacity and to build the safety awareness of its employees and encourage employees to have strong health (and not act in harmful to the health of customer) as well as to maintain a safe and hygienic workplace as follows:

Fatal Diseases Prevention

The Company shall prevent illness of employees that arise from working environment. We provide knowledge, consulting advice, expert training, publicity through media and activities to our employees and community. We also implement disease preventive program through encourage employee to get vaccination every year.

Safety policy

The Company encourages all employees to participate in the risk analysis and assessment of the workplace to create preventive plan for accident occurred from operation as well as to identify the root-cause to prevent the repetitive accident.

In 2013, the accident rate of the Company was 125 times increased from 2012 because the Company employed higher number of low skill foreign workers (MOU contract). However, the Company has implemented the preventive action and increased number of training to new workers in order to reduce the accident rate.

In 2013, the Company organized several activities to raise awareness of safety in the workplace as follows:

1) NEARMISS Project

to prevent accident from operation based on finding causes to prevent repeat incidents and encouraging all employees to participate in the risk analysis and assessment at workplace.

2) 5S Project

to encourage employee to participate in workplace maintenance and cleanliness.

3) Safety Week Exhibition Project

to provide event publicity about safety every year in order to educate employees about possible accidents in the workplace.

4) Safety Journal Project

to provide training program on safety issue regarding how to use safety equipment and what to do in an unexpected incident.

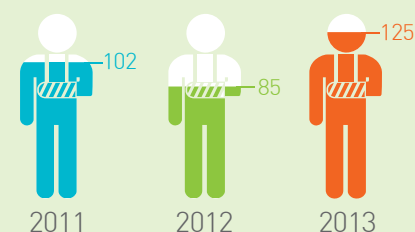
5) Safety Journal Project

the Company provides a monthly journal to promote knowledge about safety standards and preventive method on the unexpected events. The safety journal is available as hard-copy and online version to all employees.

Absence from Injury



Accident rate (Times)



Complaint Channel

We provide a channel for complaints to our employees. We set the process to perform when receiving a complaint as well as provide protection and confidentiality of the complainants and informants.

Complaint Channel

The complainant can report a complaint by providing details of the complaint with name and contact information. The complaint can be submitted to the Audit and Risk Management Committee by two channels:

- 1) Complaint box installed at designed location in the factory; and
- 2) Intranet site of the Company at [GFPT-Intranet-ส่งข้อร้องเรียน](#) in which, this complaint will be sent directly to the Human Resource Manager of the Company for forward to the Audit Committee.

Action after Receive the Complaint

Once received the complaint, the Audit and Risk Management Committee will consider the complaint and inform the relevant parties to investigate facts about the complaint and resolve the complaint appropriately. The Audit and Risk Management Committee will periodically monitor the progress of complaint. The relevant parties will notify the result to the complainant within a reasonable period. The Audit and Risk Management Committee shall report to the Board of Directors.

Protection and Confidentiality of the Complainant

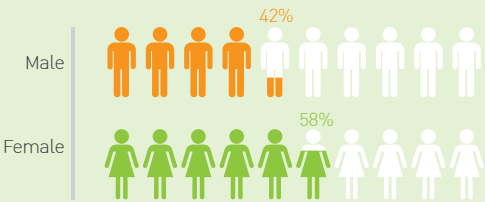
To protect the rights of complainant and relevant informants who acts in good faith, the Company shall keep all information of complainants and informants in confidentiality. Only the persons who are responsible in conducting inspection about the complaints can have access to such information. The assigned persons to handling the complaint are responsible for keeping all information regarding the complaint, relevant documents as confidential and shall not disclose such information to other persons unless the disclosure is required by laws.

Diversity Employment

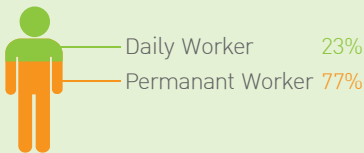
As of December 31, 2013, GFPT employs a total of 4,467 people with diversity of gender, age, level of education, race, work task, and work level. We provide equality and support diversity among genders, races, religions and cultures.



Employment by sex



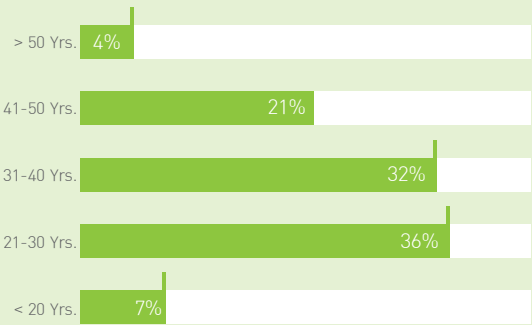
Employment by Type



Employment by Race



Emploment by age



5. Responsibility to Customers

As a leading integrated chicken producer, GFPT proactively emphasizes on “food safety and food quality” throughout our food chain as it is essential to our business operations. We demonstrates our commitment to food quality and safety through various dimensions including knowledge and capable personnel, and rigorous quality assurance measures at every step of the food chain starting from feed materials to finished products. We also communicate with responsibility in order to promote healthy diet and proper nutrition as follows:

Food Quality and Safety throughout our Food Chain

GFPT emphasizes on food quality and safety of our feed ingredients and finished products. We implement rigorous feed-to-food quality system in our integrated chicken production starting from feed mill, chicken farm, and chicken processing. We set stringent quality measures on both physical and biological at every steps including sourcing feed materials, feed production, chicken raising, chicken processing, further processing, transportation, and distribution, in order to assure that our chicken meat products are safe. The quality control measures of the key operations are as follow:

Feed Mill

The origin of our food quality and safety starts at the feed mill. We set up “**Feed Laboratory**” in both locations of our feed mill facilities to test and certify the quality of feed materials, feed productions, and feed products. The feed laboratories endorse the quality standard of the feed products, test feed nutrition, and identify chemicals or residues in feed ingredients in accordance to law and regulations. Our feed laboratories have passed ISO 17025 (the general requirements for the competence of testing laboratories) by the Department of Science Service, Ministry of Public Health.

Chicken Farm

Chicken farm is a key process of our integrated chicken production as chicken is the most important assets. Our chicken shall get healthy and high nutritious feed, have sufficient water, be treated with decent animal welfare, be reared in good environment, and free of diseases. In addition, we set up **“Chicken Veterinarian and Technical Team”** to monitor animal welfare practice, set measures to control disease prevention, and regulate the use of drugs and vaccines, in accordance with the laws and international standards. Our Chicken Veterinarian and Technical Team pass ISO 9001:2008. The team is responsible in making chicken health check planning, sharing knowledge about animal health and disease preventive protocol to chicken raising operators.

Chicken Processing Plant

Chicken meat processing plant is ultimate as it is the last step of production to deliver our chicken meat products to customers and consumers. Therefore, the safety and quality of chicken meat has been strictly controlled at every stage of production before shipping products to customers. In addition to the international standards of quality systems such as GMP, HACCP, etc., we also provide a **“Chemical Laboratory”** to test pesticide residues, nutrition, and various chemicals and **“Microbiological Laboratory”** to test microbes, pathogens, and residues of antibiotics in order to reassure the food quality and safety.

Our laboratory is certified by the Department of Livestock Development and received the Award for excellence in Laboratory Agricultural and Food in 2013 from The National Bureau of Agricultural Commodity and Food Standards (ACFS) and the golden awarded for excellence in Medical and Public Health Laboratory from Department of Medical Sciences, the Ministry of Public Health. These awards represented success in developing and maintaining standards and eventually to gain the trust of customers and consumers.

Standards for Quality Management

Each year, our meat processing production has been certified by internal audit, customer audit, and third party audit to assure customers' confidence that the quality of our products including feed, live chicken, chicken meat, and fully cooked chicken products meet international quality standards.

In 2013, the Company has certified the following quality system certification:

- GMP (Good Manufacturing Practice)
- HACCP (Hazard Analysis Critical Control Point)
- BRC Global Food Safety Standard
- ISO 9001 (Quality Management System)
- ISO 14001 (Environmental Management System)
- ISO 17025 (Competence of Testing and Calibration Laboratories)
- ACP (Assure Chicken Production)
- HALAL (Food Permitted under the Islamic Law)
- SQMS (McDonald's Supplier Quality Management System)

Traceability from Feed to Food

Traceability system is the essential mechanism to meet the expectation of customer and consumer and to ensure that our products are safe and meet quality standard. Our products can be traced back to every stage of production with the linkage of production information from feed production, farm operation, and food processing. Thus, we can trace back our product to all stages of production as well as its origin of raw materials.

Meanwhile, the information is linked together from the meat processing plant to transportation, to distribution, and to consumers, thus, we can track product status at any point in the food chain. In case of there is any problem occurred with customer and consumers, we can accurately and timely recall our products. Thus, customers can be assured that our products are 100% safe for consumption.

Animal Welfare

We recognize the importance of animal welfare. Our chicken farms have followed the standard practices for agricultural animals (Good Agriculture Practices: GAP) as well as standard for agricultural products in regards to animal welfare practice.

We have also been certified for the animal welfare practices in accordance to the Red Tractor Assurance (RTA), which is the standard for the meat production for export throughout the chicken supply chain. Under these standards, the Company has taken all steps in regard to the happiness of chickens throughout the raising period.

For example, chicken must be free from hunger and thirst, the system shall provide enough food and water, environment shall be free from discomfort, free from pain, injury or illness (a preventive system and Capturing each chicken is tender), are free to live naturally, Free from fear and worry (with parenting conditions does not cause any distress, for instance, catching chickens before slaughter).

In compliance with regulations and standards of the Department of Livestock Development, of Agriculture and animal welfare standards, GFPT's animal welfare protocol is very strict covering chicken raising farm, feeding system, health management, disease and illness protection, catching live bird, animal welfare, recorded information, and staffs' and workers' training.

The Company is confidence and assurance that the Company's products are high quality, hygienic, antibiotics and residue free and safe for consumption in both domestic and international market.

Bio-Security System

GFPT focuses on the implementation of biosecurity system in our key operations in order to use as a preventive measure for animal disease outbreak. Our strict bio-security system covers many steps of operations, for example:

- **Feed**

We have nutritionist experts to research and develop high quality feed formula. Our feed mills operate with modern feed production systems and control by computerized system. Our feed products are safe and meet with the dietary requirement of different chicken's aging.

- **Chicken**

Our farm facilities are closed evaporative cooling system with ventilation system to prevent any disease carrier. All chicken houses are equipped with mechanical systems to deliver feed and water automatically. The CCTV systems have been set up in the chicken houses to closely monitor the chicken welfare.

- **Personnel and Vehicles**

We have set strict regulations for personnel and vehicles entering into the farm area. Only farm workers and farm vehicles are authorized to enter into the farm area. The authorized person must shower, shampoo, disinfect, and change clothes when entering into the farm house. All vehicles must be washed and disinfected to prevent dust, contamination, or any carrier from outside that may cause disease within the farm.

Poultry Compartmentalization

In order to mitigate the risk of avian influenza outbreak, GFPT has implemented the poultry compartmentalization according to guideline of Department of Livestock Development as follow:

- Set a biosecurity management principle based on Hazard Analysis and Critical Control Point (HACCP) for avian influenza;
- Set the surveillance protocol for avian influenza at the farm site and buffer zone in a radius of 1 km.;
- Set the controlled protocol for avian influenza at the farm site and buffer zone in a radius of 1 km.;
- Set a traceability system

6. Environment Policy

The Company committed to operate business together with control pollution and protect the environment. The Company's environment policy is as follow:

**"Efficiently utilize resources and energy,
Prevent pollution, operates by law,
Consistently create awareness"**

In addition, the Company has established an environmental management structure to effectively support the implementation and also required all departments to perform their activities in accordance with the laws.

The Company has been accredited for the environmental management standard including ISO14001 and OHSAS 18001 by the independent auditor. The Company communicates its activities on the environmental management through various internal and external channels.

In 2013, the Company carried out activities and projects related to environmental management as follows:

Resource and Environmental Management

The Company focuses on the use of resources effectively with maximum benefits as it is a significant cost of the integrated production process. Effective uses of resource also produce less impact on environment and climate change.

Water Resource

Water resource is an important component in our chicken production. We set appropriate measures for water usage in every production process. We use information system to analyze and control water consumption. We also focus on production improvement, process development, and production technology to reduce water consumption and efficiently use of water resources.

In 2013, our water consumption was in amount of 1.75 million cubic meter, decreased 9.4% from last year.

Energy

The Company continuously focuses on efficient energy consumption and energy conservation by using information system to analyze and control energy consumption in the production process; meanwhile, the machines, equipment, and production process are designed for maximum efficiency with minimal energy consumption.

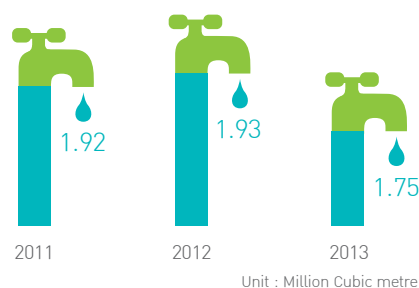
In addition, the Company promotes energy-saving activities such as automatic lighting system in office building and VDO Tele-Conference, which will save electricity and expenses as well as reducing the environmental impact which caused by transporting as well.

In 2013, the electricity utilization was in amount of 80.85 million kilowatt, increased 6.3% from last year, being 64% use in cooling system and 11% use in production process.

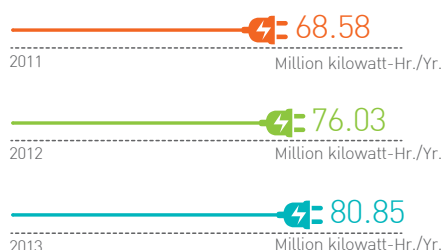
Energy Conservation

The energy conservation policy is set as a guideline for the implementation of energy consumption to effectively utilization and maximizes benefit. The Company set the energy conservation policy as part of the operation. We continue to improve the efficiency of energy usage by setting energy conservation measure annually, and communicating to all employees to understand and practice properly. The Company supports the energy conservation in terms of human resources, budget, training, and others to improve the energy management. The policy and implementation plan of the energy conservation is annually reviewed and updated.

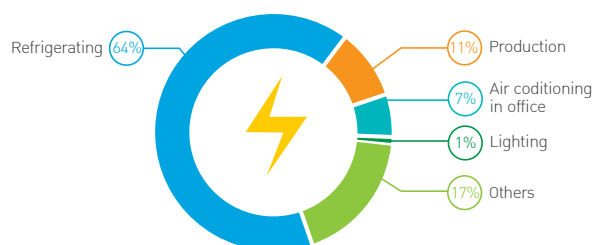
Water Consumption



Electricity consumption



The proportion of electricity consumption in 2013



Pollution and Waste Management

Air pollution

The Company uses pollution elimination system before releasing the pollution outside the plants and monitors level of pollution in applicable to the laws. The pollution level is monitored and measured twice a year by the authorized person of the Department of Industrial. In 2013, the level of contaminants in the air such as dust, nitrogen oxides, sulfur dioxide, carbon monoxide, and the opacity of all units, was lower than the standard required by law.

Water Pollution

The wastewater treatment of the Company complies with the standard defined by law. The Company uses high technology of wastewater treatment technology and closely monitors the level of wastewater before releasing to outside. The level of wastewater release to outside is comply with the law and does not affect the overall ecosystem. In addition, we focus on recycling treated wastewater within the plant.

Wastes

The Company has classified wastes in accordance with the law and sets up the protection system of environmental contamination starting from wastes storage, wastes transportation, and wastes displacement, hazardous wastes management, and wastes segregation. The Company sets up the internal wastes management system to collect the amount of wasted generated in a monthly basis. The wastes data is properly gathered and submitted to the authorized Wastes Management Company registered to the Department of Industrial, Ministry of Industry. The wastes data can be traced back for the whole system as follows:

- Hazardous wastes such as used solvent, decadent bulbs, contaminated container, used lubricant, sent to the Wastes Management Company.
- General waste (not hazardous wastes) such as plastic bags, paper, steel scrap, stainless steel scrap, sent to the wastes recycling company.

4 Rs Project

The Company has established guidelines for the waste management within the plant by using the concept of **4Rs (Reduce/ Reuse/ Recycle/ Repair)** to apply in the chicken production process. The Reduce, Reuse, Recycle, and Repair (Total Productive

Management: TPM) can be applied to minimize the impact on the environment and efficient utilization of resources. GFPT's Plant has operated the 4 Rs Project as follows:

- **Reduce:** to reduce the use of wood pallet by reuse with regular monitor the quality
- **Reuse:** to reuse one-side used paper
- **Recycle:** to use the water from wastewater treatment for cleaning roads and washing the machines outside the production line
- **Repair:** to perform machine maintenance program annually

7. The Initiative Projects on Youth, Community, and Society

In 2013, the Company has implemented projects and activities for the community and society as follows:

1. Promoting youth for the quality of society

The Company believes that "youth are the pillars of tomorrow's society". The Company recognizes the importance of children and youth. In addition to supporting its cooked chicken products, the Company provides educational tools and equipment to youth. The Company also encourages social activities for local communities and remote communities by focusing on the knowledge development of youth to be the quality person in the society as well as encouraging the youth to express themselves creatively through various projects.

2. Create a good society

The Company set a policy to support the disadvantaged in the rural society, basaltic, and those affected by disasters through its own activities, government agencies, charitable organizations, and non-profit organizations. In 2013, the Company has initiated several activities to promote the quality of life in local and remote communities.

3. Promote religion and Thai culture

Religion and culture are important institutions in the society which have strong influence in people's beliefs, values and behaviors as a way of life of the individuals in society. The Company recognizes that Thai society has influenced by the religion, therefore, focusing on the commitment and preservation of Buddhism as well as continuously supported Thai arts and culture.

Projects and Activities for the Community and Society



Student Luncheon Activity



Children's Day Activity



Bike-Donation Activity



Unused Calendar to Braille Books for the Blind



Blood Donation by GFPT Staff



Doing Good for the Mother and Father



Road Reparation to the Community Activity



GFPT Typeface Design Competition



GFPT Reading Campaign



Religious and Cultural Activities



Excellent Laboratory Awards

Report of the Audit and Risk Management Committee

Dear Shareholders

The Audit and Risk Management Committee of GFPT Public Company Limited is composed of 3 independent directors. Each member of the Audit and Risk Management Committee is independent and knowledgeable in finance discipline, law discipline, and managerial discipline. The Audit and Risk Management Committee is composed of Dr. Sathit Karanes, Chairman of Audit and Risk Management Committee, Mr. Paramet Hetrakul, member of Audit and Risk Management Committee, and Mr. Thanathip Pichedvanichok, member of Audit and Risk Management Committee. Members of the Audit and Risk Management Committee have qualification as defined by the regulations of the Audit Committee of the Stock Exchange of Thailand. More importantly, the Audit and Risk Management Committee is not appointed to protect the interests of directors or major shareholders in particular.

As assigned by the Board of Directors, the Audit and Risk Management Committee's scope of work, duties and responsibilities are to review GFPT and consolidated financial statements in compliance with the accounting policy and compliance with the regulations of the Stock Exchange of Thailand and other relevant laws. In addition, the Audit and Risk Management Committee is responsible for the accountability in internal control management and good corporate governance in both of financial system and operational system to ensure that the managements and executive directors perform their duties with integrity and responsibility to the shareholders of the Company; and in compliance with the Company's policy.

In 2013, the Audit and Risk Management Committee held 4 meetings. The Audit and Risk Management Committee discussed with the management, the Internal Audit teams, and the Company's auditor in related matters as follows:

1. A review of accuracy, completeness and credibility of the financial statements

The Audit and Risk Management Committee reviewed the Quarterly and Year End financial statements of the Company, both on a separated and consolidated basis, together with the auditors (internal and external auditors) and management for integrity and propriety prior to proposing them to the Board for approval. The review focused on material accounts, changes, adjustments, provisions, estimates as well as significant information disclosures to ensure that they were properly stated, clear, adequate, timely and meaningful for the shareholders and other users of the published financial statements. From the reviews conducted, the

Audit and Risk Management Committee has opinion that the financial statements reported to the SET and the public in the year 2013 were complete, accurate, and credible, and in compliance with generally accepted accounting principles of Thailand as well as information disclosure to ensure that the financial statements presented properly, clearly, adequately, timely, and literally useful for the shareholders and other users.

2. Connected transactions or transactions that may have conflict of interests.

The Audit and Risk Management Committee has considered and commented about the connected transactions or transactions that may have conflict of interests of the Company and its subsidiaries with caution, justification and taking into account of the interests of the Company's stakeholders including adequate information disclosure under the terms assigned by SET.

3. A review of risk management

The Audit and Risk Management Committee has considered the risk management policy, planning, and risk management practices that may occur including a review of the risk management arising from both internal and external factors by meeting with the management of the Company and also verifying and reviewing the efficiency and appropriateness of the risk management process regularly in each quarter includes providing suggestion for improvement.

4. A review of internal control of the Company

The Audit and Risk Management Committee, the external auditors, and the internal audit department of the Company have reviewed the Company's internal control system, which is consistent with the adequacy and effectiveness as well as encourage quality improvement of personnel and audit procedures in accordance with professional standards based on the Internal Auditor's report for the year 2013. Moreover, the Audit and Risk Management Committee visited the Company's actual operations in order to understand the process of the Company and provided valuable suggestions to improve the internal control system. The Audit and Risk Management Committee will report significant deficiencies with the solution to the Board of Directors. This approach will encourage the management of the Company to provide adequate and effective internal controls for the management to achieve results with efficient operation, property maintenance, and personnel management. Moreover, we also evaluate the effectiveness of the internal control and financial management, which are in compliance with the law set by the Securities and Exchange Commission. There is no significant weakness or deficiencies, which is in consistent with the evaluation of the auditor. The Audit and Risk Management

Committee has opinion that the Company and its subsidiaries have appropriate, adequate, and efficient internal control system, which consists of general business conditions and risk assessment in the areas of manufacturing, marketing, finance, information systems, and communications.

5. Compliance with the SEC and SET laws and regulation and other laws relevant to the Company's business

The Company monitors, analyses and reports changes in laws, rules and regulations relevant to the Company, as well as ensures its compliance. The Audit and Risk Management Committee monitored and reviewed that the Company has complied with relevant laws and regulations of the SEC and SET, as well as other laws related to the business of the Company. The Audit and Risk Management Committee has an opinion that the Company was in compliance with the relevant laws, rules, and regulations applicable to the Company and effective in the year 2013.

6. Overseeing company internal audit function

The Audit and Risk Management Committee oversees the internal audit to ensure that internal audit is effective and efficient to maximize the benefits of the Company and shareholders. The Audit and Risk Management Committee reviews the scope of work, obligations, and responsibilities of the Internal Audit Department and also reviews and approves the annual internal audit plan of the Company and its subsidiaries. In the review, the Audit and Risk Management Committee considered the adequacy of internal audit staff, audited on areas that relates to risks assessment, reviewed the independence of internal audit, and provided useful suggestions for continuous improvement. In addition, the Audit and Risk Management Committee has also emphasized the role of the internal audit by using the following principle such as operating system and preventive. Internal audit personnel have to keep pace with business changes and continuous self-improvement to accommodate with the business direction of the organization.

7. Suitability of the external auditor

The Audit and Risk Management Committee monitored the suitability of the external auditor by reference to the audit work quality, audit team competence and auditor independence in which independent feedback on the audit result and internal control environment was obtained. Moreover, the Audit and Risk Management Committee considered the scope and responsibilities of the external auditor including the appropriateness of the remuneration of the external auditors and compare with other external auditors including the performance of the external auditors in previous accounting period. So the Audit and Risk Management Committee proposed the external auditor from SAM NAK-NGAN

A.M.C. Co., Ltd. to be the Company's auditor for the year 2014, and considered the appropriate compensation to be proposed to the Board of Directors that will be proposed to the Annual General Shareholders' Meeting.

8. Self-assessment of the Audit and Risk Management Committee

The Audit and Risk Management Committee performed self-assessment based on the composition of the committee, meeting attendance, overall performance of the committee, and the relationship between management and external auditors according to the good practice of the Stock Exchange of Thailand and the Charter of the Audit Committee. The Audit and Risk Management Committee found that the scope and duties are in accordance with the guidelines of good practice and the Charter of the Audit Committee. It contributed to strengthen the good corporate governance. The Audit and Risk Management Committee has an opinion that the Audit and Risk Management Committee has performed its duties and responsibilities as assigned by using of knowledge, capability, caution, and independent. There is no limitation in obtaining information from the management, employees, and related person as well as provided useful comments and suggestions to all stakeholders.

In summary, the Audit and Risk Management Committee has an opinion that Board of Directors and Executive Directors of the Company have ethics and commitment to achieve the goals of the Company and focus on operation in accordance with good corporate governance, evident, reliable, adequate internal control system, and the financial report is in accordance with generally accepted accounting standards, legal, and related regulations.



Dr. Sathit Karanes

Chairman of Audit and Risk Management Committee



Mr. Paramet Hetrakul
Member of Audit and Risk
Management Committee



Mr. Thanathip Pichedvanichok
Member of Audit and Risk
Management Committee

Report of the Board of Directors' Responsibilities for Financial Statements

The Board of Directors is responsible for the separated and the consolidated financial statements of the Company and its subsidiaries as well as financial information presented in this annual report. The aforementioned financial statements have been prepared in accordance with the accounting standard, the financial reporting standards, the interpretation and accounting practices set by Federation of Accounting Professions, the related regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, and the generally accepted accounting principles of Thailand. The consolidated and separated financial statements of the Company and its subsidiaries have applied appropriate accounting policies, thoughtful judgment, and best estimation. Material information is adequately disclosed in the notes to financial statements for shareholders and investors.

The Board of Directors has provided and maintained the efficient internal control system to ensure that the accounting records are accurate, complete, and adequate to safeguard its assets and to identify any weakness, and to prevent any fraud or any material deficiency in the operations. The Board of Directors understands the importance of business's integrity and ethics; thus, the Board regularly analyzed the possible impacts of business risks and mitigated the risk factors into a reasonable level.

The Board of Directors has appointed an Audit and Risk Management Committee to review the accounting policies, the quality of financial statements, internal control system, internal control, risk management, and information disclosure

of inter-transaction. The comments on these issues are readily included the Audit and Risk Management Committee's Report in this annual report.

The consolidated and separated financial statements of the Company and its subsidiaries were audited by the auditor from SAM NAK-NGAN A.M.C. Co., Ltd. The Audit and Risk Management Committee provided the sufficient and adequate information and documents to the auditor in accordance with auditing standards. The auditor's comments on the consolidated and separated financial statements of the Company and its subsidiaries are shown in the Auditor's Report in this annual report.

The Board of Directors has an opinion that the internal control system of the Company is effective. It is confidence that the consolidated and separated financial statements of GFPT Public Company Limited and its subsidiaries for the year ended December 31, 2013 is reliable in accordance with generally accepted accounting principles, laws, and related regulations.



Dr. Anan Sirimongkolkasem
Chairman of Executive
Committee



Mr. Virach Sirimongkolkasem
Managing Director





Audit Fee

Mr. Ampol Chamnongwat, the authorized auditor No. 4663 from SAM NAK-NGAN A.M.C. Co., Ltd. was the auditor of the Company and its subsidiaries for the accounting period of the year 2013.

The Company and its subsidiaries paid the audit fee to SAM NAK-NGAN A.M.C. Co., Ltd. for the accounting period of the year 2013. The detail is shown as follows:

1. Audit fee

The Company and its subsidiaries paid the audit fee for the accounting period of the year 2013 in amount of 2,480,000.00 Baht, as shown in the following detail:

The audit fee of the Company	in amount of	805,000.00 Baht
The audit fee of 5 subsidiaries	in amount of	1,675,000.00 Baht

2. Non-Audit fee

The Company and its subsidiaries did not have any non-audit fee in accounting period of the year 2013.

“GFPT strives to be a leading producer and exporter of fully integrated chicken production.”

YEAR 2013

Financial Statements



GFPT Public Company Limited

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

I have audited the accompanying consolidated and the separate financial statements of GFPT PUBLIC COMPANY LIMITED and its subsidiary companies and also of GFPT PUBLIC COMPANY LIMITED only, respectively, which comprise the consolidated and the separate statements of financial positions as at December 31, 2013, and the related consolidated and the separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the consolidated and the separate financial statements referred to above present fairly, in all material respects, the consolidated and the separate financial position of GFPT PUBLIC COMPANY LIMITED and its subsidiary companies and also of GFPT PUBLIC COMPANY LIMITED only, respectively, as at December 31, 2013, and of their consolidated and the separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matter and Event

Without expressing a qualified opinion on the above financial statements, I would like to draw attention to the matter as explained in Notes to financial statements No. 3 noting that the Company and its subsidiaries have first time adopted the Thai Accounting Standard No. 12 on Income Taxes. The consolidated and separate financial statements for the year ended December 31, 2012 and the consolidated and separate statements of financial position as at January 1, 2012, presented herein for comparison, have been retrospectively adjusted for the effect of the adoption of the said newly issued standard. I have audited the relevant adjustments and in my opinion, those adjustments are fairly appropriate.

Other Matter

The consolidated and the separate financial statements of GFPT PUBLIC COMPANY LIMITED and its subsidiaries and of GFPT PUBLIC COMPANY LIMITED, for the year ended December 31, 2012 were audited by another auditor who expressed an unqualified opinion on those financial statement in his report date February 21, 2013

SAM NAK-NGAN A.M.C. Co., Ltd.



Mr. Ampol Chamnongwat

Certified Public Accountant (Thailand)

Registration No. 4663

Bangkok,

February 18, 2014

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
AS AT DECEMBER 31, 2013

(Unit : Baht)

	Notes	As at		
		December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)
<u>Assets</u>				
Current assets				
Cash and cash equivalents		310,602,430.95	282,975,277.73	178,940,427.14
Temporary investments		-	-	20,000.00
Trade and other receivables - net	6.1 and 7	1,100,748,517.12	960,068,023.44	810,985,768.62
Inventories - net	8	3,216,936,312.55	4,212,363,986.85	2,816,233,442.09
Other current assets		17,520,100.09	20,549,110.42	8,677,412.19
Total current assets		4,645,807,360.71	5,475,956,398.44	3,814,857,050.04
Non-current assets				
Investments in associates - net	9	1,615,728,372.70	1,429,312,831.91	629,542,149.14
Other long-term investments		5,000.00	5,000.00	5,000.00
Grandparent chickens - net	11	45,852,393.90	38,152,701.86	41,003,404.75
Parent chickens - net	12	366,649,604.32	287,823,495.35	309,440,843.03
Investments property - net	13	375,042,697.84	327,852,931.46	263,101,888.24
Property, plant and equipment - net	14	5,686,342,815.26	5,224,905,850.15	4,933,335,643.46
Deferred tax assets	15	322,435,790.92	320,437,297.42	129,714,865.46
Intangible assets - net	16	10,027,972.67	7,991,022.17	7,803,441.48
Goodwill		1,294,911.36	1,294,911.36	1,294,911.36
Other non-current assets		33,959,500.25	75,521,424.21	68,011,377.29
Total non-current assets		8,457,339,059.22	7,713,297,465.89	6,383,253,524.21
Total assets		13,103,146,419.93	13,189,253,864.33	10,198,110,574.25

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
AS AT DECEMBER 31, 2013

(Unit : Baht)

	Notes	As at		
		December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)
Liabilities and shareholders' equity				
Current liabilities				
Short-term loans from financial institutions	17 and 18	2,046,894,386.21	3,532,732,267.60	666,223,163.49
Trade and other payables	6.1 and 19	921,118,164.98	1,027,454,470.99	623,052,148.37
Current portion of long-term loans from financial institutions	17 and 20	80,000,000.00	80,000,000.00	80,000,000.00
Current portion of long-term loans from related persons	6.1	2,000,000,000.00	-	-
Current income tax payable		3,784,423.52	229,823.36	35,825,002.64
Other current liabilities		23,783,050.97	14,828,964.12	22,179,313.50
Total current liabilities		5,075,580,025.68	4,655,245,526.07	1,427,279,628.00
Non-current liabilities				
Long-term loans from financial institutions - net	17 and 20	80,000,000.00	160,000,000.00	240,000,000.00
Long-term loans from related persons	6.1	-	2,000,000,000.00	2,000,000,000.00
Employee benefit obligations	21	292,256,087.27	270,724,632.45	253,193,907.00
Advance received for rental income from associate	6.1	134,006,893.00	140,938,451.00	147,760,864.00
Other non-current liabilities	22	63,543,940.66	22,256,874.05	15,778,590.08
Total non-current liabilities		569,806,920.93	2,593,919,957.50	2,656,733,361.08
Total liabilities		5,645,386,946.61	7,249,165,483.57	4,084,012,989.08

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
AS AT DECEMBER 31, 2013

(Unit : Baht)

	Notes	As at		
		December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)
Shareholders' equity				
Share capital	23			
Authorized share capital				
1,400,000,000 ordinary shares @ Baht 1.00		1,400,000,000.00	1,400,000,000.00	1,400,000,000.00
Issued and paid-up share capital				
1,253,821,000 ordinary shares @ Baht 1.00		1,253,821,000.00	1,253,821,000.00	1,253,821,000.00
Premium on ordinary shares	24	525,000,000.00	525,000,000.00	525,000,000.00
Retained earnings				
Appropriated				
Legal reserve	24	140,000,000.00	140,000,000.00	140,000,000.00
Unappropriated		5,447,972,247.48	3,944,350,550.91	4,126,464,301.71
Other components of shareholders' equity		3,014,870.22	2,919,780.34	2,693,811.16
Total shareholders' equity of company		7,369,808,117.70	5,866,091,331.25	6,047,979,112.87
Non-controlling interests		87,951,355.62	73,997,049.51	66,118,472.30
Total shareholders' equity		7,457,759,473.32	5,940,088,380.76	6,114,097,585.17
Total liabilities and shareholder's equity		13,103,146,419.93	13,189,253,864.33	10,198,110,574.25

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

SEPARATE STATEMENTS OF FINANCIAL POSITION

GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
AS AT DECEMBER 31, 2013

(Unit : Baht)				
As at				
	Notes	December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)
Assets				
Current assets				
Cash and cash equivalents		95,399,945.47	116,960,647.15	42,018,247.42
Trade and other receivables - net	6.1 and 7	502,185,720.22	363,845,153.66	277,756,856.05
Short-term loans to subsidiary	6.1	10,000,000.00	10,000,000.00	-
Inventories - net	8	441,414,326.97	462,283,062.61	274,030,082.23
Other current assets		13,223,009.73	12,030,054.59	4,403,591.65
Total current assets		1,062,223,002.39	965,118,918.01	598,208,777.35
Non-current assets				
Investments in associates - net	9	1,117,712,771.81	1,117,712,771.81	622,299,700.00
Investments in subsidiaries - net	10	1,661,941,542.35	1,661,814,542.35	1,661,654,542.35
Investments property - net	13	229,937,961.49	291,301,530.61	288,806,599.75
Property, plant and equipment - net	14	1,220,271,359.35	1,233,720,902.40	1,230,221,835.20
Deferred tax assets	15	250,134,426.74	240,923,037.26	56,235,001.04
Intangible assets - net	16	10,027,972.67	7,991,022.17	7,803,441.48
Other non-current assets		21,715,089.73	30,225,100.66	30,931,153.52
Total non-current assets		4,511,741,124.14	4,583,688,907.26	3,897,952,273.34
Total assets		5,573,964,126.53	5,548,807,825.27	4,496,161,050.69

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

SEPARATE STATEMENTS OF FINANCIAL POSITION

GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
AS AT DECEMBER 31, 2013

(Unit : Baht)

As at				
	Notes	December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)
<u>Liabilities and shareholders' equity</u>				
Current liabilities				
Short-term loans from financial institutions	17 and 18	1,500,000,000.00	1,720,000,000.00	180,000,000.00
Trade and other payables	6.1 and 19	259,177,094.72	554,678,320.71	234,160,189.29
Current portion of long-term loans from related persons	6.1	692,200,000.00	-	-
Other current liabilities		8,556,048.90	4,440,159.45	6,370,139.95
Total current liabilities		2,459,933,143.62	2,279,118,480.16	420,530,329.24
Non-current liabilities				
Long-term loans from related persons	6.1	-	692,200,000.00	692,200,000.00
Employee benefit obligations	21	118,376,925.62	109,886,640.82	103,544,170.00
Advance received for rental income from associate	6.1	134,006,893.00	140,938,451.00	147,760,864.00
Other non-current liabilities	22	11,308,699.88	10,573,537.69	11,617,451.72
Total non-current liabilities		263,692,518.50	953,598,629.51	955,122,485.72
Total liabilities		2,723,625,662.12	3,232,717,109.67	1,375,652,814.96

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

SEPARATE STATEMENTS OF FINANCIAL POSITION

GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
AS AT DECEMBER 31, 2013

(Unit : Baht)

	Notes	As at		
		December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)
Shareholders' equity				
Share capital	23			
Authorized share capital				
1,400,000,000 ordinary shares @ Baht 1.00		1,400,000,000.00	1,400,000,000.00	1,400,000,000.00
Issued and paid-up share capital				
1,253,821,000 ordinary shares @ Baht 1.00		1,253,821,000.00	1,253,821,000.00	1,253,821,000.00
Premium on ordinary shares	24	525,000,000.00	525,000,000.00	525,000,000.00
Retained earnings				
Appropriated				
Legal reserve	24	140,000,000.00	140,000,000.00	140,000,000.00
Unappropriated		931,517,464.41	397,269,715.60	1,201,687,235.73
Total shareholders' equity		2,850,338,464.41	2,316,090,715.60	3,120,508,235.73
Total liabilities and shareholder's equity		5,573,964,126.53	5,548,807,825.27	4,496,161,050.69

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

110 STATEMENTS OF COMPREHENSIVE INCOME

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES FOR THE YEAR ENDED DECEMBER 31, 2013

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Revenue from sales		16,699,034,128.53	15,369,810,863.37	7,686,708,947.93	6,302,405,614.03
Cost of sales		(14,418,324,536.22)	(14,374,227,825.23)	(6,923,843,085.47)	(6,304,445,133.02)
Gross profit		2,280,709,592.31	995,583,038.14	762,865,862.46	(2,039,518.99)
Dividend income from subsidiary and associate company		-	-	64,299,919.50	89,399,919.00
Other income		311,647,332.35	281,130,371.56	157,772,422.99	147,045,769.27
Selling expenses		(533,468,003.44)	(490,446,254.16)	(122,611,740.40)	(112,950,119.56)
Administrative expenses		(563,736,403.35)	(514,916,565.48)	(246,000,618.47)	(224,408,815.08)
Loss from impairment in investments in associate		-	-	-	(408,146,928.19)
Share of profit (loss) of associates		220,715,470.79	(74,389,377.23)	-	-
Financial cost		(185,526,491.57)	(147,224,464.01)	(91,289,486.75)	(64,271,365.80)
Profit (loss) before income tax		1,530,341,497.09	49,736,748.82	525,036,359.33	(575,371,059.35)
Income tax revenues (expenses)	28	(12,543,394.03)	190,148,564.77	9,211,389.48	184,688,036.22
Profit (loss) for the year		1,517,798,103.06	239,885,313.59	534,247,748.81	(390,683,023.13)
Other comprehensive income		-	-	-	-
Total comprehensive income (expenses) for the year		1,517,798,103.06	239,885,313.59	534,247,748.81	(390,683,023.13)
Profit (loss) attributable :					
Equity holders of the GFPT PUBLIC COMPANY LIMITED		1,503,621,696.57	231,620,746.20		
Non-controlling interests		14,176,406.49	8,264,567.39		
		1,517,798,103.06	239,885,313.59		
Basic earnings (loss) per share	30				
GFPT PUBLIC COMPANY LIMITED (Unit : Baht)		1.20	0.18	0.43	(0.31)

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
FOR THE YEAR ENDED DECEMBER 31, 2013

CONSOLIDATED FINANCIAL STATEMENTS

	Notes	Other components							(Unit : Baht)
		Retained earnings			of equity		Non-controlling interests	Total	
		Issued and paid-up share capital	Share premium account	Appropriated legal reserve	Unappropriated	Change in shareholding ratio in subsidiary companies under common control			
Beginning balance as at January 1, 2012 - Previously reported		1,253,821,000.00	525,000,000.00	140,000,000.00	3,997,532,628.26	2,693,811.16	5,919,047,439.42	65,335,280.29	5,984,382,719.71
Impact of changes in accounting policies	3	-	-	-	128,931,673.45	-	128,931,673.45	783,192.01	129,714,865.46
Beginning balance as at January 1, 2012 (Restated)		1,253,821,000.00	525,000,000.00	140,000,000.00	4,126,464,301.71	2,693,811.16	6,047,979,112.87	66,118,472.30	6,114,097,585.17
Dividend Payment	25	-	-	-	(413,734,497.00)	-	(413,734,497.00)	-	(413,734,497.00)
Discount from purchasing the investment in subsidiaries		-	-	-	-	225,969.18	225,969.18	-	225,969.18
Non-controlling interests of subsidiaries decrease		-	-	-	-	-	-	(385,990.18)	(385,990.18)
Comprehensive income for the year (Restated)		-	-	-	231,620,746.20	-	231,620,746.20	8,264,567.39	239,885,313.59
Ending balance as at December 31, 2012 (Restated)		1,253,821,000.00	525,000,000.00	140,000,000.00	3,944,350,550.91	2,919,780.34	5,866,091,331.25	73,997,049.51	5,940,088,380.76
Discount from purchasing the investment in subsidiaries		-	-	-	-	95,089.88	95,089.88	-	95,089.88
Non-controlling interests of subsidiaries decrease		-	-	-	-	-	-	(222,100.38)	(222,100.38)
Comprehensive income for the year		-	-	-	1,503,621,696.57	-	1,503,621,696.57	14,176,406.49	1,517,798,103.06
Ending balance as at December 31, 2013		1,253,821,000.00	525,000,000.00	140,000,000.00	5,447,972,247.48	3,014,870.22	7,369,808,117.70	87,951,355.62	7,457,759,473.32

(Unit : Baht)

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
FOR THE YEAR ENDED DECEMBER 31, 2013

SEPARATE FINANCIAL STATEMENTS

	Notes	Issued and paid-up share capital	Share premium account	Retained earnings		Total
				Appropriated legal reserve	Unappropriated	
Beginning balance as at January 1, 2012 - Previously reported		1,253,821,000.00	525,000,000.00	140,000,000.00	1,145,452,234.69	3,064,273,234.69
Impact of changes in accounting policies	3	-	-	-	56,235,001.04	56,235,001.04
Beginning balance as at January 1, 2012 (Restated)		1,253,821,000.00	525,000,000.00	140,000,000.00	1,201,687,235.73	3,120,508,235.73
Dividend Payment	25	-	-	-	(413,734,497.00)	(413,734,497.00)
Comprehensive income for the year (Restated)		-	-	-	(390,683,023.13)	(390,683,023.13)
Ending balance as at December 31, 2012 (Restated)		1,253,821,000.00	525,000,000.00	140,000,000.00	397,269,715.60	2,316,090,715.60
Comprehensive income for the year		-	-	-	534,247,748.81	534,247,748.81
Ending balance as at December 31, 2013		1,253,821,000.00	525,000,000.00	140,000,000.00	931,517,464.41	2,850,338,464.41

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

STATEMENTS OF CASH FLOW

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES FOR THE YEAR ENDED DECEMBER 31, 2013

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash flows from operating activities				
Profit (loss) before income tax	1,530,341,497.09	49,736,748.82	525,036,359.33	(575,371,059.35)
Adjustments to profit (loss) before income tax for cash				
Depreciation-grandparent chickens	49,266,996.27	49,812,476.12	-	-
Depreciation-parent chickens	316,019,765.50	346,560,512.60	-	-
Depreciation-investment property	5,306,550.60	5,297,486.57	12,173,099.95	12,408,089.24
Depreciation-fixed assets	517,405,143.97	490,319,721.53	159,840,334.68	159,850,945.61
Amortization expenses	3,738,842.63	2,994,305.68	3,738,842.63	2,994,305.68
Loss from assets dilapidation	455,612.56	144,106.50	-	-
Doubtful debts-trade and other receivables	5,399,940.28	138,680.67	-	-
Loss from impairment in investments associate	-	-	-	408,146,928.19
Loss from sales of grandparent chickens retirement	510,918.35	1,157,426.96	-	-
(Gain) loss from sales of parent chickens retirement	(20,144,169.39)	26,083,102.98	-	-
Loss from value of disposal chicks	1,836,129.80	3,845,389.29	-	-
Loss from value of disposal grandparent chicks	-	1,321,284.48	-	-
(Reverl) loss from decline in value of inventories	(4,270,997.51)	6,038,848.15	(7,252,565.98)	11,097,155.97
Reverl of loss from decline in office supplies	(4,118.97)	(32,790.18)	-	-
(Gain) Loss from sales of investment property	-	(2,413,060.00)	661,645.97	-
Reverl of loss from allowance for impairment-investment property	-	(27,060,432.19)	-	(13,933,086.50)
Loss from impairment property, plant and equipment	-	43,200.00	-	-
Gain from sales of fixed assets	(3,444,703.70)	(3,362,069.83)	(1,676,374.75)	(478,305.93)
Gain from unrealized exchange rate	(3,601,984.53)	(2,293,401.78)	(4,877,588.58)	(911,160.51)
Average tax miss/plus	26,783.28	-	-	-
Dividend income from subsidiary	-	-	(29,999,989.50)	(59,999,979.00)
Dividend income from associate	-	-	(34,299,930.00)	(29,399,940.00)
Income tax payable recognize as revenues	-	(1,741,368.04)	-	-
Employee benefit obligation	25,966,186.82	27,397,546.45	11,586,332.80	12,449,008.82
Advances received for rental income	(6,931,558.00)	(6,822,413.00)	(6,931,558.00)	(6,822,413.00)
Interest income	(1,357,522.84)	(1,877,764.17)	(759,852.20)	(505,669.83)
Interest expenses	185,526,491.57	147,015,160.59	84,712,466.29	60,997,545.90
Share of (gain) loss of associates	(220,715,470.79)	74,389,377.23	-	-
Profit (loss) from operation before changes in operating assets and liabilities	2,381,330,332.99	1,186,692,075.43	711,951,222.64	(19,477,634.71)

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

114 STATEMENTS OF CASH FLOW

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES FOR THE YEAR ENDED DECEMBER 31, 2013

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Cash flows from operating activities (continue)				
(Increase) decrease in operating assets				
Trade and other receivables	(141,175,111.90)	(146,626,845.03)	(133,454,969.05)	(85,208,047.59)
Inventories	945,103,856.55	(1,447,693,855.59)	29,481,354.42	(198,476,436.74)
Other current assets	5,121,166.54	(3,832,545.78)	(3,580,082.80)	(3,157,197.70)
Other non-current assets	(1,749,832.08)	(8,826,146.92)	2,005,637.99	706,052.86
Operating liabilities increase (decrease)				
Trade and other payables	(177,413,211.44)	336,754,015.25	(303,862,946.14)	316,883,195.04
Other current liabilities	8,954,086.85	(7,350,349.38)	4,628,499.53	(984,385.02)
Employee benefit obligations	(4,434,732.00)	(9,866,821.00)	(3,096,048.00)	(6,106,538.00)
Other non-current liabilities	41,287,066.61	6,478,283.97	735,162.19	(1,043,914.03)
Cash received (paid) from operating activities	3,057,023,622.12	(94,272,189.05)	304,807,830.78	3,135,094.11
Cash received from interest income	1,357,522.84	1,877,764.17	759,852.20	505,669.83
Cash received income tax	26,680,300.62	-	26,680,300.62	-
Cash paid for income tax	(13,211,232.68)	(42,499,643.03)	(2,082,137.58)	(4,469,265.24)
Net cash received from (used in) operating activities	3,071,850,212.90	(134,894,067.91)	330,165,846.02	(828,501.30)
Cash flow from investing activities				
Cash payment from short-term loan to subsidiary	-	-	-	(10,000,000.00)
Cash received from dividend from investments in subsidiary	-	-	29,999,989.50	59,999,979.00
Cash received from dividend from investments in associate	34,299,930.00	29,399,940.00	34,299,930.00	29,399,940.00
Cash received from temporary investment	-	20,000.00	-	-
Cash payment from investments in subsidiary	(127,000.00)	(160,000.00)	(127,000.00)	(160,000.00)
Cash payment from investments in associate	-	(903,560,000.00)	-	(903,560,000.00)
Cash received from sales grandparent breeders slads liable prematurely	2,828,896.50	2,979,951.57	-	-
Cash payment from investments in grandparent chicken	(56,160,049.64)	(47,436,985.50)	-	-
Cash received from sales breeder slade liable prematurely	90,192,512.00	64,362,036.90	-	-
Cash payment from investments in parent chicken	(399,740,271.64)	(363,346,578.27)	-	-
Cash received from sales of investments property	-	9,500,000.00	225,140.18	-
Cash payment from purchases of investments property	(86,001,286.98)	(50,075,037.60)	(5,201,286.98)	(969,933.60)
Cash received from sales of fixed assets	19,162,484.70	14,703,704.43	1,711,065.45	529,583.56
Cash payment from purchases of fixed assets	(859,640,938.49)	(731,472,681.75)	(86,491,726.95)	(163,471,785.28)
Cash payment from purchases of intangible assets	(5,775,793.13)	(3,181,886.37)	(5,775,793.13)	(3,181,886.37)
Cash payment from purchases of intangible assets awaiting installation	(15,706,662.44)	-	(15,706,662.44)	-
Cash payment in interest expenses capitalize to assets	(15,806,668.76)	(12,601,092.42)	-	-
Net cash used in investing activities	(1,292,474,847.88)	(1,990,868,629.01)	(47,066,344.37)	(991,414,102.69)

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

STATEMENTS OF CASH FLOW

GFPT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES FOR THE YEAR ENDED DECEMBER 31, 2013

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash flow from financing activities				
Increase (decrease) in trust receipt payable	(1,490,905,925.30)	1,057,902,011.68	-	-
Cash received from short-term loans from financial institutions	13,185,000,000.00	5,150,000,000.00	11,150,000,000.00	4,730,000,000.00
Cash payment from short-term loans from financial institutions	(13,180,000,000.00)	(3,340,000,000.00)	(11,370,000,000.00)	(3,190,000,000.00)
Cash payment from long-term loans from financial institutions	(80,000,000.00)	(80,000,000.00)	-	-
Cash received from long-term loans from related persons	49,000,000.00	3,000,000.00	35,000,000.00	-
Cash payment from long-term loans from related persons	(49,000,000.00)	(3,000,000.00)	(35,000,000.00)	-
Cash payment from interest expenses	(185,842,276.00)	(144,369,946.17)	(84,660,203.33)	(59,080,499.28)
Cash payment from dividends	-	(413,734,497.00)	-	(413,734,497.00)
Non controlling interests in dividend	(10.50)	(21.00)	-	-
Net cash received from (used in) financing activities	(1,751,748,211.80)	2,229,797,547.51	(304,660,203.33)	1,067,185,003.72
Cash and cash equivalent items increase (decrease)-net	27,627,153.22	104,034,850.59	(21,560,701.68)	74,942,399.73
Cash and cash equivalent items at the beginning of the period	282,975,277.73	178,940,427.14	116,960,647.15	42,018,247.42
Cash and cash equivalent items at the end of the period	310,602,430.95	282,975,277.73	95,399,945.47	116,960,647.15
<u>Additional disclosure :</u>				
1. Items not affecting cash flow are as flows :-				
- The trade receivables allowance for doubtful debts is fully valued	168,288.00	713,677.00	-	-
- Transfer of investment property to fixed assets	55,540,800.00	-	55,540,800.00	-
- Transfer of fixed assets to investment property	2,035,830.00	-	2,035,830.00	-
- Transfer of supplies to construction	63,596,165.60	54,157,020.63	-	-
- Transfer of construction to supplies	2,563,052.07	7,153,775.80	-	-
- Transfer of construction to expenses	8,274,428.07	5,324,171.44	1,360,052.80	873,699.61
- Sale of parent chickens retirement which had not yet been received	-	1,714,447.00	-	-
- Purchases of fixed assets which had not yet been paid	28,054,954.21	28,517,905.18	7,788,838.18	803,204.77
- Purchases of chicks which had not yet been paid	42,040,000.00	36,504,000.00	-	-
- Interest expenses includes the cost of the asset	15,889,395.34	12,603,130.94	-	-
- Depreciation transfer to grandparent chickens	4,146,453.52	4,983,450.74	-	-
- Depreciation transfer to parent chickens	23,113,945.44	17,252,173.53	-	-
2. Cash and cash equivalent items consisted of :-				
- Cash	5,568,461.00	3,667,720.00	4,837,961.00	3,072,720.00
- Cheques on hand	23,872,863.00	20,332,454.00	-	-
- Current account deposits	126,764,378.63	89,980,310.89	15,846,496.71	13,182,413.27
- Saving account deposits	154,396,728.32	168,994,792.84	74,715,487.76	100,705,513.88
Total	310,602,430.95	282,975,277.73	95,399,945.47	116,960,647.15

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

**GFPT PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARY COMPANIES
FOR THE YEAR ENDED DECEMBER 31, 2013****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, Thailand.

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

2. Basis of financial statement preparation

2.1 The financial statements are issued for reporting purposes to be used in Thailand are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language

The consolidated and the separate financial statements were prepared in accordance with the generally accepted accounting principles under the Accounting Act B.E. 2543, which include the already announced accounting standards, financial reporting standards and their interpretation including accounting guidance issued by the Federation of Accounting Professionals ("FAP") established under the Accounting Professions Act B.E. 2547 and regulations 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.

The presentation of financial statements is in accordance with the determination stated in the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act, B.E. 2543.

These financial statements were prepared by using historical cost basis except those disclosed otherwise in the accounting policies

- 2.2 During the year 2013, the Federation of Accounting Professions has issued notifications mandating the use of new and revised Financial Reporting Standards and interpretation as follows:-

<u>Reference standard No.</u>	<u>Name</u>
TAS No. 12	Income Taxes
TAS No. 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS No. 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rate
TFRS No. 8	Operating Segments
TSIC No. 10	Government Assistance-No Specific Relation to Operating Activities
TSIC No. 21	Income Taxes-Recovery of Revalued Non-Depreciable Assets
TSIC No. 25	Income Taxes-Changes in the Tax Status of an Entity or its Shareholders
Accounting Treatment Guidance for Transfers to and Transfer from of Financial Assets	

The adoption of these new and revised TFRS, Interpretation and Accounting Treatment Guidance have resulted in changes in the Group accounting policies. The effects of these changes are disclosed in the notes to financial statements No. 3.

In addition to the above new and revised TFRS, the FAP has issued and revised Thai financial reports standards (TFRS) that have not been adopted in the preparation of these financial statements as listed below.

<u>Reference standard No.</u>	<u>Name</u>	<u>Effective date</u>
<u>Thai Accounting Standards (TAS)</u>		
TAS No. 1 (Revised 2012)	Presentation of Financial Statements	January 1, 2014
TAS No. 7 (Revised 2012)	Statement of Cash Flows	January 1, 2014
TAS No. 12 (Revised 2012)	Income Taxes	January 1, 2014
TAS No. 17 (Revised 2012)	Leases	January 1, 2014
TAS No. 18 (Revised 2012)	Revenue	January 1, 2014
TAS No. 19 (Revised 2012)	Employee Benefits	January 1, 2014
TAS No. 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates	January 1, 2014
TAS No. 24 (Revised 2012)	Related Party Disclosures	January 1, 2014
TAS No. 28 (Revised 2012)	Investments in Associates	January 1, 2014
TAS No. 31 (Revised 2012)	Interests in Joint Venture	January 1, 2014
TAS No. 34 (Revised 2012)	Interim Financial Reporting	January 1, 2014
TAS No. 38 (Revised 2012)	Intangible Assets	January 1, 2014

<u>Reference standard No.</u>	<u>Name</u>	<u>Effective date</u>
<u>Thai Financial Reporting Standards (TFRS)</u>		
TFRS No. 2 (Revised 2012)	Share-based Payment	January 1, 2014
TFRS No. 3 (Revised 2012)	Business Combinations	January 1, 2014
TFRS No. 4	Insurance Contracts	January 1, 2016
TFRS No. 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations	January 1, 2014
TFRS No.8 (Revised 2012)	Operating Segments	January 1, 2014
<u>Thai Financial Reporting interpretations (TFRIC)</u>		
TFRIC No. 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	January 1, 2014
TFRIC No. 4	Determining whether an Arrangement contains a Lease	January 1, 2014
TFRIC No. 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	January 1, 2014
TFRIC No. 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	January 1, 2014
TFRIC No. 10	Interim Financial Reporting and Impairment	January 1, 2014
TFRIC No. 12	Service Concession Arrangement	January 1, 2014
TFRIC No. 13	Customer Loyalty Programmes	January 1, 2014
TFRIC No. 17	Distributions of Non-cash Assets to Owners	January 1, 2014
TFRIC No. 18	Transfers of Assets from Customers	January 1, 2014
<u>Thai Accounting Standard Interpretations (TSI)</u>		
TSIC No. 15	Operating Leases-Incentives	January 1, 2014
TSIC No. 27	Evaluating the Substance of Transactions in the Legal form of a Lease	January 1, 2014
TSIC No. 29	Service Concession Arrangement : Disclosure	January 1, 2014
TSIC No. 32	Intangible assets-Web Site Costs	January 1, 2014

The Company's and its subsidiaries' management will adopt the above Financial Reporting Standards and interpretation relevant to the Company and its subsidiaries in the preparation of the financial statements of the Company and its subsidiaries when they become effective. In addition, the Company's and its subsidiaries' management have assessed the effects of these standards and believes that they will not have any significant impact on the financial statements for the period in which they are initially applied.

- 2.3 The Company's have been reclassified contain items in the financial statement to correspond with the presentation of the current financial statement with no effect to the reported for the year ended or share holders' equity. The reclassifications have the following details.

	(Unit Baht)					
	Consolidated financial statements			Separate Financial Statements		
	Before readjustment	Readjustment increase (Decrease)	After readjustment	Before readjustment	Readjustment increase (Decrease)	After readjustment
Statements of financial position as at January 1, 2012						
Trade and other receivables - net	847,532,084.49	(36,546,315.87)	810,985,768.62	309,745,679.63	(31,988,823.58)	277,756,856.05
Other current assets	4,804,700.83	3,872,711.36	8,677,412.19	1,554,174.05	2,849,417.60	4,403,591.65
Other non-current assets	35,337,772.78	32,673,604.51	68,011,377.29	1,791,747.54	29,139,405.98	30,931,153.52
Trade and other payables	633,225,861.87	(10,173,713.50)	623,052,148.37	240,530,329.24	(6,370,139.95)	234,160,189.29
Short term provisions	12,005,600.00	(12,005,600.00)	-	-	-	-
Other current liabilities	-	22,179,313.50	22,179,313.50	-	6,370,139.95	6,370,139.95
Statements of financial position as at December 31, 2012						
Trade and other receivables - net	1,002,606,975.87	(42,538,952.43)	960,068,023.44	402,773,682.79	(38,928,529.13)	363,845,153.66
Other current assets	6,283,443.65	14,265,666.77	20,549,110.42	1,374,811.12	10,655,243.47	12,030,054.59
Other non-current assets	47,248,138.55	28,273,285.66	75,521,424.21	1,951,815.00	28,273,285.66	30,225,100.66
Trade and other payables	1,032,677,135.11	(5,222,664.12)	1,027,454,470.99	559,118,480.16	(4,440,159.45)	554,678,320.71
Short term provisions	9,606,300.00	(9,606,300.00)	-	-	-	-
Other current liabilities	-	14,828,964.12	14,828,964.12	-	4,440,159.45	4,440,159.45

- 2.4 Preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are resulted from experience and other factors that the management has reasonably assurance under such circumstance. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized. in the period in which estimates are revised and in any future periods affected The significant estimates and assumptions are as follows: -

Lease agreement

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful debt

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Reduction of Inventories to become Net Realizable Value

In estimating the reduction of inventories to become net realizable value, the management uses the discretion in estimating the net realizable value of inventories. The sum of money expected to receive from inventories is considered from the change in sale price or cost directly related to the events occurring after of report period.

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

Allowances for decline in value of dilapidated inventories and non-movement inventories are estimated from inventories which are subject to dilapidation and non-movement.

Parent Chickens and Grandparent Chickens and Depreciation

In calculating the depreciation, the management is necessary to perform the estimation on the standard of expected products and residual value when the age of giving produce of parent chickens and grandparent chickens was due. Besides, the residual value must be revised if any change occurs. The management has to verify the residual value of parent chickens and grandparent chickens with the indication of residual value on the first day of giving produce of parent chickens and grandparent chickens and the residual value on the date which is the end of report period. If the residual value changes more than the specified level, the residual value must be changed for the calculation of depreciation of parent chickens and grandparent chickens. The management is requires judgments regarding forecast of future revenues and expense related to parent chickens and grandparent chickens.

Investment properties, property, plant and equipment and depreciation

In determining depreciation of investment properties, property, plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment properties, property, plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review investment properties, property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

Estimate on employee benefit obligations

Provisions for post employment benefits are calculated by actuarial techniques, of which assumptions consist of discount rate, salary increation rate, turnover rate and related demographic factors. To indicate discount rate, the management considers interest rate reflecting present economic situation. However, actual post employment benefits may differ from the estimates.

Other estimates are disclosed under related caption in these notes to financial statements.

Goodwill

Measurement subsequent initial recognition, goodwill should be tested of impairment annually whether or not there is any indication that it may be impaired by comparing the carrying amount with the recoverable amount.

3. Significant change in accounting policy

Since January 1, 2013, the Group changed in accounting policy for the first-time adoption of TAS No. 12 on Income Taxes. The consolidated and separate financial statements for the year ended December 31, 2012, and the consolidated and separate statements of financial position as at January 1, 2012, presented herein for comparison, have been retrospectively adjusted for the effect of the implementation of the first-time adoption of TAS. The effect can be shown as follows:-

	(Unit Baht)					
	Consolidated financial statements			Separate Financial Statements		
	Before readjustment	Readjustment increase (Decrease)	After readjustment	Before readjustment	Readjustment increase (Decrease)	After readjustment
Statements of financial position as at January 1, 2012						
Deferred tax assets increase	-	129,714,865.46	129,714,865.46	-	56,235,001.04	56,235,001.04
Retained earnings increase	3,997,532,628.26	128,931,673.45	4,126,464,301.71	1,145,452,234.69	56,235,001.04	1,201,687,235.73
Non-controlling interests	65,335,280.29	783,192.01	66,118,472.30	-	-	-
Statements of financial position as at December 31, 2012						
Deferred tax assets increase	-	320,437,297.42	320,437,297.42	-	240,923,037.26	240,923,037.26
Retained earnings increase	3,624,627,970.29	319,722,580.62	3,944,350,550.91	156,346,678.34	240,923,037.26	397,269,715.60
Non-controlling interests	73,282,332.71	714,716.80	73,997,049.51	-	-	-
Statements of income for the year ended December 31, 2012						
Income tax revenues (expenses) decrease	(573,867.19)	190,722,431.96	190,148,564.77	-	184,688,036.22	184,688,036.22
Comprehensive income increase	49,162,881.63	190,722,431.96	239,885,313.59	(575,371,059.35)	184,688,036.22	(390,683,023.13)
Profit (loss) per share increased (Baht/share)	(0.03)	0.21	0.18	(0.46)	0.15	(0.31)

4. Basis of the consolidated financial statements preparation

- 4.1 The consolidated financial statements have been prepared by consolidating the financial statements of the Company and of five subsidiary companies (collectively called the “Group Companies”) The detail of structure and shareholding ratio of the Group is as follows :-

	<u>Percentage</u> <u>of shareholding</u>		<u>Incorporated</u> <u>in the</u> <u>country</u>	<u>Type of business</u>
	<u>2013</u>	<u>2012</u>		
M.K.S. FARM CO., LTD.	99.9999	99.9999	Thailand	Broiler farm
KRUNGTHAI FARM CO., LTD.	99.9999	99.9999	Thailand	Parent chickens farm and chicks distribution
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	97.8666	97.8601	Thailand	Production and distribution feed mill and parent chickens farm
GF FOODS CO., LTD.	99.9999	99.9999	Thailand	Production and distribution of processed food
GP BREEDING CO., LTD.	99.9999	99.9999	Thailand	Grandparent chickens farm

- 4.2 Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- 4.3 The consolidated financial statements have been prepared using the same accounting policy for the same accounting items and other events in the similar situation.

4.4 The accounting periods of subsidiary companies ended the same date as that of GFPT PUBLIC COMPANY LIMITED

4.5 The consolidated financial statements combine the accounts of the Company and subsidiary companies after eliminating inter-company transaction items. The balances between the Company and subsidiary companies, significant intra-group transactions, investments in subsidiary companies and share capital of subsidiary companies have already been eliminated from the consolidated financial statements.

5. Summary of significant accounting policies

The significant accounting policies of the Group can be summarized as follows:

5.1 Cash and cash equivalents

Cash and cash equivalent items includes cash, savings account deposits, current account deposits and not exceeding 3 months fixed deposits and short-term investments which are not exceeding 3 months duration for repayment with no obligation commitment.

5.2 Trade and other receivables

Trade accounts receivable and other accounts receivable are shown at net realizable value. The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments from the uncollectability of each account receivable. Bad debts are written off when incurred.

5.3 Inventories

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

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

5.4 Investments

Investments in Subsidiaries

According to the separate financial statements investments in subsidiaries are recorded at cost method deducted by allowance for impairment of investments.

Investments in Associates

According to the separate financial statements investments in associates are recorded at cost method deducted by allowance for impairment of investments and according to the consolidated financial statements are recorded at equity method.

5.5 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 residual 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 period of parent chickens and grandparent chickens.

5.6 Investment Property

The Group investment property is their owned land and building without specific purpose of use in the future and/or exploiting for rental income or appreciation of the asset. The Group measures the investment property by the cost value, deducted the accumulated depreciation and the allowance for impairment, (if any) and calculated depreciation on a straight-line method over their approximate useful-life as follows:

- | | |
|---------------------|----------|
| - Poultry Houses | 20 Years |
| - Condominium Units | 20 Years |
| - Factory Buildings | 20 Years |

5.7 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 depreciation on a straight-line method over their approximate useful-life as follows:

- Land Improvements	20 Years
- Building and Improvements	20 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.

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 statements of comprehensive income.

5.8 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.

5.9 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.

5.10 Goodwill

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

5.11 Impairment

The carrying amounts of assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated of asset or its cash-generating unit to which the asset is included in the recognition of an impairment loss when the recoverable amount less than the carrying amount of the asset or its cash generating unit.

Goodwill and other intangible assets with indefinite useful lives, and intangible assets not yet available for use, are tested for impairment annually, even though there is no indicator of impairment are identified.

Impairment loss is recognized as expenses in profit or loss immediately.

Calculation of Recoverable Amount

- The recoverable amount is the higher of the asset's fair value less cost to sell of asset or the cash-generating unit or its value in use.
- In assessing value in use of an asset by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risks specific to the asset.
- The 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 Loss

- The loss on impairment of assets excluding goodwill recognized in the prior period will be reversed if the estimation for indicated net realizable value changes since the last impairment loss was recognized. The carrying amount of the asset not exceed just to be the carrying amount that would have been (net of depreciation or amortization), if no impairment loss had been recognized.
- Reversals of impairment loss will be recognized as income in profit or loss immediately.

5.12 Trade and Other Payables

Trade and other payables were shown in cost value.

5.13 Employee Benefit

Short-term Employee Benefits

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

Long-term Employee Benefits

- The Group provides for post employment benefits to or retirement indemnity employees under the labor laws applicable in Thailand. The Group has recorded the liabilities in respect of employee benefit obligation calculated by the Group's management in accordance with the actuarial technique and the present value of the defined benefit obligation are determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and other. The Group recorded provision of employee benefit is non-current liabilities. The costs associated with providing these benefits are charged to the statements of comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned.

5.14 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.

5.15 Appropriation of Retained Earnings

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

5.16 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 returns are received.
- Dividend Income are recognized when the right to receive the dividends is established.

5.17 Recognition of Expenses

- Expenses are recognized on an accrual basis.
- Payments made under operating leases are recognized on a straight-line basis over the term of the lease.

5.18 Income Tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in equity which will recognize in other comprehensive income or recognized directly in equity as same as that items

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognizes deferred tax liabilities for all taxable temporary differences while they recognizes deferred tax assets for all deductible temporary differences and tax losses they carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Group reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

5.19 Basic Earnings (Loss) per Share

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

5.20 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 comprehensive income for that period.

5.21 Financial Instruments

Financial instruments, financial assets were shown in the statements of financial position composed of cash and cash at banks and trade and other receivables. Financial liabilities were shown in the statements of financial position composed of trade and other payables. The accounting policy of each item would be disclosed in separated items.

6. Inter-transaction with related companies

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, associate companies, related companies and related persons and are in ordinary course of business are summarized below :-

6.1 Inter-assets and liabilities

(Unit : Baht)				
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Trade receivables				
Subsidiaries				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	2,552,280.00	3,139,125.00
GF FOODS CO., LTD.	-	-	38,037,429.31	28,120,045.91
Associates				
MCKEY FOOD SERVICES (THAILAND) LTD.	55,694,155.67	48,247,170.00	55,694,155.67	48,247,170.00
GFPT NICHIREI (THAILAND) CO., LTD.	177,493,174.55	158,729,173.60	-	2,480,000.00
Related companies				
NICHIREI FOODS INC.	88,852,443.05	82,811,108.35	88,852,443.05	82,811,108.35
KEYSTONE FOODS (AP) LIMITED	55,709,611.85	16,978,435.92	55,709,611.85	16,978,435.92
SURAPON NICHIREI FOODS CO., LTD.	4,475,270.00	11,412,300.00	4,475,270.00	11,412,300.00
SURAPON FOODS PUBLIC CO., LTD.	442,908.00	588,900.00	442,908.00	588,900.00
P.CHAROEN PHAN FEEDMILL CO., LTD.	109,726,158.00	-	-	-
P.VET. CO., LTD.	59,266.67	43,787.00	-	-
Total	492,452,987.79	318,810,874.87	245,764,097.88	193,777,085.18
Other receivables				
Subsidiaries				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	267,238.64	148,478.51
M.K.S. FARM CO., LTD.	-	-	219,731.14	256,688.11
KRUNGTHAI FARM CO., LTD.	-	-	119,964.97	96,653.10
GP BREEDING CO., LTD.	-	-	24,952.40	16,189.10
GF FOODS CO., LTD.	-	-	-	2,782.00
Associates				
MCKEY FOOD SERVICES (THAILAND) LTD.	8,318,724.64	8,879,793.26	8,318,724.64	8,879,793.26
GFPT NICHIREI (THAILAND) CO., LTD.	3,074,568.49	3,594,366.53	395,994.69	1,081,835.33
Related companies				
M.K.S. CONDOTOWN CO., LTD.	51,060.40	55,226.98	51,060.40	55,226.98
PANALAB CO., LTD.	-	17,320.63	-	-
P.CHAROEN PHAN FEEDMILL CO., LTD.	689,751.56	14,200.83	-	-
P.VET. CO., LTD.	1,512.40	3,515.80	-	-
KRUNGTHAI AQUA-CULTURE CO., LTD.	-	1,070.00	-	1,070.00
Total	12,135,617.49	12,565,494.03	9,397,666.88	10,538,716.39

(Unit : Baht)				
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Short-term loans to				
Subsidiaries				
Balance as at beginning	-	-	10,000,000.00	-
Increase	-	-	-	10,000,000.00
Decrease	-	-	-	-
Balance as at ending	-	-	10,000,000.00	10,000,000.00
Advance payment				
Subsidiary				
GF FOODS CO., LTD.	-	-	1,173,793.09	944,750.99
Related Company				
P.CHAROEN PHAN FEEDMILL CO., LTD.	37,884.99	668,008.00	-	-
Total	37,884.99	668,008.00	1,173,793.09	944,750.99
Prepaid expenses				
Related Company				
P.CHAROEN PHAN PRODUCE CO., LTD.	623,380.94	593,696.25	623,380.94	593,696.25
Deposit payment				
Related Companies				
P.CHAROEN PHAN FEEDMILL CO., LTD.	2,104,400.00	2,104,400.00	911,000.00	911,000.00
P.CHAROEN PHAN PRODUCE CO., LTD.	125,000.00	125,000.00	-	-
M.K.S. CONDOTOWN CO., LTD.	111,000.00	-	111,000.00	-
Total	2,340,400.00	2,229,400.00	1,022,000.00	911,000.00
Trade and notes payables				
Subsidiaries				
M.K.S. FARM CO., LTD.	-	-	49,664,385.76	294,024,858.89
KRUNGTHAI FARM CO., LTD.	-	-	3,662,086.77	55,840,916.89
GF FOODS CO., LTD.	-	-	529,030.00	995,354.00
Associates				
MCKEY FOOD SERVICES (THAILAND) LTD.	-	28,809.75	-	28,809.75
GFPT NICHIREI (THAILAND) CO., LTD.	1,481,210.00	1,259,465.00	321,350.00	670,240.00
Related Company				
P.CHAROEN PHAN FEEDMILL CO., LTD.	77,442,794.11	16,180.51	-	-
Total	78,924,004.11	1,304,455.26	54,176,852.53	351,560,179.53

(Unit : Baht)				
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Accrued expenses				
Subsidiaries				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	343,924.26	303,719.91
M.K.S. FARM CO., LTD.	-	-	112,896.86	74,952.78
KRUNGTHAI FARM CO., LTD.	-	-	112,896.87	74,952.78
Associate				
MCKEY FOOD SERVICES (THAILAND) LTD.	-	1,198,779.99	-	-
Related Companies				
M.K.S. CONDOTOWN CO., LTD.	76,963.91	76,707.58	76,963.91	76,707.58
PANALAB CO., LTD.	-	6,000.00	-	-
Total	<u>76,963.91</u>	<u>1,281,487.57</u>	<u>646,681.90</u>	<u>530,333.05</u>
Other payables				
Subsidiaries				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	69,538.69	74,801.03
KRUNGTHAI FARM CO., LTD.	-	-	5,240.00	-
Associates				
MCKEY FOOD SERVICES (THAILAND) LTD.	2,099.43	1,017.81	2,099.43	1,017.81
GFPT NICHIREI (THAILAND) CO., LTD.	66,340.00	66,340.00	66,340.00	66,340.00
Total	<u>68,439.43</u>	<u>67,357.81</u>	<u>143,218.12</u>	<u>142,158.84</u>
Deposit income				
Subsidiaries				
KRUNGTHAI FEEDMILL PUBLIC CO., LTD.	-	-	25,000.00	25,000.00
M.K.S. FARM CO., LTD.	-	-	140,000.00	140,000.00
Total	<u>-</u>	<u>-</u>	<u>165,000.00</u>	<u>165,000.00</u>
Advance received for rental income				
Subsidiary				
M.K.S. FARM CO., LTD.	-	-	25,000.00	25,000.00
Associate				
MCKEY FOOD SERVICES (THAILAND) LTD.	134,006,893.00	140,938,451.00	134,006,893.00	140,938,451.00
Total	<u>134,006,893.00</u>	<u>140,938,451.00</u>	<u>134,031,893.00</u>	<u>140,963,451.00</u>

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Long-term loans from directors in				
Parent Company				
Balance as at beginning	692,200,000.00	692,200,000.00	692,200,000.00	692,200,000.00
Increase	35,000,000.00	-	35,000,000.00	-
Decrease	(35,000,000.00)	-	(35,000,000.00)	-
<u>Less</u> Current portion	(692,200,000.00)	-	(692,200,000.00)	-
Balance as at ending	-	692,200,000.00	-	692,200,000.00
Subsidiaries				
Balance as at beginning	748,400,000.00	746,400,000.00	-	-
Increase	11,000,000.00	2,000,000.00	-	-
Decrease	-	-	-	-
<u>Less</u> Current portion	(759,400,000.00)	-	-	-
Balance as at ending	-	748,400,000.00	-	-
Related persons in subsidiaries				
Balance as at beginning	559,400,000.00	561,400,000.00	-	-
Increase	3,000,000.00	1,000,000.00	-	-
Decrease	(14,000,000.00)	(3,000,000.00)	-	-
<u>Less</u> Current portion	(548,400,000.00)	-	-	-
Balance as at ending	-	559,400,000.00	-	-
Total	-	2,000,000,000.00	-	692,200,000.00

As at December 31, 2013 and 2012, the whole amount of short-term loans to subsidiary company has loans in form of promissory note in the type of call, carried interest rate at 3.10% per annum for both periods.

As at December 31, 2013 and 2012, the whole amount of long-term loans from related persons has loans in form of promissory note will be gradually matured within 2014, carried interest rate at 6.00% per annum for both periods.

The resolutions of the Extra-Ordinary Meeting No. 1/2009 dated January 29, 2009, was approved GFPT Public Company Limited and subsidiaries 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 pays interest every month, has not any collateral.

The resolutions of the Extra-Ordinary Meeting No. 1/2013 dated December 12, 2013, was approved GFPT Public Company Limited and subsidiaries 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 5.50% with maturity of 10 years from February 1, 2014 to January 31, 2024, and pays interest every month, has not any collateral.

6.2 Inter-revenues and expenses

				(Unit : Baht)	
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>for the year ended December 31,</u>			
	<u>Pricing policy</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Inter-transaction with subsidiaries					
(Eliminated from consolidated financial statements)					
Sales	Agreement price, reference to market price	-	-	651,265,182.24	498,546,003.50
Purchase	Agreement price, reference to market price	-	-	4,738,163,187.97	4,318,905,686.57
Interest income	Annual interest rate at 3.10%	-	-	310,000.01	113,575.35
Rental income	Contract price	-	-	2,340,000.00	2,340,000.00
Other income	Cost price and agreement price	-	-	17,849,734.09	22,597,145.28
Dividend received	Approved of director's meeting	-	-	29,999,989.50	59,999,979.00
Other expenses	Cost price	-	-	7,475,715.17	3,679,793.04
Inter-transaction with associates					
Sales	Agreement price, reference to market price	4,304,772,668.29	3,747,219,870.52	949,051,626.82	779,767,668.00
Purchase	Agreement price, reference to market price	88,290,628.00	126,203,101.80	53,773,388.00	93,487,741.80
Rental income	Contract price	13,438,327.80	11,032,089.00	13,438,327.80	11,032,089.00
Other income	Cost price and market price	137,585,333.41	147,482,644.12	108,150,543.41	109,556,208.92
Dividend received	Approved of shareholder's meeting	34,299,930.00	29,399,940.00	34,299,930.00	29,399,940.00
Other expenses	Cost price	892,429.72	2,046,188.41	892,429.72	847,408.42
Inter-transaction with related companies					
Sales	Agreement price, reference to market price	2,169,556,162.03	1,660,941,547.68	1,945,935,237.48	1,660,496,345.68
Purchase	Agreement price, reference to market price	2,463,507,766.65	3,022,787,688.39	-	-
Other income	Cost price and market price	19,036,597.90	8,420,913.00	1,746,691.90	1,557,902.41
Rental expenses	Contract price	18,749,528.31	17,869,415.00	8,438,168.31	7,999,515.00
Other expenses	Cost price and market price	79,718,532.68	72,824,107.99	3,465,869.61	3,291,379.06
Inter-transaction with related persons					
Interest expense capitalized to statement of comprehensive income	Annual interest rate at 6.00%	108,364,604.55	108,048,031.14	41,504,876.33	41,645,785.93
Interest expenses capitalized to cost of assets		11,607,120.55	12,280,735.15	-	-

6.3 Management benefit expenses

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the year ended December 31,</u>			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Short-term employee benefits	61,564,085.00	45,205,137.00	35,977,112.00	28,339,302.00
Post-employment benefits	1,022,672.00	1,031,714.00	684,010.00	684,010.00
Total	62,586,757.00	46,236,851.00	36,661,122.00	29,023,312.00

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.

6.4 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.	Related company by common management
P.CHAROEN PHAN FEEDMILL CO., LTD.	Related company by common management
P.CHAROEN PHAN PRODUCE CO., LTD.	Related company by common management
P.VET. CO., LTD.	Related company by common management
PANALAB CO., LTD.	Related company by common management
KRUNGTHAI AQUA-CULTURE CO., LTD.	Related company by common management
NICHIREI FOODS INC.	Related company by shareholding of associated company
KEYSTONE FOODS (AP) LTD.	Related company with associated company by common shareholding with associated company
SURAPON NICHIREI FOODS CO., LTD.	Related company with associated company by common Parent company with associated company
SURAPON FOODS PUBLIC CO., LTD.	Related company with associated company by shareholding of Surapon Nichirei Foods Co., Ltd.
RELATED PERSONS	Directors and shareholders and related persons with directors and shareholders

7. Trade and other receivables-net

Consisted of:-

(Unit : Baht)

	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Trade receivable-related parties	492,452,987.79	318,810,874.87	245,764,097.88	193,777,085.18
Trade receivable-other parties	536,212,081.79	542,276,159.10	239,422,765.99	158,411,058.46
Notes receivable-other parties	77,403,237.00	114,722,305.00	1,316,788.00	-
Total Trade receivables	1,106,068,306.58	975,809,338.97	486,503,651.87	352,188,143.64
<u>Less</u> Allowance for doubtful accounts	(36,894,889.38)	(47,670,991.24)	-	(4,357,499.95)
Total Trade and notes receivables-net	1,069,173,417.20	928,138,347.73	486,503,651.87	347,830,643.69
Other receivable-related parties	12,135,617.49	12,565,494.03	9,397,666.88	10,538,716.39
Other receivable-other parties	442,196.50	5,484,668.83	441,025.89	3,899,794.77
Advance payment related parties	37,884.99	668,008.00	1,173,793.09	944,750.99
Advance payment other parties	2,844,493.64	2,059,991.41	29,350.00	19,700.00
Prepaid expenses	15,395,649.85	13,796,376.76	4,640,232.49	3,989,976.29
Accrued income	921,201.45	1,092,186.65	-	-
Total Other receivables	31,777,043.92	35,666,725.68	15,682,068.35	19,392,938.44
<u>Less</u> Allowance for doubtful accounts	(201,944.00)	(3,737,049.97)	-	(3,378,428.47)
Other receivables-net	31,575,099.92	31,929,675.71	15,682,068.35	16,014,509.97
Total Trade and other receivables-net	1,100,748,517.12	960,068,023.44	502,185,720.22	363,845,153.66

Trade and notes receivables were classified by aging as follows :-

7.1 Trade receivable-related parties

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Trade and notes receivables within due period	405,169,713.47	265,465,075.84	224,906,045.48	184,469,629.35
Trade and notes receivables over due period				
- Less than 3 months	87,283,274.32	51,438,995.95	20,858,052.40	7,400,652.75
- More than 3 months	-	1,906,803.08	-	1,906,803.08
Total	492,452,987.79	318,810,874.87	245,764,097.88	193,777,085.18

7.2 Trade receivable-other parties

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Trade and notes receivables within due period	369,688,459.64	358,214,972.63	184,908,628.10	92,084,616.82
Trade and notes receivables over due period				
- Less than 3 months	206,887,456.29	250,970,226.79	55,830,925.89	61,968,941.69
- More than 3 months	37,039,402.86	47,813,264.68	-	4,357,499.95
Total	613,615,318.79	656,998,464.10	240,739,553.99	158,411,058.46
<u>Less</u> Allowance for doubtful accounts	(36,894,889.38)	(47,670,991.24)	-	(4,357,499.95)
Net	576,720,429.41	609,327,472.86	240,739,553.99	154,053,558.51

The normal credit term granted to customers of the Group is 1-180 days.

The movement of allowance for doubtful debts-trade and other receivables-third parties for the year ended December 31, 2013 are as follows :-

	(Unit: Baht)	
	<u>Consolidated</u>	<u>Separate</u>
	<u>financial statements</u>	<u>financial statements</u>
Beginning balance	(51,408,041.21)	(7,735,928.42)
Additions during the period	(12,829,192.47)	-
Collect during the period	7,429,252.19	-
Bad debts written off	19,711,148.11	7,735,928.42
Ending balance	(37,096,833.38)	-

As at December 31, 2013, Management of the Company approved of trade accounts receivable, notes receivable and other receivables outstanding debts that can't be tracked. And adjusted the allowance for doubtful accounts.

Management of the Company believes that the allowance for doubtful accounts recorded as sufficient in the circumstances present.

8. Inventories-net

Consisted of:-

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Finished goods-processed chicken products	101,165,310.37	120,969,613.12	105,162,731.53	119,546,514.85
Finished goods-feed mill	80,162,333.43	71,873,997.82	-	-
Finished goods-chicks	1,277.18	30,379.18	-	-
Raw materials	1,747,939,967.51	2,044,946,285.52	19,679,549.76	12,684,256.16
Raw materials in transit	52,200,016.08	760,730,910.17	-	-
Work in process	315,279,691.18	346,351,296.79	281,238,117.95	307,916,958.97
Seed eggs and eggs during hatching	78,282,521.96	69,722,778.78	-	-
Rearing chicken	331,526,231.69	310,535,674.50	-	-
Medical supplies, supplies and others	541,775,000.32	522,870,085.65	49,681,816.29	43,735,787.17
Total	3,248,332,349.72	4,248,031,021.53	455,762,215.53	483,883,517.15
<u>Less</u> Allowance for decline in value of				
non-movement inventories	(3,135,146.11)	(3,139,476.62)	(2,878,872.85)	(2,878,872.85)
Allowance for decline in value of inventories	(28,260,891.06)	(32,527,558.06)	(11,469,015.71)	(18,721,581.69)
Net	3,216,936,312.55	4,212,363,986.85	441,414,326.97	462,283,062.61

Cost of inventories recognized as an expense and are included in cost of goods sold account for the year ended on December 31, 2013 and 2012 are as follows :-

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the year ended on December 31,</u>			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cost of goods sold	14,422,595,533.73	14,368,188,977.08	6,931,095,651.45	6,293,347,977.05
The reduction in net worth is expected to be received	(4,270,997.51)	6,038,848.15	(7,252,565.98)	11,097,155.97
Net	14,418,324,536.22	14,374,227,825.23	6,923,843,085.47	6,304,445,133.02

For the years ended on December 31, 2013 and 2012 the movement of allowance for non-movement inventories and allowance for decline in value of inventories was as follows :-

	(Unit: Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the year ended December 31,</u>			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Allowance for decline in value of non-movement inventories-beginning	(3,139,476.62)	(3,139,476.62)	(2,878,872.85)	(2,878,872.85)
Reversed/sold during the period	4,330.51	-	-	-
Allowance for decline in value of non-movement inventories-ending	(3,135,146.11)	(3,139,476.62)	(2,878,872.85)	(2,878,872.85)
Allowance for decline in value-beginning	(32,527,558.06)	(26,488,709.91)	(18,721,581.69)	(7,624,425.72)
Increased during the period	(17,825,245.35)	(21,649,281.69)	(3,423,094.67)	(11,097,155.97)
Reversed/Sold during the period	22,091,912.35	15,610,433.54	10,675,660.65	-
Allowance for decline in value-ending	(28,260,891.06)	(32,527,558.06)	(11,469,015.71)	(18,721,581.69)

9. Investments in associates-net

As at December 31, 2013 and 2012, the Company had investments in associates as follows :-

<u>Name of company</u>	(Unit : Baht)							
	<u>Consolidated financial statements</u>							
	<u>Paid-up</u>		<u>% Share</u>		<u>Equity method</u>		<u>Dividend</u>	
	<u>share capital</u>		<u>-holding</u>		<u>As at December 31,</u>		<u>for the year ended December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Investments in associates								
- MCKEY FOOD SERVICES								
(THAILAND) LTD.	100,000,000.00	100,000,000.00	49.00	49.00	406,731,555.81	360,491,453.73	34,299,930.00	29,399,940.00
- GFPT NICHIREI								
(THAILAND) CO., LTD.	3,014,000,000.00	3,014,000,000.00	49.00	49.00	1,208,996,816.89	1,068,821,378.18	-	-
Total					1,615,728,372.70	1,429,312,831.91	34,299,930.00	29,399,940.00

<u>Name of company</u>	(Unit : Baht)							
	<u>Separate financial statements</u>							
	<u>Paid-up</u>		<u>% Share-</u>		<u>Cost method</u>		<u>Dividend</u>	
	<u>share capital</u>		<u>holding</u>		<u>As at December 31,</u>		<u>for the year ended December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Investments in associates								
- MCKEY FOOD SERVICES								
(THAILAND) LTD.	100,000,000.00	100,000,000.00	49.00	49.00	49,000,000.00	49,000,000.00	34,299,930.00	29,399,940.00
- GFPT NICHIREI								
(THAILAND) CO., LTD.	3,014,000,000.00	3,014,000,000.00	49.00	49.00	1,476,859,700.00	1,476,859,700.00	-	-
Total					1,525,859,700.00	1,525,859,700.00	34,299,930.00	29,399,940.00
Less: Allowance for Impairment					(408,146,928.19)	(408,146,928.19)	-	-
Net					1,117,712,771.81	1,117,712,771.81	34,299,930.00	29,399,940.00

For the year ended December 31, 2012, the Company determining impairment of investment in GFPT INCHIREI (THAILAND) CO., LTD., since the recoverable amount is lower than the value of investment which the cost of investment, which is associate company has loss from operate.

The aggregated amounts of assets, liabilities, revenue and profit (loss) of associates are as follows :-

<u>Associates</u>	<u>As at</u>		<u>For the year ended</u>	
	<u>December 31, 2013</u>		<u>December 31, 2013</u>	
	<u>Total assets</u>	<u>Total liabilities</u>	<u>Total revenue</u>	<u>Net profit (loss)</u>
MCKEY FOOD SERVICES (THAILAND) LTD.	1,259,373,355.07	428,519,454.76	3,232,441,019.16	164,408,329.99
GFPT NICHIREI (THAILAND) CO., LTD.	3,031,521,831.98	561,437,356.85	5,769,765,820.63	289,038,002.04

<u>Associates</u>	<u>As at</u>		<u>For the year ended</u>	
	<u>December 31, 2012</u>		<u>December 31, 2012</u>	
	<u>Total assets</u>	<u>Total liabilities</u>	<u>Total revenue</u>	<u>Net profit (loss)</u>
MCKEY FOOD SERVICES (THAILAND) LTD.	1,112,125,874.55	375,680,304.23	2,803,549,662.47	163,789,847.55
GFPT NICHIREI (THAILAND) CO., LTD.	3,125,482,851.68	944,436,378.59	4,580,321,246.01	(317,854,802.52)

According to the minute of Board of Director No. 4/2012 of Company on May 10, 2012, the resolution is approved for the Company to additional investment in GFPT NICHIREI (THAILAND) COMPANY LIMITED, which is an associate company in the amount of Baht 168.56 million for the expansion of productivity of cooked processed food for exporting to European Union (EU). According to the minute of Board of Director No. 9/2012 of Company on December 20, 2012, the resolution is approved for the Company to additional investment in GFPT NICHIREI (THAILAND) COMPANY LIMITED in amount of Baht 735.00 million for the repayment of loans, reduction of interest and increase the liquidity in the operation by buying in the par value and proportion of shareholding.

10. Investments in subsidiaries-net

As at December 31, 2013 and 2012 the Company had investments in subsidiaries as follows -

(Unit : Baht)

Name of company	Separate financial statements							
	Paid-up		% Share-		Cost method		Dividend	
	share Capital		holding		As at December 31,		for the year ended	
	2013	2012	2013	2012	2013	2012	2013	2012
Investments in Subsidiaries								
- M.K.S. FARM CO., LTD.	550,000,000.00	550,000,000.00	99.99	99.99	549,999,910.00	549,999,910.00	-	-
- KRUNGTHAI FARM CO., LTD.	350,000,000.00	350,000,000.00	99.99	99.99	349,999,910.00	349,999,910.00	-	-
- KRUNGTHAI FEEDMILL PUBLIC CO.,LTD.	400,000,000.00	400,000,000.00	97.8666	97.8601	521,442,727.35	521,315,727.35	-	-
- GF FOODS CO., LTD.	40,000,000.00	40,000,000.00	99.99	99.99	39,999,100.00	39,999,100.00	-	-
GP BREEDING CO., LTD.-	200,000,000.00	200,000,000.00	99.99	99.99	200,499,895.00	200,499,895.00	29,999,989.50	59,999,979.00
Total					1,661,941,542.35	1,661,814,542.35	29,999,989.50	59,999,979.00

For the year ended December 31, 2013 and 2012 the Company additional investment in KRUNGTHAI FEEDMILL PUBLIC CO., LTD. which is a subsidiary for 2,600 shares and 5,000 shares, respectively, in the amount of Baht 0.13 million and 0.16 million, respectively. The proportion of shareholding increases from 97.8601% to 97.8666% and 97.8476% to 97.8601% respectively. The purchase in lower price than the book value results in the discount from purchasing the investment amount of Baht 0.10 million and Baht 0.23 million respectively, representing in the shareholder's equity as it is considered as the change of shareholders after the control in such subsidiary.

11. Grandparent chickens-net

Consisted of:-

(Unit : Baht)

	Consolidated Financial Statements		
	Grandparent Chickens	Grandparent Chickens During Rearing	Total
As of January 1, 2012			
Cost	52,755,702.31	12,864,300.32	65,620,002.63
<u>Less</u> Accumulated Depreciation	(24,616,597.88)	-	(24,616,597.88)
Book value	<u>28,139,104.43</u>	<u>12,864,300.32</u>	<u>41,003,404.75</u>
Transactions during the year ended December 31, 2012			
Purchase	-	47,436,985.50	47,436,985.50
Transfer in /(Transfer out)	51,049,076.44	(51,049,076.44)	-
Depreciation Transferred to Costs of Rearing	-	4,983,450.74	4,983,450.74
Sale	(52,755,702.31)	-	(52,755,702.31)
Written off from destroy of parent chickens	-	(1,321,284.48)	(1,321,284.48)
Depreciation for the year	(49,812,476.12)	-	(49,812,476.12)
Depreciation for sale /Retirement	48,618,323.78	-	48,618,323.78
Ending book value	<u>25,238,326.22</u>	<u>12,914,375.64</u>	<u>38,152,701.86</u>
As of December 31, 2012			
Cost	51,049,076.44	12,914,375.64	63,963,452.08
<u>Less</u> Accumulated Depreciation	(25,810,750.22)	-	(25,810,750.22)
Book value	<u>25,238,326.22</u>	<u>12,914,375.64</u>	<u>38,152,701.86</u>
Transactions during the year ended December 31, 2013			
Purchase	-	56,160,049.64	56,160,049.64
Transfer in /(Transfer out)	56,266,003.91	(56,266,003.91)	-
Depreciation Transferred to Costs of Rearing	-	4,146,453.52	4,146,453.52
Sale	(51,049,076.44)	-	(51,049,076.44)
Depreciation for the year	(49,266,996.27)	-	(49,266,996.27)
Depreciation for sale /Retirement	47,709,261.59	-	47,709,261.59
Ending book value	<u>28,897,519.01</u>	<u>16,954,874.89</u>	<u>45,852,393.90</u>
As of December 31, 2013			
Cost	56,266,003.91	16,954,874.89	73,220,878.80
<u>Less</u> Accumulated Depreciation	(27,368,484.90)	-	(27,368,484.90)
Book value	<u>28,897,519.01</u>	<u>16,954,874.89</u>	<u>45,852,393.90</u>

12. Parent chickens-net

Consisted of:-

	(Unit : Baht)		
	Consolidated Financial Statements		
	Grandparent Chickens	Grandparent Chickens During Rearing	Total
As of January 1, 2012			
Cost	302,181,636.67	118,276,751.66	420,458,388.33
<u>Less</u> Accumulated Depreciation	(111,017,545.30)	-	(111,017,545.30)
Book value	<u>191,164,091.37</u>	<u>118,276,751.66</u>	<u>309,440,843.03</u>
Transactions during the year ended December 31, 2012			
Purchase	-	399,850,578.27	399,850,578.27
Transfer in /(Transfer out)	418,227,208.22	(418,227,208.22)	-
Depreciation Transferred to Costs of Rearing	-	17,252,173.53	17,252,173.53
Sale	(397,052,491.30)	-	(397,052,491.30)
Depreciation for the year	(346,560,512.60)	-	(346,560,512.60)
Depreciation for sale /Retirement	304,892,904.42	-	304,892,904.42
Ending book value	<u>170,671,200.11</u>	<u>117,152,295.24</u>	<u>287,823,495.35</u>
As of December 31, 2012			
Cost	323,356,353.59	117,152,295.24	440,508,648.83
<u>Less</u> Accumulated Depreciation	(152,685,153.48)	-	(152,685,153.48)
Book value	<u>170,671,200.11</u>	<u>117,152,295.24</u>	<u>287,823,495.35</u>
Transactions during the year ended December 31, 2013			
Purchase	-	441,780,271.64	441,780,271.64
Transfer in /(Transfer out)	387,832,920.41	(387,832,920.41)	-
Depreciation Transferred to Costs of Rearing	-	23,113,945.44	23,113,945.44
Sale	(372,428,072.32)	-	(372,428,072.32)
Depreciation for the year	(316,019,765.50)	-	(316,019,765.50)
Depreciation for sale /Retirement	302,379,729.71	-	302,379,729.71
Ending book value	<u>172,436,012.41</u>	<u>194,213,591.91</u>	<u>366,649,604.32</u>
As of December 31, 2013			
Cost	338,761,201.68	194,213,591.91	532,974,793.59
<u>Less</u> Accumulated Depreciation	(166,325,189.27)	-	(166,325,189.27)
Book value	<u>172,436,012.41</u>	<u>194,213,591.91</u>	<u>366,649,604.32</u>

13. Investment property-net

Consisted of:-

(Unit : Baht)

	Consolidated Financial Statements		
	Land and Improvements	Building	Total
Cost :			
As at January 1, 2012	195,567,353.20	103,102,395.12	298,669,748.32
Purchase	48,847,096.60	1,227,941.00	50,075,037.60
Transfer in	-	-	-
Sale	(7,086,940.00)	-	(7,086,940.00)
As at December 31, 2012	237,327,509.80	104,330,336.12	341,657,845.92
Purchase	80,800,000.00	5,201,286.98	86,001,286.98
Transfer in	20,000,000.00	2,035,830.00	22,035,830.00
Transfer out	(55,540,800.00)	-	(55,540,800.00)
As at December 31, 2013	282,586,709.80	111,567,453.10	394,154,162.90
Depreciation :			
As at January 1, 2012	-	(7,109,786.23)	(7,109,786.23)
Depreciation for the year	(43,460.00)	(5,254,026.57)	(5,297,486.57)
As at December 31, 2012	(43,460.00)	(12,363,812.80)	(12,407,272.80)
Depreciation for the year	(48,497.55)	(5,258,053.05)	(5,306,550.60)
As at December 31, 2013	(91,957.55)	(17,621,865.85)	(17,713,823.40)
Allowance for Impairment of Assets :			
As at January 1, 2012	(28,458,073.85)	-	(28,458,073.85)
(Increase) Decrease during the year	27,142,731.85	(82,299.66)	27,060,432.19
As at December 31, 2012	(1,315,342.00)	(82,299.66)	(1,397,641.66)
(Increase) Decrease during the year	-	-	-
As at December 31, 2013	(1,315,342.00)	(82,299.66)	(1,397,641.66)
Net book value			
As at December 31, 2012	235,968,707.80	91,884,223.66	327,852,931.46
As at December 31, 2013	281,179,410.25	93,863,287.59	375,042,697.84

	(Unit : Baht)		
	Separate Financial Statements		
	Land and Improvements	Building	Total
Cost :			
As at January 1, 2012	180,124,674.97	272,719,233.72	452,843,908.69
Purchase	969,933.60	-	969,933.60
Transfer in	-	-	-
Sale	-	-	-
As at December 31, 2012	181,094,608.57	272,719,233.72	453,813,842.29
Purchase	-	5,201,286.98	5,201,286.98
Transfer in	-	2,035,830.00	2,035,830.00
Sale	-	(4,812,914.05)	(4,812,914.05)
Transfer out	(55,540,800.00)	-	(55,540,800.00)
As at December 31, 2013	125,553,808.57	275,143,436.65	400,697,245.22
Depreciation :			
As at January 1, 2012	-	(150,061,022.44)	(150,061,022.44)
Depreciation for the year	(43,460.00)	(12,364,629.24)	(12,408,089.24)
As at December 31, 2012	(43,460.00)	(162,425,651.68)	(162,469,111.68)
Depreciation for the year	(48,497.55)	(12,124,602.40)	(12,173,099.95)
Transfer out	-	3,926,127.90	3,926,127.90
As at December 31, 2013	(91,957.55)	(170,624,126.18)	(170,716,083.73)
Allowance for Impairment of Assets :			
As at January 1, 2012	(13,976,286.50)	-	(13,976,286.50)
(Increase) Decrease during the year	13,933,086.50	-	13,933,086.50
As at December 31, 2012	(43,200.00)	-	(43,200.00)
(Increase) Decrease during the year	-	-	-
As at December 31, 2013	(43,200.00)	-	(43,200.00)
Net book value			
As at December 31, 2012	181,007,948.57	110,293,582.04	291,301,530.61
As at December 31, 2013	125,418,651.02	104,519,310.47	229,937,961.49

- Consolidated financial statements

As at December 31, 2013 and 2012, one subsidiary company pledged investment property at cost value of Baht 0.88 million for both periods to guarantee credit of the Group with commercial banks and financial institutions, (Note 17).

- Separate financial statements

As at December 31, 2013 and 2012, the Company pledged investment property at cost value of Baht 279.44 million and Baht 277.02 million, respectively to guarantee credit of the Group with commercial banks and financial institutions, (Note 17).

The Group's investment property is their owned land and building without specifies purpose of use in future and exploiting for rental income.

- Consolidated financial statements

As at December 31, 2013 and 2012, which its investment property which had the book value amount of Baht 375.04 million and Baht 321.70 million, respectively, and fair value amount of Baht 872.85 million and Baht 835.42 million, respectively.

- Separate financial statements

As at December 31, 2013 and 2012, which its investment property which had the book value amount of Baht 229.94 million and Baht 291.30 million, respectively, and fair value amount of Baht 620.23 million and Baht 687.86 million, respectively.

14. Property, plant and equipment-net

Consisted of:-

Cost :-	Consolidated Financial Statements							(Unit : Baht)
	Land and Land Improvement	Building and Building Improvement	Machines and Equipment	Tools	Office Equipment	Vehicles	Others Fixed Assets	
As at January 1, 2012	485,411,966.84	4,946,072,737.19	2,327,396,146.67	789,150,718.03	336,225,405.57	534,475,471.35	1,042,639.00	10,002,211,162.26
Purchase	1,281,090.90	499,017.92	47,237,044.24	23,132,217.29	15,555,114.61	62,179,281.56	-	759,990,586.93
Transfer in	-	344,971,887.76	108,604,197.86	39,567,160.84	12,413,043.84	65,561,253.52	-	639,456,884.46
Sales/Written-off	-	(23,056.28)	(4,479,621.76)	(5,851,226.32)	(3,497,542.99)	(8,237,690.51)	-	(31,609,944.08)
Transfer out	-	-	-	-	-	-	-	(583,592,091.06)
As at December 31, 2012	486,693,057.74	5,291,520,586.59	2,478,757,767.01	845,998,859.84	360,696,021.03	653,978,315.92	1,042,639.00	10,786,456,298.51
Purchase	44,680.00	1,012,784.53	40,491,449.64	26,230,855.34	21,768,042.25	52,491,640.40	-	887,750,705.20
Transfer in	63,883,728.33	267,845,993.75	154,256,655.23	38,567,589.19	5,007,824.36	58,081,264.89	-	679,491,767.79
Sales/Written-off	-	(4,858,914.05)	(5,264,465.48)	(2,470,412.16)	(4,541,244.41)	(13,699,558.57)	-	(45,433,134.71)
Transfer out	-	(2,035,830.00)	-	-	-	-	-	(544,290,290.44)
As at December 31, 2013	550,621,466.07	5,553,484,620.82	2,668,241,406.40	908,326,892.21	382,930,643.23	750,851,662.64	1,042,639.00	11,763,875,346.35
Accumulated depreciation:-								
As at January 1, 2012	(18,622,803.11)	(2,290,850,334.63)	(1,486,456,800.48)	(631,911,165.00)	(226,596,855.89)	(413,473,329.63)	(964,230.06)	(5,068,875,518.80)
Depreciation for the year	(2,096,347.68)	(211,038,943.52)	(152,417,235.49)	(58,006,258.14)	(38,324,807.66)	(50,832,030.27)	(40,309.78)	(512,755,932.54)
Depreciation for sale/Written-off assets	-	23,055.28	4,479,600.76	5,794,483.86	3,348,269.10	6,478,793.98	-	20,124,202.98
As at December 31, 2012	(20,719,150.79)	(2,501,866,222.87)	(1,634,394,435.21)	(684,122,939.28)	(261,573,394.45)	(457,826,565.92)	(1,004,539.84)	(5,561,507,248.36)
Depreciation for the year	(2,245,249.40)	(215,834,832.87)	(152,867,398.50)	(62,688,896.45)	(41,388,793.82)	(70,234,679.68)	(29,371.12)	(545,289,221.84)
Depreciation for sale/Written-off assets	-	3,958,717.96	5,186,018.13	2,347,494.21	4,115,371.24	13,699,557.57	-	29,307,139.11
Depreciation for transfer out	-	47,489.94	(47,489.94)	-	-	-	-	-
As at December 31, 2013	(22,964,400.19)	(2,713,694,847.84)	(1,782,123,305.52)	(744,464,341.52)	(298,846,817.03)	(514,361,708.03)	(1,033,910.96)	(6,077,489,331.09)
Allowance for impairment of assets:-								
As at December 31, 2012	(43,200.00)	-	-	-	-	-	-	(43,200.00)
As at December 31, 2013	(43,200.00)	-	-	-	-	-	-	(43,200.00)
Book value net :-								
As at December 31, 2012	465,930,706.95	2,789,654,363.72	844,363,331.80	161,875,920.56	99,122,626.58	196,151,750.00	38,099.16	5,224,905,850.15
As at December 31, 2013	527,613,865.88	2,839,789,772.98	886,118,100.88	163,862,550.69	84,083,826.20	236,489,954.61	8,728.04	5,686,342,815.26

For the year ended December 31, 2012

Depreciation was shown in statements of comprehensive income
Depreciation transferred to costs of rearing
Depreciation transferred to costs of construction in progress

For the year ended December 31, 2013

Depreciation was shown in statements of comprehensive income
Depreciation transferred to costs of rearing
Depreciation transferred to costs of construction in progress

(Unit : Baht)

Separate Financial Statements

	Land and Land Improvement	Building and Building Improvement	Machines and Equipment	Tools	Office Equipment	Vehicles	Others Fixed Assets	Construction in Progress	Total
Cost :-									
As at January 1,2012	112,710,900.54	879,259,463.61	1,027,723,428.61	132,607,207.19	163,468,411.51	110,866,235.13	31,302,624.11	-	2,457,938,270.70
Purchase	388,056.90	499,017.92	23,397,156.77	5,418,057.91	4,359,778.60	11,226,498.13	28,375,411.03	90,611,012.79	164,274,990.05
Transfer in	-	27,326,271.84	9,473,980.03	4,985,456.27	8,013,493.64	-	39,938,111.40	-	89,737,313.18
Sales/Written-off	-	(23,056.28)	(309,789.76)	(417,295.43)	(1,081,758.04)	(1,008,278.51)	-	-	(2,840,178.02)
Transfer out	-	-	-	-	-	-	-	(90,611,012.79)	(90,611,012.79)
As at December 31,2012	113,098,957.44	907,061,697.09	1,060,284,775.65	142,593,425.94	174,759,925.71	121,084,454.75	99,616,146.54	-	2,618,499,383.12
Purchase	41,680.00	725,846.78	7,300,943.66	4,171,136.79	11,037,568.57	11,911,725.40	57,981,598.28	12,158,113.16	105,328,612.64
Transfer in	63,883,728.33	6,323,592.80	94,039,950.21	1,423,182.95	805,261.92	6,306,480.00	-	-	172,782,196.21
Sales/Written-off	-	(46,000.00)	-	-	(132,002.50)	(5,150,834.23)	(117,496,255.99)	-	(122,825,092.72)
Transfer out	-	(2,035,830.00)	-	-	-	-	-	(12,153,240.53)	(14,189,070.53)
As at December 31,2013	177,024,365.77	912,029,306.67	1,161,625,669.52	148,187,745.68	186,470,753.70	134,151,825.92	40,101,488.83	4,872.63	2,759,596,028.72
Accumulated depreciation:-									
As at January 1,2012	(18,622,803.11)	(359,354,841.68)	(557,804,887.41)	(99,190,894.75)	(105,008,843.20)	(87,734,165.35)	-	-	(1,227,716,435.50)
Depreciation for the year	(2,096,347.68)	(35,354,026.42)	(81,972,613.66)	(11,410,223.50)	(19,350,702.84)	(9,667,031.51)	-	-	(159,850,945.61)
Depreciation for sale/Written-off assets	-	23,055.28	309,778.76	416,790.56	1,079,597.41	959,678.38	-	-	2,788,900.39
As at December 31,2012	(20,719,150.79)	(394,685,812.82)	(639,467,722.31)	(110,184,327.69)	(123,279,948.63)	(96,441,518.48)	-	-	(1,384,778,480.72)
Depreciation for the year	(2,245,249.40)	(36,595,878.62)	(78,232,479.67)	(12,161,690.64)	(19,900,149.35)	(10,704,887.00)	-	-	(159,840,334.68)
Depreciation for sale/Written-off assets	-	32,590.06	-	-	110,726.74	5,150,829.23	-	-	5,294,146.03
Depreciation for transfer out	-	-	-	-	-	-	-	-	-
As at December 31,2013	(22,964,400.19)	(431,249,101.38)	(717,700,201.98)	(122,346,018.33)	(143,069,371.24)	(101,995,576.25)	-	-	(1,539,324,669.37)
Book value net :-									
As at December 31,2012	92,379,806.65	512,375,884.27	420,817,053.34	32,409,098.25	51,479,977.08	24,642,936.27	99,616,146.54	-	1,233,720,902.40
As at December 31,2013	154,059,965.58	480,780,205.29	443,925,467.54	25,841,727.35	43,401,382.46	32,156,249.67	40,101,488.83	4,872.63	1,220,271,359.35
Depreciation was shown in statements of comprehensive Income for the year									
As at December 31,2012									159,850,945.61
As at December 31,2013									159,840,334.68

- Consolidated financial statement

For the year ended December 2013 and 2012, three subsidiary companies a cost of borrowings to cost of construction in progress amount of Baht 15.89 million and Baht 12.60 million, respectively, The cost of borrowings from the for general objectives is calculated from the rate of cost setting which is the rate of weighted average interest in each month of loan for general objectives. In 2013, the interest rate was 2.68%-6.00% per annum and in 2012, the interest rate was 2.95%-8.25% per annum.

As at December 31, 2013 and 2012, guaranteed the credit line to commercial banks and financial institutions with both existing and to be acquired in the future of land and land improvement, machines in the book value of Baht 227.46 million and Baht 240.58 million, respectively, (Note 17).

As at December 31, 2013 and 2012 a subsidiary of the five assets to calculate depreciation, but are still active, with a cost of Baht 2,627.55 million and cost Baht 2,489.39 million, respectively.

- Separate financial statements

As at December 31, 2013 and 2012, The Company guaranteed the credit line to commercial banks and financial institutions with both existing and to be acquired in the future of land and land improvement, machines in the book value of Baht 630.90 million and Baht 617.50 million, respectively, (Note 17).

As at December 31, 2013 and 2012 the Company's assets to calculate depreciation, but are still active, with a cost of Baht 766.82 million and Baht 722.77 million, respectively.

15. Deferred tax assets

Deferred tax assets and liabilities as December 31, 2013 and 2012 were as follows :-

(Unit : Baht)

	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Deferred tax assets	322,435,790.92	320,437,297.42	250,134,426.74	240,923,037.26
Deferred tax liabilities	-	-	-	-
Net	322,435,790.92	320,437,297.42	250,134,426.74	240,923,037.26

Movements in total deferred tax assets and liabilities for the years ended December 31,
2013 and 2012 were as follows :-

(Unit : Baht)

	Consolidated financial statement			Separate financial statement		
	As at January 1, 2013	(Charged) / credited to statements of comprehensive income (Note 28)	As at December 31, 2013	As at January 1, 2013	(Charged) / credited to statements of comprehensive income (Note 28)	As at December 31, 2013
Deferred tax assets						
Trade accounts receivable	7,260,640.94	(982,094.12)	6,278,546.82	-	-	-
Inventories	7,353,543.95	(3,339,828.40)	4,013,715.55	4,372,250.13	(1,615,213.70)	2,757,036.43
Investments in subsidiaries and associates	113,177,160.92	(14,762,238.38)	98,414,922.54	113,177,160.92	(14,762,238.38)	98,414,922.54
Parent chicken	20,379,952.23	(3,452,928.51)	16,927,023.72	-	-	-
Property, plant and equipment	732,453.88	(257,539.27)	474,914.61	-	-	-
Employee benefit obligations	56,835,067.13	(4,892,765.04)	51,942,302.09	24,076,191.39	(2,370,543.48)	21,705,647.91
Tax losses carried forward for not more than five years	114,698,478.37	29,685,887.22	144,384,365.59	99,297,434.82	27,959,385.04	127,256,819.86
Total	320,437,297.42	1,998,493.50	322,435,790.92	240,923,037.26	9,211,389.48	250,134,426.74

(Unit : Baht)

	Consolidated financial statement			Separate financial statement		
	As at January 1, 2012	(Charged) / credited to statements of comprehensive income (Note 28)	As at December 31, 2012	As at January 1, 2012	(Charged) / credited to statements of comprehensive income (Note 28)	As at December 31, 2012
Deferred tax assets						
Trade accounts receivable	9,680,325.73	(2,419,684.79)	7,260,640.94	-	-	-
Inventories	5,959,571.77	1,393,972.18	7,353,543.95	1,989,936.59	2,382,313.54	4,372,250.13
Investments in subsidiaries and associates	25,178,305.35	87,998,855.57	113,177,160.92	25,178,305.35	87,998,855.57	113,177,160.92
Parent chicken	18,060,814.03	2,319,138.20	20,379,952.23	-	-	-
Property, plant and equipment	1,347,815.31	(615,361.43)	732,453.88	-	-	-
Employee benefit obligations	70,218,708.77	(13,383,641.64)	56,835,067.13	29,933,009.10	(5,856,817.71)	24,076,191.39
Tax losses carried forward for not more than five years	-	114,698,478.37	114,698,478.37	-	99,297,434.82	99,297,434.82
Total	130,445,540.96	189,991,756.46	320,437,297.42	57,101,251.04	183,821,786.22	240,923,037.26
Deferred tax liability						
Investment property	(730,675.50)	730,675.50	-	(866,250.00)	866,250.00	-
Net	129,714,865.46	190,722,431.96	320,437,297.42	56,235,001.04	184,688,036.22	240,923,037.26

16. Intangible assets-net

Consist of :

(Unit : Baht)

	Consolidate/ Separate financial statement
	Software Royalty
Cost	
As at January 1, 2012	13,439,411.62
Purchase	3,181,886.37
As at December 31, 2012	16,621,297.99
Purchase	5,775,793.13
As at December 31, 2013	22,397,091.12
Accumulated Amortization	
As at January 1, 2012	(5,635,970.14)
Amortization expenses	(2,994,305.68)
As at December 31, 2012	(8,630,275.82)
Amortization expenses	(3,738,842.63)
As at December 31, 2013	(12,369,118.45)
Book value net	
As at December 31, 2012	7,991,022.17
As at December 31, 2013	10,027,972.67
Written-off in statements of comprehensive income	
For the year ended December 31, 2012	2,994,305.68
For the year ended December 31, 2013	3,738,842.63

17. Credits and guarantees from financial institutions

Bank overdrafts, short-term loans and long-term loans from financial institutions, packing credits payables and trust receipts payables of the Group have been collateral by land with building, condominium for rent, 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 Group with the financial institutions.

The Group received the credit in the form of long-term borrowings 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.

The Group received the credit in the form of long-term borrowings from related persons in the amount of Baht 2,000.00 million. Annual interest rate of 5.50% with maturity of 10 years from February 1, 2014 to January 31, 2024, has not any collateral.

18. Short-term loans from financial institutions

Consisted of:-

(Unit : Baht

	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Short-term loans from financial institutions	1,995,000,000.00	1,990,000,000.00	1,500,000,000.00	1,720,000,000.00
Trust receipt	51,894,386.21	1,542,732,267.60	-	-
Total	2,046,894,386.21	3,532,732,267.60	1,500,000,000.00	1,720,000,000.00

18.1 Terms and conditions on short-term loans from financial institutions was as follow :

- Consolidated financial statements

As at December 31, 2013, and 2012, the two subsidiary companies have short-term loans from financial institutions in the amount of Baht 495.00 million and Baht 270.00 million, respectively, were in the form of promissory notes from commercial banks with a month, and 1 - 3 months, at the annual interest rates of 2.68%-2.80% per annum and 2.97%-3.30% per annum, respectively.

- Separate financial statements

As at December 31, 2013, and 2012, short-term loans from financial institutions, amount of Baht 1,500.00 million and Baht 1,720.00 million, respectively, were in the form of promissory notes from several commercial banks with 30 days and the type of call, at the annual interest rates of 2.68%-2.75% per annum and 2.95%-3.55% per annum, respectively.

18.2 Trust receipts payables

For consolidated financial statements, as at December 31, 2013 and 2012, trust receipts payables with annual interest rates at 2.60% per annum and 0.71%-3.29% per annum, 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 borrowings from financial institutions, please see the notes to financial statements No. 17.

19. Trade and other payable

Consisted of:-

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Trade accounts payable Related parties	78,924,004.11	1,304,455.26	54,176,852.53	351,560,179.53
Trade accounts payable Other parties	646,875,875.76	838,182,839.98	112,593,818.21	121,870,532.73
Total trade accounts payable	725,799,879.87	839,487,295.24	166,770,670.74	473,430,712.26
Trade accounts payable Related parties	68,439.43	67,357.81	143,218.12	142,158.84
Trade accounts payable Other parties	20,633,925.92	14,131,321.75	10,971,486.06	6,198,642.58
Payable for asset purchased	27,900,704.58	28,517,905.18	7,788,838.18	803,204.77
Accrued expenses	136,103,453.13	133,591,277.03	67,756,540.95	68,869,871.67
Prepaid received	10,611,762.05	11,659,313.98	5,746,340.67	5,233,730.59
Total other accounts payable	195,318,285.11	187,967,175.75	92,406,423.98	81,247,608.45
Total trade and other accounts payable	921,118,164.98	1,027,454,470.99	259,177,094.72	554,678,320.71

20. Long-term loans from financial institutions

Consisted of:-

(Unit : Baht)

	<u>Consolidated financial statements</u>	
	<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>
Long-term loans from financial institutions	160,000,000.00	240,000,000.00
<u>Less</u> Current portion of long-term loans	(80,000,000.00)	(80,000,000.00)
Net	80,000,000.00	160,000,000.00

The movement of long-term loans for the year ended December 31, 2013 and 2012 are as follows :-

(Unit : Baht)

	<u>Consolidated financial statements</u>	
	<u>for the year ended December 31,</u>	
	<u>2013</u>	<u>2012</u>
Beginning balance	240,000,000.00	320,000,000.00
Repayment for the period	(80,000,000.00)	(80,000,000.00)
Ending balance	160,000,000.00	240,000,000.00

Long-term loans from financial institutions of the subsidiary company, the credit line of Baht 400.00 million, as at December 31, 2013 and 2012, amount of Baht 160.00 million and Baht 240.00 million, respectively, and 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 borrowings of the subsidiary company, There is land plus building 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.

21. Employee benefits obligations

Employee benefit obligation were as follows:-

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Beginning present value of the obligation	270,724,632.45	253,193,907.00	109,886,640.82	103,544,170.00
Current service cost	16,556,961.88	18,521,869.58	7,622,043.18	8,669,646.61
Interest expenses	9,409,224.94	8,875,676.87	3,964,289.62	3,779,362.21
<u>Less</u> repayment for the period	<u>(4,434,732.00)</u>	<u>(9,866,821.00)</u>	<u>(3,096,048.00)</u>	<u>(6,106,538.00)</u>
Ending present value of the obligation	292,256,087.27	270,724,632.45	118,376,925.62	109,886,640.82

The principal assumptions used for the purposes of the actuarial valuation were as follows :-

Discount rate	3.65%
Salary increase rate	5.00%
Employee turnover rate	0.01-1.00%
Retirement age	55 years

22. Other non-current liabilities

Consisted of:-

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statement</u>	
	<u>For the year ended December 31,</u>		<u>For the year ended December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Reply hardly the deferred leasehold	40,356,000.00	-	-	-
<u>Less</u> leasehold recognized as revenue in the period	<u>(220,524.58)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net	40,135,475.42	-	-	-
Deposit	23,408,465.24	22,256,874.05	11,308,699.88	10,573,537.69
Total	63,543,940.66	22,256,874.05	11,308,699.88	10,573,537.69

As at December 31, 2013 the deferred leasehold rights of a subsidiary. The reward of a land lease agreement with the Company. The term of the lease is 30 years commencing on the date of maturity of 6 months after the date of registration of the lease at the land office completed onwards. ("The agreement date"), which recognize rental income from the lease of such land on a straight line. Since the date the land lease became effective on October 31, 2013 the value to be paid until the end of the contract.

(Unit : Million baht)

Consolidated financial statements

As at December 31,

	<u>2013</u>	<u>2012</u>
Within 1 year	1.51	-
1-5 years	6.05	-
5 years onwards	50.77	-
Total	58.33	-

23. Share Capital

Changes in equity for the year ended December 31, 2013 are as follows:-

	Number of Share (Unit : Shares)	Ordinary Shares (Unit : Baht)
Authorized Share Capital (Par Value 1.00 Baht)		
As at January 1, 2013	1,400,000,000	1,400,000,000.00
Shares issued during the period	-	-
As at December 31, 2013	1,400,000,000	1,400,000,000.00
Issued and Paid-up Share Capital (Par Value 1.00 Baht)		
As at January 1, 2013	1,253,821,000	1,253,821,000.00
Shares issued during the period	-	-
As at December 31, 2013	1,253,821,000	1,253,821,000.00

24. Share premium and legal reserve

Share premium

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

Legal reserve

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

25. Dividend payment

The minutes of annual general shareholders’ meeting in 2012 dated on April 30, 2012 was unanimously approved the dividend payment from the Company’s performance in 2011 at Baht 0.33 per share, the number of shares was 1,253,821,000 and amounting to Baht 413.76 million (paid in amount of Baht 413.74 million), whereby the Company has already paid dividend.

26. Capital management

The primary objective of the Group’ capital management is to maintain its ability to continue as a going concern and to maintain an appropriate capital structure and to maintain ratio of debt to equity to not exceeding the compliance with the loan agreements.

As at December 31, 2013 and 2012, in the consolidated financial statements, the debt to equity ratio is 0.76:1 and 1.22:1, respectively, and separate financial statements ratio is debt to equity 0.96:1 and 1.40:1, respectively.

27. Expenses by nature

Consist of:

(Unit : Baht)

	<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
	<u>For the year ended December 31,</u>		<u>For the year ended December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Changes in Inventories of Finished Goods and				
Work in Progress	24,152,291.08	(171,097,576.94)	41,062,624.34	(195,596,658.23)
Raw Materials and Consumables Used	11,616,970,228.95	11,895,082,535.78	5,701,326,700.01	5,405,957,935.49
Loss in Value of Inventories	-	6,038,848.15	-	11,097,155.97
Reverse Loss in Value of Non-Movement				
Inventories	(4,270,997.51)	-	(7,252,565.98)	-
Loss from Impairment of Investment in				
associates	-	-	-	408,146,928.19
Employee Benefit Expenses	1,772,099,892.06	1,580,618,423.93	947,260,391.15	837,639,638.45
Management's Remuneration	62,586,757.00	46,236,851.00	36,661,122.00	29,023,312.00
Depreciation of Fixed Assets	522,711,694.57	495,617,208.10	172,013,434.63	172,259,034.85
Depreciation of Chickens	365,286,761.77	396,372,988.72	-	-
Amortization Expenses	3,738,842.63	2,994,305.68	3,738,842.63	2,994,305.68
Transportation Expenses	295,744,488.24	320,317,765.98	102,274,544.65	100,319,792.07
Operating Lease Expenses	22,433,292.25	20,149,461.22	8,490,968.31	8,052,315.00
Utility Expenses	612,050,884.66	572,084,473.69	233,129,060.80	216,919,066.40
Fee Expenses	9,201,652.81	8,951,222.29	2,731,047.46	2,541,447.28
Traveling Expenses	27,305,921.24	24,119,084.80	4,794,029.46	5,177,310.20
Sale Promotion Expenses	16,287,685.93	19,148,963.86	715,194.13	971,695.82
(Gain) Loss from sales of parent chickens				
Retirement	(20,144,169.39)	26,083,102.98	-	-
Loss from Sales of Grandparent Chickens				
Retirement	510,918.35	1,157,426.96	-	-
Loss from Value of Destroy of Chickens	1,836,129.80	5,166,673.77	-	-
Doubtful Accounts (Reverse)	5,399,940.28	138,680.67	-	-
Other Expenses	161,482,558.90	130,410,204.23	45,510,050.75	44,447,716.68
Total	<u>15,495,384,773.62</u>	<u>15,379,590,644.87</u>	<u>7,292,455,444.34</u>	<u>7,049,950,995.85</u>

28. Income tax expenses

Income tax recognized in profit and loss for the year ended December 31, 2013 and 2012

with the following details:-

	(Unit : Baht)			
	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current income tax expense	14,541,887.53	573,867.19	-	-
Deferred tax expense (Note 15)				
Movements in temporary differences	(43,794,662.71)	(220,989,233.89)	(40,636,133.47)	(197,809,536.46)
Income tax expense	41,796,169.21	30,266,801.93	31,424,743.99	13,121,500.24
Total	12,543,394.03	(190,148,564.77)	(9,211,389.48)	(184,688,036.22)

	(Unit : Baht)			
	<u>Separate financial statement</u>			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Accounting profit before tax	666,418,680.23	(141,382,320.90)	179,193,023.86	(754,564,083.21)
Applicable tax rate	0%	20%	0%	23%
Accounting profit before tax multiplied by applicable tax rate	-	(28,276,464.18)	-	(173,549,739.14)
Tax effect of income and expenses that are not considered				
As income tax expense as follows.				
Depreciation of cars worth more than 1 million baht	-	522,760.71	-	683,979.15
Loss on devaluation of inventories (reversal)	-	(1,044,920.20)	-	2,846,632.08
Loss on impairment of investments	-	-	-	93,873,793.48
Employee benefit obligations	-	769,829.30	-	1,127,551.08
dividends	-	(12,859,983.90)	-	(20,561,981.37)
Tax losses brought forward	-	(86,345,595.49)	-	-
Tax losses not yet used	-	127,256,819.86	-	99,297,434.82
Other	-	(22,446.10)	-	(3,717,670.10)
Total	-	-	-	-
Effects of charges in the applicable tax rates effects of	-	(31,424,743.99)	-	(13,121,500.24)
Changes in temporary differences	-	40,636,133.47	-	197,809,536.46
Income tax shown in the statement of comprehensive income	-	9,211,389.48	-	184,688,036.22

Royal Decree No. 530 B.E. 2554 dated December 21, 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after January 1, 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after January 1, 2013 and 2014, respectively, deferred tax expected to reverse in the year, has been measured using the effective rate.

It is understood that the Government will proceed to amend the law in order to maintain the corporate income tax rate at not higher than 20% for the accounting period 2015 which begins on or after January 1, 2015 and onwards in order to give full effect to the Cabinet resolution dated October 11, 2011 to increase Thailand's tax competitiveness.

29. Promotional Privileges

The Group was granted investment promotional certificates. It obtained benefits and privileges under sections 25, 26, 28, 31 paragraph 1, 31 paragraph 2, 31 paragraph 3, 31 paragraph 4, 34, 36(1), 36(2) and 37 of the Investment Promotion Act B.E. 2520 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 Group starts to earn income from the operation of promotional operation as follows:

The Company

Certificate No.	Date	Type of Promotional Activities	The First Date	The Expiry Date
1776(2)/2545	December 11, 2002	Finished Chicken Products	January 21, 2005	January 20, 2013
1699(3)/2547	August 25, 2004	Finished Chicken Products	July 23, 2007	July 22, 2015
1329(2)/2552	April 24, 2009	Evisceration Chicken	July 1, 2011	June 30, 2019
1051(3)/2553	January 18, 2010	Finished Chicken Products	January 15, 2011	January 14, 2019

The Subsidiary Companies

Certificate No.	Date	Type of Promotional Activities	The First Date	The Expiry Date
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
1173(2)/2553	February 16, 2010	Feed Mill Production and Premix	July 12, 2012	July 11, 2020
1932(2)/2548	October 11, 2005	Parent Chicken Farm	September 9, 2006	September 8, 2014
1632(2)/2546	November 11, 2003	Broiler Farm	May 12, 2005	May 11, 2013
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	June 9, 2011	June 8, 2019
1470(2)/2552	June 5, 2009	Broiler Farm	June 5, 2011	June 4, 2019
1897(2)/2553	August 24, 2010	Broiler Farm	October 25, 2011	October 24, 2019
1591(2)/2553	June 8, 2010	Chicken Farm	August 22, 2013	August 21, 2021
1187(2)/2553	February 24, 2010	Chicken Farm	None Income Yet	-
1898(2)/2553	August 24, 2010	Broiler Farm	None Income Yet	-

<u>Certificate No.</u>	<u>Date</u>	<u>Type of Promotional Activities</u>	<u>The First Date</u>	<u>The Expiry Date</u>
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	-
1674(2)/2554	June 9, 2011	Broiler Farm	None Income Yet	-
1022(2)/2555	January 12, 2012	Broiler Farm	None Income Yet	-

(Unit : Baht)

Separate Financial StatementsFor the year ended December 31, 2013

	<u>Activities with</u>	<u>Activities without</u>	<u>Total</u>
	<u>Investment</u>	<u>Investment</u>	
	<u>Promotional Benefits</u>	<u>Promotional Benefits</u>	
Revenue from Sales	4,611,100,019.89	3,075,608,928.04	7,686,708,947.93
Cost of sales	(3,722,205,329.25)	(3,201,637,756.22)	(6,923,843,085.47)
Gross profit	888,894,690.64	(126,028,828.18)	762,865,862.46
Other revenues	61,289,744.05	160,782,598.44	222,072,342.49
Selling expenses	(110,277,927.36)	(12,333,813.04)	(122,611,740.40)
Administrative expenses	(119,248,243.63)	(126,752,374.84)	(246,000,618.47)
Financial cost	(54,239,583.47)	(37,049,903.28)	(91,289,486.75)
Profit (loss) before income tax	666,418,680.23	(141,382,320.90)	525,036,359.33
Income tax revenues (expenses)	-	9,211,389.48	9,211,389.48
Profit for the year	666,418,680.23	(132,170,931.42)	534,247,748.81

(Unit : Baht)

Separate Financial StatementsFor the year ended December 31, 2012

	<u>Activities with</u>	<u>Activities without</u>	<u>Total</u>
	<u>Investment</u>	<u>Investment</u>	
	<u>Promotional Benefits</u>	<u>Promotional Benefits</u>	
Revenue from Sales	3,232,273,438.69	3,070,132,175.34	6,302,405,614.03
Cost of sales	(2,867,648,687.76)	(3,436,796,445.26)	(6,304,445,133.02)
Gross profit	364,624,750.93	(366,664,269.92)	(2,039,518.99)
Other revenues	33,885,544.92	202,560,143.35	236,445,688.27
Selling expenses	(96,024,473.32)	(16,925,646.24)	(112,950,119.56)
Administrative expenses	(90,493,137.04)	(133,915,678.04)	(224,408,815.08)
Loss from impairment in investments	-	(408,146,928.19)	(408,146,928.19)
Financial cost	(32,799,661.63)	(31,471,704.17)	(64,271,365.80)
Profit (loss) before income tax	179,193,023.86	(754,564,083.21)	(575,371,059.35)
Income tax revenues (expenses)	-	184,668,036.22	184,668,036.22
Profit for the year	179,193,023.86	(569,896,046.99)	(390,703,023.13)

30. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the number of issued and paid-up ordinary shares during the year.

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For year ended December 31,</u>			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Profit for the year (Unit : Baht)	1,503,621,696.57	231,620,746.20	534,247,748.81	(390,683,023.13)
Number of issued and paid-up ordinary shares (Unit : Shares)	1,253,821,000	1,253,821,000	1,253,821,000	1,253,821,000
Basic earnings per share (Baht/Share)	1.20	0.18	0.43	(0.31)

31. Segment Information

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

The information on business sector operation of the Company and its subsidiaries was as follows:

(Unit : Million Baht)

	Consolidated Financial Statements								
	For the year ended December 31, 2013								
	Evisceration	Broiler	Feed	Parent	Chicks	Processed Food	Grandparent	Eliminate	Total
	Chicken	Farm	Mill	Chickens	Distribution	Production and	Chickens		
	Distribution								
Sales - General Customers	7,035.44	3,397.49	4,817.96	481.18	101.03	840.69	25.24	-	16,699.03
- Transfer between Sectors	651.27	4,253.28	6,351.54	1,653.86	-	8.59	135.82	(13,054.36)	-
	7,686.71	7,650.77	11,169.50	2,135.04	101.03	849.28	161.06	(13,054.36)	16,699.03
Profit (Loss) from Operation	548.12	85.81	708.70	82.03	18.89	1.39	50.21		1,495.15
Share of Loss of Associates									220.72
Financial cost									(185.53)
Income Tax Expense									(12.54)
Profit (Loss) of Non-Controlling Interests									(14.18)
Profit (Loss) of GFPT PUBLIC COMPANY LIMITED									1,503.62
Assets by Business Sector									
- Fixed Assets	950.60	1,821.57	1,256.05	1,009.43	-	19.19	233.84		5,290.68
- Center Fixed Assets	269.67	0.38	76.97	1.27	-	47.33	0.04		395.66
- Other Assets	1,286.08	747.96	2,420.58	613.46	10.55	53.93	86.61		5,219.17
Common Assets									2,197.64
Total Assets									13,103.15

(Unit : Million Baht)

Consolidated Financial Statements									
For the year ended December 31, 2012									
	Evisceration	Broiler	Feed	Parent	Chicks	Processed Food	Grandparent	Eliminate	Total
	Chicken	Farm	Mill	Chickens	Distribution	Production and Distribution	Chickens		
Sales - General Customers	5,803.86	3,005.79	5,294.03	470.05	136.10	607.67	52.31	-	15,369.81
- Transfer between Sectors	498.55	3,832.89	5,936.30	1,592.82	-	10.66	128.95	(12,000.17)	-
	6,302.41	6,838.68	11,230.33	2,062.87	136.10	618.33	181.26	(12,000.17)	15,369.81
Profit (Loss) from Operation	(194.83)	(9.92)	473.72	(65.55)	2.67	2.31	62.95		271.35
Share of Loss of Associates									(74.39)
Financial cost									(147.23)
Income Tax Expense									190.15
Profit (Loss) of Non-Controlling Interests									(8.26)
Profit (Loss) of GFPT PUBLIC COMPANY LIMITED									231.62
Assets by Business Sector									
- Fixed Assets	950.27	1,661.13	1,312.24	673.58	-	18.58	206.19		4,821.99
- Center Fixed Assets	283.45	0.50	72.77	1.79	-	44.35	0.06		402.92
- Other Assets	1,201.51	693.54	3,437.68	533.74	12.24	44.44	80.28		6,003.43
Common Assets									1,960.91
Total Assets									13,189.25

Basis in the determination of transferred prices between sectors of the Company and its subsidiaries and associates (see note to financial statements Note. 6.2).

Basis in the determination of transferred prices between sectors of subsidiaries and associates incurred between each other which is materialized as follows:

<u>Description</u>	<u>Pricing Policy</u>
Sales	Agreement Price, Reference to Market Price
Purchase	Agreement Price, Reference to Market Price
Other Income	Cost Price and Market Price

For the year ended December 31, 2013 and 2012, the Group had domestic sales and export sales as follows

(Unit : % of Net Total Sales)

Consolidated Financial StatementsFor the year ended December 31,

	<u>2013</u>	<u>2012</u>
Domestic Sales - Net	81.18	84.40
Export Sales - Net	18.82	15.60

32. Financial instruments

32.1 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.

32.2 Risks 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 assets and liabilities which it may have risk on interest rate as follows:

(Unit : Million Baht)

Consolidated Financial Statements

	<u>Amount</u>		<u>Annual Interest Rate</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
			percentage	percentage
Cash Deposit – Savings Account	154.40	168.99	0.10-0.75	0.625-0.75
Short-term Borrowings from Financial Institutions	1,995.00	1,990.00	2.68-2.80	2.95-3.55
Trust Receipts Payables	51.89	1,542.73	2.60	0.71-3.29
Long-term Borrowings from Financial Institutions	160.00	240.00	3.88	4.18
Long-term Borrowings from Related Persons	2,000.00	2,000.00	6.00	6.00

(Unit : Million Baht)

Separate Financial Statements

	<u>Amount</u>		<u>Annual Interest Rate</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
			percentage	percentage
Cash Deposit - Savings Account	74.72	100.71	0.50	0.625-0.75
Short-term Borrowings from Financial Institutions	1,500.00	1,720.00	2.68-2.75	2.95-3.55
Long-term Borrowings from Related Persons	692.20	692.20	6.00	6.00

32.3 Risks on Exchange Rate

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

	<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Assets				
Value of Foreign Exchange Forward Contract				
(Million USD)	28.37	21.37	28.37	21.37
(Million EURO)	5.51	12.10	5.51	12.10
Value of Foreign Exchange Contract (Million Baht)	1,157.44	1,174.18	1,157.44	1,174.18
Fair Value of Foreign Exchange Contract (Million Baht)	1,194.42	1,163.22	1,194.42	1,163.22
Liabilities				
Value of Foreign Exchange Forward Contract (Million USD)	0.21	0.58	-	-
Value of Foreign Exchange Contract (Million Baht)	7.04	17.95	-	-
Fair Value of Foreign Exchange Contract (Million Baht)	7.05	17.89	-	-

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 statements of financial position.

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

	<u>Consolidated</u>		<u>Separate</u>	
	<u>Financial Statements</u>		<u>Financial Statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Assets that were not Hedged by Derivative Financial Instruments				
(Million USD)	-	0.03	-	-
Liabilities that were not Hedged by Derivative Financial Instruments				
(Million USD)	3.49	48.21	0.02	0.01
(Million YEN)	0.80	1.64	0.80	1.64

32.4 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 subsidiaries 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 trade receivables, the company reviewed and recorded the allowance from doubtful debts. The trade receivables from related companies, had not any risks on payment because the credit term was in the due period and high liquidity.

32.5 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 value of assets and liabilities do not significantly differ from their fair value.

33. Obligation and contingent liabilities

Apart from liabilities reflected in the statement of financial position as at December 31, 2013, and 2012, the Group held other obligations as follows:-

33.1 Obligation of credit lines for loans from financial institutions:-

(Unit : Million Baht)

	<u>Consolidated financial statement</u>					
	<u>As at December 31,</u>					
	<u>2013</u>			<u>2012</u>		
	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Letters of guarantee	325.00	91.69	233.31	344.34	89.98	254.36
Letters of credit and trust receipt	4,404.12	1,192.79	3,211.33	3,102.62	1,847.40	1,255.22
Bank overdraft	227.00	-	227.00	257.00	-	257.00
Short-term loans	4,876.75	1,995.00	2,881.75	4,103.90	1,960.00	2,143.90
Long-term loans	160.00	160.00	-	240.00	240.00	-
Forward foreign exchange contract	3,813.17	223.37	3,589.80	2,905.84	1,181.11	1,724.73
Packing credit	360.00	-	360.00	360.00	30.00	330.00

(Unit : Million Baht)

Separate financial statementsAs at December 31,

	<u>2013</u>			<u>2012</u>		
	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Letters of guarantee	59.99	41.77	18.22	59.99	41.77	18.22
Letters of credit and trust receipt	75.90	5.17	70.73	71.56	-	71.56
Bank overdraft	81.00	-	81.00	101.00	-	101.00
Short-term loans	2,240.06	1,500.00	740.06	2,120.00	1,690.00	430.00
Forward foreign exchange contract	1,434.25	215.79	1,218.46	1,839.81	1,163.21	676.60
Packing credit	360.00	-	360.00	360.00	30.00	330.00

33.2 The Group has material obligation with related companies, person and other companies under the agreement as follows :-

(Unit : Million Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
The agreement of buy back broiler and layer chickens	44.68	62.84	-	-
Service fee of high speed signal	0.02	0.20	-	-
Rental fee:-				
Within 1 year	20.82	19.98	8.24	8.17
1-5 years	22.94	35.24	9.11	15.82
Over 5 years	12.41	14.12	10.13	11.36
Total rental fee	56.17	69.34	27.48	35.35

33.3 The Group has obligation of capital expenditure as follows :-

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Obligation of capital expenditure				
Million Baht	120.83	5.14	115.69	-
Million EURO	-	2.14	-	-

34. Approval of financial statements

These financial statements have been approved for issuance by GFPT PUBLIC COMPANY LIMITED authorized directors on February 18, 2014.



GFPT Public Company Limited

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