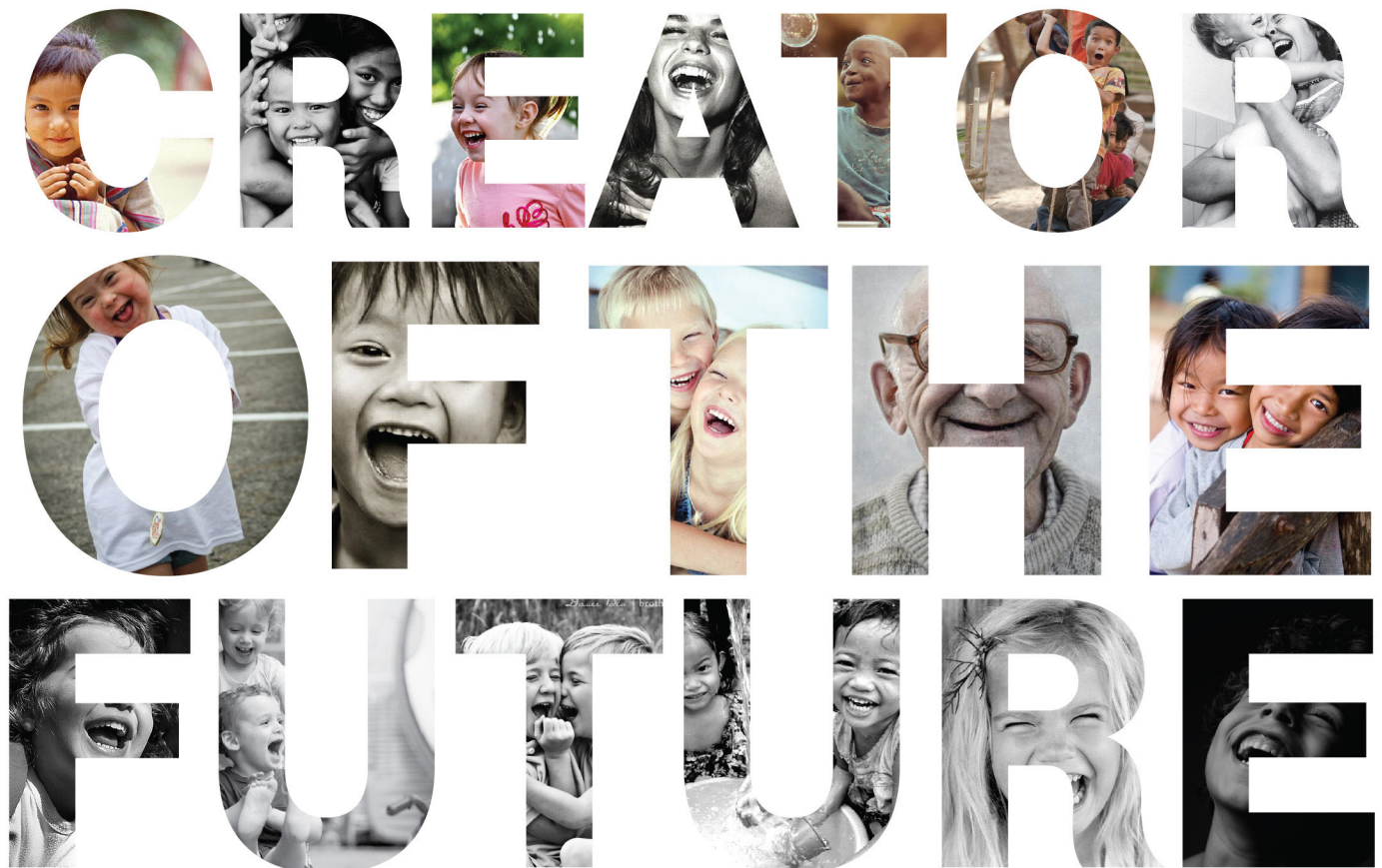


ANNUAL REPORT 2015



WE PUT OUR CARES TO SERVE THE QUALITY

Mission :

1. Emphasize maximum profits and cash flow from business operations;
2. Enhance sustainable business growth;
3. Continuously develop working systems and processes for corporate efficiency;
4. Develop human resources to obtain more knowledge and working capacities and creative thinking ;
5. Maintain good relationships and create satisfactions to customers and trading partners;
6. Take corporate social and environmental responsibilities under the principles for good governance and ethical practice, which shall lead to sustainable development;

Vision

The Company has its vision as a producer and distributor of aquatic animal feeds and pet animals with an emphasis of the quality of products, services and operations under an international standard and its commitments to create future with new businesses for its continuous and sustainable growth.

Corporate Values “Quality Prioritized, All Processes in Our Sights”

1. Integrity:
Adhered to the principle of corporate governance, honesty and common interest (rather than personal interest);
2. Discipline;
Be disciplined and adhered to duties and committed to learning of new things;
3. Quality;
Focused on the quality and services, devote oneself to professional performance of work, maintain the standard and create satisfactions to business-related parties;
4. Improvement;
Committed to creating performances and continuous development of innovation and excellent performances;
5. Engagement;
Devoted oneself for common interest, having teamwork skills for creation of performances;





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Message from the Board of Directors



In 2015, there were situations affecting the Company's operating performances such as the world situations, depression in global oil prices, foreign exchange volatility and Thailand's economic slowdown. However, the factor that had obvious and continuous impacts on the Company's operating performances was outbreaks of Early Mortality Syndrome (EMS) disease, which remained unsolved; as a result, Thailand's total shrimp production in 2015 has decreased to approximately 230,000 tons per year when compared to over 600,000 tons per year in 2014.

Therefore, the Company had to adapt itself to the changing economic situations to maintain its business operation capabilities by looking for new businesses to enhance its strengths; for example, the Company has cooperated with the Ministry of Agriculture and Cooperatives to implement a research project for development of milkfish culture in order to expand its markets and integrated operations; whereas, the Company would be a producer and distributor of fish foods in milkfish culture; meanwhile, Thai Luxe Food Products Co., Ltd., a subsidiary, would produce and process them as ready-to-eat foods for domestic distribution and for export. In case, the project succeeded, it would improve the Company's operating performances.

The Company has adjusted its strategies of income generation from fish feeds in order to compensate the decreasing production of shrimp feeds until it was able to use the full production capacity of fish feed production in Phetchaburi Plant; meanwhile, Songkhla Plant already started its production of fish feeds. The Company also modified some of its machines for pet food production as per agreements made with Nutrix Public Co., Ltd., which was regarded as another channel for its income generation.

Moreover, the Company reduced risks in agricultural business groups which were its main sources of income by expanding its investment in energy business which was different from its main businesses including investment in geothermal energy business in Japan. The Company predicted that, in 2016, the Company's situations would improve; and its shareholders would have confidence in its businesses. The Company would be more prosperous and certainly capable of fighting against the global and domestic economic condition.



ACM Pitthaporn Glinfueng
Chairman of the Board of Directors On behalf of the Board of Directors

Message from Audit Committee



The Board of Directors of Thai Luxe Enterprise Public Co., Ltd., appointed the Audit Committee as per resolutions of the Board of Directors. All directors had proper qualifications as prescribed by the Stock Exchange of Thailand (SET); and the Board of Directors determined components of the qualifications and term in office of the Audit Committee that consisted of only 3 independent directors who had experiences in management, investment, finance, accounting and auditing, i.e., Dr. Denchai Akaradejdechachai, as Chairman; Mr. Teerawit Tanakijsoontorn and Mrs. Natee Chuansanit as Directors. The Audit Committee had its powers, duties and responsibilities as specified in writing in the Charter of the Audit Committee.

In the accounting period of 2015, the Audit Committee operated its duties independently and completely as assigned; and convened meetings with the Management, auditors and heads of the internal audit units as per the related agenda, which was summarized, as follows:

- The Audit Committee reviewed the quarterly and annual financial statements with auditors to ensure the compliance with the Generally Accepted Accounting Principles (GAAP) for their correctness, completeness, reliability and in conformity with the related laws and announcements;
- The Audit Committee considered, recommended, audited the work plans, supervised and conducted its quarterly and annual internal audit and followed up the correction of errors from audits by the internal auditor and the auditors, and recommended on supervision and internal audit for more efficiency and in accordance with rules and regulations prescribed by external regulatory authorities and by the Company and that they had met professional standards; moreover, the Audit Committee ensured that the assessment of the internal control system of the Company was adequate and proper and it also supported the independence of regulatory and internal audit units.
- The Audit Committee considered and fixed the audit fees and nominated an auditor to the Board of Directors to be proposed to the Shareholders' Meeting for consideration and approval. Moreover, the Audit Committee convened meetings with the auditors without the Management's attendance to consider recommendations on the internal control system and the annual audit plans of the Company and group companies.

- The Audit Committee reviewed the Charter of the Audit Committee to ensure that the performance of works in the previous year was complete as assigned and that duties and responsibilities of the Audit Committee were in conformity with the Code of Conduct of the Stock Exchange of Thailand (SET);

- The Audit Committee evaluated the assessment form of adequacy of the internal control system in accordance with the concepts of COSO (Committee of Sponsoring Organizations of the Tread Way Commission). This assessment form was used as guidelines for assessment or review of adequacy of the internal control system. The availability of good internal control system was essential to the listed companies or public companies and enabling companies to prevent, manage and handle potential risks and damage to the Company and its stakeholders.

- The Audit Committee established the whistleblower system in the Company for more efficiency and for providing an easy and convenient channel for its stakeholders to give data to the Audit Committee directly and confidentially;

- The Audit Committee invited the Management to attend meetings for discussions and sharing of ideas continuously and to acknowledge the amendment of work rules and regulations of the Company for efficient performance of duties and for keeping up with potential changes;

- The Audit Committee reviewed with the Management relating to the risk management policy, compliance with policies and guidelines for risk management of the Company and also consider the disclosure of the Company's data, in case, there were related transactions or transactions with potential conflicts of interest, thus, for correctness and completeness;

In summary, the Audit Committee considered that, in the previous year, the Company has provided its financial reports and has carefully disclosed its adequate data in accordance with the Generally Accepted Accounting Principles (GAAP) and that the Company had effective risk management system and internal control system as well as corporate governance system and had adequate independence in favor of all stakeholders and that the Company's operations were in accordance with the laws governing securities and exchange, requirements of the stock exchange or laws relating to the Company's business.



Dr. Denchai Akaradejdechachai
Chairman of the Audit Committee On behalf of the Audit Committee.

Financial Information

		2014	2013	2012
Sales	(Baht)	1,982,564,352	2,155,625,811	2,550,942,788
Gross Profit (Loss)	(Baht)	(44,635,886)	(9,301,452)	43,610,095
Earning per Share	(Baht)	(0.07)	(0.02)	0.10
Total Asset	(Baht)	2,309,420,401	1,666,256,279	1,762,431,518
Total Liabilities	(Baht)	715,319,411	337,099,523	420,975,468
Shareholders' Equity	(Baht)	1,594,100,990	1,329,156,756	1,341,456,050
Book Value	(Baht)	2.83	2.97	3.06
Return on Asset	(%)	(2.25)	(0.62)	3.97
Return on Equity	(%)	(3.05)	(0.80)	3.29
Debt to Shareholders	(times)	0.45	0.24	0.31
Dividend Yield	(%)	0.00	0.00	89.89
P/E Ratio	(times)	0.00	0.00	16.52

Business Overview

The company is determined to develop its full-cycle business along the strategic line of FEED-FARM-FOOD. That is to operate the principal business of producing aquatic feed to be divided into the production of shrimp feed and fish feed and the aquatic animal culture farm as to increase the opportunity for business expansion as well as the operation of frozen processed shrimp feed, fish feed, and pet food business through its subsidiary company to achieve growth target of the business continually.

Thai Luxe Enterprises PCL. was incorporated on 11 June 1987 with registered capital of 20 million Baht with the objective to operate the business of import of aquatic feeds for distribution and the business of tiger prawn culture. Subsequently, the business expanded to the production of shrimp feed and fish feed for distribution and signed contract in 2016 for pet food production to expand business growth in the future.

Originally the company had only shrimp feed and fish feed production factory alone, that is, Samutsongkram Factory. Later in 1999, the company expanded the business through opening a new factory in Phetchaburi province and discontinued the production of shrimp feed line in Samutsongkram Factory and then relocated the whole shrimp feed production line to Phetchaburi Factory. Subsequently in 2004, the company started the fish feed production line in Phetchaburi factory and stopped the production line of fish feed in Samutsongkram factory, thereby Samutsongkram factory did not produce any goods at all. However, the

company permitted Thai Luxe Food Products Company Limited (former name SMP Food Products Company Limited), which at that time was the associated company to lease the cold storage as the company then did not find it necessary to use the said cold storage. Later then in 2015, we got grand opening new feed factory in Songkhla Province to support the production of aquatic animal feeds and pet food for our Southern clients and exporting to neighboring countries.

The company then expanded its business opportunity to frozen processed shrimp product business with increased investment in Thai Luxe Food Products Company Limited (former name SMP Food Products Company Limited), which operates the business of production and distribution of frozen processed shrimp food products for export and domestic distribution.

Initially, the Company held 97.75% of the total shares of Thai Luxe Food Products Co., Ltd.; then, in 2015, the Company has disposed of its investments in Thai Luxe Food Products Co., Ltd., to Nippon Pack (Thailand) Public Co., Ltd. ("Nippon"). At present, the shareholding ratio is as follows: the Company holds 55% and "Nippon" holds 45% of the paid-up registered capital; and after the joint venture, the Company planned to increase the capital of Thai Luxe Food Products Co., Ltd., by another 100 million Baht (divided as per the shareholding ratio) to be used as capital in new business operations.



Moreover, the company yet invested in Thai Demeter Co., Ltd., with shareholding ratio of 100 percent to run a business of distribution of raw materials used for production of aqua animal feeds as smaller aqua animal feed producers did not have purchasing power to buy the raw materials in bulk quantity, thereby they were deprived of bargaining power in terms of price with the suppliers of raw materials. As a result, the company envisioned channels for distribution of the said raw materials as to earn supplement income for the company.

In September 2015, the Company has expanded its investment to fast food business to be developed as integrated food business and to use the remaining production capacity to fulfill its potentials; whereas, an associated company has been registered under the name of NPP Food Incorporation Co., Ltd. ("NPP Food") to support the franchised business management of A&W Restaurant and other potential food business-related investment in the future; whereas, the Company holds 45% and "Nippon" holds 55% of the paid-up registered capital of "NPP Food"; and it was predicted that "NPP Food" would be able to recognize its incomes in 2016; then, at the end of December 2015, the Board of Directors' Meeting has passed its resolution to approve its investment in a geothermal energy project, which was also predicted that the Company would be able to recognize its incomes in 2016.

Together, the company also expanded its business activity to aquatic animal culture farm to ensure that the company's business comes full cycle. That is to say, the company has both the aquatic animal culture (FARM) business, the business of producing aquatic animal feed (FEED) business and the frozen processed shrimp (FOOD) business.

Throughout the period of its business engagement since its establishment, the Company had consistently and progressively developed and improved its manufacturing standard by acquiring advanced technology. The Company has been awarded the certifications as follow:

1. ISO9001:2008 certificate from United Registrar of Systems (Thailand) Limited
2. ISO4001:2004 certificate from United Registrar of Systems (Thailand) Limited
3. GMP certificate
4. HACCP certificate
5. Q Mark certificate
6. ISO/IEC17025 : 2005 certificate from Department of Science Service
7. Applied for accreditation under the Energy Standard System (ISO50001)

The company is the first aquafeed manufacturer who has been awarded GMP and HACCP before the government announced 2004 to be the "Year of Food Safety." It is possible that the Company as one of the leading experts in aquafeed manufacturer of Thailand.



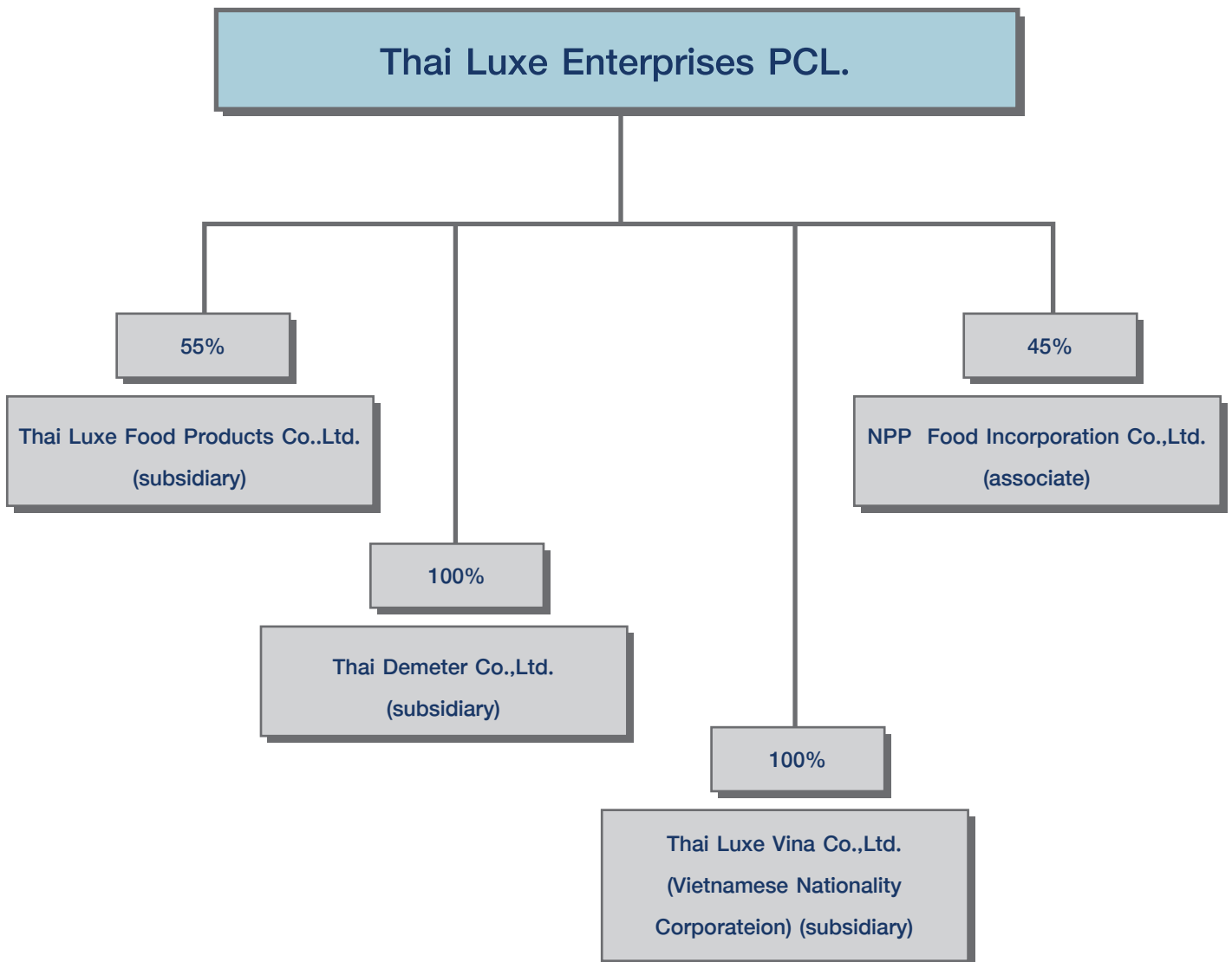
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Year	Changes and Developments
1987	Set up the company on 11th June to import shrimp feed from Taiwan and start raising Black Tiger Shrimp.
1989	Constructed the shrimp feed factory and frozen shrimp processing factory at Samutsongkram.
1990	Started production of shrimp feed for local market and frozen shrimp processing for exports, and decreased the proportion of importing feed.
1993	Increased the production variety by adding fish feed production line and received the Annual Excellence Award 1993 for Agricultural Industrial Exports.
1994	Transformed into a Public Company in February to sell shares to the public and the Company received permission to be registered at Securities Exchange of Thailand in September.
1998	The Company stopped production of frozen shrimp processing line as the local economy faced doldrums.
1999	Opened a new factory in Petchburi province and the manufacturing base for shrimp feed was moved totally to the new factory. Investment was made by acquiring shares 10% in SMP Food Products Company Limited. Engaged in the business of manufacturing and distributing frozen shrimp processing locally and for exports.
2001	Earned the ISO 9002 from the Institute UKAS, United Kingdom, which recognized our shrimp feed factory as Thailand's first certified ISO 9002 quality system.
2003	Earned ISO 9001:2000 from the UKAS of United Kingdom and the shrimp feed factory also earned the recognition under GMP and HACCP from Livestock Department and thus recognized as the first shrimp feed factory to have received the recognition of both Institutions, including received The Q Mark from Livestock Department.

Year	Changes and Developments
2004	Expanded fish feed production capacity by construction of a new fish feed factory in Petchburi province, and also increased in equity in SMP Food Products Company Limited so that shareholdings in SMP Food Products Company Limited became 21.43%.
2005	Changed the shares par value from 10 Baht to 1 Baht and issued and offered warrant to purchase ordinary shares of the Company to existing shareholders, and also issued and offered warrant to purchase ordinary shares of the Company to directors and staffers of the Company under the ESOP.
2007	Earned recognition under GMP and HACCP from Livestock Department for fish feed factory in Petchburi province, so that the Company enjoyed both shrimp and fish feed standards completely.
2008	Stopped the production of fish feed factory in Samutsongkram province, for moving manufacturing base to Petchburi factory.
2009	Earned ISO 9001:2008 certificate and changed Company's logo to show the step by step approach to highest efficiency with efforts for environmental balance and social commitments.
2011	Increased the Company's registered capital to support an issuance of warrant to purchase ordinary shares of the Company No. 2 (TLUXE-W2) to existing shareholders, warrant to purchase ordinary shares of the Company to directors and staffers of the Company under the ESOP No.2 (TLUXE-ESOP2) and to support an issuance of Taiwan Depositary Receipts (TDRs). Received "Best Company Performance Awards" and "Outstanding CEO Awards" in SET AWARDS 2011 by The Stock Exchange of Thailand. Increased in equity in SMP Food Products Company Limited so that the Company's shareholdings rose to 96.43%, the Company's status also rechanged from Affiliated to Subsidiary.
2012	Earned ISO4001:2004 certificate from United Registrar of Systems (Thailand) Limited.

Year	Changes and Developments
2013	Acquired 100% shareholding in Thai Demeter Company Limited to supply aquafeed raw material. Established the research and development center in Samutsongkram area to be research and development unit of aquafeed and economic aquatic species.
2014	Increased in equity in SMP Food Products Company Limited so that shareholdings became 97.79%, and renamed to Thai Luxe Food Products Company Limited. Earned ISO 9001:2008 certificate from Department of Science Service, to build confidence in the test results of the company's laboratory.
2015	- Appointed ACM Pitthaporn Glinfueng as the Chairman of the Company - In July, opened a new animal feed production plant in Songkhla Province - In August, signed a pet food production contract with Nutrix Public Co., Ltd. - Appointed Mr. Kitipat Chollavuth as the Chief Executive Officer - Adjusted the shareholding ratio in Thai Luxe Food Products Co., Ltd., as follows: the Company held 55% and Nippon Pack (Thailand) Public Co., Ltd., held 45% of the paid-up registered capital - Established a new affiliated company under the name of NNP Food Incorporation Co., Ltd., to support the business management of A&W Restaurant; whereas, the Company held 45% and Nippon Pack (Thailand) Public Co., Ltd., held 55% of the paid-up registered capital At the end of December 2015, the Board of Directors' Meeting has passed its resolution to approve its investment in a geothermal energy project, which was also predicted that the Company would be able to recognize its incomes in 2016.

Business Structure



Nature of Business

Revenue Structure

Revenue	2013		2014		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from feed business	2,005.45	78.62%	1,831.82	84.98%	1,673.26	84.40%
Revenue from the frozen processed business	225.05	8.82%	244.42	11.34%	279.04	14.07%
Revenue from farm business	39.46	1.55%	29.57	1.37%	0.00	0.00%
Other Recenues	252.75	9.91%	28.65	1.33%	0.00	0.00%
Total Revenue from Sales	2,522.71	98.89%	2,134.46	99.02%	1,952.30	98.47%
Revenue from services	0.14	0.01%	0.00	0.00%	0.00	0.00%
Service income	0.14	0.01%	0.00	0.00%	0.00	0.00%
Rental income	0.16	0.01	0.16	0.01%	0.16	0.01%
Other income	27.93	1.09%	21.01	0.97%	30.10	1.52%
Total Revenues	2,550.94	100.00%	2,155.63	100.00%	1,982.56	100.00%



Feed Business

Aquatic feed production is divided into two main operations, namely the production of Shrimp feed and the production of fish feed. Current production facilities are located in Petchaburi Province. Both of production are full cycle operation, which begins from the procurement of raw material, production, sales and distribution, with a capacity of 80,400 tonnes of shrimp feed per year and 61,000 tonnes of fish feed per year. There are separated production lines for shrimp feed and fish feed, including with the separated raw material storage to maximize efficiency in the production. The other departments such as sales and marketing, purchasing, and quality assurance and so on will be supported from the central administrative.

Aquatic feed will be produced in a feed pellet by blending agricultural crops include wheat flour, fish meal and soy-bean meal as main ingredients. The whole manufacturing process are monitoring by high technology of machinery with computer processor to get the feed quality and consistency standards set.

For this purpose, the company has the animal feeds research and development center located in Samutsongkram province to accommodate the expansion of its capacity for research and development of aquatic animal feeds to respond to the ever-changing feed technology and to further develop the feed formula for aquatic animals to ensure good growth and a good Feed Conversion Ratio (FCR).

Further, the company also established a new aquatic animal feed factory in Songkhla province due to the southern region area has high concentration of shrimp farms with total quantity of shrimp culture production as high as 65 percent of gross productivity with total shrimp feed production stood at 60,000 tons per year and fish feed production at 72,000 tons per year. Currently the factory is in the process of installing equipment. It is expected that the project could go into production in March 2015.





“THAI LUXE GOLD” Black Tiger Shrimp Feed



“THAI LUXE” Black Tiger Shrimp Feed



“LUCKY” Black Tiger Shrimp Feed



“SPEED” Black Tiger Shrimp Feed



“THAI LUXE” Vannamei Shrimp Feed



“VANNA” Vannamei Shrimp Feed



“THAI LUXE” Economy Shrimp Feed



“THAI LUXE” Catfish Feed



“THAI LUXE” Catfish Feed

“THAI LUXE” Tilapia Fish Feed



“THAI LUXE” Frog Feed



“LUCKY” Catfish Feed

“Prochoice” Catfish Feed



“SPEED” Tilapia Fish Feed

“SPEED PLUS” Tilapia Fish Feed



“THAI LUXE” Catfish Feed

“WORK” Catfish Feed



“SPEED” Catfish Feed

“THAI LUXE” Vegetarian Fish Feed



“WORK” Catfish Feed

“THAI LUXE” Catfish Feed



“WORK” Vegetarian Fish Feed

There are 2 types of pet food products that the Company has contract to manufacturing such as dog food and cat food.



Frozen Processed Food Business (FOOD)

Thailuxe Food Products Co., Ltd., (a subsidiary company) is a producer and distributor of quality frozen processed food products. The company has a policy to operate the business in tandem with social responsibility by attaching importance to the the research and development as to develop a variety of products to meet the changing market and finding ways to increase productivity under the established quality continually as to reduce the use of resources, cost of production, creation of pollutant and destruction of the environment with the resolve to produce the goods of the standard par excellence; the goods are safe for consumers, are environmentally-friendly. Moreover, importance must be attached to raw materials coupled with verifiability back to the source of raw materials used in production to serve as the quality of warranty of the goods and the effectively reflect the style of management of the company, with total production of approximately 2,400 tons per year.

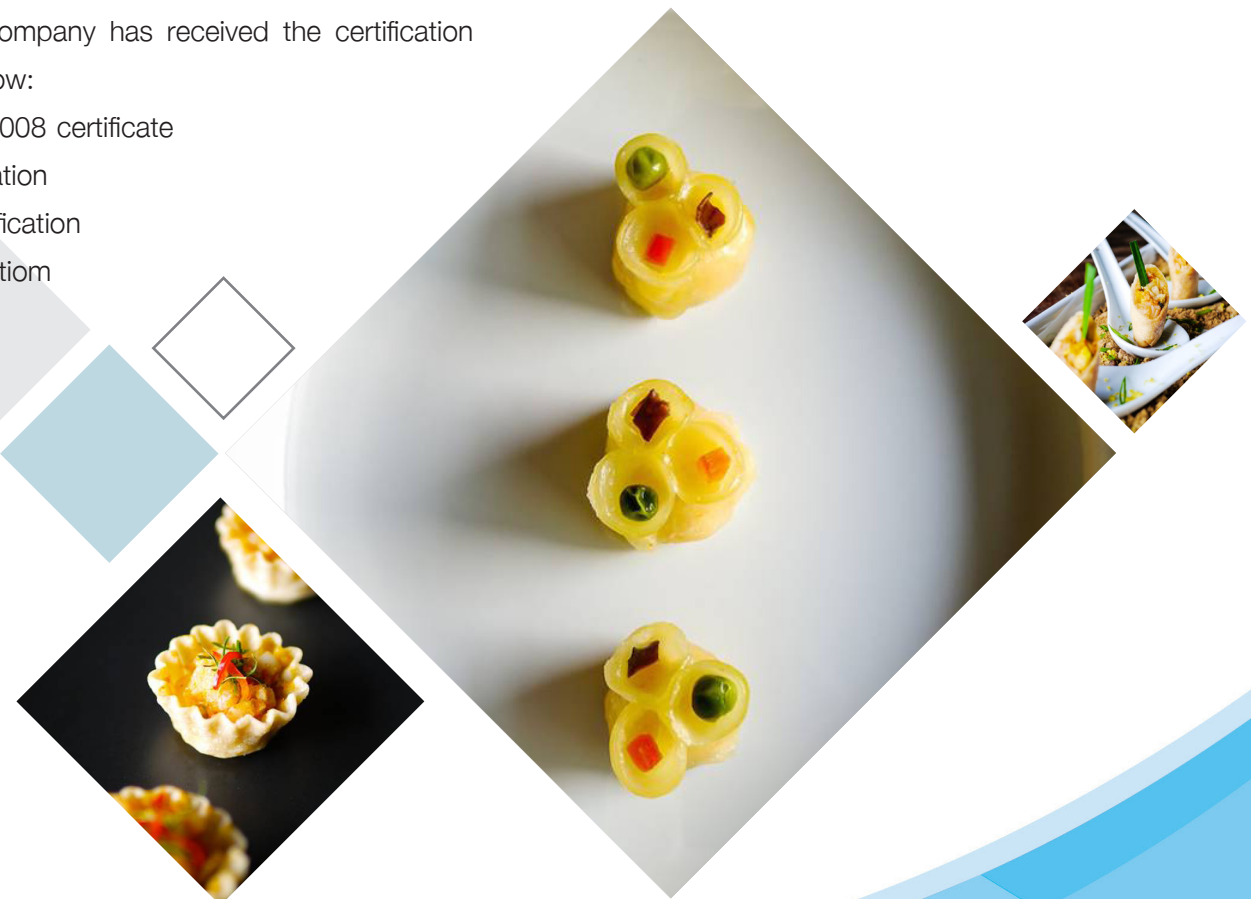
The products of the company comprise :

- 1) Frozen processed shrimp products such as frozen boiled shrimp
- 2) the valued-added food products such as frozen skewered cooked shrimp, frozen fried shrimp on bread crumbs
- 3) ready-to-eat food products such as frozen shrimp porridge, which is a cooked ready-to-eat food
- 4) Frozen processed fish products such as frozen fresh Nil fish.

Shrimp products can be processed then go through the freezing process, or can be mixed with other components and cooked through procedures to add value for being ready to eat foods or meals, then go through the freezing process, for distribution to customers both domestic and abroad. Regarding fish products, it is processed and freezing product, to be exporting the foreign customers.

Currently, the company has received the certification standard as follow:

1. ISO 9001 : 2008 certificate
2. GMP certification
3. HACCP certification
4. BRC certification
5. HALAL mark



Aquaculture Business (Farm)

According to the concept of aquaculture business operation, it emphasizes researches and development of quality products by applying technical know-how and technologies to find methods to prevent disease outbreaks in aquatic animals with an emphasis on biotechnology farming and to avoid the use of drugs and chemicals for sustainable aquaculture and to set up a system to prevent contamination of diseases and carrier animals causing contamination of diseases and damage to the production (bio-security). In addition to its emphasis on researches and development for good growth of aquatic animals, the Company has also received commercial benefits.

At present, the Company has provided its aquaculture sites by means of improvement of its aquaculture farm in Klongkoan Sub-district, Samut Songkram Province on an area of over 240 rai in order to develop the aquaculture system and to be accredited under international standard system and to meet the consumers' increasing demand of fish consumption for good health under the good and effective farm management.



Situation and the Trends of Industry

Shrimp Feed Markets

Thailand has encountered the problem of outbreaks of Early Mortality Syndrome (EMS) disease since late 2012 until 2015; as a result, the quantity of shrimp products in 2013 has decreased by over one half when compared to those in 2012; and in 2014, the quantity of Thailand's shrimp products has not yet been recovered; as a result, government agencies have prescribed frameworks for development of Thailand's shrimp industry under the Thai Shrimp Strategies. The Department of Fisheries has planned that, in 2015, the quantity of Thailand's shrimp products would be approximately 450,000 tons; however, when taking account of the actual quantity of shrimp production, it is predicted that the prescribed target in this year could not be reached; whereas, in 2015, the quantity of Thailand's shrimp products was approximately 260,000-270,000 tons, as per the Table below:

Table 1 Thai Shrimp Production year 2006 – 2015

Year	Quantity (MT)	% Change
2006	500,000	24
2007	530,000	5.66
2008	495,000	-7.55
2009	563,000	13.74
2010	640,000	13.68
2011	600,000	-6.25
2012	540,000	-10
2013	255,000	-53
2014	230,000	-8
2015	260,000	13

Source : Department of Fishery

Trends of Shrimp Feed Industry

In 2015, the shrimp farming industry has been affected by the outbreaks of Early Mortality Syndrome (EMS) disease; and Thailand's shrimp industry has also been affected by its loss of European Export Preferences (GSP) effective since 1st January 2015; as a result, Thailand's shrimp exporters must pay shrimp export tax by 12% (increased from 4%), which decreased the competitiveness of Thailand's shrimp exporters. Moreover, Thailand's shrimp farming industry has also encountered tier-3 problems and the use of illegal workers, illegal fishing and the decreasing shrimp prices when compared to those in the previous year.

According to the said problems and obstacles, the Company expected that, in 2016, Thailand's shrimp farming industry would have the larger quantity of shrimp farming because large-sized farms have created guidelines for various patterns of shrimp farming to fight against EMS disease crisis as per their personal expertise; and have taken care of more details such as shrimp breeds, management before and during shrimp farming; and it is predicted that according to such factors, the quantity of shrimp products would be increasing in 2016.

Fish Food Markets

In 2015, Thailand's fish farming has still emphasized the farming of mango fish in floating baskets and catfish farming as well as some farming of climbing perch; and the quantity of fish farming would not be very different from those in 2014 because fish farmers have encountered several problems such as over-supply of catfish, resulting in catfish price declines; and farmers had to delay the catfish farming; moreover, droughts have discontinued the fish farming, particularly the fish farming in floating baskets; and farmers have also suffered damage from the early death of fish during the fish farming.

According to the above-mentioned situations of the industry, farmers would reduce the quantity of fish farming in areas with problem of water shortage; however, in areas that have not been affected by the water problem, farmers would continuously release more fish into the farming areas and would increase the quantity of fish farming in order to meet the overall demands of the market because, at present, the transport of fish in long distances has been improved and fish would not be damaged during the transport; as a result, the short quantity of fish in some areas could be substituted by the transport of adequate quantity of fish from other places.



Trends of Fish Feed Industry

In 2015, there were severe pricing competitions in the fish feed industry; and there were more new competitors who had their base of land animal feed production into the aquatic animal feed industry and emphasized the marketing of cheap-price goods that had the market demand of more than 50% because farmers wanted to reduce the cost of fish farming; and large companies such as CP and Betagro, etc., have emphasized the integrated marketing and possession of fish markets in all areas.

Therefore, regarding the trends of fish feed industry in 2016, there will be more severe competitions in terms of pricing and credit facilities because farmers have the decreasing financial liquidity; as a result, new companies have emphasized the provision of credits, therefore, farmers can make easier decisions to buy, unlike in the past when it was difficult to change brands of suppliers. According to such factors, the fish farming industry remains unchanged and the quantity of use of fish feed has not been much different from those in 2015 but groups of products used shall be changing as above-mentioned.

Pet Food Markets

According to the overall situations of Thailand's pet food markets in 2015, it was found that the market has been growing continuously at the rate of 10% with the market value of approximately 18,000 million Baht, increased from those of the previous year (with the market value of 16,000 million Baht), excluding the market value of pet treatment from animal hospitals. The push factors of continuous growth of the market were the increasing trends of animal husbandry in terms of the increasing quantity of pet owners and types of pet animals, particularly cats.

Regarding the trends of growth of pet food markets, (reference data from the Feed Mill Association), it is evaluated that the overall market value will be approximately US\$70,000 million, resulting from the positive factor of the increasing quantity of pet owners; however, the economic slowdown may affect the market value and the quantity of purchase orders by the export sector has decreased. At present, business operators will provide groups of products at different pricing levels; as a result, the situations of marketing competition have been more severe because pet owners can select to buy products according to their needs.



Frozen Shrimp Processed Food Markets

According to the estimates of Thailand's shrimp products in 2015, the quantity of Thailand's shrimp products was approximately 260,000 tons, increased by 13% from 230,000 tons in 2014. Since shrimp farmers have adjusted the shrimp farming methods, the problem of outbreaks of EMS disease has been solved successfully; meanwhile, the quantity of shrimp products worldwide was approximately 2.04 million tons, decreased by 8% from those in 2014. Major rival countries had the decreasing quantity of products, particularly China, Vietnam and India. Regarding the export, according to the data of shrimp export during January-October 2015, the quantity of shrimp export was 127,871 tons with the value of 44,256 million Baht, decreased by 1.21% and 14.43% YOY, respectively.



Trends of Frozen Shrimp Processed Food Industry

It is predicted that, in 2016, the quantity of shrimp products will gradually increase; meanwhile, the world's quantity of shrimp product tends to decrease; for example, India, the world's largest shrimp producer (380,000 tons) in 2015, will encounter the tremendous decrease in its shrimp products due to the outbreaks of Microsporidia disease, which cannot be prevented and eliminated by the Indian authorities; meanwhile, local companies in Thailand are confident that such problem can be prevented and eliminated; and baby shrimps not infected by the disease can be cultured by farmers, etc. Since the world's quantity of shrimp

products tends to decrease, the global shrimp prices will possibly increase. Moreover, importers will turn back to buy shrimps from Thailand because they are confident and accepting the consistent quality of Thailand's shrimp products after such importers have disappeared due to the lack of confidence in Thailand's quantity and consistency of raw materials of shrimps in the previous year. However, issues of illegal workers/slave labour must be monitored and closely watched because they have been used by USA and EU as main issues to apply continuous pressure to Thailand's export.

Risk Factors

Risk of raw material prices

Producing aquatic animal feed is necessary to use raw materials from the nature in order to process into feed quality and meeting the right standards. The major raw materials are important to produce such products, fish meal, soybean meal, wheat flour, and corn, but, mostly the products are on commodity prices and are set by supply and demand in the worlds' markets.

So, whenever the price of raw materials increases, the costs of aquatic animal feed will result in increase along with the inevitable. However, the company tries to manage the risk of raw materials by updating the situations about the prices of the raw materials in order to analyze closely, and then, targeting the price, quantity and delivery time with raw material suppliers. Other than that, the companies has a policy of purchasing raw materials diversely and geographically dispersed and keep finding new sources in raw materials.

Risk of exchange rates

The company imports some of the raw materials, which includes: squid liver powder, wheat flour, fish soluble meal that is important that is used for the aquatic animal feed, which gives proteins and fats from the aquatic animal feed. The company will pay for the raw materials with the currency of Yen and U.S. dollar. This gives changes in exchange rates and affects the costs of production and its operations directly from the income of the company that comes from the dealer of the products domestically and group farmers. The company has income in Baht and some transactions are denominated in foreign currencies.

Moreover, the subsidiary, Thai Luxe Food Products Co., Ltd. mainly income is from abroad market, in the currency of Yen, U.S. dollar, Euro dollar, Australian dollar, therefore, the exchange rate fluctuation will also effected to sales revenue and business operation of the subsidiary.

However, the company has a policy of hedging foreign exchange agreement in purchasing and selling and entered into foreign bank in advance (Forward Contract) in order to hedge the risk in the period of 3-6 months, depending on the duration of the transit time. The company paid closely attention with the statistics of the exchange rates of each currency to analyze before making decision for each exchange agreement.

In 2013, 2014 and 2015, the Company has purchased raw materials in foreign currencies, totally 528.16 million Baht, 470.06 million Baht and 450.03 million Baht, respectively, equal to 31.69%, 27.90% and 31.39% respectively of its total quantity of purchase of raw materials.

Moreover, in 2015, the Company has sold the raw materials for production of animal feeds to small animal feed mill which had no bargaining power against producers through the distribution channel of Thai Demeter Co., Ltd. (subsidiary); therefore, in 2015, the Company's income from sale of raw materials was amounted to 1.99 million Baht.

Risks of competing major vendors and the market leader of animal feed

The market leader of the shrimp feed is divided in the market share at approximately 30-40 % of the total sales of the shrimp feed, following by 5-6 medium-sized companies also divided in market between 5-20% each company, which are combined with a share of 50-60% of the total shrimp feed sales, the company was ranked in the medium-size company, where as other companies are small size companies. The market leader gained highly confidence from the farmers, who have been feeding shrimp as a product of the top leading company in the long run, which gave the company problems by competing in the market share.

The company has a marketing strategy, both short and long term, such as improve and develop products to meet the customers demand to create success for the farmers and dealers to sell their products to customers, while also increasing product variety to meet the needs of customers all the circumstances having regard to the cost of farmers is most important, offering promotions from time to time as a special case in order to compete in the market, joining trade fair, etc. Besides, the company has focused its services to attract dealer and the farmers, and manufacture higher quality feed compared with the same feed type of the others. This helps us to maintain market share, for fish feed and shrimp feed exclusively.

Risk of the revenue from the sale of goods domestically

The company's income from the sale of goods within the country, so that if any year is to feed a local decrease in the environment or weather conditions are unfavorable and it will impact significantly on the amount and distribution of revenue from the sale of the company.

The typical volume of distribution for its products will fluctuate seasonally. The sales volume of shrimp feed and fish feed are lower in the late rainy season to cold season, due to the shrimp and fish eat less feed. And if there are epidemic or flooding, it will impact the demand of feed, and impact on sales.

However, the company has invested in shares of Thailuxe Food Products Co. Ltd, who is manufacturer and distributor of frozen processed products, the downstream business, and also invested in farming business, the upstream business to be a turnkey operation to reduce the risk of selling only aquatic feed.

Risk of being affected by the operations and financial position of the subsidiary

Performance of the group is based on the performance of the company; also, it depends on the operating results of the subsidiaries. If you have a problem with its implementation, it will affect the performance of the company's consolidated financial statements.

The group has defined measures for the implementation of its policies, by controlling and monitoring the operations of its subsidiaries, as well as, representatives of the company into a subsidiary and associate director of the policy and to safe the interests of the company. Subsidiaries and associated companies are operating in the same direction. This is will lead to the cost management maximum performance and operational efficiency.



Risk from balance of power

Seneepakonkai Family, a major shareholder of the Company, represented by Miss Aporn Seneepakonkai, the Company's Director and Managing Director of Management Line, has the fair balance of powers when compared to the total number of directors (9 directors), including 3 independent directors. However, the Company has clearly prescribed and separated the roles and duties of directors, Chief Executive Officer and Managing Director of 5 business lines. Moreover, the decision-making and transactions not involved with general business operations of the Company shall be considered and approved by the Board of Directors and jointly considered by 3 audit directors who are independent directors; whereas, the related transactions shall be taken account of the Company's interests.

Risk from new business operation

The Company has envisaged opportunities to develop integrated food industry; and has therefore cooperated with Nippon Pack (Thailand) Public Co., Ltd., to register its associated company, namely, NPP Food Incorporation Co., Ltd. (“NPP Food”) in September 2014 to support the franchised business management of A&W Restaurant, which is a fast food business. Risks relating to this business included the risk of type of industry, risk of location, risk of personnel, risk of incompatible systems, risk of raw materials prices; whereas, the Company could prevent the risks by employing executives with experiences in fast food restaurant business management. The Company has clearly prescribed the strategic plans and KPI of employees, including executives in order to create working motivation and for corporate governance; and has sent its representatives in the capacity of shareholders to be directors of “NPP Food”; but risks on the raw materials prices must be accepted by the Company because the raw materials prices are directly varied to the quality of raw materials and are specified in the Franchise Contract. In case, the raw materials costs have been adjusted, the Company needs to adjust the product prices accordingly; and it is predicted that “NPP Food” will be able to recognize its incomes in 2016.

The Company has envisaged opportunities to generate incomes and to distribute risks from main businesses; therefore, the Company has invested in different industries. In late December 2015, the Board of Directors’ Meeting has passed its resolution to approve the investment in geothermal energy power plant, which was also predicted that the Company would be able to recognize its incomes in 2016; whereas, this Project is during the feasibility study by a tax law consultant in Thailand and tax law consultant of Japan. Risk factors relating to business operations in abroad are as follows: Japanese business culture may differ from those of Thailand in terms of personnel, language, laws and regulations, which may affect the efficiency of work supervision, risk of currencies, risk of natural disasters, including risk relating to production process and maintenance of machine, which can be prevented by the Company by means of recruitment of personnel with knowledge and abilities to be responsible for the Project and to execute disaster insurance contracts, including foreign exchange warranty.



Risks from Investment in Equity and Debt Instruments

The Company has invested in equity; therefore, it may have risks from devaluation of investment due to risks from price volatility and market mechanism, risk from operations of equity issuers, risk from external factors resulting in volatility of share prices such as domestic economic condition. Regarding the majority of equity, the Company has its policy of long-term investment in the manner of strategic partner, rather than speculation from equity prices.

The Company has invested in debt instruments which may have risks from default of debt repayment by issuers of debt instruments, i.e., the issuers of debt instruments may not be able to comply with the prescribed conditions; for example, they may not be able to pay interest or principal to issuers of debt instruments according to the specified amount and time limits; provided that the Company has invested in equity and debt instruments through securities companies that have knowledge and expertise and could provide advice on investment.



General Information and Others Important Information

Company Name	: Thai Luxe Enterprises Public Company Limited
Type of Business	: Manufacturing and Distributing of aquafeed
Head Office	: 69/5 Moo 5 Rama II Road, Muang District, Samutsongkram 75000 Tel: (66) 3477-1444 Fax: (66) 3477-1025
Petchburi Factory	: 62 Moo 2 Utapao Road, Kaoyoi District, Petchburi 76140 Tel. : (66) 3244-7681-8 Fax : (66) 3244-7689
Songkha	: 98 Moo 13 Petchkasem Road KM. 1232 Bang Rieng, Khuan Niang, Songkhla 90220 Tel. : (66) 7489-0765-8 Fax : (66) 7489-0769
Bangkok Office	: 1768 Thai Summit Tower 24TH FL., New Phetchburi Rd., Bangkapi, Huai Kwang, Bangkok 10310 Tel: (66) 2251-8152, (66) 2251-8157, (66) 2251-8158 Fax: (66) 2251-8152, (66) 2251-8157, (66) 2251-8158 ext. 206
Registration Number	: 0107537000670
Home Page	: www.thailuxe.com
Registered Capital	: 568,451,520 Baht (as at 31 January, 2016)
Paid Up Capital	: 563,050,687 Baht (as at 31 January, 2016)

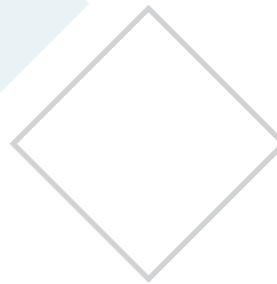
Subsidiaries

Company Name	: Thai Luxe Food Products Company Limited
Type of Business	: Manufacturing and Distributing of frozen processed shrimp products
Head Office	: 69/5 Moo 5 Rama II Road, Muang District, Samutsongkram 75000 Tel: (66) 3471-0999 Fax: (66) 3471-0880
Bangkok Office	: 1768 Thai Summit Tower 24TH FL., New Phetchburi Rd., Bangkapi, Huai Kwang, Bangkok 10310 Tel: (66) 2251-8152, (66) 2251-8157, (66) 2251-8158 Fax: (66) 2251-8152, (66) 2251-8157, (66) 2251-8158 ext. 206
Registration Number	: 0105542094316
Home Page	: www.thailuxefood.com
Registered Capital	: 100,000,000 baht
Paid Up Capital	: 100,000,000 baht
% of Shareholder	: 55.00 %
Type of Shares	: Common Shares

Company Name	: Thai Demeter Company Limited
Type of Business	: Distributing of aquafeed raw materials
Head Office	: 1768 Thai Summit Tower 24TH FL., New Phetchburi Rd., Bangkapi, Huai Kwang, Bangkok 10310 Tel: (66) 2251-8152, (66) 2251-8157, (66) 2251-8158 Fax: (66) 2251-8152, (66) 2251-8157, (66) 2251-8158 ext. 206
Registration Number	: 0105552125648
Registered Capital	: 3,000,000 baht
Paid Up Capital	: 3,000,000 baht
% of Shareholder	: 100 %
Type of Shares	: Common Shares

Associate

Company Name	: NPP Food Incorporation Company Limited
Type of Business	: Manufacturing and Distributing of food business
Head Office	: 283/98 Home Place Office Building 20th FL., Soi Sukhumvit 55, (Soi Thonglor) Sukhumvit Road, Klongtonnua, Wattana, Bangkok Tel: (66) 27125490
Registration Number	: 0105558156138
Home Page	: www.thailuxefood.com
Registered Capital	: 100,000,000 baht
Paid Up Capital	: 100,000,000 baht
% of Shareholder	: 45.00 %
Type of Shares	: Common Shares



Other Reference Person

1. Registrar

Thailand Securities Depository Company Limited

4th, 6-7th Floor, The Stock Exchange of Thailand Building, 62 Rachadapisek Road, Klongtoey, Bangkok 10110 Tel: 66-2229-2800 Fax: 66-2359-1259

2. Auditor

Ernst & Young Office Limited

33rd Floor, Lake Rachada Office Complex, 193/136-137 Rachadapisek Road, Klongtoey, Bangkok 10110 Tel: 66-2264-0777 Fax : 66-2264-0789

- | | |
|-------------------------------|-----------------------|
| 1. Mrs. Supanee Triyanantakul | Audit License No.4498 |
| 2. Miss Sirirat Sricharoensap | Audit License No.5419 |
| 3. Miss Waraporn Prapasirikul | Audit License No.4579 |

3. Financial Institution with Regular Contacts:

Siam Commercial Bank (Public) Co., Ltd., Head Office, 9 Ratchadapisek Road, Chatuchak Sub-district, Chatuchak District, Bangkok 10900; Tel.02-544-5631

4. Legal Consultant: Dherakupt International Law Office, 900 Tonson Tower, Ploenchit Road, Lumpini Sub-district, Pathumwan District, Bangkok 10330; Tel.0-2252-1588; Fax.0-2257-0440-1

Shareholders Structure

As of 7 January 2015, the list of the first 10 major shareholders, including the related person under section 258 of the Securities and Exchange Act B.E.1992

List of Shareholders	Number of Shares	Proportion (Percent)
Seneepakonkai Family		
1.1 Mrs. Pornvipa Seneepakonkai ²	24,986,480	4.437
1.2 Mr. Anurot Seneepakonkai	19,542,847	3.471
1.3 Mr. Rojsak Seneepakonkai ³	15,995,183	2.841
1.4 Thai Asse Trading Co., Ltd. ⁴	8,000,063	1.420
1.5 Miss Arpha Seneepakonkai ³	8,314,000	1.476
1.6 Miss Arporn Seneepakonkai ³	8,900,000	1.581
1.7 Mr. Rojpun Seneepakonkai ³	5,150,000	0.914
1.8 Mrs. Orawan Seneepakonkai ⁵	210,600	0.001
1.9 Mr. Anuphol Seneepakonkai ⁵	10,000	0.001
1.10 Mr. Anusorn Seneepakonkai ⁵	8,000	0.001
Total Seneepakonkai Family and related company	92,517,310	16.431
Miss Paritchaya Kanonrungsi	33,638,765	5.974
Mr. Parin Chanuntranont	19,168,584	3.404
Miss Yuwadee Vachirapakan	19,097,000	3.392
Thai NVDR Co., Ltd.	18,931,536	3.392
Mrs. Anunya Rueongsakvichit	16,447,000	2.926
Mr. Tanin Sajjaboriboon	14,633,000	2.599
Mr. Pakorn Teeratumrong	14,050,000	2.495
Mr. Pongrak Jindasombatcharoen	14,001,790	2.487
P-Sat Corporation Co., Ltd.	14,000,000	2.486

Source : TLUXE Shareholder register as of 7 February 2015

Remark : 1) Calculated from the paid up capital in the amounted of 446,994,587 shares

2) Wife of Mr. Anurot Seneepakonkai

3) Sons and Daughters, who reached of their legal age, of Mr. Anurot and Mrs. Pornvipa Seneepakonkai

4) Seneepakonkai Family is holding 100% of paid up capital

5) Sister and Brother of Mr. Anurot Seneepakonkai

The list of the first 10 major shareholders of Thai Asse Trading Co., Ltd

List of Shareholders	Number of Shares	Proportion (Percent)
1. Mr. Anurot Seneepakonkai	56,500	9.42
2. Mrs. Pornvipa Seneepakonkai	198,000	33.00
3. Miss. Arpha Seneepakonkai	110,125	18.35
4. Miss. Arporn Seneepakonkai	125	0.03
5. Mr. Rojphan Seneepakonkai	110,125	18.35
6. Mr. Rojsak Seneepakonkai	110,125	18.35
7. Mr. Anusorn Seneepakonkai	9,000	1.5
8. Mrs. Orawan Seneepakonkai	3,000	0.5
9. Mrs.Siemeng Saengow	3,000	0.5
Total	600,000	100.00

Outstanding Debts in Issuing of Debentures/Bills;

As of 31st December 2015, the Company had no outstanding debts in issuing of debentures but it had outstanding debts of bills amounted to 248,274,939 Baht. Such amount of money was loans from unrelated parties in the pattern of bills of exchanges with the due date of repayment within 6 months and 4.3-5.8% p.a. interest rates and without security bonds.

Total outstanding debts in issuing of debentures/bills were amounted to 248,274,939 Baht.

Dividend Policy

The company paid dividend is not less than 60% of net profit after tax, and also after the company's financial losses deduction and legal reserve (if any). However, the company may pay dividends at a rate less than the rate specified, depending on the need for working capital for operations, expansion and other factors involved in the management of the company. The resolution of Board of Directors approved the payment of dividends will be represented for approval at a meeting of shareholders, except interim dividend. The Board of Directors has approved payment of interim dividends will report to the shareholders which will receive in the next meeting.

Management Structure

	2011	2012	2013	2014	2015
Net Profit Ratio Per Share (Baht)	0.46	0.36	0.10	(0.02)	(0.07)
Dividend Ratio Per Share (Baht)	0.28	0.26	0.09	0.00	0.00
Dividend Payout Ratio Per Net Profit (%)	61.07	73.95	89.89	0.00	0.00

Management Structure

The Board of Directors;

Structure of directors of the Company consisted of 4 committees including the Board of Directors, the Audit Committee, the Corporate Governance and Social Responsibility Committee and the Executive Committee.

The Board of Directors

As of 31st December 2015, the Board of Directors consisted of 9 members including:

Name	Position
1. ACM. Pitthaporn Glinfueng	President
2. GEN. Chaowarit Prapajit	Vice President
3. Mrs. Kanokwan Wannabut	Director
4. Miss Phatcharada Sriintravanich	Director
5. Miss Arporn Seeneepakonkai	Director
6. Mr. Sajja Suksong	Director
7. DR. Denchai Auckaradechdechachai	Independent Director/Chairman of the Audit Committee
8. Mrs. Natee Chuansanit	Independent Director/Audit Director
9. Mr. Teerawit Tanakijsoontorn	Independent Director/Audit Director

The authorized directors:

The authorized directors of the Company consisted of Mrs. Kanokwan Wannabut or Miss Phatcharada Sriintravanich or Mr. Pitthaporn Glinfueng or Mr. Sajja Suksong. Two of these four directors shall affix their signatures and the common seal of the Company.

Authorities and Responsibilities of the Board of Directors

1. The Board of Directors function in accordance with the power and duties vested under the Public Corporations Act, B.E. 2535 coupled with the related laws governing public corporations.
2. To perform duties legally, as per business objectives and Articles of Association and work as per resolutions passed by Shareholders.
3. Fixing main policy for business and financial management including policy for getting funds, management of funds, and policy for managing risk factors.
4. Exercise power to change names or positions of directors with power to sign for the Company.
5. Supervising to improve performance and fixing policy with guidelines for solutions when facing obstacles to attain targets.
6. Create reports by containing data generally and financial data to Shareholders and to others related parties correctly with accuracy, transparency and completeness and as required by law.
7. Acknowledge reports and audits on major issues, while fixing policy for adjustments in case of finding any major defects.

Management

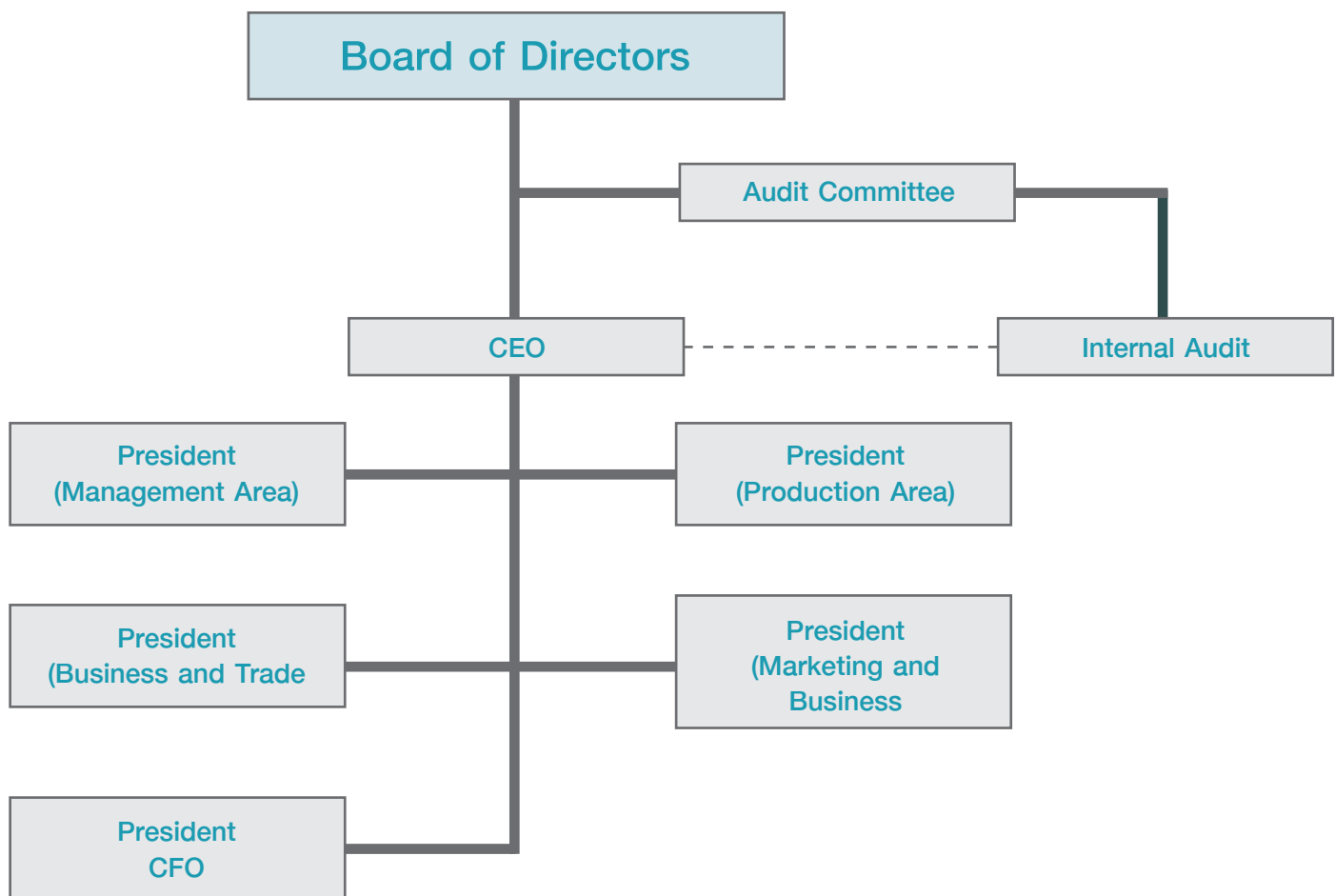
Name	Position	Number of BOD Meeting Attendance 2015	Number of Shareholders Meeting Attendance 2015
1. ACM. Pitthaporn Glinfueng	President	7/8	-
2. GEN. Chaowarit Prapajit	Vice President	4/5	-
3. Miss Phatcharada Sriintravanich	Director	18/18	1/1
4. Mrs.Kanokwan Wannabut	Director	18/18	1/1
5. Miss Arporn Seeneepakonkai	Director	16/16	1/1
6. Mr. Sajja Suksong	Director	19/19	1/1
7. Dr. Denchai Auckaradechdechachai	Independent Director/ Chairman of the Audit Committee	14/18	1/1
8. Mrs. Natee Chuansanit	Independent Director/ Audit Director	17/18	1/1
9.Mr.Teerawit Tanakijsoontorn	Independent Director/ Audit Director	10/11	-

Note : Data of meeting attendance of the Board of Directors' Meeting as of 31st December 2015:

Date of appointment as the Company's director:

1. ACM. Pitthaporn Glinfueng	29/07/15
2. GEN. Chaowarit Prapajit	27/08/15
3. Miss PhatcharadaSriintravanich	21/01/15
4. Mrs.Kanokwan Wannabut	21/01/15
5. Miss Arporn Seeneepakonkai	6/02/15
6. Mr. Sajja Suksong	5/04/06
7. Dr. DenchaiAuckaradechdechachai	21/01/15
8. Mrs. Natee Chuansanit	21/01/15
9. Mr.Teerawit Tanakijsoontorn	17/06/15

Management



As of 31st December 2015, there were 5 executives consisting of :

Name	Position
1. Mr.Kitipat Chollavuth	CEO
2. Miss Arporn Seneepakonkai	President (Management Area)
3. Mr.Anuchai Weerapattanakul	President (Production Area)
4. Mrs.Kanokwan Wannabut	President (Marketing and Development Business)
5. Miss Phatcharada Sriintravanich	President (Financial Area)

Authorities and Responsibilities of CEO

Having powers and duties relating to management of the Company as assigned by the Board of Directors; whereas, the executives must manage the Company's businesses according to the work plans and budgets as approved by the Board of Directors with honesty and due care and must maintain interests of the Company and all stakeholders; provided that powers and duties of the executives shall include the following matters and businesses:

1. To be executive directors and decision-makers to support operations of all business sectors of the Company;
2. To be responsible for design, planning, marketing, public relations, determination of directions relating to products and services;
3. To supervise the management of cash flow, investments, tax planning and risk management for the maximum benefits of the Company;
4. To supervise the provision of financial reports for correctness and punctuality;
5. To control and support the provision of budget system of the Company and budgets of projects for correct and effective spending of budgets;
6. To manage the organization, improvement of work plans and human resources management within the organization;
7. To be leaders in creating the learning culture within the organization;
8. To have roles in maintaining a good image of the organization and to disseminate and publicize the organization;
9. To have other powers required for operations of the Company as assigned by the Board of Directors' meetings and/or by the Executive Committee of the Company;

Provided that the authorization to the Chief Executive Officer as well as the authorization to others shall be as the Chief Executive Officer may think fit which does not include the power and / or authority to approve any person who may have conflicts of interest, stakeholders or there may be a conflict of interest elsewhere (Regulated by the SET Act) with the company or its subsidiaries, the approval of such a proposal to the Board of Directors and/or the shareholders' meeting for consideration and approval in accordance with the Articles of Association, or related law Except for the approval of the transaction is executed on normal business of the company, according to policies and guidelines approved by the Board of Directors..

The Company's Secretary;

The Board of Directors' meeting passed its resolution to appoint Miss Kantawan Chaiterdsiri as the Company's Secretary as from 12th November 2015; whereas, the data of qualifications of the Secretary to the Board of Directors shall be as per Annexure 1.

Authorities and Responsibilities of Company Secretary

Company Secretary was appointed by The Board of Directors to oversee the meetings of the Board of Directors, Shareholders meetings and other board activities, and to assist the Board to comply with laws and regulations including support to meet the standards of good corporate governance.

- promote understanding and provide the Board of Directors About good governance
- Provide detailed legal issues, regulation and best practices in corporate governance, the duties and responsibilities to the directors who have been new appointed.
- Provide the Board of Directors and Annual General Meeting of shareholders according to the Articles of Association, the Committee Charter and best practices.
- Record minutes of Board of Directors and Annual General Meeting of shareholders including coordinate to the resolutions and policies of the Board and the shareholders of the relevant management and monitor compliance with such policies and resolutions.
- Prepare and maintain a register of directors, annual report, notice of the of Shareholders meeting, notice of the of Board of Directors meeting, minutes of the Board of Directors meeting, and minutes of shareholders meeting.
- Conduct the directors and management to report their stakeholders and their related parties stakeholders, including maintain reporting as legal requirements.
- Ensure the Secretary Is the administrative center of administration of the Board of Directors to provide information on issues related to the business.
- Oversee the activities of the Board and the other matters to comply by law and as assigned by the Board, or the Supervisory of SEC.

Directors and Management data as of 31 December 2015

Name : ACM Pitthaporn Glinfueng

Position ⁽¹⁾ : Chairman of the Board of Directors Age 64

- Started the director position On July 31,2015
- Started the Chairman position On Aug 27,2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Royal Thai Air Force Academy Bachelor of Science (Aerospace Engineering)Batch #17 - Thailand National Defence College DSI Batch#46 - Executive Program Course 1 Batch#30 (College of Management Office of the Civil Service Commission) - Senior Executive Program (SEP) Batch#21 Sasin Graduate Institute Chulalongkorn University - Director Certification Program (DCP) Batch#97 Thai Institute of Directors - Executive Program for Trade and Commerce (TEPCOT) Batch#4 Ministry of Commerce and University of the Thai Chamber of Commerce - Capital Market Academy Batch#9 - Chief Executive Course for State Enterprise and Public Organization King Prajadhipok's Institute(PDI 9) - Thailand Energy Academy Batch#5 - Mahanakorn 4 Institute of Metropolitan Development	-	-

Last 5 years experienced

Period	Position	Company
2015 - present	Chairman of the Board of Directors	Thai Luxe Enterprises PCL.
2006 - present	Advisor	Steering committee to promote research and development. CO., LTD Aeronautical Radio of Thailand . Phra Chenduriyang Foundation Association Don Muang Airport TOT Public Company Limited/Civil Aviation Training Center
2010 - present	President	Air Force
2009 - present	Association President	Air Staff Royal Thai Force
2012-2014	Director	Air Force
2010-2012	Chairman of the Advisory Board	
2009	Chief of the Air Staff	
2008	Special Advisor	
	Position in Listed Company	
	- N/A	
	Position in Non Listed Company	
	- Director	Thai Luxe Foods Products Co.,Ltd .



Name : Gen.Chaowarit Prapajit

Position ⁽¹⁾ : Vice Chairman / Chief Executive Age 62

- Executive Committee
- Started the director position On Aug 27,2015

Education/ Training Program	Number of shares (%)	Relation with the management
- The Course of Development Politics and Elections Batch#1 - Thailand National Defence College DSI Batch#49 - Army Chief of Staff College Batch# 64 - Director Certification Program (DCP) Batch#192 Thai Institute of Directors - Thai Institute of Directors	-	-
Last 5 years experienced		
Period	Position	Company
2015 - present	Vice Chairman / Chief Executive	Thai Luxe Enterprises Pcl.
2013	Independent Director / Audit Committee	International Research Corporation Pcl .
2013	Chief Of Staff	Royal Thai Army
	Position in Listed Company	
	Director	International Research Corporation PCL
	Position in Non Listed Company	
	- N/A	



Name : Mrs.Kanokwan Wannabuit

Position ⁽¹⁾ : Director Age 49

- Started the director position On Jan 21,2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Business Administration University - DAP: Director Accreditation Program Batch#61 - Thai Institute of Directors	-	-

Last 5 years experienced		
Period	Position	Company
2015 - present	Director/Marketing and Business Development	Thai Luxe Enterprises PCL.
2015 - present	Director	Thai Luxe Foods Products Co.,Ltd .
2015 - present	Director	NPP Foods Incorporate Co.,Ltd.
2008-2015	Managing Director Business Media	E For L Aim Public Co., Ltd.
2008-2013	Director	E For L Aim Public Co., Ltd.
2008-2014	Director	Enamo Co.,Ltd.
2008-2012	Director	Arumalight Co.,Ltd.
2008-2010	Director	Central Digital Media Co.,Ltd.
2007-2008	Director	Adamas Incorporation Co.,Ltd.
2005-2007	Executive Secretary	Bureau Director Advanced Data Network Co.,Ltd.
	Position in Listed Company	
	- N/A	
	Position in Non Listed Company	
	- Director	Thai Luxe Foods Products Co.,Ltd .
	- Director	NPP Foods Incorporate Co.,Ltd.



Name : Miss Phatcharade Sriintravanich

Position ⁽¹⁾ : Director Age 37

- Started the director position On Jan 21,2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Accountancy , Thammasat University - MBA in Finance Assumption University	-	-
Last 5 years experienced		
Period	Position	Company
2015-Present	Director/Accounting and Finance	Thai Luxe Enterprises PCL.
2015-Present	Director	Thai Luxe Foods Products Co.,Ltd .
2015-Present	Director	NPP Foods Incorporate Co.,Ltd.
2009-2012	CFO	Khao Lak Plaza Hotel
2008	Finance Supporting Manager	Unilever Thai Trading Limited
	Position in Listed Company - N/A	
	Position in Non Listed Company - Director - Director - Director	L T Miracal Co.,Ltd. Thai Luxe Enterprises PCL. NPP Foods Incorporate Co.,Ltd.

Name : Miss. Arporn Seneepakonkai

Position ⁽¹⁾ : Director Age 45

- Started the director position On Feb 21,2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Business Administration Assumption University - MBA in Marketing Golden Gate University, USA	8,900,090 shares 1.58%	-
Last 5 years experienced		
Period	Position	Company
2015-Present	Director/Management	Thai Luxe Enterprises PCL.
2013-2015	Executive Vice President	Thai Luxe Enterprises PCL.
2000-2012	Bangkok Office Manager	Thai Luxe Enterprises PCL.
	Position in Listed Company - N/A	
	Position in Non Listed Company Director	Thai Asse Holding Co.,Ltd.

Name : Mr. Sajja Suksong

Position ⁽¹⁾ : Director Age 48

- Started the independent director position since 2006
- Started the Nomination director position since 2006
- Started the Chairman of the Audit Committee on June 17, 2015
- Resigned as Chairman of the Audit Committee . He also held the position of Director On July 31,2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Economics Chiang Mai University - MBA in Finance National Institute of Development Administration (NIDA) - DAP: Director Accreditation Program Batch#55 Thai Institute of Directors	-	-

Last 5 years experienced		
Period	Position	Company
2015	Director	Thai Luxe Enterprises PCL.
2014-Present	Finance and Budget Sub-Committee	The MRTA - Thailand
2013-2015	Independent Director / Nomination and Remuneration Committee / Audit Committee	Thai Luxe Enterprises PCL.
2009-2013	Independent Director / Chairman of the Nomination and Remuneration Committee	Thai Luxe Enterprises PCL.
2009-2010	Consultants	Golden Feeds Enterprise Co.,Ltd.
2006-2008	Director / Nomination and Remuneration Committee .	Thai Luxe Enterprises PCL.
2006-2008	Director of Finance	Globalization and Economic and Promotion Network Co.,Ltd.
	Position in Listed Company	
	Director	Star Sanitary Ware PCL.
	Position in Non Listed Company	
	Director	Star Media Group Co.,Ltd.
	Director	Grand Sea Property Co.,Ltd.
	Director	Logic Consultant Co.,Ltd.
	Director	T. W. BangKok Co.,Ltd.



Name : Dr. Denchai Akaradajdachachai

Position ⁽¹⁾ : Independent Director / Chairman of the Audit Committee Age 51

- Started the director position since January 21, 2015

- Started the appointed as Chairman of the Audit Committee on August 27, 2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Economics - Industry Ramkhamhaeng university - MBA Kasetsart University - Doctoral Degree of Doctor Of Public Administration (DPA) - Course of Promotion of Peaceful Society (4s) Batch#4 - King Prajadhipok's Institute - Thailand National Defence College DSI Batch#56 - Course of Management in Social Order Police Education - Bureau Batch#2 Royal Thai Police Department	-	-

Last 5 years experienced		
Period	Position	Company
2015	Independent Director / Chairman of the Audit Committee	Thai Luxe Enterprises PCL.
2014-2015	An expert member of the National Reform Council	
2012 - 2013	The host of TV love Thailand and No Thai gets left behind Scholar Working Group	Channel True TNN2
2013 - Present	Conciliator Position in Listed Company - N/A Position in Non Listed Company - Chairman of Board of Directors	Deputy Speaker of the House of Representatives Appeal Court 7



Name : Mrs. Natee Chuansanit

Position ⁽¹⁾ : Independent Director / Audit Committee Age 61

- Started the director position On January 21, 2015
- Started the audit committee position On July 31, 2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Business Administration Chiang Mai University - Master of Executive MBA, SASIN, Graduate Institute of Business Administration of Chulalongkorn University.	-	-

Last 5 years experienced		
Period	Position	Company
2015 - Present	Independent Director / Audit Committee	Thai Luxe Enterprises PCL.
2015 - Present	Executive Vice President	Research and Development Economics
2011 - 2015	Minister Counsellor	Department of Commerce in
2010 - 2011	Director of Lifestyle Furniture Expo Government Aid Worker	Prague, Czech Republic
2009 - 2010	Government aid worker	Office of the Minister of Commerce
	Position in Listed Company - N/A Position in Non Listed Company - N/A	



Name : Mr. Teerawit Tanakijsoontorn
Position ⁽¹⁾ : Independent Director / Audit Committee Age 37
 - Started the Audit Committee position On June 17, 2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Business Administration in Accounting Kasetsart University - Bachelor of Law Thammasat University - CPA (Certified Public Accountant) The Federation of Accounting Professions under the Royal Patronage of His Majesty The King - Passed Training Course of Director Accreditation Program (DAP) 87/2011 - Institute of Directors	-	-
Last 5 years experienced		
Period	Position	Company
2015 - Present	Independent Director / Audit Committee	Thai Luxe Enterprises PCL.
2003 - 2015	A Certified Public Accountant (CPA).	B. S. Audit
2015 - Present	Director / Certified Public Accountant (CPA).	Best Audit Company Limited
2010 - 2013	Audit Committee and Risk Management Committee.	ABSOLUTE IMPACT PUBLIC COMPANY LIMITED
	Position in Listed Company - N/A Position in Non Listed Company - N/A	



Name : Mr. Kitipat Chollavuth
Position ⁽¹⁾ : Chief Executive Officer Age 47

- Started the appointed as Chief Executive Officer. On September 1, 2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Economics Major International Economic Chulalongkorn University - MBA in Finance Washington State University, USA	-	-

Last 5 years experienced		
Period	Position	Company
2015 - Present	Chief Executive Officer	Thai Luxe Enterprises PCL.
2009 - 2015	Business & Investment Director	VS Group of Company
2003 - 2009	General Manager	M-PE Industry Company Limited
2002 - 2003	Investor Relations Senior Manager	Jaymart Public Company Limited
2000 - 2002	Operations Director	Alternative Management Co., Ltd.
1999 - 2000	Assistant Treasurer	Philips Electronics (Thailand) Co.,Ltd.
1999 - 1999	Planning & Budgeting Manager	Bayer Thai Company Limited
1993 - 1999	Finance and Planning Division Manager	MDX Public Company Limited
1990 - 1991	Officer, Money Market and Funding Department	Phatra Thanakit Public Company Limited
	Position in Listed Company - N/A	
	Position in Non Listed Company - N/A	



Name : Mr. Anuchai VeeraPattanakhun

Position ⁽¹⁾ : Managing Director of the factory Age 59

- Started the appointed Managing Director of the factory. On September 1, 2015

Education/ Training Program	Number of shares (%)	Relation with the management
- MBA Bangkok University ,Thailand - College for the Distributive Trades, England - Pacific States University ,USA - Training Executive Program Makro (Holland) - Training course for Executive Management of State Enterprises - National Institute of Development Administration (NIDA)	-	-

Last 5 years experienced		
Period	Position	Company
2015 - Present	Managing Director of the factory President of Strategic Working Group	Thai Luxe Enterprises PCL
1997 - 1999	Director	Agricultural Marketing Organization
1990 - 1997	Senior Vice President Director Merchandising Buying	Big C Supercenter Siam Makro PCL
	Position in Listed Company - N/A Position in Non Listed Company - N/A	



Name : Miss Kantawan Chaithersiri

Position ⁽¹⁾ : Company Secretary Age 34

- Started the Appointed as Company Secretary in November 2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor Degree of Law Bangkok University - Master Degree of Law in International Trade Law and Electronic Transactions Bangkok University - Certificate of Training Course of The Laws - Lawyers Council of Thailand Under The Royal Patronage - Bar Association, the Bar Association - Certificate of Company Secretary Program - CSP edition 60/2014 Thai Institute of Directors of Thailand.	-	-

Last 5 years experienced		
Period	Position	Company
2015 - Present	Company Secretary	Thai Luxe Enterprises PCL.
2014 - 2015	Assistant Company Secretary	Krungsri Asset Management Company Limited.
2012 - 2013	Lawyer	Sanook Online Company Limited
2012 - 2012	Lecturer, Faculty of Law	Faculty of Humanities and Social Sciences at Nakhon Pathom Rajabhat University
2009 - 2012	Lawyer	The Far East Law Office (Thailand) Co.,Ltd
	Position in Listed Company	
	- N/A	
	Position in Non Listed Company	
	- N/A	

Name : Miss Ladawan Khanjanaphusit

Position ⁽¹⁾ : Internal Audit Manager Age 43

- Started the Appointed as manager of internal audit in February 2015

Education/ Training Program	Number of shares (%)	Relation with the management
- Bachelor of Accounting Sripatum University	-	-
Training courses		
- Curriculum Internal Audit		
- Curriculum Management Internal Audit		
Last 5 years experienced		
Period	Position	Company
2015 - present	Internal Audit Manager	Thai Luxe Enterprises PCL
1997 - 2014	Credit and Legal Departments Manager	
1995 - 1996	Accountant	
	Position in Listed Company	
	- N/A	
	Position in Non Listed Company	
	'- N/A	

Remarks

1. As the company certificate, the authorized directors are Mr. Anurot Seneepakonkai or Mr. Jaran Jettanalin, signed with company seal.
2. As at 6 February 2015, the total paid up capital is 446,994,587 Baht, divided into 446,994,587 shares at par value 1 Baht

Director and Mangement Remuneration

1) Monetary Compensation

Director Compensation

The Company has determined its policy of directors' remunerations in a clear and transparent manner; and directors' remunerations have been proposed to the Board of Directors to be submitted to the Shareholders' Meeting for consideration and approval. Directors' remunerations shall be at an appropriate level in comparison to directors' remunerations of listed companies in the category of agriculture and food industry, which is comparable to the Company's businesses.

Remuneration of the Board of Directors included allowance which paid as per number of attendance, and the annual remuneration of the Board of Directors

Remunerations of directors and executive directors for the years 2014 and 2015 were totally 2,347,000 Baht and 3,222,165 Baht, respectively, as per the following details:

Remunerations of Directors and Executive Directors

Name List	Position	Date of Directorship	2014			2015*		
			Annual Remunerations	Meeting Allowances for Company Directors	Meeting Allowances for Subcommittees	Annual Remunerations	Meeting Allowances for Company Directors	Meeting Allowances for Subcommittees
ACM Pitthaporn Glinfueng	Chairman	29/07/15				95,833	44,500	
GEN. Chaowarit Prapajit	Vice President	27/08/15				52,083	15,000	40,000
Mrs.Kanokwan Wannabut	Director	21/01/15				135,667	106,500	95,000
Miss PhatcharadaSriintravanich	Director	21/01/15				135,667	106,500	95,000
Miss Arporn Seeneepakonkai	Director	6/02/15				132,150	101,500	80,000
Mr. Sajja Saksong	Director	5 /04/06	123,000	75,000	25,000	141,000	106,500	35,000
Dr. Denchai Auckaradechdechachai	Independent Director/ Chairman of the Audit Committee	21/01/15				147,084	72,500	30,000
Mrs. Natee Chuansanit	Independent Director/ Audit Director	21/01/15				135,667	101,500	30,000
Mr.Teerawit Tanakijsoontorn	Independent Director/ Audit Director	17/06/15				80,833	44,000	40,000
Note: Data as of 31st December 2015	Total	123,000	75,000	25,000	1,055,983	698,500	445,000	

Remunerations of Directors and Executive Directors (Released from Office in 2015):

Name	Resignation of Directors	2014			2015		
		Remuneration of Directors (Annual)	Allowance of Directors	Allowance of committee			
Mr. Anurot Seneepakonkai	20.08.58	195,000	115,000		139,583	100,000	
Mr. Jaran Jetnalin	21.01.58	123,000	75,000		5,600		
Mr. Wu Yu Ting	21.01.58	123,000	75,000		5,600		
Mr. Chang Ying Fu	21.01.58	123,000			5,600		
Miss Arpha Seneepakonkai	06.02.58	123,000	75,000	5,000	9,600		
Mr. Rojphan Seneepakonkai	01.06.58	123,000	67,000	54,250	45,500	60,000	
Dr. Thomas Willson	21.01.58	123,000	67,000		5,600		
Dr. Phiphat Nontanathorn	01.06.58	150,000	90,000	20,000	65,833	55,000	15,000
Dr. Kampol Panyagomed	01.06.58	123,000	75,000	25,000	54,250	42,500	15,000
Mr. Nopporn Wayuchoti	21.01.58	147,000	77,000	5,000	5,600		
Mr. Rojpong Prapasanobol	01.07.58				60,667	57,500	20,000.00
Dr. ² Palakom Chaikitilip	25.08.58						200,000.00
Total (2)		1,353,000	716,000	55,000	412,183	300,500	310,000
Total (1) + (2)		1,476,000	791,000	80,000	1,468,165	999,000	755,000
2014				2,347,000	2015		3,222,165

²Dr. Palakom Chaikitilip - Started the appointed CEO During March 2015 - August 2015 (no position in BOD)

1) Executives' Remunerations:

In 2014 and 2015, the Company has paid remunerations to the Company's executives, as follows:

Unit: Baht

Executives' Remunerations	2014	2015
	Remunerations	Remunerations
Number	4	7
Salary	9,797,400	7,921,000
Bonus	748,700	450,000
Others	0	0
Total	10,546,100	8,371,000

Note: The number of executives as per definitions of SEC

2) Other remunerations:

In 2015, the Company has paid the Provident Fund contribution for 7 executives amounted to 180,000 Baht

Personnel;

As of 31st December 2015, the Company Group had totally 786 employees and paid monetary remunerations to its non-executive employees, including employees of subsidiaries, totally 138,227,160 million Baht (Unit: Baht)

Unit: Baht

	Listed Company	Subsidiaries
1. Salaries, bonuses, overtime pay, diligence allowances, uniform expense;	78,718,502	54,000,422
2. Social security contribution;	2,589,885	1,722,722
3. Provident Fund contribution;	1,195,629	0
Total	82,504,016	55,723,144

Good Corporate Governance

The Board of Directors prescribed a policy on good governance because it was recognized as being significant and necessary for sustainable growth of business. The Board of Directors emphasized on and intended to follow such principle by prescribing policy for and direction of the Company's business operation with emphasis on the internal control and audit system, supervising the Management to follow the policy efficiently for long term benefits of shareholders under the legal and framework and business ethics, and adopted the good governance principles for companies listed in 2006. The principles are divided into 5 chapters as follows.

1. Rights of Shareholders

The Company held 1 shareholder's meeting in 2014, which was ordinary general meeting of shareholders, participated by directors of the Company and directors of the Audit Committee and a representative of the auditor. The Company sent invitation to the meeting together with supporting information for the meeting agendas to shareholders at least 14 days in advance. The invitation letter has adequate details, with comments of the Board of Directors in all agendas. The meeting was fully recorded for review by shareholders. The Company posted the invitation letter and the meeting report in its website at www.thailuxe.com.

In the shareholder's meeting, the Company allocated the meeting time properly and treated all shareholders equally in expressing their opinions and raising any question to the meeting in accordance with the meeting agendas and the matters taken up for discussion. All such matters including significant inquiries and comments were recorded in the report of the meeting.

2. Equitable Treatment of Shareholders

The Company allowed any shareholder who was unable to personally attend the meeting to authorize a third party, or select any independent director, to attend on his/her behalf using the letter of authorization sent by the Company with the invitation letter for ease of shareholders' participation in the meeting. The Company adopted the barcode system in participation registration, thus reducing the registration time, and provided snacks and drinks to shareholders in the registration area before the meeting started.

The company allowed any shareholder to propose an AGM agenda and to nominate in advance the person who qualified as a director, via communication channel on the company website from the period of 10 February 2014 until 21 February 2014. Nevertheless, there was none of the proposed agenda and the nomination of qualified directors for the company.

In the meeting, the Chairman of the meeting allowed shareholders to express their opinions and inquire on matters related to that taken up for consideration in that agenda item, and allowed shareholders to elect directors individually under the agenda item on election of directors to replace those vacating office at the end of their term.

The Company recognizes the significance of the internal audit system, both at the managerial level and the operative level, by establishing an internal audit section carrying the audit to ensure that the main operation and significant financial transactions of the Company were performed efficiently in accordance with guidelines established, including the audit on compliance control. To ensure that the internal audit section is independent and capable of fully auditing and balancing, the Board of Directors, therefore, requires the internal audit section to report on the auditing results directly to the Audit Committee, and to be evaluated on its performance by the Audit Committee as well.

3. Roles of Stakeholders

Employees

The Company treated all employees equally and fairly, in terms of the opportunity, remuneration, appointment, organizing training for personnel development; to establish the Staff Provident Fund, to provide scholarship to children of the personnel with good study record including the scholarship to be given to the personnel of the Company including the development of their potential. The Company shall not act discriminately, the care for the working environment to ensure safety of life and property, listening to the opinion and recommendations of the personnel via the Opinion Reception Center through the Company's website or to act as a whistle-blower in the event of fraud happening in the organization. The said opinion will be forwarded directly to the Audit Committee. Strict compliance with the law and various regulations relating to the personnel; avoidance of any act which may be unfair that may be impacting job security of the personnel or impacting on or creating psychological pressure on the personnel.

Suppliers

The Company has the policy on treating the trading partners equally and fairly by taking into account the maximum interest of the Company. There are purchases of goods and services from the trading partners according to the trading terms including compliance with the contract entered into with trading partner in accordance with the terms of agreement strictly and on the basis of reciprocal return for both sides; shunning the situation that gives rise to conflict of interest including compliance with the obligation; provision of true information and make correct report; entering into negotiations to solve the problem and find a solution on the basis of business relation.

Customers

The Company is aware of the importance of the customer satisfaction it has on the business success of the Company, the Company is therefore seeking method to respond to the need of the customer increasingly efficiently and effectively all the times, such as the delivery of goods and provision of service of quality corresponding to the requirement or higher than the expectation of the customer at fair price; provision of correct and adequate and timely data, information to the customer; making contact with the customer politely, efficiently and winning the trust of the customer; keeping confidential secrets of the customer and do not use the information for own self-interest or for the interest of persons involved unlawfully.

Creditors

The Company strictly complied with conditions and agreements related to goods trading and loan without circumventing to delay payment or to be in default of payment.

Rivals

The Company has a policy to treat trading competitors in consistent with the universal principle within the framework of the law governing the principle of trading practice; not to breach the secrecy nor privy to trade secrets of the competitors by means of fraud. The Company behaves within the framework of good competition rules, to maintain the benchmark of competition practice, to shun the dishonest method as to gain unfair competitive advantage or destruction of competitors.

The Company has set up a website as an avenue for whistle blowing; reporting illegal or unethical practices; reporting finance matters; or failure in systems. The page has tabs that divide into “Investor/Contact Board”. It is also possible to report directly to the Internal Auditors at IA@thailuxe.com

The committee will protect the reporters by keeping their data strict confidentially.

The committee follows a process after an issue is reported to them, they will firstly summarize the report and present it to the Audit committee for further investigation. If the matter affects the Company, it will be presented to the Board of Directors for further action.

The Company was responsible for the environment of communities and the society by implementing environmental management within the organization and the society with measure on maintenance of utensils and equipments used in the Company’s operation to protect the environment from pollutants. The Company also established an internal unit and delegated a person with direct responsibility to carry out CSR activities, for example, granting scholarships to customers’ children, supporting school fishery.

4. Disclosure and Transparency

The Board of Director recognized the importance of disclosure of accurate, complete, transparent and thorough information, both financial and general, as well as those with impacts upon the Company’s securities prices, by disseminating such information for awareness of investors and parties concerned through various channels and communications of the Stock Exchange accurately and completely within the prescribed time and in accordance with criteria prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Company disclosed the annual report, both in the Thai and the English versions, through the Company’s website. The Board of Directors also required the report on responsibilities of the Board of Directors upon the financial statement to be included together with the auditor’s report in the annual report.

The Company has provided an investment relation officer so that investors can contact and receive the Company’s data at Tel.02-2518152, 02-2518157-8 Ext.201 or Email Address: IR@thailuxe.com

5. Responsibilities of the Board

The Board of Directors determines business direction, business plan, investment plan and investment source procurement and supervises and monitors work performance to ensure compliance with the business plan and to eliminate conflict of interests. Directors with interests in each matter will not be entitled to vote or make any decision in that matter.

The Board of Directors prepared a manual on business ethics for acknowledgement by all directors and employees for them to understand the measure for treatment to the Company, all groups of stakeholders and the public and the society.

The company has implemented an all new orientation to the directors before the inauguration committee, with the introduction of the overall operations of the company, subsidiaries' structure in order to understand the way it works, including with the critical information needed to perform the duties of directors.

The Board of Directors consisted of 9 members including 3 independent directors, 3 executive directors and 3 non-executive directors.

The Company required the Board of Directors' meeting to be held at least once a quarter with extraordinary sessions as necessary, each session with clear agendas established in advance, and regular follow-ups on the operation results. Letter of invitation to such a meeting together with the agendas thereof will be sent at least 7 days in advance of each meeting to allow the Board of Directors adequate time to study the information before attending the meeting. In order to provide enough time for the Board of Directors to study the data prior to the meeting, in 2015, the Board of Directors has convened 4 ordinary meetings and 15 extraordinary meetings.

The Board of Directors appointed an Audit Committee comprising 3 independent directors to help supervising the Company's business, oversee the quality of the financial reports and the internal control system, and a Compensation Committee to help recruiting candidates with suitable qualifications to be directors of the Company and determining appropriate remuneration for the Directors. The Company established a clear and transparent policy on remunerations, but setting it at the same level as the industry and appropriate to the duties and responsibilities assigned, and at a sufficiently high level to attract and retain directors with desired qualifications. Directors' remunerations will be presented to shareholder's meeting for consideration and final approval. Power and duties of the Audit Committee and the Compensation Committee are as per details in the management structure. In the year 2015, we have Meeting of the Audit Committee at 11 times.

The number of meeting attendances of the Audit Committee:

Name List	The Number of Attendees of the Audit committees 2015
Dr. Phiphat Nontanathorn	3/3
Dr. Kampol Panyagomed	3/3
Mr. Rojpong Prapasanobol	4/4
Dr. Denchai Auckaradechdechachai	6/8
Mrs. Natee Chuansanit	6/6
Mr. Teerawit Tanakijsoontorn	8/8

Note: Data as of 31st December 2015

The date that appointed to the position of Audit Committee

1. Dr. Denchai Akaradejdechachai	17/06/15
2. Mrs. Natee Chuansanit	31/07/15
3. Mr. Teerawit* Tanakijsoontorn	17/06/15

Remunerations of executives are in accordance with principles and policy prescribed by the Board of Directors, which link with the Company's operation results and each executive's performance. There is a suitable remuneration determination process relying on information on remunerations of companies with similar size in the same industry in conjunction with the Company's operation results.

Company's Board of Directors assume liability for the financial transactions of the company as well as for the essence contained in Annual Reports. Financial Reports are prepared under the generally accepted principles practiced in Thailand and the Company selects a suitable accounting system and carefully making estimates and divulgence of data incorporated in the remarks accompanying financial statements.

The Board of Directors arranged to maintain an efficient internal control system to ensure reasonably that accounting transactions were accurate, complete and adequate to maintain properties and to be aware of weak points to prevent dishonesty or abnormal transactions in material aspects.

The Board of Directors was of the opinion that the Company's overall internal control system was satisfactory and the Company's financial statement could create confidence and relationships with investors.

Sub Committee

1) Audit Committee

As of 31 December 2015, there are 3 members in Audit Committee

Name List	Position
1. Dr. Denchai Akaradejdechachai	Chairman of the Audit Committee
2. Mrs. Natee Chuansanit	Audit Director
3. Mr. Teerawit* Tanakijsoontorn	Audit Director

* Audit director who had knowledge and experiences in review of the Company's financial statements.

Authorities and Responsibilities of Audit Committee

- Review to ensure that the Company makes financial report accurately and adequately.
- Review to ensure that the Company has appropriate and effective internal control system and internal audit system and determine independence of the internal audit agency, and approve appointment, transfer and termination of chief of the internal audit or any other agency with internal audit responsibility.
- Review to ensure that the Company complies with law governing securities and stock exchange, regulations of the stock exchange and laws applicable to the Company's business.
- Consider, screen and nominate independent individuals for appointment as auditors of the Company and propose remuneration for such people, and participate in meetings with auditors at least once a year without participation by the Management.
- Consider related transactions or those with possible conflict of interest to ensure their compliance with laws and regulations of the Stock Exchange of Thailand to ascertain that such transactions are reasonable and most beneficial to the Company.
- Prepare report of the Audit Committee and include it openly in the annual report of the Company. Such report must be signed by the Audit Committee Chairman and contain the following information.
 - Comments on accuracy, completeness and reliability of financial report of the Company.
 - Comments on adequacy of the internal control system of the Company.
 - Comments on compliance with law governing securities and stock exchange, regulations of the stock exchange or laws applicable to the Company's business.
 - Comments on suitability of the auditors.
 - Comments on transactions with possible conflict of interest.
 - Number of meetings of the Audit Committee and participation of each member of the Audit Committee.
 - Comments or observations in whole obtained by the Audit Committee from performance of duties in accordance with the charter.
 - Other transactions deemed desirable for shareholders and general investors to know under the scope of duties and responsibilities assigned by the Board of Directors of the Company.
- Perform any other duty assigned by the Board of Directors of the Company with approval of the Audit Committee.

Nomination of Directors and Top management

Criteria for Recruitment of the Company's Directors:

Regarding the recruitment of personnel to be appointed as directors, since the Company did not have the Nomination and Recruitment Committee, therefore, the Board of Directors shall be obliged to consider and recruit the retiring or substitute directors from those who are qualified and having no prohibited characteristics as prescribed by laws in order to obtain professional and diversified directors; whereas, the number of nominated directors shall be equal to or more than the number of the retiring directors, which shall be proposed to the Shareholder's Meeting for appointment of directors, which can be summarized, as follows:

The Board of Directors consisted of at least 5 members; whereas, at least one half of the total number of directors shall be residing in the Kingdom of Thailand; and the Company's directors shall have qualifications as prescribed by laws.

The Board of Directors shall be appointed by the meeting of shareholders under the following criteria and procedures :

1. Each shareholder shall have one vote for each share
2. Each shareholders shall exercise all votes applicable, one vote for each share, in appointing one or more person to be a director, provided that any of the votes shall not be divisible
3. A person who has the most respective vote shall be elected to be the directors equivalent to the required number of directors but in case where the following persons so elected have equivalent vote, the chairman shall have a casting vote.

At every annual general meeting, one-third of the directors or if their number is not a multiple of three, then the number nearest to one-third shall retire from office. The directors in the first and second year after company registration will be offered a draw to resign. In each subsequent year, those directors who have been longest in the office shall retire. The directors who have been resigned are able to be re nominated.

Each director who would like to resign must submit the resignation letter to the company. The resignation will be effected at the date the company received the letter. The resigned director may report his willing ness to the registrar, if needed.

In cases where there is any vacancy among the directors other than a retirement by rotation, the Board of Directors shall elect a person who is qualified under the law to be a new director at the next meeting of the Board of Directors unless the period to which new director is entitled shall be less than two months. The person who is elected as the new director shall retain the office during such period only as the vacating director was entitled to retain the same. The resolution of the Board of Directors as specified in the first paragraph above shall consist of votes of not less than three-fourths of the remaining directors.

The meeting of shareholders may resolve to remove any director from the office before the expiration of his period of office with the votes of not less than three-fourths of the number of shareholders attending the meeting with the voting right and holding in aggregate not less than one-half of the shares held by those shareholders attending the meeting with the voting right

The directors must nominate the chairman of board of directors. The chairman will be both the chairman of board of directors and chairman of shares holders meeting. The chairman can take the position as long as he is being the director of the company. If needed, one or more vice chairman can be nominated.

Definition of Independent Directors

1. Shareholdings not more than 1% of the available number of shares with the Company in the Major Company, Subsidiary, Joint Venture Company. Major shareholders or the persons with power to control the Company are all part of the Company including the directors.
2. There is no director holding interests in the management, or employee, staff of consultant earning salary regularly or the person with power of control of the Company, Major Company, Subsidiary, Joint Venture Company or Juristic Person who may have contradictory interests currently and 2 years previously serving in the management of the Company.
3. It is not a person having blood relations or by legal registration by way of being parent , spouse, sibling, offspring including spouse of offspring and executives serving as major shareholder , exercising power of control of the Company or person to be proposed to serve as executive or person to exercise power of control of the Company or its Subsidiary.
4. Having no business relations with the Company, major Company, Subsidiary, Joint Venture Company, major shareholder or person with power of control of the Company who may act to thwart the independent status of the Company and it has never been shareholder likely to exercise power of control of person having business relations with the Company, Major Company, Subsidiary , Joint Venture Company , major shareholder or person with power of control of the Company currently or 2 years previously.
5. Never served as auditor of the Company, Major Company, Subsidiary, major shareholder, person with power of control of the Company and not being shareholder with power of control, or partner, manager of the auditor's office which has an auditor of the Company, major company, Subsidiary, joint venture company, major shareholder or person with power of control of the Company, Subsidiary currently or 2 years previously.
6. Never been provider of occupational services, legal services or financial services in receipt of service fee exceeding two million baht annually from this Company, Major Company, Subsidiary, Joint Venture Company, major shareholder or person having power to control the Company and not being shareholder with power of control or being manager, provider of occupational services currently or 2 years previously .
7. Not being director elected to serve as representative of the director of the Company, major shareholder or shareholder with relations with a major shareholder .
8. Not engaged in business that operates on the same lines as this Company and competed with this Company, or being partner in limited partnership or director of another Company that is engaged in business the same as this Company and competing with this Company.
9. No having any other characteristics that would prevent independent opinion in the interests of this Company.

Principle for Choosing Audit Committee

Audit committee will be nominated by the directors or the shareholders. The audit committee must be composed of at least 3 audit committees, by selecting from Independent directors. The term of audit committee is 3 years, but can be reappointed by the directors or the shareholders. At least one of audit committee must have knowledge and experience in financial and accountant, and is able to audit the financial statement.

Term of Directors

1. The term of each director is 3 years, which will be resigned at every annual general meeting. The directors who have been resigned are able to be renominated.
2. The term of the members of sub committee will be the same as the term of each director, and can be renominated from the Board of Director.
3. The term of Independence of Director should not more than 3 consecutive terms.

Criteria for selecting the top management

To select top executives, the company attaches importance to the organization in the first place, the selection criteria are as follows:

1. Not in possession of prohibited characteristics pursuant to section 68 of the public company ACT 1992.
2. Possession of adequate knowledge, ability and experience in animal feed industry and secondary industry including the ability to make assessment of various work performances in the course of operation the business.
3. Possession of the resourcefulness and experience in the management of mega-size organization .
4. Holding job positions or used to hold job positions not below the Assistant Managing Director, the Vice President and the organization's turnover is not less than 2,000 million baht per year with the balance sheet or the organizational structure or the annual report while holding the position to be made available for presentation. In the case of being or having used to be the executive from the government sector organization at the departmental or equivalent level, the position held must not be lower than the Deputy Top Executive.
5. Having the resourcefulness, high caliber in making decision, in giving order, solving problems and lead the organization towards the direction and target according to the policy assigned by the board of directors of the company.
6. Having a vision of an animal feed business and related business; judicious and clever planning of the business operation, control of the situation and solving the problems with relevancy and in timely manner.
7. Possessing leadership, good human relations among executives, among the persons under command or even with the outsiders; ability for good liaison and work coordination both domestically and abroad.

Overseeing the operations of its subsidiaries.

Thailuxe controls the management of the subsidiary companies as to maintain the interest of the company in accordance with the policy laid down by the Company's board of directors and has the duty to report the operating result directly to the company's board of directors through representative of the company to hold the directorship in the subsidiary company as to formulate the policy and protect the interest of the company to ensure the company and its subsidiary operate in the same direction which would result in the management of the cost to maximum efficiency as well as the operation to maximum efficiency including the use of the policy on good corporate governance of both the company and its subsidiary.

The subsidiary is required to seek approval from shareholders in the transaction, and the acquisition or disposition of key assets same as the Company's criteria, and comply with the requirements of the Stock Exchange of Thailand which included the data and accounting records that can be monitored and collected within the consolidated financial statement deadline.

Internal Information Control

The Company has set up the policy on the use of inside information, which is recognized only limited to executives only and disclosure to employees as necessary as they need to know in practice.

The company has policies and procedures to take care of directors and management not to use internal company information, which was not been disclosed to the public, for personal gain, including trading securities as follows:

- To educate the directors as well as the executive position to report the holding number of the company securities, including the holding of their spouse and minor children to SEC, and SET under Section 59 and penalty provisions under section 275 of the Securities and Exchange Act of 2535 within 3 days after the day of the inauguration.
- To educate the directors as well as the executive position to report a change of the holding number of the company securities to SEC and SET under Section 59 of the Securities and Exchange Act of 2535 within 3 days from the date of the change in the holding, and send copies of this report to the Secretary of the Company in same day sent a report to the Securities and Exchange Commission to propose to the Board of Directors acknowledged the next meeting.
- To determine the directors, the executive, the staffs, including with Investor Relations team who received inside information to avoid disclosing such information to outsiders or unrelated parties, and should refrain from trading shares of the company while published or distributed the Company's financial statements, as well as other important information at least 30 days before the disclosure, and 3 days after the disclosure.

The company has set a disciplinary penalty matter for the exploitation of inside information by using or to disclosing the information by considering penalty as appropriate verbal warning, written warning, probation and dismissal until the termination of an employee dismissed.



Auditor Remuneration

Auditor of the group of the companies in 2015 was EY Office Limited. The auditors name are as follow:

- | | |
|-------------------------------|-----------------------|
| 1. Mrs. Supanee Triyanantakul | Audit License No.4498 |
| 2. Miss Sirirat Sricharoensap | Audit License No.5419 |
| 3. Miss Waraporn Prapasirikul | Audit License No.4579 |

Remunerations for the Auditor in 2015 consisted of the audit fee and other expenses amounted to 1,119,521 Baht.

Remunerations for the Auditor in 2015 of Subsidiaries (Thai Luxe Food Products Co., Ltd., amounted to 361,538.98 Baht; and Thai Demeter Co., Ltd., amounted to 100,000 Baht).

Social Responsibility

Policy on Social Responsibility

The company is focused on operating business honestly, transparently, and morally throughout the organization to achieve quality products and management, convenient, safe, and environmentally friendly as declared in its mission statement, vision, and values.

Guidelines about social responsibility

1. Operating business morally

The company has policies encouraging employees to act strictly in accordance with the law, honestly, and responsibly by performing duties with transparency.

- Receiving benefits and financial involvement with business partners of the company.

Employees naturally should not demand or accept money, items, or other benefits from customers, representatives, distributors, vendors, contractors, product salesmen, and other service providers. In addition, employees should not be financially involved such as invest or trade, lend or borrow money, collect, give cashier's check, loan, sell, rent, or rent out, or develop any financial obligation with these persons.

- Receiving gifts by popular tradition

In an opportunity of a popular tradition, in which there is gift giving, if the employee receives a gift of unusual value from a business partner of the company, the employee is to report to the appropriate superior.

- Conflict of interest

The directors and employees should not take advantage of being a committee member or an employee of the company, who are acting as a financial operations manager of the company, to seek personal benefits as well as business benefits.

- The company is considers equality and honesty in business operations and benefits with trade partners.

Trading partners of the company should act strictly in accordance with the law and various rules and bear good morals in operating business. In competing in business, the company adheres to rules of competition, guidelines of practice, as well as being fair in borrowing from lenders and in making payments. Therefore, to be in line with such principles, the company has designated the following guidelines of practice:

Relationship with trade partners

- The company will not demand, accept, or provide any dishonest benefits in trading with partners.
- The company will act according to agreed terms and conditions with the trade partners.
- In the event that the company fails to act in accordance with the terms and conditions, it will promptly inform ahead of time to evaluate the situation and find a reasonable solution together with trade partners.

Relationship with trade competitors

- Act within boundaries of fair competition.
- Refrain from damaging reputation of competitors with dishonest accusations.

Relationship with creditors

- Maintain and act in line with terms agreed upon with a creditor in terms of payment, taking care of assets for guarantee, and other terms, as well as not using funds borrowed for objectives other than which was agreed upon with the lender.
- Report financial status of the company to the creditor honestly.
- Report to the creditor if the company fails to adhere to commitments in the contract, and work together to find a resolution to the issue.

Responsibilities to the supply chain

- Supporting trade partners to be responsible to society

The company has a system of examination and evaluation of trade partners in the supply chain to manage risk in terms of sustainability by considering quality, quantity, and product delivery and services received, as well as minimal requirements according to labor laws, environmental laws, and quality management systems such as ISO9001:2008, ISO14001, ISO17025, GMP, and HACCP standards, as well as company policies and purchase agreements with trade partners.

- Cooperating with trade partners to develop social responsibility

The company has policies to organize events together with trade partners such as cooperating to be responsible for society in terms of public benefits, environmental protection, and community development, as well as creative projects to promote and support better living of the underprivileged, the elderly, and youth.

The company has designated the appropriate terms of trade and contract such as designated delivery time, terms of payment, and fair prices.

2. Anticorruption

The company will review business with trade partners, trade competitors, and trade creditors who collude in setting prices, as well as acting in any way to monopolize, obstruct, or eliminate trade competition that are illegal.

The company has the following guidelines about transparency of work and anticorruption within the organization:

1. Create a review process and a system of transparency control.
2. Designate an organizational structure and fair compensation according to good corporate governance.
3. Organize events to promote and communicate to create understanding leading to acceptance and application.
4. Instill a good conscience for employees and management to work transparently. Create values and culture to strive for excellence and good will.

5. Create a channel for complaints and create a response process that is quick and fair such as email, phone, complaint box, letters, etc. which can be filed to the Office of the Committee, Internal Audit Office, Human Resources Division, or direct superior.
6. Organize training for employees to promote honesty.
7. Produce an ethics manual for all employees.

Conflict of Interest

Directors and employees do not take the chance of being directors, employees of the company which managing the finances of others to seek personal gain including non-business interests.

Channel of complaint

Email, complaint box, letter, www.thailuxe.com “contact us”

Process upon receiving complaints

1. Consider the complaint’s severity, impact on the organization, via the committee.
2. Appoint a committee to investigate facts regarding the complaint within 15 days.
3. Make a final judgment and hand out punishment.
4. Report the number of complaints and investigation results.

Measures to protect informant

1. Conceal identity of informant and informants.
2. Committee members must keep information confidential.
3. In the event that an employee is the informant, the company must provide protection according to the Labor Protection Act of 1998 and the Civil and Commercial code (item 3 type 6 : Employment Contract)

Acting in group cooperation

In the future, the company will register to cooperate in an anticorruption regional network.

3. Respecting human rights

Human rights refer to rights of being human, which is a natural right all human beings are born with. Human rights cannot be transferred from one to another. There is no person, organization, or ever a state which can violate human rights. Human rights belongs to all people regardless of nationality, place of birth, gender, age, skin color, or wealth status. A violation of a person’s human rights in any country, by a person, group, or state, is considered a violation of human rights. The company considers general human rights, adhering to the following:

1. Act in accordance with laws and regulations of the company.
2. Study the details of assets of trade partners in doing business and management to prevent being associated with violations of human rights.
3. Evaluate risk of human rights violations, policies, and impact regularly. Produce concrete evaluation results to report to executives.
4. Arrange to have tools for complaints so that employees can freely and easily access complaint mechanisms to raise concerns or indicate negative impacts of human rights violations.
5. Investigate in the event that an accusation is raised and proceed to resolve the issue to lessen the impact on human rights appropriately.

6. Support the development of relationships and business capacity with allies regularly. Dissolving business relationships should be a last resort.
7. Report operations transparently.

Risk management and applications.

1. Plan to execute projects of the company carefully. Be deliberate in evaluating the feasibility of a project during execution or for future plans, and how it will impact the rights of employees, communities and surrounding society, as well as finding preventive measures.
2. Watch over the company, making sure it doesn't violate rights of the community or in the area of operations for that project.
3. Refrain from participating in wrongdoings which may cause violations of human rights both directly and indirectly, such as unignoring military or police officers' action or measures to pressure peaceful protests by citizens in the area the company is conducting its business.
4. Refrain from participating in operating a company project that may cause a disturbance to homes and property on which people make their living. If the action is legal by Thai law and international practice, reassurance should be provided to the person impacted by the project that they will be sufficiently compensated for.

Mechanisms of protection, care, and participation.

1. Solve issues caused by the negative impact of human rights violations caused by the decision making and operations of business in various ways, and improve the situation.
2. Place a complaint mechanism as a channel for employees of the company, or those who believe that their rights have been violated or have been treated unfairly, to be able to seek care. There should be public relations to raise awareness.
3. Mechanism to receive complaints which is a step-by-step process with a clear time frame. There should be freedom to examination and making a decision while considering the outcome and any care which is in line with human rights.
4. Utilize negotiation to reconcile as a part of the complaint resolution process to seek resolutions agreeable to both sides.
5. Promote and open opportunities for employees, community, and society to participate in expressing their opinions if the company or personnel of the company may have violated rights. This is for the benefit of reflecting on a problem and seeking resolutions.

4. Treating workers fairly

Thailuxe gives importance to acting in accordance with the law and regulations. It also supports participation of employees and their rights to express their opinions, safety in the workplace, and employee development of knowledge and capacity with equality.

1. Employment

- Not using labor forcibly or child labor.
- Not having prejudice in employment.

2. Employee's right to participate

- Giving importance to negotiation.
- Participating in negotiations with employees.

The company opens opportunities for employees to express their opinions via various channels such as email, telephone, complaint box, letters, and various relevant meetings.

3. Right to receive news and information

The company gives employees equal rights to receive news and information via public relations boards, intercom, website (www.thailuxe.com), etc.

4. Developing relationships and participation

The company develops relationships and participates with employees and executives by making merit, giving alms, presenting robes to monks, releasing fish, planting trees in wetlands, etc.

5. Develop and promote employees

The company is dedicated to developing and promoting employees regularly as they are valuable assets to success. The company also prepares the employees to be “good” and “capable” people by developing in terms of knowledge, ability, and capacity continuously in line with the employee's capacity as well as creating an organizational value. There should be a target KPI as a measure, teach new duties when there are adjustments in duties, and when accepting new employee applicants. This is all for the equal progression of the employees without prejudice.

Proportion of employees at various levels

Level	Male	Female
Top Management	0.60%	0.40%
Middle Management	1.69%	0.18%
Supervisors	3.87%	5.56%
Operators	41.43%	44.57%
Total	47.59%	52.33%

6. Health and safety

- The company gives importance to health and safety in the workplace of employees. The company arranges to have annual check-ups for all employees, provide accident insurance, employee insurance for those who face danger in their work.
- Train employees on safety and run fire drills annually.
- Adjusting the work environment appropriately by arranging the area and brightness to be appropriate for work, as well as testing regularly.
- The company arranges for safety tools and personal safety tools necessary for employees.
- The company records and investigates all accidents and incidences.

7. Benefits

The company compensates employees who have worked to the fullest of their capacities by rewarding benefits and various privileges which the employees of the company deserve. Details are as follow:

Social Security	This fund was created to support employees in the event of an illness, delivery (pregnancy), disability, or death not caused by work.
Workmen's Compensation Fund	This fund was created for to support employees in the event of medical emergencies caused by work.
Provident Fund	This fund collects money from employees and the company as a retirement fund.
Health check-up	All employees will receive an annual health check-up from a credible hospital.
Nursing room	There is a nursing room and household medicine for employees in the event of an emergency or illness.
Training	We believe that good personnel are a factor which will lead the company to success. Therefore, we open opportunities for employees to increase knowledge and expertise to improve work capacity by providing training sessions internally and externally.
External seminars	The company organizes seminars at tourist attractions to allow staff to enjoy an annual vacation and to promote teamwork skills for employees.
Group Personal Accident insurance	This is a measure to decrease conflicts in terms of compensation between the employer and employees in the event that the employee face death, loss of limbs, or pay medical bills, for which the employer did not make a Group Personal Accident insurance, the employer must pay, or if the employee has received compensation in the amount less than expected, which may cause damage to the reputation of the organization.

Guidelines or project to promote quality of life for employees.

The organization must be made up of people in the organization including employees, supervisors, and executives. The component of happiness is an organization that all employees work together happily and has a good work environment, the organization pays fair and appropriate compensation, teamwork environment, helping one another, being kind and generous. A happy organization is a prosperous organization as well.

5. Responsibility to consumers

The company is a leader in quality shrimp feed. It is the first shrimp feed producer in Thailand that has the quality assurance standard of ISO 9001, ISO 14001, GMP & HACCP, and Q Mark, which are product quality and safety assurance for consumers. This is to acquire both domestic and international consumer acceptance for the products, as well as instilling confidence in the products' value and ability to meet consumer needs.

In terms of prices, products are controlled by the Department of Internal Trade and prices are in reference to the central market of fishery products. This reassures customers that prices are fair. Packaging varies to serve customer demands. They are registered for all products being distributed. Also, product use directions are in line with guidelines of the Department of Fisheries. In addition, a team of academics has produced a manual on aquatic animal farming for each stage of lifecycle to be distributed to all farmers.

In terms of, safety and product insurance, The company production processes meets the Good Manufacturing Practice standard or GMP, which is a guideline and good practice in food production to ensure safety and consumption confidence. The principle of GMP covers the location of the business, building structure, manufacturing process, safety, and quality are all up to standard. This extends to sanitation and hygiene. HACCP Hazard Analysis Critical Control Point is applied to analyze danger hazard and critical point control. It is a safety standard management system, which is used to control the manufacturing process of food that is safe from 3 areas including chemical, physical, and biological dangers, from raw material to consumer hands.

We have developed a quality assurance system. Laboratory results are required to meet international standard, and are produced in a quick and credible manner. The company has also developed a regular quality testing system to ensure satisfaction and benefit of the customers. Our laboratory meets the ISO/IEC17025 standard, certified by the Department of Science Service, which is a guideline for quality management of a laboratory. Furthermore, the company has opened channels for customers to inquire information and file complaints about products.

The amount of chemicals used in the inspection of products has also been reduced, by using NIRs technique, for quick reporting and friendly to the environment.

6. Environmental care

The company is aware of various problems with the environment. The company is determined to apply a certified environmental management system (ISO 14001) as a key mechanism both in drafting environmental policies, setting objectives/goals, and executing environmental management projects. This includes testing and reviews to improve and develop systems to ensure effectiveness regularly. The hope is that the company will become an organization with quality staff, technology, and manufacturing without doing harm to the society and environment, and in turn, become a part of sustainable development of the country.

Thailuxe is determined to develop quality of products and services for consumers while also taking care of the environment. A team of academics have been deployed to conduct research and development of product quality with a focus on raw materials and the goal of lessening environmental impact to the very least, while consumers can still enjoy quality of products and services.

The building and production process were designed by using the SKY Light lit in the daytime to reducing energy consumption. Besides, the company has seen the importance of finding alternative energy sources, by using the wind turbine power converter is used in office buildings to reduce energy consumption and resource integration.

Thailuxe gives importance to aquatic resources management in every step of its work, covering all the way up- and downstream. Plans and projects are to use the least water effectively to lessen impact on the surrounding environment and community. The following measures have been applied to prevent aquatic pollution:

1. Implementing a water treatment system from the manufacturing process, which should control, treat, and improve the quality of water to meet legal standards. The quality of water is tested by a private agency internationally certified. There is also concern for emergencies in water management to make sure there is no impact on surrounding communities and environment.
2. Managing water both used within the company and in the wastewater treatment system. Water is retrieved from natural sources such as well-water with care for sustainability of natural resources. Wastewater management is handled by a wetland system to improve the quality of wastewater which could be recycled for environmental management in the factory. An area is designated to receive rainwater to complement well-water in the manufacturing process to lessen the use of well-water. Release of wastewater into communities is strictly prohibited.

Smell, dust, and noise pollution prevention

As Thailuxe is a company which produces aquafeed, smell, dust, and noise pollution is inevitable. Surrounding communities may sometimes be affected. However, technology to manage smell has been applied using a wet scrubber as a tool to get rid of gas and vapor. Small particles are handled with water sprayed as mist throughout the area which will then make impact with a stream of gas. The impact will cause inertia which is the main mechanism of interception and dispersion.

- Air

With the determination to become a green factory which coexists with communities happily, the company has set various goals to meet standards by developing and improving by applying appropriate technology to manage air pollution.

- Dust

Dust pollution is managed by a jet filter in each area of the manufacturing process which will cause dust pollution. A preventive maintenance plan is also applied to make sure that the machine is effectively functioning at all times.

- Noise

The Air Silencer is applied to lessen noise pollution to both employees and nearby communities. In addition to applying effective machines and tools to manage environmental impact of the manufacturing process to be up to standard, there is also a regular review system of quality of air that is released from the factory's chamber. Machine quality and effectiveness are monitored regularly. Smell, dust, and noise pollution tests are conducted in nearby communities to improve and develop their respective management systems.

Energy and climate changes

The company insulates all of its steam and heat conductors in the manufacturing process to lessen use of steam energy which will lessen use of fossil fuel. Pull switches are also installed in the office building to save energy. Regular switches will turn all lights on at once, which wastes energy. Sometimes only lights are needed in some areas but not the other, in which case a pull switch allows the office to save money by allowing such function.

Biodiversity and ecology

The company is aware of biodiversity and ecology. On December 13, 2007, the company organized the project in honor of His Majesty the King's 80th birthday, to plant 1,299 plants on 7 rai of land and planted forest trees in wetlands of Samut Songkhram and Surat Thani provinces to expand green ecological areas. The company also participated in the project to release fish annually to replenish the number aquatic animals in natural water sources.

Operating a farming business under the Global G.A.P. standard is a product and manufacturing management guarantee for such product, that there is no usage of GMOs or cross-species contamination. This ensures that consumption of each product is guaranteed quality at the least environmental impact.

With the determination to care for the environment, save resources, save energy, all employees of Thailuxe cooperate in helping in Thailuxe's environmental projects to achieve the objectives and to be in line with policies effectively.

7. Community and social development

The company gives importance to education. Promoting education in youth especially in impoverished areas is a priority for the company. The company takes part in sustainable community development by adhering to the Sufficiency Economy philosophy of His Majesty the King. The following projects have been implemented with the intention of community and social development :

Thailuxe Graduate Project

is a project that the company intends to participate in youth development to enhance ability and educational opportunity. It is meant to provide a means and drive for the country, promote community strength, and a happy society. These are the basic foundation of enhancing career knowledge and capacity and in turn security for oneself and society.



All throughout the 10 years that the project “Thailuxe Graduate Project” has been implemented, there have been 1,000 scholarships handed out to employees, children and grandchildren of employees and customers, as well as students from various educational institutions. The company is determined to instill values among youth and to highlight the importance of education, as well as to enhance capable human resources, ready to improve the quality of society.

The School Fishery Project

has been in operation for 10 years. It has organized activities across all regions of the country at more than 10 schools per year. The project involves giving more knowledge and understanding about fish farming to students in community schools and local schools in impoverished areas. It also supports lunch projects to provide students with nutritious meals with good sanitation and hygiene, leading to a sustainable career path in the future.



The Fish Releasing Project

replenishes life in water sources to promote and instill a conscience in communities to participate in protecting ecological balance. Fish are released into natural habitats to expand aquatic species and to enrich the environment. Knowledge and understanding about natural resources are established in the community according to the guideline of sustainable community management.

The Community Relations Project

The company is determined to support and be involved in community development, as well as the society to develop strong relationships. The focus is to offer communities benefits to improve local economy for better living and sustainability. This project is a volunteer project for employees as well as executives who only voluntarily join its various activities.

Internal Control and Risk Management

The Board of Directors' Meeting No. 4/2014 on 25 February 2014, which 3 members of the Audit Committee attended the meeting. The Board of Directors has assessed the internal control by the evaluation report of the Audit Committee and concluded that the evaluation of the Company's internal control systems in various 5 components

1. Organizational Control and Environment Measure
2. Risk Management Measure
3. Management Control Activities
4. Information and Communication Measure
5. Monitoring

The Board of Directors considered that Company's internal control over transactions with major shareholders, directors, executives or related persons was sufficient.

The Internal Audit Department has been reviewing the performance of various departments. If there are any flaws. Significant will be reporting directly to the Audit Committee.

Auditor of the Company is Mr. Khitsada Lerdwana, the auditor of the quarterly financial statements and yearly financial statement of the year ended 2014, gave the opinion that the Company has no flaws about internal control systems.

The Company has appointed Ms. Somsri Assasnee to the position of Deputy Manager of Internal Audit, act as the head of internal audit of the company since 2004, as she had the experience to perform the audit and had been trained in courses relevant to operations, including internal audit, such as Internal audits to prepare for the Certified Internal Auditor . She had an understanding of the activities and operations of the Company. So it is appropriate to perform such duties appropriately enough.

The approval of the appointment, transfer and dismissal of internal audit of the company must be approved by the Audit Committee.

The Connected Transaction

Juristic Person or Person in charge		Relation	
Thailuxe Food Products Co., Ltd. (TLF)		Thailuxe Food Products Co., Ltd. is the subsidiary. TLUXE is holding 55% of total paid up capital	
Category of Transaction	Detail	Amount (Million Baht)	Necessary and Properly of the Transaction
		End 31 Dec 2014	
The company lease the cold storage to TLF	- Rental Fee - Ending balance	4,600,000 -	The transaction is properly since after the company stopped producing the frozen food, the company had no necessary to keep the cold storage for business. Therefore, the company rent the cold storage to TLF to earn income. The rental fee is agreeable fee.
The company increased its capital in TLF	Capital increase	13,750,000	

Juristic Person or Person in charge		Relation	
Thai Demeter Co., Ltd. (TDMT)		Thai Demeter Co., Ltd. is the subsidiary. TLUXE is holding 100% of total paid	
Category of Transaction	Detail	Amount (Million Baht)	Necessary and Properly of the Transaction
		End 31 Dec 2014	
The company sell the raw material to TDMT	- Revenue from sell - Ending balance	1,986,450 -	The transaction is properly since it was fair trading. The selling price was determined by reference to market price.
The company loan to TDMT	- Interest Income - Ending balance	2,650,763.73 160,651,859.62	The transaction is appropriate as calculated the interest rate based on the market rate

Juristic Person or Person in charge		Relation	
Nutrix Public Company Limited		Company's partners which director of Nutrix is the Advisory of the BOD ³	
Category of Transaction	Detail	Amount (Million Baht)	Necessary and Properly of the Transaction
		End 31 Dec 2014	
Contractors	Manufacturing wages	29,583,677.86 ⁴	The transaction is appropriate as market price is determined prices and raw material price, wages and production which based on market transactions

Juristic Person or Person in charge		Relation	
Thai Asse Trading Co., Ltd. (Thai Asse)		Thai Asse Trading Co.,Ltd. is 100 % holding by Seneepa-konkai group	
Category of Transaction	Detail	Amount (Million Baht)	Necessary and Properly of the Transaction
		End 31 Dec 2014	
The company rent Thai Asse building for Bangkok branch office ⁵	- Rental Fee - Ending balance	120,000 -	The transaction is properly since the company needs space in Bangkok area for Bangkok branch office. The rental fee is fair and can be compared with the nearby buildings.

³Mr.Pongrak Jindasombatcharoen as a consultant of the Board of Directors on September 30, 2015

⁴As at 30 September 2015

⁵The company paid rental to March 2015, the company moved to Thai Summit Tower on New Phetchaburi Road

Measures or procedures for permission for related transactions.

Related transactions conducted by the Company or by its Subsidiaries that may materialize with persons having interests and taking risk factors such as, sale of goods and purchase of goods and so on. The Company would entrust Audit Committee to make consideration of these items, by using prices of other manufacturers for comparison with the sales prices of the Company or between the Subsidiaries and persons whose interests may be contradictory. The directors must work under the related transaction of the Company's regulations or of its Subsidiaries and shall not approve any transactions which the director himself or related persons may have conflicted of interests. The transactions have to be submitted to the Board of Directors for consideration. The Company must abide by the law governing stocks exchange, including orders, regulations or limitations prescribed by SET. The Company shall also work as per terms relating to divulgence of data concerning connected transactions including acquisition of assets of the Company or of the Subsidiaries. In case Audit Committee has no experience, the Company may have to hire private experts or independent Auditor to work in this respect, to enable Board of Directors to make decision. Data shall be divulged in the report under the remarks accompanying Financial Statements audited by the Company's Auditor. At the same time, information shall be divulged in the Annual Report of the Company and in Form 56-1 as well.

Policy and Trend of Transactions in the future

If a transaction in any other manner as shown in the above, the Company will implement the policy which is used to control the transaction, which has always been upheld. It must be based on need, and is expected to bring benefits to the Group. It must be set on the basis of fair and reasonable. The price is comparable to the fair market price used for other customers. The Audit Committee serves to ensure that the transactions for the Company and its subsidiaries, or connected persons, or a conflict of interest, according to the nature of its business, or to support the company's business. By focusing on the best interests of the Company, and return the Company will receive or pay a fair price.

However, if a company transactions with related companies as mentioned above, in the future, companies will have to comply with the Securities and Exchange Commission. Regulations and orders Or the terms of the Stock Exchange of Thailand as well as compliance with the disclosure of related party transactions, and the acquisition or disposition of assets of the Company or its subsidiaries and to disclose the transactions in the notes to the financial statements which have been audited by the auditors of the company. The disclosure in the annual report of the Company and by 56-1.

In case of this transaction is required company to report to the SET, and must be approved by the general meeting of shareholders, and appoint an independent financial advisor to provide an opinion to the shareholders. The company is strictly run in order to comply with the regulations of the SET in the part of connection of the transaction by adhering to the following :

1. The transaction was approved through a transparent process. The stakeholders are not involved in the decision.
2. The transaction was done with regard to the interests of the company transactions parties.
3. The transaction as a system of monitoring and inspection to ensure that the transaction is in accordance with the correct procedure.

Ratio Analysis

		The consolidated			The company only		
		2013	2014	2015	2013	2014	2015
Liquidity Ratio							
Liquidity Ratio	(time)	2.22	2.24	1.93	2.42	2.30	1.99
Quick Ratio	(time)	1.42	1.22	1.41	1.57	1.24	1.45
Account Receivable Turnover	(time)	12.98	13.97	12.71	13.63	16.19	12.73
Average Collection Period	(day)	27.74	25.77	28.32	26.41	22.23	28.27
Account Payable Turnover	(time)	15.68	14.47	13.18	15.13	13.81	12.39
Average Payment Period	(day)	22.96	24.88	27.30	23.80	26.07	29.06
Cash Cycle	(day)	65.26	60.73	71.64	66.35	60.74	77.67
Inventory Turnover	(time)	5.95	6.02	5.10	5.65	5.58	4.59
Average Selling Period	(day)	60.48	59.83	70.62	63.74	64.57	78.45
Total Asset Turnover	(time)	1.39	1.25	0.98	1.31	1.13	0.86
Profitability Ratio							
Gross Profit Margin	(%)	12.73	9.66	10.49	13.65	9.76	10.81
Net Profit Margin	(%)	1.67	(0.51)	(2.29)	2.40	(0.26)	(1.45)
Efficiency Ratio							
Return on Asset	(%)	2.41	(0.62)	(2.25)	3.14	(0.29)	(1.25)
Return on Equity	(%)	3.26	(0.80)	(3.05)	4.13	(0.37)	(1.65)
Financial Ratio							
Debt to Equity Ratio	(time)	0.31	0.24	0.45	0.28	0.23	0.40
Interest Coverage Ratio	(time)	8.74	(0.96)	(3.16)	12.35	(0.08)	(1.86)
Dividend Payout Ratio	(%)	92.09	-	-	71.21	-	-
Other Ratio							
Earning per Share	(baht)	0.092	(0.024)	(0.079)	0.119	(0.010)	(0.040)
Basic Earning per Share	(baht)	0.101	(0.024)	(0.079)	0.127	(0.010)	(0.040)
Book Value	(baht)	3.08	2.97	2.83	3.07	2.99	2.84

Management Discussion and Analysis

At the year ended 31 Dec 2015

From late 2012, we have shrimp epidemic (Early Mortality Syndrome or EMS), which is caused by bacteria that destroys liver cells, and pancreas of the Vannamei shrimp which cause of the abnormal death in shrimp farm, and epidemic damage to farmers, as a result, farmers lack of confidence and stop their shrimp pond temporarily. However, shrimp is still on high demand in the market which motivate the shrimp farmer became interested in returning to farming. But, they still cannot be cultured in normal amounts as the epidemic continues to occur continuously. Therefore, manufacturers required to reduce shrimp production capacity down by industry which decreased to 50 % compared to the year 2012.

Frozen shrimp processing factory have been affected by a shortage of shrimp and shrimp prices has been double increased. As a result, both parties have to bear the cost of labor and production costs are not controlled. Moreover, the fish farming industry during the year 2015, had slow down volume due to drought conditions that is price decreasing for major economic fish such as Cat fish, Tilapia fish, and Pomegranate fish. So, in 2015 the Company has been effected from the problem of decrease of cultivate when compared to the previous year which impact in the wider industry. Shrimp culture and continuous businesses to the related industries in the whole system. Regarding the business of frozen shrimp processed food plant of Thai Luxe Food Products Co., Ltd., (subsidiary), the Company encountered problems of shortage of raw materials and continuous increases of prices of raw materials which continuously affected its export of goods; as a result, the Company's export has decreased both in terms of quantity and value of goods.

The total assets of the group companies have increased continuously. According to the consolidated financial statements as of 31st December 2013, 2014 and 2015, the group companies had its total assets of 1,762.43 million Baht, 1,666.26 million Baht and 2,309.40 million Baht, respectively. The decrease of its assets in 2014 was mainly resulting from the decrease of its current assets, i.e., cash and cash equivalents, which was in the same directions with the shrinkage of gross sales of the group companies.

The liquidity ratio of cash flow in 2013, 2014 and 2014 was equal to 2.22 times, 2.24 times and 1.93 times, respectively. Meanwhile, the group companies had the total liabilities as of 31st December 2013, 2014 and 2015 amounted to 420.98 million Baht, 337.10 million Baht and 715.32 million Baht, respectively; and had the debt-to-equity ratio of 0.31 time, 0.24 time and 0.45 time, respectively.

In 2015, the rate of returns on assets of the group companies was equal to 2.25%, decreased from those of the previous year; and the rate of returns on shareholder's equity of the group companies was equal to 3.05%, decreased from those of the previous year because the net profits for 2015 of the group companies were lower than those of the previous year.

In 2015, the Company's paid-up capital has increased from its second exercise of rights of conversion of share warrants.

Analysis of operating performances and financial status of the Company shall be as follows:

Operating Result

Revenue	2013		2014		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from feed business	2,005.45	78.62%	1,831.82	84.98%	1,673.26	84.40%
Revenue from the frozen processed business	225.05	8.82%	244.42	11.34%	279.04	14.07%
Revenue from farm business	39.46	1.55%	29.57	1.37%	0.00	0.00%
Other revenues	252.75	9.91%	28.65	1.33%	0.00	0.15%
Total Revenue from sales	2,522.71	98.89%	2,134.46	99.02%	1,952.30	98.47%
Service income	0.14	0.01%	0.00	0.00%	0.00	0.00%
Rental income	0.16	0.01%	0.16	0.01%	0.16	0.01%
Other income	27.93	1.09%	21.01	0.97%	30.10	1.52%
Total revenues	2,550.94	100.00%	2,155.63	100.00%	1,982.56	100.00%

Incomes from sale :

In 2013, 2014 and 2015, the group companies had its incomes from sale amounted to 2,522.71 million Baht, 2,134.46 million Baht and 1,952.30 million Baht, respectively, consisting of incomes from sale of animal feeds, incomes from sale of frozen shrimp processed foods, incomes from shrimp culture farm and others; whereas, main incomes of the Company were from the sale of animal feeds.

In 2015, the group companies had its incomes from sale amounted to 1,952.30 million Baht, decreased by 182.16 million Baht or 8.53% from those of 2014, resulting from the outbreaks of Early Mortality Syndrome (EMS) disease, including droughts, decreases of fish prices and economic slowdown. According to the said factors, it affected the main economic fish such as catfish, Mango fish and red tilapia.

Regarding the contract production of animal feeds, the Company has already improved its production lines of fish foods at Phetchaburi Plant and Songkhla Plant to be able to produce fish foods together with animal feeds. In the 3rd Quarter of 2015, the Company started to recognize its incomes from contract production of pet foods; however, due to the foreign exchange volatility, the contract production of pet foods for its main markets in Malaysia has slowed down; as a result, the Company's incomes from production of pet foods were not in accordance with the forecasts.

Incomes from Service Provision and Rentals :

In 2013, 2014 and 2015, the group companies had incomes from rentals amounted to 0.16 million Baht, 0.16 million Baht and 0.16 million Baht, respectively, which were incomes from letting of land and cold storage in areas of old factories in Samut Songkram Province to Thai Luxe Food Products Co., Ltd., (subsidiary); therefore, in the consolidated financial statements, there was no record of incomes of rentals from Thai Luxe Food Products Co., Ltd.

Other Incomes :

In 2013, 2014 and 2015, the group companies had other incomes amounted to 27.93 million Baht, 21.01 million Baht and 30.26 million Baht, respectively, consisting of incomes from sale of temporary investments and interest income, etc.

Cost of Sale and Gross Profits :

Main cost of sale of the group companies included the cost of raw materials in the production of aquatic animal feeds such as fish meal, soybean meal, wheat flour, squid liver, etc.; whereas, the group companies purchased such raw materials from domestic and overseas markets. In 2013, 2014 and 2015, the group companies had the cost of sale of 2,201.56 million Baht, 1,928.34 million Baht and 1,747.48 million Baht, respectively; whereas, the decrease of the cost of sale was in accordance with the shrinkage of incomes from sale. In 2013, 2014 and 2015, the group companies' ratios of cost of sale to incomes from sale were 87.27%, 90.34% and 89.51% respectively; as a result, the group companies' gross profit margins were 12.73%, 9.65% and 10.49%, respectively. Despite having planning of production and purchasing of raw materials in advance, the group companies were still unable to maintain the cost of sale and the gross profit margins due to continuous increases of prices of main raw materials and impacts from the outbreaks of Early Mortality Syndrome (EMS) disease in white shrimps in late 3rd Quarter and 4th Quarter of 2012, which have affected the group companies' gross sales so far.

Selling and Administrative Expenses :

In 2013, 2014 and 2015, the group companies had the selling and administrative expenses amounted to 260.41 million Baht, 232.18 million Baht and 230.92 million Baht, respectively; and their ratios of the selling and administrative expenses to the total incomes were 10.21%, 10.77% and 11.65%, respectively; and main components of the selling and administrative expenses included salaries, marketing promotion cost and travelling expenses for performance of works.

Net Profits :

In 2013, the group companies had the net profits of 42.57 million Baht; meanwhile, in 2014 and 2015, the group companies had the net loss of 10.85 million Baht and 44.64 million Baht, respectively; and in 2013, 2014 and 2015, the ratios of net earnings to the total incomes were 1.67%, 0.50% and 2.25%, respectively.

Financial Position

Total Assets :

The total assets in the separate financial statements as of 31st December 2013 and 2014 have decreased with the value of 1,715.66 million Baht and 1,641.18 million Baht, respectively; and have increased in 2015 with the value of 2,241.13 million Baht; meanwhile, the total assets in the consolidated financial statements for the group companies as of 31st December 2013 and 2014 were amounted to 1,762.43 million Baht and 1,666.25 million Baht, respectively and have increased in 2015 with the value of 2,309.40 million Baht. Main components of assets of the group companies can be summarized, as follows:

Assets	% per Total Assets		
	2013	2014	2015
Cash and cash equivalents	13.34	1.69	4.70
Current Investments	9.04	11.55	25.74
Trade accounts receivables – net	9.00	9.46	6.51
Inventories - net	18.10	19.32	15.75
Current Assets	50.19	42.42	57.91
Property, plant and equipment	45.19	54.57	37.87
Non-Current Assets	49.81	57.58	42.09

Main components of assets of the group companies have changed; and the proportions of current assets of the group companies consisted of main items including cash and temporary investments, trade and other receivables and inventories; whereas, ratios of current assets to total assets have decreased from 50.19% in 2013 to 42.42% in 2014; however, in 2015, the ratio thereof has increased to 57.91%.

Meanwhile, non-current assets of the group companies consisted of main items including land, buildings and equipment; whereas, the ratios of non-current assets to total assets have increased from 45.19% in 2013 to 54.57% in 2014; and have decreased to 37.87% in 2015, thus, mainly resulting from the construction of a new animal feed production plant in Songkhla Province and the Aquatic Animal Feed Research and Development Center in Samut Songkram Province. Consequently, the non-current assets of the group companies have increased in the segment of land, buildings and equipment, including animal feed production machines.

Trade and Other Receivables :

Main account receivables of the group companies included domestic and overseas aquaculture farmers and dealers of the group companies in the provinces of Thailand; whereas, trade and other receivables shown in the Separate Financial Statements as of 31st December 2013, 2014 and 2015 were amounted to 136.67 million Baht, 137.94 million Baht and 126.26 million Baht, respectively and were equal to 7.97%, 8.40% and 5.63% of the total assets in each year, respectively.

Trade accounts receivables	2013		2014		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Not yet due	93.63	61.34	109.72	66.59	115.24	74.66
Past Due						
Up to 3 months	54.09	35.43	44.91	27.26	33.76	21.87
3 – 6 months	0.78	0.51	5.73	3.48	1.00	0.65
6 - 12 months	3.45	2.26	2.63	1.60	2.40	1.56
over 12 months	0.70	0.46	1.76	1.07	1.94	1.26
Total	152.65	100.00	164.75	100.00	154.34	100.00
Less : Allowance for doubtful debts	-4.54	-2.97	-7.24	-4.40	-4.74	-3.07
Total trade receivables - net	148.11	97.03	157.51	95.60	149.60	96.93
Other receivables	10.58	6.93	0.18	0.11	0.68	0.45
Total trade and other receivables	158.69	103.96	157.69	95.71	150.28	97.38

Inventories :

As of 31st December 2013, 2014 and 2015, the group companies had net inventories amounted to 319.06 million Baht, 321.88 million Baht and 363.76 million Baht, respectively or equal to approximately 18.10%, 19.32% and 15.75% respectively of the total assets; whereas, main items of inventories consisted of raw materials in the proportion of approximately 58.06-60.10% and finished goods in the proportion of approximately 16.50-16.75% of the total inventories of the group companies as of 31st December 2015.

	2013		2014		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Finished goods	54.36	16.50	45.84	13.54	64.66	16.75
Work in Process	14.48	4.39	1.99	0.59	5.66	1.47
Raw Materials	191.33	58.06	178.27	52.67	232.02	60.10
Raw Materials in transit	15.89	4.82	60.77	17.96	39.29	10.18
Packing materials and supplies	22.50	6.83	21.20	6.26	17.12	4.43
Spare parts	30.98	9.40	30.41	8.98	27.28	7.07
Total	329.54	100.00	338.48	100.00	386.03	100.00
Allowance of stock obsolescences	-10.48	-3.18	-16.61	-4.91	-22.27	-45.77
Inventories-net	319.06	96.82	321.87	95.09	363.76	95.12

As of 31st December 2013, 2014 and 2015, the group companies had provisions for diminution of inventory value amounted to 10.48 million Baht, 16.61 million Baht and 22.27 million Baht, respectively; whereas, such provisions were for raw materials, packages and consumables, including spare parts of machines.

Investments in Subsidiaries :

As of 31st January 2013, the group companies has acquired 195,000 ordinary shares of Thai Demeter Co., Ltd. (subsidiary) at the price of 10 Baht per share or amounted to approximately 2,000,000 Baht or equal to 65% of the issued and paid-up shares of such company. Then, on 8th March 2013, the group companies additionally acquired 105,000 ordinary shares of such company at the price of 10 Baht per share or amounted to approximately 1,000,000 Baht or equal to 35% of the issued and paid-up shares of such company; as a result, the group companies had the increasing proportion of investment in such company to 100% of the issued and paid-up ordinary shares of such company.

In the Separate Financial Statements as of 31st December 2013, 2014 and 2015, the group companies had the investments in subsidiaries amounted to 9.38 million Baht, 47.38 million Baht and 28.01 million Baht, respectively or equal to 0.55%, 2.89% and 1.25% respectively of the total assets of the group companies. The decrease of investments was resulting from the recording of allowance for impairment of investments in Thai Luxe Food Products Co., Ltd.; meanwhile, the increase of investments in 2014 was resulting from the increase of capital in Thai Luxe Food Products Co., Ltd.; and the decrease of investments in 2015 was resulting from the sale of shares to Nippon Pack (Thailand) Public Co., Ltd.; and in the same year, there was the increase of capital in NPP Food Incorporation Co., Ltd.

Details of investments in subsidiaries and associates of the group companies as of 31st December 2015 can be summarized, as follows :

	Type of Business	Investment Ratio	Paid-Up Capital (Million Baht)	Provision for impairment of investment (Million Baht)	Value of investment - net (Million Baht)
Thailuxe Food Products Co., Ltd (Subsidiaries)	Manufacturing and selling frozen processed food	55%	100	14.274	25.014
Npp Food Incorporate Co.,Ltd. (Associates)		45%	100		45
Thai Demeter Co., Ltd (Subsidiaries)	Trading of aquafeed raw material	100%	3.00	-	3.00

Note : At 31 December 2015 The company overdue for share payment to associates at 22.5 million baht.

Other Long-Term Investments :

Other long-term investments of the group companies were amounted to 5.45 million Baht, including general investment in Thai Textile Printing Public Company Limited; and investments in debt instruments which shall be held until the expiry dates thereof in bonds of the Bank of Thailand.

Long-Term Receivables :

Long-term receivables of the group companies included accounts receivables which have not yet been paid for a long time and have been during the litigation process; whereas, the balance of long-term receivables of the group companies as of 31st December 2015 was amounted to 56.52 million Baht or equal to 2.32% of the total assets of the group companies; and during such period of time, the group companies had the policy to provide allowances for doubtful accounts by taking account of sale prices by auction of the securities or value of the securities.

Land, Buildings and Equipment :

Land, Buildings and Equipment of the group companies as of 31st December 2013, 2014 and 2015 were amounted to 796.40 million Baht, 909.32 million Baht and 874.55 million Baht, respectively or equal to 45.19%, 54.57% and 37.87% respectively of the total assets of the group companies throughout such periods of time; provided that main components of land, buildings and equipment of the group companies included:

1. Land, land improvements and factory buildings in Samut Songkram Province (area: 50 rai, 1 ngan and 64 square wah) which was the location of an old factory of the group companies (currently not operated);
2. Land, land improvements and animal feed production plant of the group companies in Phetchaburi Province (area: 62 rai, 3 ngan and 10 square wah);
3. Land in Songkhla Province (area: 49 rai, 3 ngan and 96 square wah), which was the construction site of a new aquatic animal feed production plant);

Sources of Capital :

The structure and sources of capital for business operation of the group companies can be summarized, as follows:

	% per Total Asset		
	2013	2014	2015
Increase (decrease) in bank overdrafts and short-term loans	1.49	0.70	7.99
Trust receipts and packing credits	9.75	6.67	3.40
Trade and other Payables	10.28	11.08	6.68
Liabilities under long-term lease agreement due within 1 year	0.15	0.04	0.04
Other current liabilities	0.33	0.24	0.12
Current Liabilities	22.65	18.94	29.95
Liabilities under long-term lease agreement due over 1 year	0.14	-	0.06
Provision for long-term employee benefits	1.10	1.29	0.47
Non-Current Liabilities	-	-	-
Total Liabilities	23.89	20.23	30.97
Shareholders' equity	76.11	79.77	67.03
Debt to Shareholders ratio	0.31	0.24	0.45

When taking account of the structure of capital of the group companies, it can be seen that the majority of sources of capital of the group companies were from shareholders' equity equal to approximately 76.11-79.77% of the total capital of the group companies as per the consolidated financial statements. As of 31st December 2013, 2014 and 2015, the group companies had the debt-to-equity ratios of 0.31 time, 0.24 time and 0.45 time, respectively.

Total Liabilities :

As of 31st December 2013, 2014 and 2015, the group companies had the total liabilities amounted to 420.98 million Baht, 337.10 million Baht and 715.32 million Baht, respectively or equal to 23.89%, 20.23% and 30.97% respectively of the total assets in each year. The total liabilities of the group companies consisted of main items including account payables and trust receipts payables; whereas, such items were sources of capital in the procurement of raw materials and working capital of the group companies.

Shareholders' Equity :

As of 31st December 2013, 2014 and 2015, the group companies had shareholders' equity amounted to 1,341.45 million Baht, 1,329.16 million Baht and 1,594.10 million Baht, respectively.

As of 31st December 2015, the group companies and subsidiaries had shareholders' equity amounted to 1,594.10 million Baht, increased by 264.94 million Baht or 16.62% from the shareholders' equity as of 31st December 2014, resulting from the second exercise of rights of conversion of share warrants.

Liquidity :

As of 31st December 2015, the group companies and subsidiaries had net cash flow from operating activities amounted to 3.43 million Baht; and cash flow from investment activities amounted to 597.55 million Baht (from the purchase of equipment and machinery); and cash flow from financing activities amounted to 681.23 million Baht (from the exercise of rights of conversion of share warrants); and short-term loans from unrelated parties; as a result, the group companies had cash and cash equivalents increased by 80.25 million Baht. Consequently, as of 31st December 2015, the group companies had cash and cash equivalents amounted to 108.49 million Baht.



The Board of Directors is responsible upon the Company's financial report. Presentation of the Company's financial report was made in accordance with generally accepted accounting standard by following accounting standard prescribed by the Certified Accountant and Auditor Association of Thailand, using appropriate accounting policy on a regular basis in transaction to ensure that the accounting information is accurate, complete and adequate to maintain properties of the Company and prevent abnormal transactions which may occur.

The Board of Directors appointed the Audit Committee comprising 3 independent directors to oversee and ensure that the financial report is truthful, complete, adequate and reliable, and to supervise appropriate and efficient internal control system. The Board of Directors finds that the quality of the Company's internal control system is generally adequate and appropriate to provide reliability of the financial statement as at 31 December 2015.

A handwritten signature in black ink, appearing to read "10.00 ACM Pitthaporn Glinfueng".

ACM Pitthaporn Glinfueng
Chairman of the Board of Directors

Independent Auditor's Report

To the Shareholders of Thai Luxe Enterprises Public Company Limited



I have audited the accompanying consolidated financial statements of Thai Luxe Enterprises Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated 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 information, and have also audited the separate financial statements of Thai Luxe Enterprises Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with 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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Luxe Enterprises Public Company Limited and its subsidiaries and of Thai Luxe Enterprises Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Sirirat Sricharoensup
Certified Public Accountant (Thailand) No. 5419

EY Office Limited
Bangkok: 26 February 2016

Thai Luxe Enterprises Public Company Limited and its subsidiaries

Statement of financial position : As at 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	8	108,492,622	28,241,201	92,603,488	23,743,760
Current investments	9				
Trading securities		93,895,700	1,000,518	93,895,700	1,000,518
Available-for-sale securities		123,342,290	131,436,706	123,342,290	131,436,706
Others		377,235,646	60,000,000	214,737,466	60,000,000
Trade and other receivables	7,10	150,274,924	157,698,899	126,263,133	137,940,356
Short-term loans to related party	7	-	-	160,000,000	-
Short-term loans to unrelated party	11	96,300,628	-	96,300,628	-
Inventories	12	363,761,139	321,876,651	343,746,196	306,707,118
Other current assets	13	23,979,732	6,511,964	7,426,011	4,263,311
Total current assets		1,337,282,681	706,765,939	1,258,314,912	665,091,769
Non-current assets					
Restricted bank deposits	14	7,652,208	1,040,338	7,652,208	1,040,338
Investments in subsidiaries	15	-	-	28,013,569	47,381,569
Investments in associate	16	39,189,846	-	45,000,000	-
Other long-term investments	17	5,449,590	11,449,590	5,449,590	11,449,590
Share subscriptions payment	15.1.3	-	-	13,750,000	-
Long-term receivables	10	-	-	-	-
Investment properties	18	3,364,900	3,364,900	11,243,933	13,164,774
Property, plant and equipment	19	874,554,134	909,320,985	833,814,558	873,493,044
Intangible assets	20	8,917,645	9,682,040	8,697,027	9,682,040
Deferred tax assets	30	32,470,991	23,884,357	28,698,130	19,440,274
Other non-current assets		538,406	748,130	498,406	442,630
Total non-current assets		972,137,720	959,490,340	982,817,421	976,094,259
Total assets		2,309,420,401	1,666,256,279	2,241,132,333	1,641,186,028

The accompanying notes are an integral part of the financial statements.

Thai Luxe Enterprises Public Company Limited and its subsidiaries

Statement of financial position (continued) : As at 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	21	184,515,916	11,730,226	150,000,000	-
Trust receipts		78,482,500	111,126,671	78,482,500	111,126,671
Trade and other payables	7, 22	154,305,998	184,614,183	130,436,791	171,733,798
Share payable	16	22,500,000	-	22,500,000	-
Short-term loans from unrelated parties	23	248,274,939	-	248,274,939	-
Current portion of liabilities under long-term lease agreements	24	816,231	612,984	816,231	-
Income tax payable		-	3,512,131	-	3,496,082
Other current liabilities		2,871,122	4,073,475	2,034,047	3,322,746
Total current liabilities		691,766,706	315,669,670	632,544,508	289,679,297
Non-current liabilities					
Share subscriptions received in advance	15.1.3	11,250,000	-	-	-
Liabilities under long-term lease agreements, net of current portion	24	1,429,382	-	1,429,382	-
Provision for long-term employee benefits	25	10,873,323	21,429,853	9,959,503	17,080,628
Total non-current liabilities		23,552,705	21,429,853	11,388,885	17,080,628
Total liabilities		715,319,411	337,099,523	643,933,393	306,759,925

The accompanying notes are an integral part of the financial statements.

Thai Luxe Enterprises Public Company Limited and its subsidiaries

Statement of financial position (continued) : As at 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Shareholders' equity					
Share capital					
Registered					
568,451,520 ordinary shares of Baht 1 each		568,451,520	568,451,520	568,451,520	568,451,520
Issued and fully paid up					
563,050,687 ordinary shares of Baht 1 each					
(2014 : 446,994,587 ordinary shares of Baht 1 each)	26	563,050,687	446,994,587	563,050,687	446,994,587
Share premium - ordinary shares	26	489,124,511	315,040,361	489,124,511	315,040,361
Capital reserve for share-based payment transactions		41,479,200	41,479,200	41,479,200	41,479,200
Retained earnings					
Appropriated - statutory reserve	28	56,845,152	56,845,152	56,845,152	56,845,152
Unappropriated		432,752,352	468,185,778	451,978,944	473,500,522
Other components of shareholders' equity		(1,601,484)	(256,363)	(5,279,554)	566,281
Equity attributable to owners of the Company		1,581,650,418	1,328,288,715	1,597,198,940	1,334,426,103
Non-controlling interests of the subsidiaries		12,450,572	868,041	-	-
Total shareholders' equity		1,594,100,990	1,329,156,756	1,597,198,940	1,334,426,103
Total liabilities and shareholders' equity		2,309,420,401	1,666,256,279	2,241,132,333	1,641,186,028

The accompanying notes are an integral part of the financial statements.

Thai Luxe Enterprises Public Company Limited and its subsidiaries

Statement of comprehensive income For the year ended 31 December 2015

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014 (Restated)
Profit or loss :					
Revenues					
Sales		1,952,300,439	2,134,458,658	1,673,265,578	1,888,942,687
Gain on disposal of investments in subsidiary	15.1.2	-	-	2,025,000	-
Gain on investments in securities		-	2,963,613	-	2,963,613
Other income		30,263,913	18,203,540	32,926,353	22,650,763
Total revenues		1,982,564,352	2,155,625,811	1,708,216,931	1,914,557,063
Expenses					
Cost of sales		1,747,476,861	1,927,582,998	1,492,361,540	1,703,815,232
Selling expenses		52,260,764	62,039,159	43,594,276	55,592,436
Administrative expenses		178,656,236	168,961,690	153,730,451	153,522,086
Exchange loss		1,822,767	-	3,193,943	-
Loss on investments in securities		36,598,191	-	36,598,191	-
Total expenses		2,016,814,819	2,158,583,847	1,729,478,401	1,912,929,754
Profit (loss) before share of loss from investments in associate, finance cost and income tax revenues (expenses)		(34,250,467)	(2,958,036)	(21,261,470)	1,627,309
Share of loss from investments in associate	16.2	(5,810,154)	-	-	-
Profit (loss) before finance cost and income tax revenues (expenses)		(40,060,621)	(2,958,036)	(21,261,470)	1,627,309
Finance cost		(12,673,616)	(5,094,301)	(11,432,188)	(3,768,772)
Loss before income tax revenues (expenses)		(52,734,237)	(8,052,337)	(32,693,658)	(2,141,463)
Income tax revenues (expenses)	30	8,098,351	(1,249,115)	8,471,533	(1,248,389)
Loss for the year		(44,635,886)	(9,301,452)	(24,222,125)	(3,389,852)
Other comprehensive income :					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods :</i>					
Loss on changes in value of available-for-sale investments - net of income tax	30	(5,845,835)	(148,997)	(5,845,835)	(148,997)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(5,845,835)	(148,997)	(5,845,835)	(148,997)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss) - net of income tax	30	3,892,705	(1,551,482)	2,700,547	(1,551,482)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		3,892,705	(1,551,482)	2,700,547	(1,551,482)
Other comprehensive income for the year		(1,953,130)	(1,700,479)	(3,145,288)	(1,700,479)
Total comprehensive income for the year		(46,589,016)	(11,001,931)	(27,367,413)	(5,090,331)

The accompanying notes are an integral part of the financial statements.

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014 (Restated)
Profit attributable to :					
Equity holders of the Company		(38,789,660)	(9,113,320)	(24,222,125)	(3,389,852)
Non-controlling interests of the subsidiaries		(5,846,226)	(188,132)		
		(44,635,886)	(9,301,452)		
Total comprehensive income attributable to :					
Equity holders of the Company		(41,279,261)	(10,813,799)	(27,367,413)	(5,090,331)
Non-controlling interests of the subsidiaries		(5,309,755)	(188,132)		
		(46,589,016)	(11,001,931)		
Earnings per share	32				
Basic loss per share					
Loss attributable to equity holders of the Company		(0.07)	(0.02)	(0.04)	(0.01)

The accompanying notes are an integral part of the financial statements.



Thai Luxe Enterprises Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity For the year ended 31 December 2015

(Unit : Baht)

	Consolidated financial statements										
	Equity attributable to owners of the Company										
						Other components of shareholders' equity					
						Other comprehensive income					
	Issued and fully paid-up share capital	Share premium - ordinary shares	Capital reserve for share-based payment transactions	Retained earnings		Surplus (deficit) on changes in value of available-for-sale investments	Surplus (deficit) on changes in the ownership interests in a subsidiary	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Appropriated				Un appropriated							
Balance as at 1 January 2014	436,173,033	298,808,030	41,479,200	56,845,152	507,201,828	715,278	-	715,278	1,341,222,521	233,529	1,341,456,050
Loss for the year - as restated	-	-	-	-	(9,113,320)	-	-	-	(9,113,320)	(188,132)	(9,301,452)
Other comprehensive income for the year - as restated	-	-	-	-	(1,551,482)	(148,997)	-	(148,997)	(1,700,479)	-	(1,700,479)
Total comprehensive income for the year	-	-	-	-	(10,664,802)	(148,997)	-	(148,997)	(10,813,799)	(188,132)	(11,001,931)
Share capital issued as a result of warrants exercise (Note 26)	10,821,554	16,232,331	-	-	-	-	-	-	27,053,885	-	27,053,885
Deficit on changes in the ownership interests in a subsidiary	-	-	-	-	-	-	(822,644)	(822,644)	(822,644)	822,644	-
Dividend paid (Note 35)	-	-	-	-	(28,351,248)	-	-	-	(28,351,248)	-	(28,351,248)
Balance as at 31 December 2014	446,994,587	315,040,361	41,479,200	56,845,152	468,185,778	566,281	(822,644)	(256,363)	1,328,288,715	868,041	1,329,156,756
Balance as at 1 January 2015	446,994,587	315,040,361	41,479,200	56,845,152	468,185,778	566,281	(822,644)	(256,363)	1,328,288,715	868,041	1,329,156,756
Loss for the year	-	-	-	-	(38,789,660)	-	-	-	(38,789,660)	(5,846,226)	(44,635,886)
Other comprehensive income for the year	-	-	-	-	3,356,234	(5,845,835)	-	(5,845,835)	(2,489,601)	536,471	(1,953,130)
Total comprehensive income for the year	-	-	-	-	(35,433,426)	(5,845,835)	-	(5,845,835)	(41,279,261)	(5,309,755)	(46,589,016)
Share capital issued as a result of warrants exercise (Note 26)	116,056,100	174,084,150	-	-	-	-	-	-	290,140,250	-	290,140,250
Purchases of investments in subsidiary (Note 15.1.1)	-	-	-	-	-	-	(234,554)	(234,554)	(234,554)	-	(234,554)
Sale of investments in subsidiary (Note 15.1.2)	-	-	-	-	-	-	4,735,268	4,735,268	4,735,268	16,892,286	21,627,554
Balance as at 31 December 2015	563,050,687	489,124,511	41,479,200	56,845,152	432,752,352	(5,279,554)	3,678,070	(1,601,484)	1,581,650,418	12,450,572	1,594,100,990

The accompanying notes are an integral part of the financial statements.

Thai Luxe Enterprises Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued) For the year ended 31 December 2015

(Unit : Baht)

	Separate financial statements							
	Issued and fully paid-up share capital	Share premium - ordinary shares	Capital reserve for share-based payment transactions	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
						Other comprehensive income	Total other components of shareholders' equity	
				Appropriated	Unappropriated			
Balance as at 1 January 2014	436,173,033	298,808,030	41,479,200	56,845,152	506,793,104	715,278	715,278	1,340,813,797
Loss for the year - as restated	-	-	-	-	(3,389,852)	-	-	(3,389,852)
Other comprehensive income for the year - as restated	-	-	-	-	(1,551,482)	(148,997)	(148,997)	(1,700,479)
Total comprehensive income for the year	-	-	-	-	(4,941,334)	(148,997)	(148,997)	(5,090,331)
Share capital issued as a result of warrants exercise (Note 26)	10,821,554	16,232,331	-	-	-	-	-	27,053,885
Dividend paid (Note 35)	-	-	-	-	(28,351,248)	-	-	(28,351,248)
Balance as at 31 December 2014	446,994,587	315,040,361	41,479,200	56,845,152	473,500,522	566,281	566,281	1,334,426,103
Balance as at 1 January 2015	446,994,587	315,040,361	41,479,200	56,845,152	473,500,522	566,281	566,281	1,334,426,103
Loss for the year	-	-	-	-	(24,222,125)	-	-	(24,222,125)
Other comprehensive income for the year	-	-	-	-	2,700,547	(5,845,835)	(5,845,835)	(3,145,288)
Total comprehensive income for the year	-	-	-	-	(21,521,578)	(5,845,835)	(5,845,835)	(27,367,413)
Share capital issued as a result of warrants exercise (Note 26)	116,056,100	174,084,150	-	-	-	-	-	290,140,250
Balance as at 31 December 2015	563,050,687	489,124,511	41,479,200	56,845,152	451,978,944	(5,279,554)	(5,279,554)	1,597,198,940

The accompanying notes are an integral part of the financial statements.

Thai Luxe Enterprises Public Company Limited and its subsidiaries

Cash flows statement For the year ended 31 December 2015

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014 (Restated)
Cash flows from operating activities				
Loss before tax	(52,734,237)	(8,052,337)	(32,693,658)	(2,141,463)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities :				
Depreciation and amortisation	103,466,299	90,643,624	97,255,690	83,694,505
Bad debts	763,892	1,628,579	763,892	1,628,579
Allowance for doubtful accounts (reversal)	(3,525,691)	6,490,396	(3,525,691)	6,490,396
Reduce cost of inventories to net realisable value	5,655,977	6,129,517	5,576,682	6,661,760
Write off on inventories	872,327	547,109	332,671	547,109
Unrealised loss (gain) on revaluation of trading securities	27,467,401	(8,815)	27,467,401	(8,815)
Loss (gain) on sales of trading securities	11,795,656	(16,331)	11,795,656	(16,331)
Gain on sales of available-for-sale securities	(2,421,652)	(2,934,692)	(2,421,652)	(2,934,692)
Gain on disposal of investments in subsidiary	-	-	(2,025,000)	-
Share of loss from investments in associate	5,810,154	-	-	-
Write-off on withholding tax	229,910	-	-	-
Gain on sale of investment property	-	(100,000)	-	(100,000)
Write off on plant and equipment	-	3,565,431	-	3,565,431
Loss (gain) on sales of equipment	(8,823,074)	503,762	(8,643,470)	1,130,858
Allowance for impairment loss on intangible asset	-	494,321	-	494,321
Provision for long-term employee benefits	76,457	3,636,747	2,021,664	3,031,307
Unrealised on exchange loss (gain)	(49,810)	865,936	(43,214)	842,567
Interest expenses	10,961,467	3,277,023	9,720,039	1,875,877
Profit from operating activities before changes in operating assets and liabilities	99,545,076	106,670,270	105,581,010	104,761,409
Operating assets (increase) decrease				
Trade and other receivables/long-term receivables	10,313,815	1,394,400	14,560,467	(908,951)
Inventories	(48,412,792)	(9,485,586)	(42,948,431)	(9,140,003)
Other current assets	(13,965,689)	5,650,020	568,092	6,308,799
Other non-current assets	(58,276)	(348,325)	(55,776)	(80,325)
Operating liabilities increase (decrease)				
Trade and other payables	(34,022,018)	(4,467,068)	(43,114,569)	(3,408,553)
Other current liabilities	(1,202,353)	(1,894,813)	(1,288,699)	(1,731,525)
Other non-current liabilities	(5,767,106)	(3,515,313)	(5,767,106)	(3,515,313)
Cash flows from operating activities	6,430,657	94,003,585	27,534,988	92,285,538
Cash paid for interest expenses	(2,616,886)	(3,423,369)	(1,980,870)	(2,006,268)
Cash paid for income tax	(7,244,120)	(11,737,207)	(7,226,874)	(11,708,940)
Net cash flows from (used in) operating activities	(3,430,349)	78,843,009	18,327,244	78,570,330

The accompanying notes are an integral part of the financial statements.

Thai Luxe Enterprises Public Company Limited and its subsidiaries

Cash flows statement (continued) For the year ended 31 December 2015

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014 (Restated)
Cash flows from investing activities				
Increase in restricted bank deposit	(6,611,870)	(40,338)	(6,611,870)	(40,338)
Purchases of current investments - trading securities	(351,541,217)	(40,332,400)	(351,541,217)	(40,332,400)
Cash receipt from sales of trading securities	248,705,028	40,000,000	248,705,028	40,000,000
Purchases of current investments - available-for-sale securities	(776,565,822)	(389,001,000)	(776,565,822)	(389,001,000)
Cash receipt from sales of available-for-sale securities	750,452,546	419,000,000	750,452,546	419,000,000
Purchases of other current investments	(477,235,646)	(60,000,000)	(314,737,466)	(60,000,000)
Cash receipt from sales of other current investments	160,000,000	-	160,000,000	-
Increase in short-term loans to related party	-	-	(160,000,000)	(10,000,000)
Cash receipt from repayment of short-term loans to related party	-	-	-	35,000,000
Increase in short-term loans to unrelated party	(96,300,628)	-	(96,300,628)	-
Increase in investments in subsidiary	(1,107,000)	-	(1,107,000)	(38,000,000)
Acquisition of investment in associate	(22,500,000)	-	(22,500,000)	-
Cash received from disposal of investments in subsidiary	22,500,000	-	22,500,000	-
Decrease in long-term investments	6,000,000	-	6,000,000	-
Cash paid for share subscriptions payment	-	-	(13,750,000)	-
Proceed from sale of investment property	-	600,000	-	600,000
Acquisition of property, plant and equipment	(64,714,856)	(175,359,251)	(52,720,513)	(174,867,328)
Proceed from sales of equipment	11,577,623	3,013,641	11,050,520	2,386,538
Acquisition of intangible assets	(213,157)	(1,722,676)	(155,157)	(1,722,676)
Net cash flows used in investing activities	(597,554,999)	(203,842,024)	(597,281,579)	(216,977,204)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	172,785,690	(14,595,210)	150,000,000	(2,033,654)
Decrease in accounts payable - trust receipts	(32,722,402)	(61,551,238)	(32,722,402)	(59,751,238)
Increase in short-term loans from unrelated parties	240,606,842	-	240,606,842	-
Repayment of liabilities under long-term lease agreements	(823,611)	(4,502,446)	(210,627)	(3,712,036)
Cash received from share subscriptions payment	11,250,000	-	-	-
Cash receipt from capital increase as a result of warrants exercise	290,140,250	27,053,885	290,140,250	27,053,885
Dividend paid	-	(28,351,248)	-	(28,351,248)
Net cash flows from (used in) financing activities	681,236,769	(81,946,257)	647,814,063	(66,794,291)
Net increase (decrease) in cash and cash equivalents	80,251,421	(206,945,272)	68,859,728	(205,201,165)
Cash and cash equivalents at beginning of year	28,241,201	235,186,473	23,743,760	228,944,925
Cash and cash equivalents at end of year	108,492,622	28,241,201	92,603,488	23,743,760

The accompanying notes are an integral part of the financial statements.

Thai Luxe Enterprises Public Company Limited and its subsidiaries

Cash flows statement (continued) For the year ended 31 December 2015

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014 (Restated)
Supplemental cash flows information				
Non-cash items				
Acquisition of equipment for which paid in advance	-	25,567,737	-	25,567,737
Acquisition of intangible assets for which paid in advance	268,000	-	-	-
Acquisition of equipment that have not yet been paid	3,086,639	8,108,795	1,795,780	8,108,795
Assets acquired under long-term lease agreements	2,406,950	-	2,406,950	-

The accompanying notes are an integral part of the financial statements.



1. General information

Thai Luxe Enterprises Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of feeds for aquatic animals and pets. The registered office of the Company is at 69/5 Moo 5 Rama 2 Road (Km. 71) Tambol Bangkhantaek, Amphur Muang, Samutsongkhram.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Thai Luxe Enterprises Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015 Percent	2014 Percent
Thai Luxe Food Products Co., Ltd.	Manufacturing and distributing of frozen food	Thailand	55	98
Thai Demeter Co., Ltd.	Distribution of raw material for animal feed	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

A. Financial reporting standards that became effective in the current year

The Company and its subsidiaries have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

The Company and its subsidiaries have changed the recognition of actuarial gains and losses in the current year from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income and adjusted the current year's transactions and restated the prior year's financial statements, presented as comparative information, as if the Company and its subsidiaries had always applied this accounting policy. The cumulative effect of changes in accounting policies is presented in Note 4 to the financial statements.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

IFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

IFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

B. Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. Cumulative effect of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3 to the financial statements, during the current year, the Company and its subsidiaries have changed some of their accounting policies, as a result of the adoption of new and revised financial reporting standards. The amounts of adjustments affecting the statement of comprehensive income are summarised below.

(Unit : Million Baht)

	For the year ended 31 December 2014	
	Consolidated / Separate financial statements	
Statements of comprehensive income		
Profit or loss :		
Decrease in actuarial loss		1.9
Increase in income tax expenses		0.4
Decrease in losses for the year		1.5
Other comprehensive income :		
Increase in actuarial loss - net of income tax		1.5
Increase in other comprehensive income		1.5
Earnings per share (Baht) :		
Decrease in basic loss per share		0.004



5. Significant accounting policies

5.1 Revenue recognition

Sales of goods

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

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Rental income

Rental incomes are recognised as revenue at the amounts as stipulated in the agreements on an accrual basis.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

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

5.3 Trade accounts receivable

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

5.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the first-in, first-out method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, packing materials, supplies and spare parts are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

5.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.

- d) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- e) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rate of government bond adjusted by an appropriate risk factor. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Company and its subsidiaries reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.6 Investment properties

The Company presented its land not being used in operation, land and building rented to a subsidiary company as investment properties. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation charges of building investment property are valued with reference to its costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment property is included in determining income.

No depreciation is provided for land investment properties.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

5.7 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives :

	The Company	Subsidiary
Buildings and building improvement	5, 10, 20 years	5, 20 years
Machinery and equipment	5, 10 years	5 years
Furniture and office equipment	5 years	3, 5 years
Motor vehicles	5 years	5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.8 Intangible assets

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The intangible assets with finite useful lives are as follows :

	The Company	Subsidiary
Computer software	10 years	3 years
Patent	8 years	-

5.9 Related party transactions

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

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



5.10 Long-term leases

Leases of vehicles which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

5.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

5.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Company and its subsidiary have obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

5.14 Provisions

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

5.15 Equity-settled share-based payment transactions

The Company recognise the share-based payment transactions at the date on which the options are granted, based on the fair value of the share options. They are recorded as expenses over the vesting period of the share options, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

Estimating fair value for share-based payment transactions requires determination relating to appropriate assumptions, including the expected life of the share options, share price volatility and dividend yield.

5.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

• *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 Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses 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 utilised.

At each reporting date, the Company and its subsidiaries review 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 utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows :

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from estimates. Significant judgements and estimates are as follows :



Leases

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

Allowance for doubtful accounts

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

Impairment of equity investments

The Company and its subsidiaries treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the 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 property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised 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 utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Equity-settled share-based payment transactions

Estimating fair value for share-based payment transactions requires determination relating to appropriate assumptions, including the expected life of the share options, share price volatility and dividend yield.

7. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and its subsidiaries.

(Unit : Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2015	2014	2015	2014	
Transactions with subsidiary companies (eliminated from the consolidated financial statements)					
Sales of raw materials	-	-	2	15	Market prices
Rental income	-	-	5	4	Contract prices
Interest income	-	-	3	2	4.8 percent per annum
Other income	-	-	1	1	Contract prices

As at 31 December 2015 and 2014, the balances of the accounts between the Company and its subsidiaries are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade and other receivables - related parties (Note 10)				
Subsidiaries	-	-	786	186
Total trade and other receivables - related parties	-	-	786	186
Trade and other payables - related party (Note 22)				
Subsidiary	-	-	16	66
Total trade and other payables - related party	-	-	16	66

Short-term loans to related party

As at 31 December 2015, the balance of loans between the Company and a subsidiary and the movement are as follows:

(Unit : Thousand Baht)

Loans to related party	Related by	Separate financial statements			
		Balance as at 1 January 2015	Increase during the year	Decrease during the year	Balance as at 31 December 2015
Thai Demeter Co., Ltd	Subsidiary	-	160,000	-	160,000
Total		-	160,000	-	160,000

The short-term loans to related party carried interest rates at 4.8 percent per annum.

Directors and management's benefits

During the years ended 31 December 2015 and 2014, the Company and its subsidiaries had employee benefit expenses payable to their directors and managements as below.

(Unit : Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	16	14	15	13
Post-employment benefits	1	1	1	1
Total	17	15	16	14

8. Cash and cash equivalents

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash	125	628	59	583
Bank deposits	108,367	27,613	92,544	23,161
Total	108,492	28,241	92,603	23,744

As at 31 December 2015, bank deposits in saving accounts carried interests between 0.1 and 0.7 percent per annum (2014: between 0.1 and 0.5 percent per annum).

9. Current investments

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Investments in trading securities - fair value	93,896	1,001	93,896	1,001
Investments in available-for-sale securities, cost	129,942	130,729	129,942	130,729
Add: Gain (loss) on changes in value of investments	(6,600)	708	(6,600)	708
Investments in available-for-sale securities, fair value	123,342	131,437	123,342	131,437
Others	377,236	60,000	214,737	60,000
Total	594,474	192,438	431,975	192,438

As at 31 December 2015, other current investments are bill of exchanges carrying interests at 4.2 - 5.4 percent per annum (2557 : 2.8 - 3.1 percent per annum).

During the year 2015, the Company sold available-for-sale securities with book values totalling Baht 747 million and recognised gains (after tax) on the sales amounting to Baht 2 million in profit or loss. This amount included gains transferred from gain on valuation of available-for-sale securities in other comprehensive income, amounting to Baht 0.6 million (after tax).

During the year 2014, the Company sold available-for-sale securities with book values totaling Baht 458 million and recognised gains (after tax) on the sales amounting to Baht 2 million in profit or loss. This amount included gains transferred from gain on valuation of available-for-sale securities in other comprehensive income, amounting to Baht 0.7 million (after tax).

10. Trade and other receivables/long-term receivables

10.1 Trade and other receivables

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade receivables - related party				
Aged on the basis of due dates				
Not yet due	-	-	21	130
Past due				
Up to 3 months	-	-	71	-
Total trade receivables - related party	-	-	92	130
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	115,235	109,721	98,420	101,363
Past due				
Up to 3 months	33,755	44,910	26,175	33,368
3 - 6 months	997	5,729	827	5,729
6 - 12 months	2,412	2,632	2,406	2,627
Over 12 months	1,942	1,765	1,923	1,751
Total	154,341	164,757	129,751	144,838
Less: Allowance for doubtful debts	(4,743)	(7,242)	(4,743)	(7,242)
Total trade receivables - unrelated parties, net	149,598	157,515	125,008	137,596
Total trade receivables - net	149,598	157,515	125,100	137,726
Other receivables				
Amounts due from related party	-	-	42	56
Amounts due from unrelated parties	209	26	1	-
Interest receivable - related party	-	-	652	-
Interest receivable - unrelated party	468	158	468	158
Total other receivables	677	184	1,163	214
Total trade and other receivables - net	150,275	157,699	126,263	137,940

10.2 Long-term receivables

These represent the balance of long outstanding debts due from various trade debtors against whom the Company has taken legal actions. As at 31 December 2015, the Company has set up an allowance for doubtful accounts amounting Baht 56 million (2014: Baht 57 million) in its accounts by taking into consideration the auction price and the value of the related collaterals.

11. Short-term loans to unrelated company

On 8 December 2015, a meeting of the Board of Directors of the Company passed a resolutions to approve a study of ways of investing in PPSN Co., Ltd., which is engaged in geothermal power generation business in Japan, and the provision of up to Baht 100 million of loans to this company, at an interest rates of 8 percent per annum.

Subsequently, on 22 December 2015, a meeting of the Board of Directors of the Company passed a resolution to approve investment in this company, and on 14 January 2016 the Company signed an investment proposal letter to agree to acquire this company at the price stated in the investment proposal letter.

As at 31 December 2015, the Company has loans to PPSN Co., Ltd. amounting to Baht 96 million (JPY 318 million) carrying interest at a rate of 8 percent per annum and maturing on demand.

12. Inventories

(Unit : Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2015	2014	2015	2014	2015	2014
Finished goods	64,661	45,841	(540)	(511)	64,121	45,330
Work in process	5,656	1,988	(550)	(69)	5,106	1,919
Raw materials	232,022	178,275	(12,410)	(2,725)	219,612	175,550
Raw materials in transit	39,289	60,773	-	-	39,289	60,773
Packing materials and supplies	17,123	21,201	(2,649)	(6,733)	14,474	14,468
Spare parts	27,275	30,409	(6,116)	(6,572)	21,159	23,837
Total	386,026	338,487	(22,265)	(16,610)	363,761	321,877

(Unit : Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2015	2014	2015	2014	2015	2014
Finished goods	57,196	38,831	-	-	57,196	38,831
Raw materials	227,034	174,398	(12,239)	(2,458)	214,795	171,940
Raw materials in transit	39,289	60,773	-	-	39,289	60,773
Packing materials and supplies	14,203	17,920	(2,649)	(6,398)	11,554	11,522
Spare parts	27,028	30,212	(6,116)	(6,571)	20,912	23,641
Total	364,750	322,134	(21,004)	(15,427)	343,746	306,707

During the current year, the Company reduced cost of inventories by Baht 6 million (2014 : Baht 7 million), to reflect the net realisable value. This was included in cost of sales. In addition, the subsidiary reduced cost of inventories by Baht 1 million (2014 : Nil), to reflect the net realisable value. This was included in cost of sales. In addition, the subsidiary reversed the write-down of cost of inventories by Baht 1 million (2014: Baht 1 million), and reduced the amount of inventories recognised as cost of sales during the year.

13. Other current assets

As at 31 December 2015, other current assets in the consolidated financial statements included a deposit of Baht 15 million that Thai Luxe Food Products Co., Ltd., a subsidiary, paid to acquire the assets and restaurant trademark of an unrelated company, in accordance with a memorandum of understanding dated 25 September 2015. Subsequently, this company entered into a memorandum of agreement dated 15 February 2016, to cancel the memorandum of understanding and agreed to return the deposit within 45 days from the date of the memorandum of agreement.

14. Restricted bank deposits

These represent fixed deposits pledged with the banks to guaranteed electricity use.

15. Investments in subsidiaries

15.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit : Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Provision for impairment of investments		Carrying amounts based on cost method - net	
	2015	2014	2015 (%)	2014 (%)	2015	2014	2015	2014	2015	2014
Thai Luxe Food Products Co.,Ltd.	100,000	100,000	55.0	97.8	39,288	70,311	(14,274)	(25,929)	25,014	44,382
Thai Demeter Co.,Ltd.	3,000	3,000	100.0	100.0	3,000	3,000	-	-	3,000	3,000
Total					42,288	73,311	(14,274)	(25,929)	28,014	47,382



15.1.1 On 28 July 2015, the Company invested in 221,400 additional ordinary shares of Thai Luxe Food Products Company Limited, at a price of Baht 5 per share, or for a total of Baht 1.1 million. As a result, the Company's shareholding in this subsidiary increased from 97.8 percent to 100 percent. The Company recognised the difference of Baht 0.2 million between the cost of the investment and the book value of its interest in this subsidiary under the caption of "Deficit on changes in the ownership interests in a subsidiary" in shareholders' equity in the consolidated financial statements.

15.1.2 On 6 August 2015, the Company entered into an agreement to sell 4.5 million of ordinary shares of Thai Luxe Food Products Company Limited at a price of Baht 5 per share to an unrelated party, or for a total of Baht 22.5 million. As a result, the Company's shareholding in this subsidiary decreased from 100 percent to 55 percent. The Company recognised the difference of Baht 4.7 million between the selling price and the book value of its interest in this subsidiary under the caption of "Surplus on changes in the ownership interests in a subsidiary" in shareholders' equity in the consolidated financial statement and recognised gain on disposal of this investments amounting to Baht 2 million in profit or loss in the separate financial statements.

15.1.3 On 9 September 2015, the Extraordinary General Meeting of the shareholders of Thai Luxe Food Products Co., Ltd., passed a resolution to approve a Baht 100 million (10 million ordinary shares with a par value of Baht 10 each) increase in its registered share capital to Baht 200 million (20 million ordinary shares with a par value of Baht 10 each), through the issuance of 10 million new ordinary shares with a par value of Baht 10 each, amounting to Baht 100 million, to be allocated to the shareholders proportionately to their existing shareholdings. A meeting of the Company's Board of Directors passed a resolution approving the purchase of 5.5 million of the new ordinary shares, amounting to Baht 55 million, in order to maintain the Company's existing shareholding. As at 31 December 2015, the Company had already paid up Baht 14 million, or 25 percent of the additional registered share capital. The uncalled portion of share capital which is the Company's commitment is Baht 41 million. This subsidiary registered the registered capital increase with the Commerce Ministry on 10 February 2016.

15.1.4 During the years ended 31 December 2015 and 2014, no dividends were received from the investments in subsidiaries.

15.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit : Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Loss allocated to non-controlling interests during the year	
	2015 (%)	2014 (%)	2015	2014	2015	2014
Thai Luxe Food Products Co., Ltd.	45.0	2.2	12.5	0.9	(5.8)	(0.2)
Total			12.5	0.9	(5.8)	(0.2)

15.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that have material non-controlling

Summarised information about financial position

(Unit : Million Baht)

	Thai Luxe Food Products Co., Ltd.	
	2015	2014
Current assets	75	38
Non-current assets	38	32
Current liabilities	59	26
Non-current liabilities	26	4

Summarised information about comprehensive income

(Unit : Million Baht)

	For the years ended 31 December	
	Thai Luxe Food Products Co., Ltd.	
	2015	2014
Revenue	281	249
Loss for the year	(13)	(5)
Other comprehensive income	1	-
Total comprehensive income	(12)	(5)

Summarised information about cash flow

(Unit : Million Baht)

	For the years ended 31 December	
	Thai Luxe Food Products Co., Ltd.	
	2015	2014
Cash flow used in operating activities	(22)	-
Cash flow used in investing activities	(12)	-
Cash flow from (used in) financing activities	47	(2)
Net increase (decrease) in cash and cash equivalents	13	(2)

16. Investments in associate

16.1 Details of associate :

(Unit : Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated/Separate financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2015	2014	2015	2014	2015	2014
			%	%				
NPP Food Incorporation Co., Ltd.	Distribution of food and beverage	Thailand	45.0	-	45,000	-	39,190	-
Total					45,000	-	39,190	-

On 27 August 2015, a meeting of the Board of Directors of the Company passed a resolution to establish NPP Food Incorporation Co., Ltd, to engage in the distribution of food and beverages, with a registered share capital of Baht 100 million (10 million ordinary shares with a par value of Baht 10 each). This company registered its incorporation with the Ministry of Commerce on 25 September 2015. The Company holds a 45 percent interest in this company and has paid up Baht 22.5 million or 50% of the its shareholding.

On 9 December 2015, the associated company has called up remaining shares of Baht 22.5 million. As at 31 December 2015, the Company had not paid such share.

16.2 Share of comprehensive income

During the year, the Company has recognised its share of loss from investments in associate company in the consolidated financial statement amounting to Baht 6 million.

16.3 Summarised financial information about material associate

Summarised information about financial position

(Unit : Million Baht)

	NPP Food Incorporation Company Limited
	2015
Current assets	32
Non-current assets	96
Current liabilities	41
Net assets	87
Shareholding percentage (%)	45
Carrying amounts of associate based on equity method	39

Summarised information about comprehensive income

(Unit : Million Baht)

	For the year ended 31 December 2015	
	NPP Food Incorporation Company Limited	
	2015	
Loss for the year	13	
Other comprehensive income	-	
Total comprehensive income	13	

17. Other long-term investments:

(Unit : Thousand Baht)

	Consolidated/Separate financial statements	
	2015	2014
Investments in held-to-maturity debt securities	2,000	8,000
Other investment	5,000	5,000
Less: Provision for impairment of investment	(1,550)	(1,550)
Other investment - net	3,450	3,450
Total	5,450	11,450

18. Investment properties

The net book value of investment properties as at 31 December 2015 and 2014 are presented below.

(Unit : Thousand Baht)

	Consolidated financial statements	Separate financial statements		
	Land not being used in operation	Land not being used in operation/ land for rent	Office building for rent	Total
31 December 2015				
Cost	3,917	10,928	38,417	49,345
Less Accumulated depreciation	-	-	(37,549)	(37,549)
Less Allowance for diminution in value	(552)	(552)	-	(552)
Net book value	3,365	10,376	868	11,244
31 December 2014				
Cost	3,917	10,928	38,417	49,345
Less Accumulated depreciation	-	-	(35,628)	(35,628)
Less Allowance for diminution in value	(552)	(552)	-	(552)
Net book value	3,365	10,376	2,789	13,165

The reconciliations of the net book value of investment properties for the years 2015 and 2014 are presented below.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Net book value at beginning of year	3,365	3,865	13,165	15,586
Disposals - net book value	-	(500)	-	(500)
Depreciation charged	-	-	(1,921)	(1,921)
Net book value at end of year	3,365	3,365	11,244	13,165

The fair value of the investment properties as at 31 December 2015 and 2014 stated below:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Land not being used in operation/ land for rent	10,298	13,671	32,793	39,961
Office building for rent	-	-	32,105	46,200

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent value. The fair value of the land not being used in operation has been determined based on market prices, while that of the land and office using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

19. Property, plant and equipment

(Unit : Thousand Baht)

	Consolidated financial statements						
	Land and improvement	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress	Total
Cost :							
1 January 2014	110,046	394,066	776,948	49,195	65,852	280,547	1,676,654
Additions	1,149	11,516	7,212	3,211	-	185,947	209,035
Disposals/write - off	-	(10,527)	(3,873)	(880)	(12,656)	-	(27,936)
Transfers	7,450	191,658	19,253	3,973	-	(222,334)	-
31 December 2014	118,645	586,713	799,540	55,499	53,196	244,160	1,857,753
Additions	755	10,031	17,815	2,741	3,249	35,617	70,208
Disposals	-	-	(340)	(925)	(22,444)	-	(23,709)
Transfers	-	20,617	252,961	120	-	(273,698)	-
31 December 2015	119,400	617,361	1,069,976	57,435	34,001	6,079	1,904,252
Accumulated depreciation :							
1 January 2014	-	239,745	546,048	38,443	51,745	-	875,981
Depreciation for the year	-	25,953	52,085	4,738	6,261	-	89,037
Depreciation on disposals/write - off	-	(4,773)	(2,544)	(880)	(12,656)	-	(20,853)
31 December 2014	-	260,925	595,589	42,301	45,350	-	944,165
Depreciation for the year	-	27,703	66,219	5,006	3,292	-	102,220
Depreciation on disposals	-	-	(339)	(921)	(19,694)	-	(20,954)
31 December 2015	-	288,628	661,469	46,386	28,948	-	1,025,431
Allowance for impairment loss :							
31 December 2014	209	2,300	1,758	-	-	-	4,267
31 December 2015	209	2,300	1,758	-	-	-	4,267
Net book value :							
31 December 2014	118,436	323,488	202,193	13,198	7,846	244,160	909,321
31 December 2015	119,191	326,433	406,749	11,049	5,053	6,079	874,554

Depreciation for the year

2014 (Baht 56 million included in manufacturing cost, and the balance in administrative expenses)

89,037

2015 (Baht 67 million included in manufacturing cost, and the balance in administrative expenses)

102,220

(Unit : Thousand Baht)

	Separate financial statements						
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress	Total
Cost :							
1 January 2014	103,035	343,106	722,041	41,776	55,348	280,456	1,545,762
Additions	1,149	11,494	6,179	2,773	1,100	185,849	208,544
Disposals/write - off	-	(10,528)	(3,872)	(840)	(6,375)	-	(21,615)
Transfers	7,450	191,559	19,253	3,973	-	(222,235)	-
31 December 2014	111,634	535,631	743,601	47,682	50,073	244,070	1,732,691
Additions	755	9,043	13,099	1,994	3,249	28,783	56,923
Disposals	-	-	(340)	(920)	(21,953)	-	(23,213)
Transfers	-	20,616	246,490	120	-	(267,226)	-
31 December 2015	112,389	565,290	1,002,850	48,876	31,369	5,627	1,766,401
Accumulated depreciation :							
1 January 2014	-	198,852	513,064	32,757	44,622	-	789,295
Depreciation for the year	-	22,922	48,258	3,932	5,056	-	80,168
Depreciation on disposals/write-off	-	(4,773)	(2,544)	(840)	(6,375)	-	(14,532)
31 December 2014	-	217,001	558,778	35,849	43,303	-	854,931
Depreciation for the year	-	24,777	62,303	4,244	2,870	-	94,194
Depreciation on disposals	-	-	(339)	(920)	(19,546)	-	(20,805)
31 December 2015	-	241,778	620,742	39,173	26,627	-	928,320
Allowance for impairment loss :							
31 December 2014	209	2,300	1,758	-	-	-	4,267
31 December 2015	209	2,300	1,758	-	-	-	4,267
Net book value :							
31 December 2014	111,425	316,330	183,065	11,833	6,770	244,070	873,493
31 December 2015	112,180	321,212	380,350	9,703	4,742	5,627	833,814

Depreciation for the year

2014 (Baht 51 million included in manufacturing cost, and the balance in administrative expenses)

80,168

2015 (Baht 62 million included in manufacturing cost, and the balance in administrative expenses)

94,194

As at 31 December 2015, the Company and its subsidiary had equipment and motor vehicles with net book values of Baht 4 million (2014: Baht 2 million), which were acquired under financial lease agreements (The Company only: Baht 3 million, 2014: Nil).

As at 31 December 2015, certain items of buildings and equipment of the Company and its subsidiary were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 580 million (2014: Baht 452 million) (The Company only: Baht 540 million, 2014: Baht 426 million).

20. Intangible assets

The net book value of intangible assets as at 31 December 2015 and 2014 are presented below.

(Unit : Thousand Baht)

	Consolidated financial statements					
	2015			2014		
	Computer software	Patent	Total	Computer software	Patent	Total
Cost	15,944	470	16,464	15,513	470	15,983
Less Accumulated amortisation	(6,923)	(128)	(7,052)	(5,737)	(70)	(5,807)
Less Allowance for impairment	(494)	-	(494)	(494)	-	(494)
Net book value	8,577	342	8,918	9,282	400	9,682

(Unit : Thousand Baht)

	Separate financial statements					
	2015			2014		
	Computer software	Patent	Total	Computer software	Patent	Total
Cost	15,668	470	16,138	15,513	470	15,983
Less Accumulated amortisation	(6,819)	(128)	(6,947)	(5,737)	(70)	(5,807)
Less Allowance for impairment	(494)	-	(494)	(494)	-	(494)
Net book value	8,355	342	8,697	9,282	400	9,682

The reconciliation of the net book value of intangible assets for the years 2015 and 2014 are presented below.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Net book value at beginning of year	9,682	10,059	9,682	10,059
Acquisition	481	1,723	155	1,723
Amortisation	(1,255)	(1,606)	(1,140)	(1,606)
Impairment loss	-	(494)	-	(494)
Net book value at end of year	8,918	9,682	8,697	9,682

21. Bank overdrafts and short-term loans from financial institutions

(Unit : Thousand Baht)

	Interest rate (% per annum)	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Bank overdrafts	MOR	4,516	2,730	-	-
Short-term loans from financial institutions	3.2 - 5.0	180,000	9,000	150,000	-
Total		184,516	11,730	150,000	-

22. Trade and other payables

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade payables - unrelated parties	116,919	148,152	102,001	138,899
Other payables - related party	-	-	16	66
Other payables - unrelated parties	9,735	5,129	7,183	4,661
Other payables for purchases of machinery	3,087	8,109	1,796	8,109
Accrued expenses	24,565	23,224	19,441	19,999
Total trade and other payables	154,306	184,614	130,437	171,734

23. Short-term loans from unrelated parties

The outstanding balance of short-term loans from unrelated parties represented bill of exchanges, maturing within six-month and carrying interest rate at 4.3 - 5.8 percent per annum with no collateral.

24. Liabilities under long-term lease agreements

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Liabilities under long-term lease agreements	2,523	643	2,523	-
Less: Deferred interest expenses	(278)	(30)	(278)	-
Total	2,245	613	2,245	-
Less : Portion due within one year	(816)	(613)	(816)	-
Liabilities under long-term lease agreements - net of current portion	1,429	-	1,429	-

The Company and its subsidiaries have entered into the long-term lease agreements with leasing companies for rental of equipment and motor vehicles for use in their operation, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 2 and 4 years. Long-term lease agreements are non-cancelable.

Future minimum lease payments required under the long-term lease agreements were as follows:

(Unit : Million Baht)

	Consolidated financial statements					
	Less than 1 year		1 - 4 years		Total	
	2015	2014	2015	2014	2015	2014
Future minimum lease payments	1	1	1	-	2	1
Deferred interest expenses	-	-	-	-	-	-
Present value of future minimum lease payments	1	1	1	-	2	1

(Unit : Million Baht)

	Separate financial statements					
	Less than 1 year		1 - 4 years		Total	
	2015	2014	2015	2014	2015	2014
Future minimum lease payments	1	-	1	-	2	-
Deferred interest expenses	-	-	-	-	-	-
Present value of future minimum lease payments	1	-	1	-	2	-

25. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company and subsidiary and other long-term employee benefit plan, namely long service awards, were as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Provision for long-term employee benefits at beginning of year	21,430	19,369	17,081	15,625
Included in profit or loss:				
Current service cost	2,050	1,895	1,552	1,431
Interest cost	596	791	434	650
Actuarial (gain) loss	35	(259)	35	(259)
Past service costs and gains or losses on settlement	(2,604)	1,210	-	1,210
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(3,823)	(949)	(3,708)	(949)
Financial assumptions changes	614	1,806	321	1,806
Experience adjustments	(1,657)	1,082	11	1,082
Benefits paid during the year	(5,767)	(3,515)	(5,767)	(3,515)
Provision for long-term employee benefits at end of year	10,874	21,430	9,959	17,081

Long-term employee benefit expenses included in the profit or loss consist of the following :

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost of sales	(1,327)	1,274	750	1,152
Selling and administrative expenses	1,404	2,363	1,271	1,880
Total expenses recognised in profit or loss	77	3,637	2,021	3,032

The Company and its subsidiary expect to pay Baht 0.5 million of long-term employee benefits during the next year (Separate financial statements: Baht 0.5 million) (2014: Baht 1.4 million, separate financial statements: Baht 1.2 million).

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 10 years (Separate financial statements: 10 years) (2014: 12 - 14 years, separate financial statements: 12 years).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.5	3.0, 4.2	2.5	3.0
Salary increase rate	5.0	3.0, 5.0	5.0	5.0
Turnover rate	15.0 - 35.0	5.0 - 40.0	15.0 - 35.0	5.0 - 40.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (Increase/decrease 1%)	(762)	851	(666)	740
Salary increase rate (Increase/decrease 1%)	636	(529)	529	(435)
Turnover rate (Increase/decrease 20%)	(1,010)	1,309	(915)	1,175

26. Share capital

During the years 2014 and 2015, warrants were exercised to purchase new ordinary shares as follows:

	Consolidated/Separate financial statements		
	Increase in paid up share capital from warrants exercise	Increase in share premium - ordinary shares from warrants exercise	Date of registration of additional shares from warrants exercise with the Ministry of Commerce
	(Thousand Baht)	(Thousand Baht)	
Outstanding as at 1 January 2014	436,173	298,808	6 October 2014
Exercised during September 2014	10,822	16,232	
Outstanding as at 31 December 2014	446,995	315,040	27 February 2015
Exercised during February 2015	116,056	174,084	
Outstanding as at 31 December 2015	563,051	489,124	

27. Warrants

The Company has granted warrants to its existing shareholders (TLUXE-W2), and directors, management and employees (TLUXE-ESOP2), for no consideration. A summary of the warrants granted is presented below.

	TLUXE-W2	TLUXE-ESOP2
Approved by	Extraordinary General Meeting of the Shareholders No. 1/2011	Annual General Meeting of the Shareholders No. 1/2011
Date of original grant	21 February 2011	21 July 2011
No. of warrants granted (units)	169,000,000	19,000,000*
Life of warrants (years)	4	4
Exercisable	Semi-annually	Semi-annually
First exercise date	30 March 2012	30 September 2013
Final exercise date	20 February 2015	20 July 2015
Exercise price per 1 ordinary share (Baht)	2.50	2.50
Exercise ratio (warrant to ordinary share)	1:1	1:1

* On 21 July 2011, which was the date that the warrants were issued, the Company allocated 18.5 million warrants of TLUXE-ESOP2 to the directors, management and employees of the Company. The Company cancelled 0.5 million unallocated warrants at a later date.

On 5 February 2015, the Company issued a memorandum of agreement to those directors, management and employees holding TLUXE-ESOP2 warrants who have yet to exercise all of their holdings, resolving to change the exercise date of the warrants from 31 March 2015 and the final exercise date of the warrants from 20 July 2015 to 20 February 2015. All warrant holders who had yet to exercise all of their warrants approved this memorandum of agreement.

Presented below was a summary of warrants activity :

(Unit : Thousand Unit)

	TLUXE-W2	TLUXE-ESOP2
Number of warrants issued	168,999	19,000
Exercised during the year 2012 and 2014	(61,741)	(4,803)
Write-off during the year 2011 to 2014*	-	(4,210)
Outstanding of warrants as at 31 December 2014	107,258	9,987
Exercised during 1 January 2015 to the final exercise date for warrants (20 February 2015)	(106,599)	(9,457)
Write-off during the period*	-	(530)
Outstanding of expired warrants	659	-

*The Company wrote-off unallocated TLUXE-ESOP2 and TLUXE-ESOP2 of its directors, management and employees that were not eligible for the privilege because they had resigned before the warrants expired.

28. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

29. Expenses by nature

Significant expenses classified by nature are as follow:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Salaries and wages and other employee benefits	152,410	154,836	99,508	108,584
Depreciation	102,220	89,037	96,115	82,089
Raw materials and consumables used	1,394,913	1,581,041	1,245,354	1,453,376
Changes in inventories of finished goods and work in process	(22,488)	21,009	(18,365)	23,670

30. Income tax

Income tax expenses (revenues) for the years ended 31 December 2015 and 2014 are made up as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014 (Restated)
Current income tax :				
Current income tax charge	-	3,802	-	3,787
Adjustment in respect of income tax of previous year	-	10	-	10
Deferred tax :				
Relating to origination and reversal of temporary differences	(8,098)	(2,563)	(8,472)	(2,549)
Income tax expense (revenues) reported in the statement of comprehensive income	(8,098)	1,249	(8,472)	1,248

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014 (Restated)
Deferred tax on loss from the change in value of available-for-sale investments	1,461	37	1,461	37
Deferred tax on actuarial (gain) loss	(973)	388	(675)	388
	488	425	786	425

The reconciliation between accounting loss and income tax expense is shown below.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014 (Restated)
Accounting loss before tax	(52,734)	(8,052)	(32,694)	(2,141)
Applicable tax rate (percent)	20	20	20	20
Accounting loss before tax multiplied by income tax rate	(10,547)	(1,610)	(6,539)	(428)
Adjustment in respect of income tax of previous year	-	10	-	10
Share of loss from investments in associate	1,162	-	-	-
Effects of :				
Unused tax loss	2,763	944	-	-
Non-deductible expenses	704	2,336	608	2,032
Additional expense deductions allowed	(210)	(431)	(210)	(366)
Others	(1,970)	-	(2,331)	-
Total	1,287	2,849	(1,933)	1,666
Income tax expenses (revenues) reported in the statement of comprehensive income	(8,098)	1,249	(8,472)	1,248

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

(Unit : Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Deferred tax assets				
Unrealised loss from revaluation of trading securities	5,494	-	5,494	-
Unrealised loss from revaluation of available-for-sale securities	1,320	-	1,320	-
Allowance for doubtful accounts	12,204	12,909	12,204	12,909
Allowance for diminution in value of inventories	4,453	3,322	4,201	3,086
Allowance for impairment on plant and equipment	34	72	34	72
Allowance for impairment on intangible asset	3	99	3	99
Provision for long-term employee benefits	2,175	4,286	1,992	3,416
Unused tax loss	6,788	3,338	3,450	-
Total	32,471	24,026	28,698	19,582
Deferred tax liabilities				
Unrealised gain from revaluation of available-for-sale securities	-	142	-	142
Total	-	142	-	142
Deferred tax assets - net	32,471	23,884	28,698	19,440

During the year 2015, the subsidiary write-off unused tax losses amounting to approximately Baht 19 million, as was assessed by tax officers. The subsidiary had not recognised such unused tax losses as the deferred tax assets.

As at 31 December 2015 the subsidiary has unused tax losses totaling Baht 35 million (2014: Baht 40 million), on which deferred tax assets have not been recognised as the subsidiary believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 35 million will expire by 2020.

31. Promotional privileges

The Company has received promotional privileges which approved by the Board of Investment for the manufacture and distribution of feeds for aquatic animals, pursuant to the investment promotion certificate No. 2091 (2)/2554 issued on 31 August 2011. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (1 June 2012) with the corporate income tax exempted capped at the amount of capital investment made, excluding in land and working capital. They also include a reduction of import duty on imported machinery as approved by the Board of Investment and an exemption from income tax on dividend paid to the shareholders from the profit of the promoted activities during the corporate income tax exemption period.

In addition, the Company has received promotional privileges which approved by the Board of Investment for the manufacture and distribution of feeds for aquatic animals, pursuant to the investment promotion certificate No. 1856 (2)/2556 issued on 19 May 2013 and the investment promotion certificate No. 1131 (2)/2558 issued on 4 February 2015. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (the investment promotion certificate No. 1856(2)/2556 has not yet generated revenues and the investment promotion certificate No. 1311(2)/2558 has revenues generate on 30 April 2015) with the corporate income tax exempted capped at the amount of capital investment made, excluding in land and working capital. They also include a reduction of import duty on imported machinery as approved by the Board of Investment, an exemption from income tax on dividend paid to the shareholders from the profit of the promoted activities during the corporate income tax exemption period, and permission to deduct 25 percent of the amount in invested in the installation of facilities in addition to normal depreciation.

A subsidiary has received promotional privileges which approved by the Board of Investment for the manufacture of feeds for aquatic animals and frozen food, pursuant to the investment promotion certificate No. 2106(2)/2554 issued on 7 September 2011. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (has not start tax privileges) with the corporate income tax exempted capped at the amount of capital investment made, excluding in land and working capital. They also include a reduction of import duty on imported machinery as approved by the Board of Investment, an exemption from income tax on dividend paid to the shareholders from the profit of the promoted activities during the corporate income tax exemption period.

The Company's operating revenues for the years ended 31 December 2015 and 2014, divided between promoted and non-promoted operations, are summarised below.

(Unit : Thousand Baht)

	Promoted operations		Non-promoted operations		Total	
	2015	2014	2015	2014	2015	2014
Sales						
Domestic sales	-	6,099	1,673,266	1,863,277	1,673,266	1,869,376
Export sales	-	-	-	19,567	-	19,567
Total sales	-	6,099	1,673,266	1,882,844	1,673,266	1,888,943

32. Earnings per share

Basic loss per share is calculated by dividing loss for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic and diluted earnings per share:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014 (Restated)
Loss for the year attributable to equity holders of the Company (Thousand Baht)	(38,790)	(9,113)	(24,222)	(3,390)
Weighted average number of ordinary shares (Thousand shares)	548,077	438,931	548,077	438,931
Loss per share (Baht)	(0.07)	(0.02)	(0.04)	(0.01)

There is no disclosure of diluted earnings per share in the financial statements for the year ended 31 December 2014 as the diluted earnings per share is antidilutive.

33. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Board of Directors.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and have three reportable segments as follows:

1. Aquatic animal feed segment
2. Pets food segment
3. Manufacturing and distributing frozen food segment

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and loss information regarding the Company's and its subsidiaries' operating segments for the years ended 31 December 2015 and 2014, respectively.

(Unit : Million Baht)

	Aquatic animal feed		Pets food		Manufacturing and distributing frozen food		Total segments		Eliminations		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014 (Restated)
External customers	1,627	1,890	47	-	278	244	1,952	2,134	-	-	1,952	2,134
Total revenues	1,627	1,890	47	-	278	244	1,952	2,134	-	-	1,952	2,134

Results

Segment profit (loss)	(6)	(24)	(13)	-	(15)	(5)	(34)	(29)	6	5	(28)	(24)
Other income											30	18
Gain (loss) on investments in securities											(36)	3
Share of loss from investments in associate											(6)	-
Finance cost											(13)	(5)
Loss before income tax expenses											(53)	(8)
Income tax revenue (expenses)											8	(1)
Loss for the year											(45)	(9)
Loss attribute to non-controlling interest of the subsidiary											6	-
Loss for the year attribute to equity holders of the Company											(39)	(9)

Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the years 2015 and 2014, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

34. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by American International Assurance Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 amounting to approximately Baht 1 million (2014 : Baht 2 million) were recognised as expenses.

35. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2013	Annual General Meeting of the shareholders on 25 April 2014	28	0.07
Total for 2014		28	0.07

36. Commitments and contingent liabilities

36.1 Capital Commitments

As at 31 December 2015, the Company had capital commitments of approximately Baht 4 million (2014: Baht 5 million), relating to the construction building, acquisition and installation of machinery and equipment.

36.2 Lease and services commitments

The Company and subsidiary have entered into several lease agreements in respect of office building space and service agreement, equipment rental and management service agreement. The terms of the agreements are generally between 1 and 4 years.

Future minimum lease payments required under these non-cancellable leases and services contracts were as follows.

(Unit : Million Baht)

	As at 31 December	
	2015	2014
Payable :		
In up to 1 year	7	1
In over 1 and up to 3 years	6	1

36.3 Other commitments

On 17 August 2015, the Company entered into an agreement to be a manufacturer of pets food for a company. The Company is committed to the terms indicated in the agreement. The term of the agreement is 3 years. During the year 2015, the Company had revenues under such agreement amounting to approximately Baht 47 million.

36.4 Guarantees

As at 31 December 2015, there were outstanding bank guarantees of approximately Baht 10 million (2014 : Baht 3 million), issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee are relating to guarantee electricity use.

37. Fair value hierarchy

As at 31 December 2015, the Company had the assets that were measured at fair value using different levels of inputs as follows:

(Unit : Million Baht)

	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Equity instruments	94	-	-	94
Available-for-sale investments				
Equity Instruments	103	-	-	103
Debt instruments	-	20	-	20
Assets for which fair value are disclosed				
Investment properties	-	10	-	10

(Unit : Million Baht)

	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Equity instruments	94	-	-	94
Available-for-sale investments				
Equity instruments	103	-	-	103
Debt instruments	-	20	-	20
Assets for which fair value are disclosed				
Investment properties	-	10	55	65

During the current year, there were not transfer within the fair value hierarchy.

38. Financial instruments

38.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, investments, trade and other receivables, loans, bank overdrafts and short-term loans from financial institutions, trust receipts, trade and other payables and liabilities under long-term lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

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

Interest rate risk

The Company and its subsidiaries are exposure to interest rate risk relates primarily to its cash at banks, investments, loans, bank overdrafts and short-term loans from financial institutions, trust receipts and liabilities under long-term lease agreements. Most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit : Million Baht)

	Consolidated financial statements											
	Fixed interest rates				Floating interest rate		Non-interest bearing		Total		Effective interest rate	
	Within 1 year		Over 5 years									
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Financial Assets											(% p.a.)	(% p.a.)

(Unit : Million Baht)

	Separate financial statements												
	Fixed interest rates				Floating interest rate		Non-interest bearing		Total		Effective interest rate		
	Within 1 year		Over 5 years										
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
Financial Assets Cash and cash equivalents Current investments Trading securities Available-for-sale securities Others Trade and other receivables Short-term loans to related party Short-term loans to unrelated party Restricted bank deposits Other long-term investments												(% p.a.)	(% p.a.)
	-	-	-	-	86	19	7	5	93	24	0.1 - 0.7	0.1 - 0.5	
	-	-	-	-	-	-	94	1	94	1	-	-	
	-	-	-	-	-	-	123	131	123	131	-	-	
	215	60	-	-	-	-	-	-	215	60	4.2 - 5.1	2.8 - 3.1	
	-	-	-	-	-	-	126	138	126	138	-	-	
	160	-	-	-	-	-	-	-	160	-	4.8	-	
	96	-	-	-	-	-	-	-	96	-	8.0	-	
	8	1	-	-	-	-	-	-	8	1	1.0	1.4	
	-	6	2	2	-	-	3	3	5	11	4.4	3.3 - 4.4	
	479	67	2	2	86	19	353	278	920	366			
Financial liabilities Bank overdrafts and short-term loans from financial institutions Trust receipts Trade and other payables Short-term loans from unrelated parties Liabilities under long-term lease agreements													
	150	-	-	-	-	-	-	-	150	-	3.2 - 3.3	-	
	-	-	-	-	78	111	-	-	78	111	1.4 - 1.6	1.6 - 1.8	
	-	-	-	-	-	-	130	172	130	172	-	-	
	248	-	-	-	-	-	-	-	248	-	4.3 - 5.8	-	
	2	-	-	-	-	-	-	-	2	-	4.5 - 8.5	-	
	400	-	-	-	78	111	130	172	608	283			

Foreign currency risk

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

As at 31 December 2015 and 2014, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Financial liabilities as at 31 December		Average exchange rate as at 31 December	
	2015 (Million)	2014 (Million)	2015	2014
			(Baht per 1 foreign currency unit)	
US dollar	3	5	36.09	32.96
Japanese yen	2	-	0.30	0.27

The Company and its subsidiary had foreign exchange contracts outstanding are summarised below.

2015

Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	1.6	-	36.24 - 36.29	-	5 July 2016

2014

Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	-	0.6	-	32.21 - 33.08	5 February 2015 - 27 May 2015

38.2 Fair values of financial instruments

Since the majority of the Company and its subsidiary's financial instruments are short-term in nature. Loans given to and loans from others mostly bear interest rates close to the market rates, their fair value is not expected to be materially different from the amounts presented in statements of financial position.



39. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2015, the Group's debt-to-equity ratio was 0.45:1 (2014: 0.25:1) and the Company's was 0.40:1 (2014: 0.23:1).

40. Event after the reporting period

40.1 In January 2016, the Company provided an additional loan of JPY 387 million to PPSN Co., Ltd, carrying interest at a rate of 8 percent per annum and payable on demand, because the Company intends to invest in the geothermal power generator business in Japan through a 100 percent holding in this company.

40.2. On 28 January 2016, the Extraordinary General Meeting of the shareholders of the Company passed a resolution to approve the issue and offering of Baht 1,500 million of debentures. In addition, during February 2016, the Company issued Baht 700 million of debentures were registered, unsubordinated, unsecured debentures without a debenture holders' representative, which mature on 4 August 2016 and 20 November 2017 and bear interest at a rate of 4.5 - 5.5 percent per annum.

40.3 On 18 February 2016, the Company registered an incorporation of a subsidiary in the name of TLUXE Power Co., Ltd, to invest in geothermal power plant project in Japan, with a registered share capital of Baht 100 million (10 million ordinary shares with a par value of Baht 10 each). The Company holds a 100 percent interest in this company and has paid up Baht 25 million or 25% of the registered share capital.

41. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised director on 26 February 2016.

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