

# THAITHEPAROS PLC.

## ANNUAL REPORT 2015



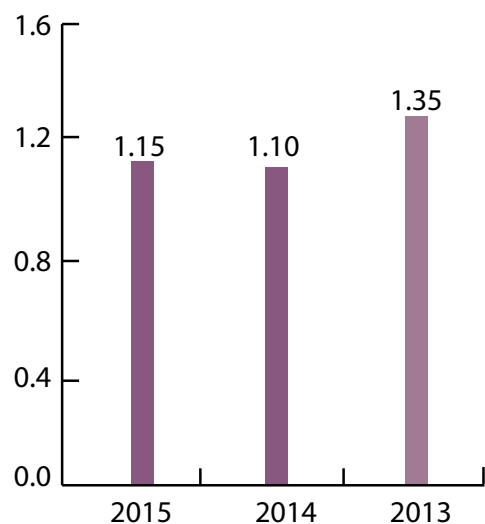
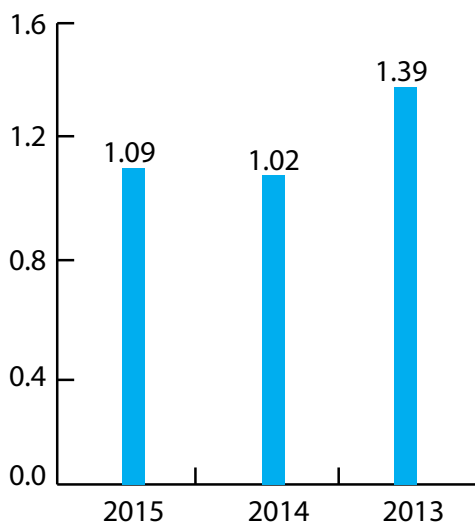
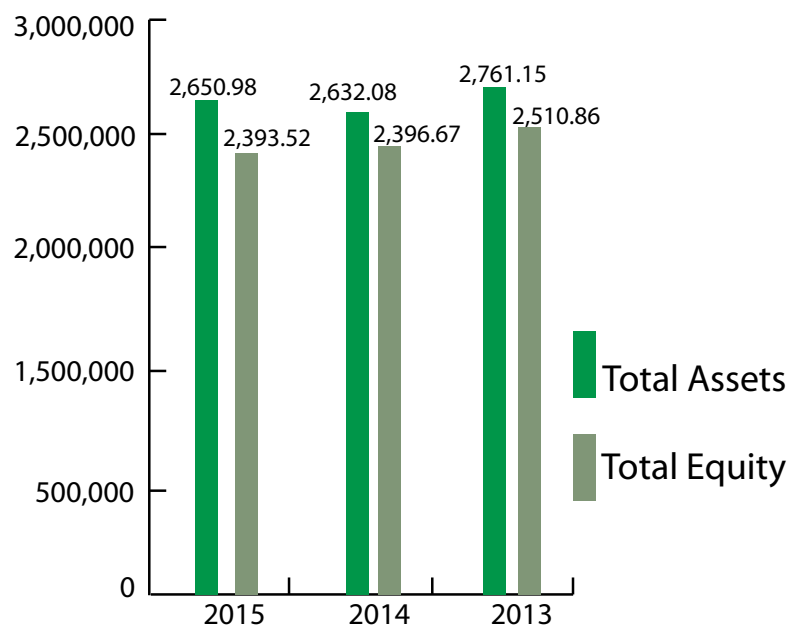
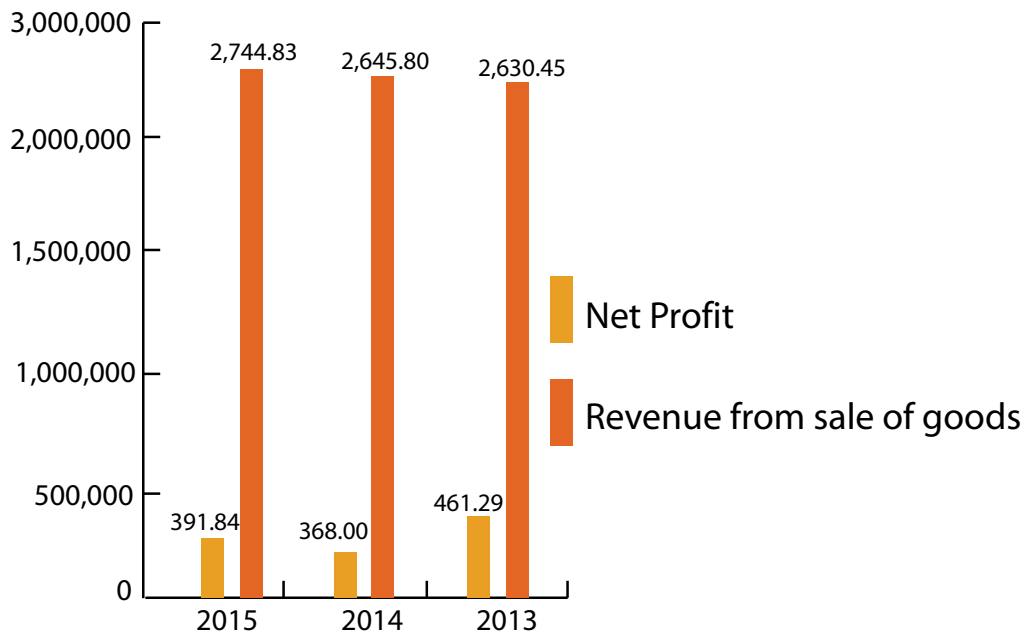
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# Financial Highlights

(Million Baht)	2015	2014	2013
<b>Statement of financial position</b>			
Total Assets	2,650.98	2,632.08	2,761.15
Total Liabilities	257.46	235.41	250.29
Total Equity	2,393.52	2,396.67	2,510.861
<b>Statement comprehensive income</b>			
Revenue from sale of goods	2,744.83	2,645.80	2,630.45
Cost of Sales of goods	1,793.45	1,790.45	1,676.53
Gross Profit	951.38	855.35	953.92
Selling expenses	322.48	283.22	270.82
Administrative expenses	161.21	145.14	136.67
Profit before income tax expense	492.51	461.29	626.50
Net Profit	391.84	368.00	461.29
<b>Shares or Related information of common stock</b>			
Earning Per Share (Baht)	1.09	1.02	1.39
Book Value Per Share (Baht)	6.65	6.66	6.97
Dividend Per Share (Baht)	1.15	1.10	01.35
Pay out Ratio (%)	105.66	107.61	97.14
<b>Financial ratio</b>			
Sales Growth (%)	3.74	0.58	(0.52)
Net Profit Growth (%)	6.48	(26.45)	(12.63)
Cost of Sales Ratio (%)	65.34	67.67	63.74
Gross Profit Margin Ratio (%)	34.66	32.33	36.26
Earning before tax expense (%)	17.78	17.22	23.11
Net Profit (%)	14.14	13.74	18.46
Return on Equity (%)	16.36	15.00	20.01
Return on Assets (%)	14.83	13.65	18.16
Current Ratio (time)	5.96	6.34	6.63
Debt Equity Ratio (time)	0.11	0.10	0.10

Investor. Could study additional information of the issuing company from the FORM 56-1 . Which have been shown on [www.sec.co.th](http://www.sec.co.th) or [www.thaitheparos.com](http://www.thaitheparos.com)



Earning Per Share (Baht)

: Dividen Per Share (Baht)

## Message from the Chairman



During 2015, Thai Economy was closely monitored in many sectors. Growth and expansion in markets began to pick up in the first half year, albeit the signs of a modest recovery. However, the economic performance gradually decelerated in the second half year. This was broadly reflected by the weakness of global demand and the export and import values were deteriorated by the global crude oil price decrease. Besides, a slowdown in household consumption and public sector consumption affected economic expansion. Although the government issued the stimulus measures and the tourism growth increased, these cannot stimulate the economy on track as soon as possible. Thailand recorded the weaker – than – expected GDP growth of 2.8%.

Even in difficult economic this year, Sauce have been able to increase revenues and profit at pleasurable level with our own set of essential marketing plans and international strategies and opportunities. We fully realized how high competitive condiments market is; many kinds of new products have been launched into the markets with aggressive promotions and high competitive price. Moreover, customer nowadays consume products rationally rather than emotionally; they can update their knowledge related to products' quality, nutrition and food safety easily by internet and other medias; which it is our key policy to mind of producing the high quality and food safety products for our customers and consumers. Sauce also has improved overall productivity and quality and it is our pride and delight to share that this year we have already achieved FSSC22000 (Food Safety System Certification 22000) from Bureau Veritas (Thailand) Ltd.

Going forward, we continue to develop our brand and package portfolio by launching the new product; "Seasoning Cooking Sauce" with the attractive package of colorful Chef's face shrink wrapped full body sizing 700ml PET bottles with the orange cap or carrot color cap called by abbreviation "Mr. Carrot"; the perfect combination and ready to cook for varieties of stir-fried menus offers consumers a chance to trial in affordable pleasure. We have pledged to do our business with honesty, responsibility and morality coupled with our great service mind to our customers and consumers throughout our 61 years operation. Our successes and the reliable "Golden Mountain" brand with the high quality standards are evidenced by the prestigious awards received on several occasions, such as Superbrands Thailand 2015 from Thailand Superbrands Councils and Marketeer No. 1 Brand Thailand 2014 – 2015: Category Soy Sauce from Marketeer magazine.

Sauce continue commitment to strengthen our core business strategies in the condiment markets locally and worldwide, as well as maintain policy plans and project development for sustainable growth in combination with our corporate responsibility for society and environment.

Sauce achievements would not be possible without the support of our shareholders, customers, stakeholders, business partners and the media. The Board of Directors, Executives and staff members will continue to sacrifice all of its efforts and energy to work towards achieving our goals. On behalf of Sauce, I would like to take this opportunity to thank everyone, and look forward to your continued support in the future.

PARINYA WINYARAT  
Chairman of the Board



# Golden Mountain History



In 1954, Mr. Chai Sae Kow established Thai Theparos Factory ROP to manufacture variety of food seasoning and distributed them under the “Golden Mountain” brand name.

Under the professional guidance of Mr. Chai Sae Kow and Mr. Krailas Winyarat. Golden Mountain met with marketing success and achieved remarkable production efficiency. Since then, the company's management has continually striven for excellence in the industry, and at present, under the leadership of Mr. Parinya Winyarat, “Golden Mountain” is the trademark of Thai Theparos Public Company Limited 61 years

Under thoroughly professional leadership, which has established firm confidence through operational efficiency and successful marketing strategies, Thai Theparos has experienced steady growth and on going development, as a set policy, the company has always devoted a good portion of its resources to research and development in order to secure continual product excellence.



13 MAY 2010



1 APRIL 2011



13 JULY 2012



13 MAY 2001



13 MAY 2001



1987



## Policy and Overall Business

### Vision, Objectives, Goals, and Strategies

#### Vision

“SAUCE”

Moves forward to be the leader of condiment manufacturers in Thailand; and eventually becomes “Your taste and happiness”

#### Mission

“SAUCE” aims to run business sustainably with integrity for delivering the high quality products to consistently meet customers and consumers’ satisfaction; and enhances our brand loyalty

#### Core Values

1. Put the right man on the right job.
2. Push an action as soon as you learn; work out immediately
3. Create the positive thinking as follows: honesty, discipline, educating, hard-work, hygienic practice and economizing.
4. Unity creates happiness and benefits.

## Our Pride



Our successes and reliable standards are evidenced by the many prestigious awards received as follows:-

No. 1 Brand Thailand in 2014-2015 in the category of Soy Sauce awarded by Marketeer magazine which voted



Superbrands Thailand 2015 for Golden Mountain brand awarded by Thailand Superbrands Councils which reinforces our consumers confidence and reliability in Golden Mountain brand nationwide.



# Nature of Business

Thaitheparos Public Company Limited is in the food and beverage industry. We are the manufacturer and distributor of seasoning food products under “Golden Mountain” brand consisting of seasoning sauce, chilli sauce, distilled vinegar, tomato ketchup, chilli & tomato sauce, oyster sauce, fermented soy sauce and powdering sauce, fermented soy sauce powder as well as Sriraja chilli sauce under “Sriraja Panich” brand and naturally brewed Japanese soy sauce under “Kinzan Shoyu” brand including house brand.

In 2009, Company produces and sale Japanese Soysauce under Yamasa Brand to partner Yamasa (Thailand) Company Limited.

In 2011, Company product and sale Raw Sauce to associate “Exter (Thailand) company Limited.

## Structure of Sales Revenue

In 2015, the Company distributes all our products both domestic and export market. Domestic sales accounts for 91.67% of total sales, consists of wholesalers, discount stores, department stores, restaurants and food shops, retailers and industry, both in Bangkok and up-country, and trading firm. Export sales accounts for 8.33% of total sales, consists of direct exporter and export industrial.

(Unit : Million Baht)

Products	2015		2014		2013	
	Amount	%	Amount	%	Amount	%
Domestic Sales	2,516.12	91.67%	2,435.40	92.05%	2,452.09	93.22%
Export Sales	228.71	8.33%	210.40	7.95%	178.36	6.78%
Total Sales	2,744.83	100.00%	2,645.80	100.00%	2,630.45	100.00%
Increase (Decrease) of Total Sales	99.03	3.74%	15.35	0.58%	(13.88)	(0.52)%



**THAITHEPAROS PUBLIC COMPANY LIMITED**

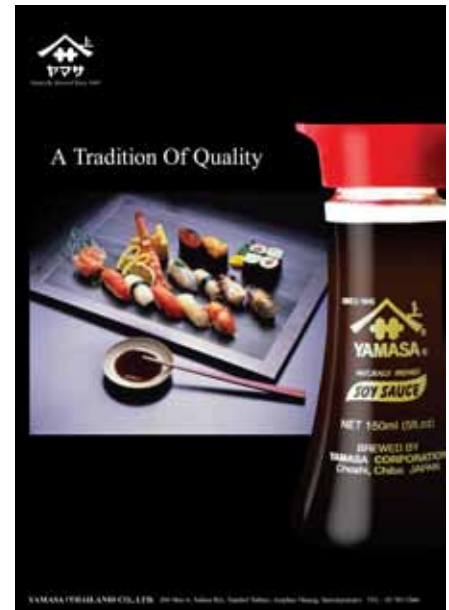
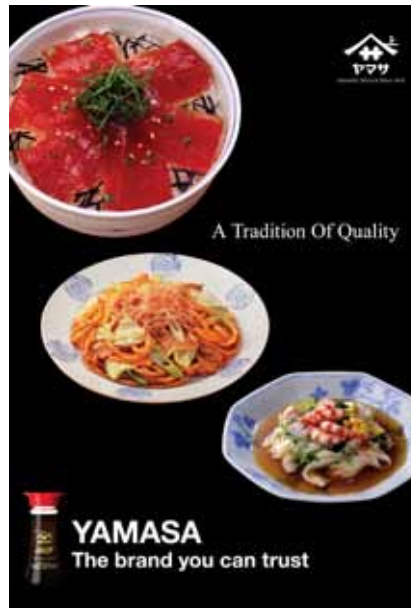


# Significant Changes

## Associate Company

### Yamasa (Thailand) Co.,Ltd

The company produces “Yamasa” Soy Sauce distributing to Yamasa (Thailand) Co.,Ltd., associates company ,with total sales in sixthyear amounting to Baht 26.27 million increased by 2.95 Baht million or increased Baht 12.65% compared to that of 2014 Baht 23.32 Million.



### Exter (Thailand) Limited.

The company produces “Raw Sauce” distributing to Exter (Thailand) Limited,associated company, since the third quarter of 2011 with total sales in the Fifth year amounting to Baht 16.40 MB decreased by 7.13 Baht million or decreased 30.30 % compared to that of 2014 Baht 23.53 Million



## Significant Changes

### New Golden Mountain Chili Sauce Label



Sauce completed the rollout of 230g and 680g Golden Mountain Chili Sauce new design labels in quarter 3, 2015 to strengthen our image and enable us to meet expanding consumers needs with younger consumers, also achieve ongoing success in the marketplace guaranteed with the neck label of No1 sales volume in Thailand enhancing our consumers much confidence.

### New Sriraja Chili Sauce Label.



Sauce continued to reinforce its unique market position offering excellent quality product with outstanding and innovative materials of packaging label. Sriraja Panich Chili Sauce 900g with the attractive and colorful label was improved since the quarter 3, 2015 reinforced its unique market position enhancing a high confidence for our consumers.



## Raunch New Product Cooking Sauce



As the market leader, Sauces has strengthened our market position through brand, product and packaging innovation. We have launched a new product offer consumers a chance to affordably taste with its high quality production and delicious. The new product in the attractive full body shrink wrapped Pet bottle responded consumers lifestyle in an easy to use with good taste for varieties of fried menus is Golden Mountain seasoning cooking sauce which has launched since July 2015.... "Golden Mountain Cooking Sauce...makes all stir-fry menus perfect taste". Many activities for promoting Cooking Sauce are as follows:

- To train our sales and marketing people and employees realized "seasoning cooking sauce: product knowledge and their strengthen points, Sauce has arranged "Cooking class" activity for actual practice in cooking with the product application. It is reality workshop to know your product quality and can describe to our consumers confidently.
- Arranged "Cooking and Tasting" activity in many department stores and retail stores both in Bangkok and upcountry.
- Sauce used online media to create one-to-one marketing which is more corporate advertising delivering clear and straight to the consumers' messages. We have had many activities on social networks such as Facebook and Youtube to encourage customers and consumers to pay more attention to the new product Cooking Sauce.
- Sauce has promoted our new product Cooking Sauce by joining the major national exhibitions such as 20th Book Fairs too.





- Promoted the new product Seasoning Cooking Sauce with “Sales Blitz” activity, Sauce set Sales teams in which all departments of Sauce participated and visited our consumers and customers in many areas of Bangkok and urban to introduce, distribute and promote Seasoning Cooking Sauce sales directly which received much interest and reliability from our consumers.

## Marketing Communication

Most people are acquainted with the stir-fried dishes but cannot cook by themselves; some allegations are we cannot cook deliciously, we have to use many kinds of seasoning sauces for only 1 dish and it takes a long time to cook and etc. Alternatively, we have many renowned food stores or restaurants and prefer to buy food than to cook. Most people assumed that the stir-fried menus are difficult to cook deliciously as the professional Chef cook. With these reasons, Sauce drives to support our consumers' requirement with the new product, Seasoning Cooking Sauce, the ready-to-cook seasoning sauce in one bottle for the stir-fried dishes. Seasoning Cooking Sauce is an expert in cooking varieties of stir-fried dishes in one bottle like a professional chef with delicious taste and good smelling. Do not add any seasoning sauces on your dish; it's a delicious and good smelling dish... like the professional chef made with Seasoning Cooking Sauce.



Point of sale



Social  
Media

# Industry and Competition

In 2015, the overall economic remained recessionary condition persisted in markets, affecting people's purchasing power, consumers' confidence and spending declined. The agricultural products were not good. Many customers reduced their spending money and turned more towards at-home consumption with their essential products. Though the government continued to issue the stimulus measures at the end of the year, but it did not fix the economy much better as expected. Consumer confidence declined and deep concerned about the drought, also a slowdown in the global economy. As a result, the growth in value of seasoning sauce segment in the retail market increased by only 1.56% and in the chili sauce segment growth 4.04% close to the year 2014.

The economic situation was unfavorable, as a result, our competitors all tried dramatically to stimulate their markets, encouraging consumers to purchase products by increasing the budget for high promotion continually including discount, buy one get one, lucky draws, giveaways, free for premium and product samples to customers and consumers. Besides, high competition spurred brands to stimulate point-of-sale advertising and spending on media and advertising areas to show and sell our products both in Modern Trade and Traditional Trade in upcountry. However, the market could not recover as expected.

Industry Overview 2558 All the negative factors made the retail market in consumer goods grew by 4.30%, particularly in the ready served powder products with 11.70% successful growth. However, the condiment section excluded fish sauce and ready served powder grew 1.71% rising from 4.20% in 2014 to 5.91% in 2015 in oyster sauce segment. This is a result of new oyster sauce competitors who spent the high budget in marketing activities on media and advertising areas to show and sell products both in Modern trade and traditional trade in upcountry, including reduced selling prices on their labels which made oyster sauce segment dramatically expanded.

Sauce as the leader in condiment market put the additional budget in sales and marketing activities to maintain and expand our sales opportunity in Modern Trade and Traditional Trade in major provinces; such as spending on traditional media as television, newspapers and radio advertising, including sales promotion as Road Show, Sales Blitz, Free Menus and food applied with our products distributed to our consumers tasting; as well as launched campaign "Mountain Receipts Win the World Mountains" from November 2015 to January 2016 with the attractive prize of package trips of Mountain in the world such as the Alps. In Switzerland, Mount. Fuji in Japan and Mount. Tian Zhi San in China.

Besides, Sauce has launched the new products. "Golden Mountain Seasoning Cooking Sauce" to encourage consumers to try and realize the full value of the new seasoning sauces which has developed a formula for varieties of stir-fried menus to meet the new generation of consumers lifestyle who want to taste the delicious sauces with its complete taste in one bottle, easy to use, good smelling and attractive modern packaging. The debut was in department stores, modern trade stores and major food services since July 2015..... "Golden Mountain Seasoning Cooking Sauce makes every stir-fried dish delicious".



## The Export Market

In 2015, seasoning products of Thailand were exported more than 19,729 million baht that said more than 3.76 % increase compare with 2014. The main products as soy sauce, Chili Sauce, fish sauce, instant curry paste and seasoning powder and other seasoning products. As for chili sauce (including sweet chili sauce), soy sauce, tomato ketchup were more than 3,050 million baht which is 15.46% of total value and said that decreasing 3.47% from 2014.

The main importers of soy sauce are USA, Lao, The Netherlands, Vietnam and Sweden which acquired more than 415.80 million baht or 53.10% of total value 783 million baht.

For chili sauce, main importers are UK, Germany, USA, South Korea and The Netherlands which acquired more than 1,016.20 million baht or 49.72% of total value 2,044 million baht.

In 2015, SAUCE export seasoning products totaling 228.71 million baht increase 8.70% or 18.31 million baht compared with 210.40 million baht in 2014. SAUCE has the marketing strategy to expand the market by increasing new customers both old market and new market in 2015 that SAUCE can success in this way.



# Marketing & Social Activities



1



6

1. **Sauce participated** in the most significant and joyous festival of Chinese New Year 2015 in Chinatown with the theme “The Auspicious Golden Year of the Goat Brings the Greatest Fortune for Thai-Chinese Community in Chinatown” to introduce our products such as Sriraja Panich Chili Sauce, Golden Mountain products and Kinzan Soy Sauce, we also gave away the special dishes of “Mung Me” Chicken Soup and “Mee Sri Suk” fried noodle. The celebration was 19-20 February 2015.



2

2. **Sauce promoted** our products in the 7th Siam Makro Exhibition with the theme “Show Hyuo.com; the modern Show Hyuo increases Sales Profits with Ideas” as the good partner of Thai cash-and-carry wholesaler for more than 60 years on 26th-27th March, 2015 at IMPACT Arena, Exhibition and Convention Center, Muang Thong Thani.



3

3. **With the outstanding vintage style booth decoration in THAIFEX-World of Food Asia 2015**, it reflected our leader in the high quality products served varieties of dishes in Thai cuisine more than 60 years and lead to global cuisines with our sharp and unique taste products.



4

4. **Co-succeed in the Vegetarian Festival 2015** with the theme “Delicious Dishes with All Merit” in many provinces.

5. **Joined the “All about Food Expo and the 10th Makro HoReCa 2015”** Under the Concept “From The Professional...For The Professional” held at IMPACT Arena, Exhibition and Convention Center, Muang Thong Thani on 29th October - 1st November, 2015.



5

6. **Arranged Road Show Activities** to introduce and reinforce confidence in the quality of our products: Golden Mountain, Sriraja Panich and Kinzan nationwide throughout 2015 with the annual campaigns as “Golden Mountain Green Cap Seasoning Sauce with high concentrated protein good taste for marinating and stewing all meats” and “Golden Mountain Chili Sauce; No 1 sales volume in Thailand”

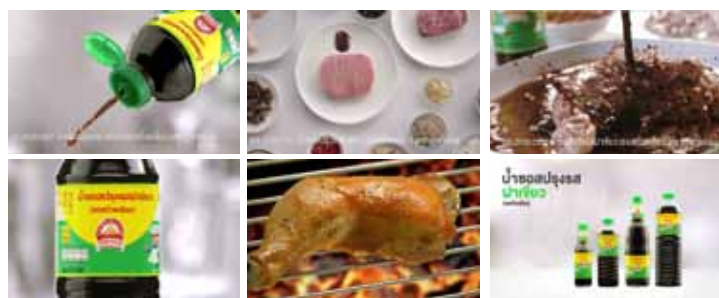
# Marketing & Social Activities

## Marketing Communications

Among the high competition in the condiment market, Sauce continually emphasized our customers and consumers' confidence on the products quality with 2 television advertising campaigns in 2015 as follows:-

“Golden Mountain Green Cap Seasoning Sauce with high concentrated protein good taste for marinating and stewing all meats” and “Golden Mountain Chili Sauce; with guaranteed No. 1 sales volume in Thailand”

To maintain our market leadership, the difference is much essential for the leader; particularly in communication for our customers and consumers acknowledgement, thus, we have changed the former and repeated advertisement to the modern ones communicated the advantages of Golden Mountain Green Cap Seasoning Sauce, which is good for fermenting meat with the higher content of protein and soy bean. Also it suit most for stewing meat created good smelling and good taste. These advantageous points will be advertised through TV and other media completely.



Point of sale



- Sauce is the main sponsors of “The Iron Chef Thailand” broadcasted on BBTV Channel every Saturday from 12:00am. to 1:00pm and of “The Iron Chef Special” at 09.00am - 10.00am on every public holiday.

- Sauce advertisements are in many magazines: Mae Ban, Cuisine, and Food Journal of Kasetsart University.

- Social Media Communicate to our customers and consumers via the Fan Page “Golden Mountain Sauce by Thai theparos” on Facebook, which has increased 2,110 fan pages in 2015.

- Arranged Lucky Draw Activity to promote our sales volume with campaign “Golden Mountain Receipt Wins the Global Famous Mountains Trips”. The prizes are Trip packages of the famous mountains in the world such as the Alps. In Switzerland, Mount. Fuji in Japan and Mount. Tian Zhi San in China which activity was during November 1, 2015 - January 31, 2016





# Risks Factors

## Operation Risk

### - Customer Dependence

More than 1,000 wholesalers (Yi pua), retailers and end users are our valued customers very long time with a good business relationship. The company will not receive any affectation if we lost anyone of them except the major three discount stores.

In the past three years, sales revenue of the three major discount stores accounts to 21% of total sales as follows:

Thousand Baht	2015	2014	2013
Sales revenue of three major discount stores	592,151	559,113	522,673
% of total sales	21.58	21.13	19.87

Besides the discount stores, we employs all distribution channel covering wholesalers (yi pua), restaurants, food stores as well as industry and more than 6,000 retailers nationwide.

From the factors of various customers, high quality of products, and the trade mark "Golden Mountain" brand name which is well known among customers more than 61 years establishing a significant advantage over competitors.

## Production Risk

### - Lack of Raw Materials

Although the company purchases raw material from a few manufacturers or suppliers, Most of them are major suppliers and they can supply raw material to the company throughout the year so we has never experience in lacking of raw materials. We can purchase its from another suppliers but the price will be higher than major suppliers slightly. Seasonal raw materials such as chili and garlic which have been processed for supporting the production throughout the year.

In the fourth quarter of 2011, we have affected by the lacking of seasonal raw materials and lost revenue accounts to Baht 23 million or equal to 1% of total sales. After that we has never experiences lacking of raw materials as the increasing of storage tank.

## Management Risks

As of the Annual General Meeting of Shareholders 2015, Winyarat family holding share equal to 79.91% of entire shares which can control the resolution of the meeting in the matter of the appointment director or other matters which shall propose to the meeting for consideration and approval. Except the matters stipulating that the majority vote must not be less than third - fourth of the shareholders who come to participate in the meeting. Therefore, the other shareholders could not collect votes in order to examine and balance the matters proposed by major shareholders.

# General Information and Other significant

Name of Company	Thaitheparos public company limited (former name Thai Theparos Food Products Public Company Limited)
Head office	208 Moo 6 Taiban Road, Taiban Sub-District, Muang District, Samutprakarn, Thailand 10280 Tel : +66-2703-4444 Fax : +66-2387-1163, +66-2703-4444 Ext 3000 www.gmsauce.com
Registration No.	0107536001265
Branch 1	162/1 Moo 2, Ban-Fon Mae Ta Road, Chompoo District, Muang District, Lampang Province 52000 Tel : (054) 251-149, 251-005 Fax : (054) 251-138
Established	1954
First Trade Date	20 January 1995
Symbol	SAUCE
Industry / Sector	Agro and Food Industry / Food and Beverage
Registered Share Capital	600 Million Baht (600,000,000 shares of Baht 1 par value)
Issued and paid up Capital	360 Million Baht (360,000,000 shares of Baht 1 par value)
Dividend Policy	Minimum of 50% of net profit annually and will be paid in next year.
Number of Staff	Head office 760 persons
Fiscal Year	1 January - 31 December
Other Reference	A. Register Thailand Securities Depository Co., Ltd 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand. Tel : (66 2) 009 9000 Fax : (66 2) 009 9991 SET Contact center : (66 2) 009 9999 Website: <a href="http://www.set.or.th/tsd">http://www.set.or.th/tsd</a> E-mail: <a href="mailto:SETContactCenter@set.or.th">SETContactCenter@set.or.th</a> B. Auditors Mrs. Siripen Sukcharoenyingyong CPA Registration Number 3636 or Mr. Charoen Phosamritlert CPA Registration Number 4068 or Mrs. Wilai Buranakittisopon CPA Registration Number 3920 KPMG Phoomchai Audit Limited. 48 nd Floor Empire Tower 195 South Sathorn Road, Yannawa, Sathorn Bangkok 10120 Tel : 0-2677-2000 Fax : 0-2677-2222
Associate (1)	YAMASA (THAILAND) Co., Ltd. 208 Moo 6 Taiban Road, Taiban Sub-District, Muang District, Samutprakarn, Thailand 10280 Tel : +66-2703-5360 Fax : +66-2703-4956 www.yamasathailand.com
Core Business	Distributor Japanese soy sauce under “Yamasa” brand in South East Asia.
Registered Share Capital	30 Million Baht (300,000 shares of Baht 100.00 par value)
Issued and paid up Capital	20 Million Baht ( 3 shares of Baht 100.00 par value) (146,998 shares of Baht 66.68 par value) (152,999 shares of Baht 66.66 par value)
Associate (2)	EXTER (THAILAND) LTD. 208 Moo 6 Taiban Road, Taiban Sub-District, Muang District, Samutprakarn, Thailand 10280 Tel : +66-2755-2888 Fax : +66-2755-2887
Core Business	Manufacturer and distributor of seasoning food products under “Exter” brand export to Europe and South East Asia.
Registered Share Capital	20 Million Baht (2,000,000 shares of Baht 10.00 par value)
Issued and paid up Capital	20 Million Baht (2,000,000 shares of Baht 10.00 par value)
Proportion holds shares	40%
Nature of Business	Thaitheparos PLC. is the manufacturer and distributor of seasoning food products under “Golden Mountain” brand consisting of seasoning sauce, chilli sauce, distilled vinegar, tomato ketchup, chilli & tomato sauce, oyster sauce, fermented soy sauce and powdering sauce, fermented soy sauce powder, as well as Sriraja chilli sauce under “Sriraja Panich” brand and naturally brewed Japanese soy sauce under “Kinzan Shoyu” brand including house brand.



# Security information and Shareholders

## 1. Share capital

Registered Share Capital 600 Million Baht (600,000,000 shares of Baht 1 par value)

Issued and paid up Capital 360 Million Baht (360,000,000 shares of Baht 1 par value)

## 2. Shareholders

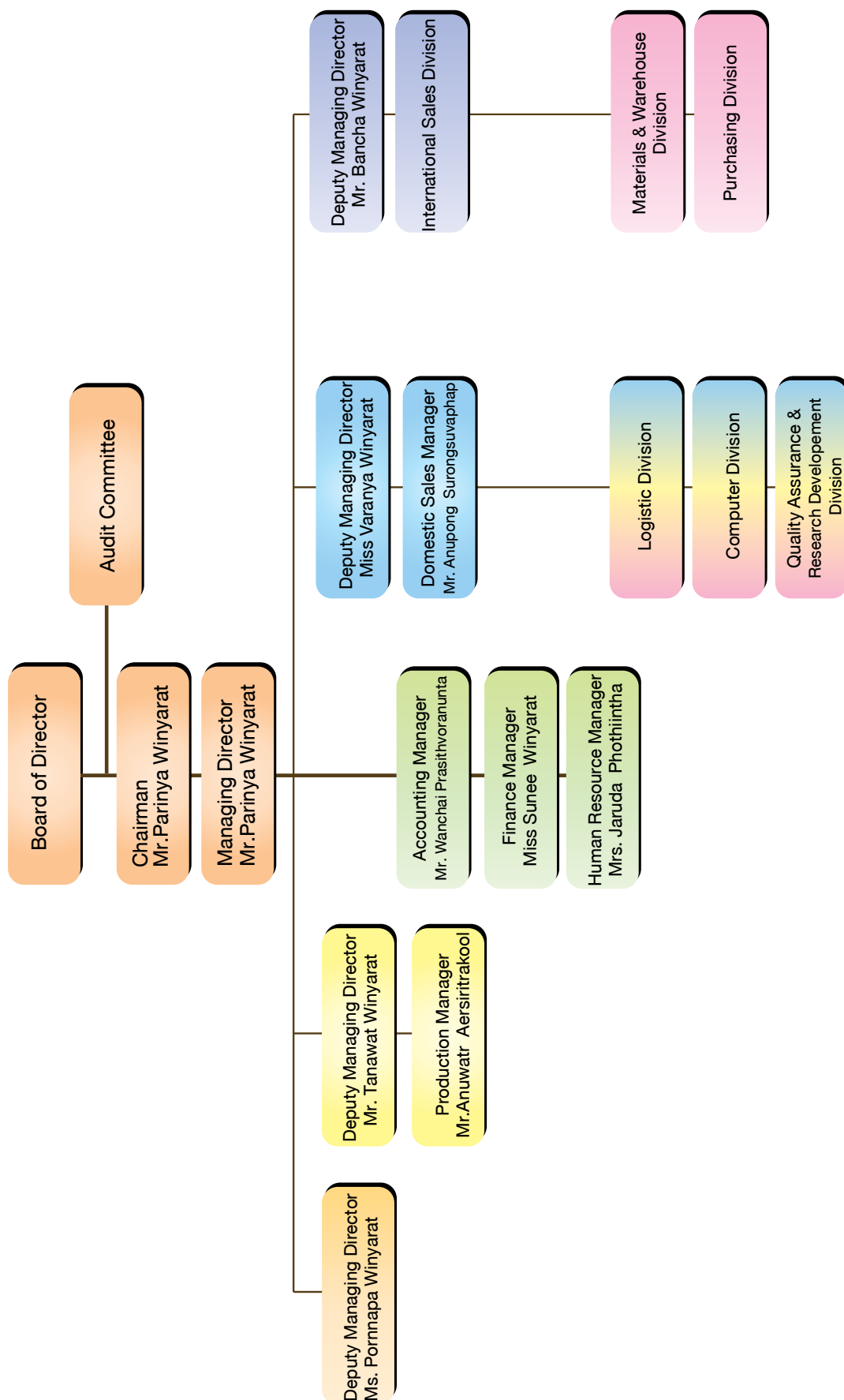
Major Shareholders as of the Annual General Meeting of Shareholders 2015 hold on April 23, 2015.

Major	Shareholders	Shares	(%) of Total Share
1.	WINYARAT FAMILY	287,691,000	79.91
2.	Bangkok Life Insurance PLC.	11,604,200	3.22
3.	Ms. Jaruda Pothiinta	5,595,000	1.55
4.	Mr. Wanchai Prasithvoranunta	5,000,000	1.39
5.	Ms. Pattama Sethanukul	4,200,000	1.17
6.	Green Spot (Thailand) Co.Ltd.	3,861,000	1.07
7.	Miss Natechanok Suwanacheep	3,650,000	1.01
8.	Bangkok Insurance PLC	3,579,500	1.00
9.	Mr. Cherdchoo Soponpanich	2,933,400	0.82
10.	CS Capital Co,Ltd	2,658,200	0.74
Total		330,772,300	91.88

Remark WINYARAT FAMILY consist of :			
	Major Shareholders	Shares	(%) of Total Share
1.	Mr.Parinya Winyarat and related persons	182,259,160	50.63
2.	Miss.Malee Winyarat and related persons	58,103,470	16.14
3.	MsPornnapa Winyarat and related persons	47,267,570	13.13
4.	Mr.Wasan Winyarat and related persons	60,800	0.02
		<u>287,691,000</u>	<u>79.91</u>

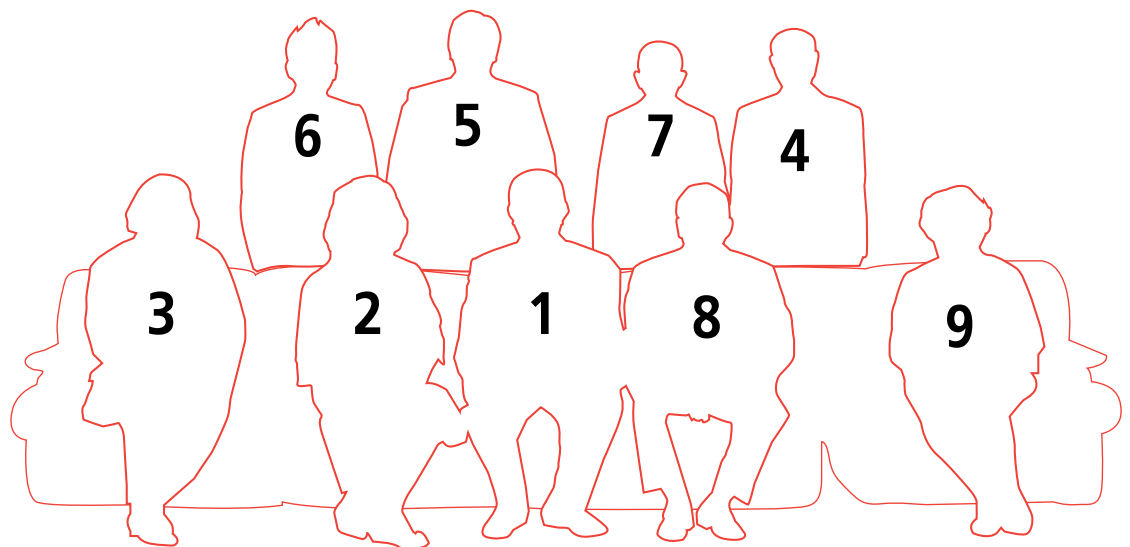
# Management Structure

## Organization Chart





## Board of Directors



### 1. Mr. Parinya Winyarat

(Director / Chairman of the Board and Managing Director)

Date of Birth : May 26, 1954  
Age : 61  
Education : Honorary Doctor of Home Economics (Food and Nutrition) Faculty of Home Economics Technology Rajamangala University of Technology, Thailand  
Bachelor Degree in Chemistry, National Taiwan University  
Experience  
2000 - Present : Managing Director, Thaitheparos Public Company Limited  
1993 - Present : Director / Chairman of the Board and Managing Director Thaitheparos Public Company Limited  
1987 - 1992 : Managing Director, Thaitheparos Public Company Limited  
No. of holding shares : 119,158,580 shares,  
No. of share changed : -  
Position in Other Listed Companies : None  
Position in None listed companies  
Position in Rival Companies/  
Connected Business that May Cause Conflict of Interest : None  
Relation Among family with the Company : Mr. Bancha Winyarat's Father and Mr. Tanawat Winyarat's uncle.  
Director remuneration : 1,100,000 Baht  
Attended Board of Director's Meeting in 2015 : Attended 5 out of 5 Board of Director's Meeting

### 2. Ms. Pornnapa Winyarat

(Director)

Date of Birth : July 26, 1949  
Age : 66  
Education : -  
Director Training Program : Director Accreditation Program (DAP) Class 37/2005 Thai Institute of Directors Association  
Experience  
1996 - Present : Deputy Managing Director, Thaitheparos Public Company Limited  
1993 - Present : Director, Thaitheparos Public Company Limited  
No. of holding shares : 16,958,570 shares  
No. of share changed : -  
Position in Other Listed Companies : None  
Position in None listed companies  
Position in Rival Companies/  
Connected Business that May Cause Conflict of Interest : None  
Relation Among family with the Company : Mr. Tanawat Winyarat's Mother and Mr. Parinya Winyarat's Elder  
Director remuneration : 500,000 Baht  
Attended Board of Director's Meeting in 2015 : Attended 5 out of 5 Board of Director's Meeting

### 3. Miss Malee Winyarat

(Director)

Date of Birth : February 14, 1954  
Age : 61  
Education : Bachelor Degree in Business Administration (Money and Banking) Ramkhamhaeng University  
Director Training Program : Director Accreditation Program (DAP) Class 37/2005 Thai Institute of Directors Association  
Experience  
1993 - Present : Director Thaitheparos Public Company Limited  
1993 - 2010 : Director and Deputy Managing Director (Accounting and Finance) Thaitheparos Public Company Limited  
1987 - 1993 : Accounting and Finance Manager, Thaitheparos Public Company Limited  
No. of holding shares : 14,004,520 shares  
No. of share changed : - shares  
Relation Among family with the Company : Mr. Parinya Winyarat's niece and Mr. Bandit Winyarat's sister  
Director remuneration : 500,000 Baht  
Attended Board of Director's Meeting in 2015 : Attended 5 out of 5 Board of Director's Meeting

### 4. Mr. Bandit Winyarat

(Director)

Date of Birth : October 2, 1956  
Age : 59  
Education : Master of Arts, Major : Man and Environment Management, Chiang Mai University  
Bachelor Degree in Engineering, Adamson University, Philippines  
Director Training Program : Director Accreditation Program (DAP) Class 37/2005 Thai Institute of Directors Association  
Experience  
1993 - Present : Director Thaitheparos Public Company Limited  
1993 - 2008 : Deputy Managing Director Thaitheparos Public Company Limited  
1993 - 2007 : Branch Manager (Lampang) Thaitheparos Public Company Limited  
No. of holding shares : 26,419,520 shares  
Position in Other Listed Companies : None  
Position in None Listed Companies : None  
Position in Rival Companies/  
Connected Business that May Cause Conflict of Interest : None  
Relation Among family with the Company : Mr. Parinya Winyarat's niece and Mr. Bandit Winyarat's  
Director remuneration : 500,000 Baht  
Attended Board of Director's Meeting in 2015 : Attended 5 out of 5 Board of Director's Meeting



## 5. Mr. Tanawat Winyarat

(Director)	
Date of Birth	: November 13, 1974
Age	: 44
Education	: Master of Science in Finance, Bentley College , Massachusetts, USA : Master of Science in Manufacturing System Engineering, Rensselaer Polytechnic Institute, USA : Bachelor of Science in Management System Rensselaer Polytechnic Institute, USA
Experience	
2014 - Present	: Deputy Managing Director Thaitheparos Public Company Limited.
2010 - Present	: Director, Thaitheparos Public Company Limited.
2004 - 2012	: Director Thaitheparos Public Company Limited.
No. of holding shares	: 25,709,000 shares
No. of share changed	: -
Position in Other Listed Companies	: None
Position in none Listed Companies	: 3 Positions:-
2010 - Present	: Director, Exter (Thailand) Limited
2008 - Present	: Director, Yamasa Corporation (Thailand) Co.,Ltd
2005 - Present	: Director, Ratchatayothin Co.,Ltd
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Relation Among family with the Company	: Mrs. Pornapa Winyarat's son Mr. Parinya Winyarat 's nephew
Director remuneration	: 300,000 Baht
Attended Board of Director's Meeting in 2015	: Attended 5 out of 5 Board of Director's Meeting

## 6. Mr. Bancha Winyarat

(Director)	
Date of Birth	: 27-Apr-1985
Age	: 30
Education	: MSc & DIC in Environmental Engineering, Imperial College London, U.K. : Bachelor of Engineering in Engineering with Business Finance with First Class Honours , University College London ,U.K
Director Training Program	: -
Experience	
2014 - Present	: Deputy Managing Director Thaitheparos Public Company Limited.
2010 - Present	: Director, Thaitheparos Public Company Limited.
No. of holding shares	: 24,632,000 shares
No. of share changed	: 9,032,000 shares
Position in Other Listed Companies	: None
Position in None Listed Companies	: 1 position :-
2010 - Present	: Director, Exter (Thailand) Limited
Position in None listed companies	
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Relation Among family with the Company	: Mr. Parinya Winyarat 's son
Director remuneration	: 300,000 Baht
Attended Board of Director's Meeting in 2015	: Attended 5 out of 5 Board of Director's Meeting

## 7. Vice Admiral Tanong Sirirangsi

(Independent Director / Audit Committee)	
Date of Birth	: January 7, 1932
Age	: 83
Education	: United States Naval War College , USA Royal Thai Navy College
Director Training Program	: Director Certification Program (DCP) Class 65/2005 Director Accreditation Program (DAP) Class 38/2005 Audit Committee Program (ACP) Class 7/2005 Thai Institute of Directors Association
Experience	
1999 - Present	: Audit Committee, Thaitheparos Public Company Limited
1994 - Present	: Independent Director, Thaitheparos Public Company Limited
No. of holding shares	: None
No. of share changed	: -
Position in None Listed Companies	: 1 position 1993 - Present Managing Director & Port Director Sriracha Harbour Public Company Limited
Position in None Listed Companies	: None
Position in Rival Companies/ Connected Business- that May Cause Conflict of Interest	: None
Relation Among family with the Company	: -
Director remuneration	: 350,000 Baht
Audit Committee remuneration	: 132,000 Baht
Attended Board of Director's Meeting in 2013	: Attended 5 out of 5 Board of Director's Meeting
Attended Board of Audit Committee: Meeting in 2015	: Attended 4 out of 4 Audit Committee's Meeting

## 8. Mr. Phot Kongputhi

(Independent Director / Audit Committee)

Date of Birth : October 10, 1938  
Age : 76  
Education : Accounting,  
A.B.I., Institute of Book -  
Keeper, London  
Director Training Program : -  
Experience  
2011 - Present : Audit Committee  
Thaitheparos Public Company Limited  
2010 - Present : Independent Director  
Thaitheparos Public Company Limited  
2002 - Present : Director  
Thaitheparos Public Company Limited  
No. of holding shares : None  
No. of share changed : -  
Position in Other Listed Companies : None  
Position in None Listed Companies : 1 position  
2008 - Present : Director and Managing Director  
Promma Mining Co.,Ltd.  
Position in Rival Companies/  
Connected Business  
that May Cause Conflict of Interest : None  
Relation Among family : -  
with the Company  
Director remuneration : 350,000 Baht  
Audit Committee Remuneration : 132,000 Baht  
Attended Board of Director's  
Meeting in 2015 : Attended 5 out of 5 Board  
of Director's Meeting  
Attended Audit Committee's Meeting : Attended 4 out of 4 Audit  
Committee's Meeting

## 9. Asst. Prof. Raweewan Piyayopanakul

(Independent Director / Audit Committee Chairman)

Date of Birth : May 8, 1947  
Age : 68  
Education : MBA, Michigan State University  
Bachelor Degree in Accounting,  
Thammasat University  
Director Training Program : Director Accreditation Program (DAP)  
Audit Committee Program (ACP)  
Thai Institute of Directors Association  
Experience  
1999 - Present : Audit Committee Chairman,  
Thaitheparos Public Company Limited  
1993 - Present : Independent Director,  
Thaitheparos Public Company Limited  
No. of holding shares : None  
No. of share changed : None  
Position in None Listed Companies : 3 position  
2008 - Present : Audit Committee Chairman,  
Sabina Public Company Limited  
2002 - Present : Audit Committee  
Tata Steel Public Company Limited  
2008 - Present : Audit Committee  
Thai Cane Paper Public Company Limited  
Position in None Listed Companies : None  
Position in Rival Companies/Connected Business  
that May Cause Conflict of Interest : None  
Relation Among family : -  
with the Company  
Director Remuneration : 400,000 Baht  
Audit Committee Remuneration : 198,000 Baht  
Attended Board of Director's Meeting in 2013 : Attended 5 out of 5 Board  
of Director's Meeting  
Attended Board of Audit Committee Meeting  
in 2015 : Attended 4 out of 4 Audit  
Committee's Meeting

Director		Historial Forward January 1, 2015	No.of share changed		Carry Forward December 31,2015
			Buy	Sale	
1.Mr. Parinya	Winyarat	119,158,580	-	-	119,158,580
2.Ms. Pornnapa	Winyarat	16,958,570	-	-	16,958,570
3.Miss Malee	Winyarat	14,004,520	-	-	14,004,520
4.Mr. Bandit	Winyarat	26,427,020	-	-	26,427,020
5.Mr. Phot	Kongputhi	-	-	-	-
6.Asst. Prof. Raweewan Piyayopanakul		-	-	-	-
7. Vice Admiral Tanong Sirirangsri		-	-	-	-
8.Mr. Tanawat	Winyarat	25,709,000	-	-	25,709,000
9.Mr. Bancha	Winyarat	24,632,000	-	-	24,632,000
Total		226,889,690	-	-	226,889,690



## Management Team

1. Mr. Parinya Winyarat  
Chairman of the Board and Managing Director
2. 4. Mr. Tanawat Winyarat  
Director/Deputy Managing Director
3. Mr. Bancha Winyarat  
Director/Deputy Managing Director
4. Miss Varanya Winyarat  
Director/Deputy Managing Director
5. Mr. Wanchai Prasithvoranunta  
Accounting Manager
6. Miss Sunee Winyarat  
Finance Manager
7. Mr. Anupong Surongsuvaphap  
Domestic Sales Manager
8. Ms. Jaruda Pothiinta  
Human Resource Manager
9. Mr. Anuwatr Aersitrakool  
Production Manager
10. Mr. Peerasan Assawakittiprapa  
Marketing Manager

1	2	3	4	5
	6	7	8	9

# Management Team

## 4.Miss. Varanya Winyarat (Deputy Managing Director)

Age : 32 yrs.  
Education : Bachelor of Arts with a major in Economics ,  
University of California  
Experience  
2014 - Present : Deputy Managing Director  
Thaitheparos Public Company Limited.  
2013 : Marketing Manager  
Thaitheparos Public Company Limited.  
No. of holding shares : 19,000,000 shares

## 5.Mr. Wanchai Prasithvoranunta (Accounting Manager)

Age : 54  
Education : Bachelor Degree in Business  
Administration (Second Class Honors),  
Sukhothai Thammathirath University  
Experience  
1994 - Present : Accounting Manager  
Thaitheparos Public Company Limited  
No. of holding shares : 5,000,000 shares

## 6.Miss Sunee Winyarat (Finance Manager) Corporate secretary)

Age : 56  
Education : Bachelor Degree in Economics,  
Ramkamhaeng University  
Experience  
2008 - Present : Corporate Secretary  
1994 - Present : Finance Manager  
Thaitheparos Public Company Limited  
Seminar : Corporate Secretary Development  
Program, Chulalongkorn University  
No. of holding share : 13,066,530 shares

## 7.Mr. Anupong Surongsuvaphap (Domestic Sales Manager)

Age : 54  
Education : Bachelor of Marketing Krirk University  
Experience  
2004 - Present : Domestic Sales Manager  
Thaitheparos Public Company Limited  
No. of holding shares : 10,000 shares

## 8.Mrs. Jaruda Phothiinha (Human Resource Manager)

Age : 55  
Education : Bachelor of Public Administration  
Sukhothai Thammathirath University  
Experience  
2004 - Present : Human Resource Manager  
Thaitheparos Public Company Limited  
No. of holding shares : 5,595,000 shares

## 9.Mr.Anuwatr Aersitrakool (Production Manager)

Age : 49  
Education : Master of Business Administration  
Ramkamheang University  
: Bachelor of Agriculture Industry,  
King Mongkut Institute of  
Technology Ladkrabang  
Experience  
2005 - Present : Production Manager  
Thaitheparos Public Company Limited  
2001 - 2005 : Plant Manager  
Wang Palm Oils Company Limited  
(Wangkanai Group)  
No. of holding shares : -

Management Team	Historical Forward January 1, 2015	No.of share changed		Carry Forward December31,2015
		Buy	Sale	
4.Miss Varanya Winyarat	19,000,000	-	-	19,000,000
5.Mr. Wanchai Prasithvoranunta	5,000,000	-	-	5,000,000
6.Miss Sunee Winyarat	13,066,530	-	-	13,066,530
7.Mr. Anupong Surongsuvaphap	10,000	-	-	10,000
8.Mrs. Jaruda Phothiinha	5,595,000	-	-	5,595,000
9.Mr.Anuwatr Aersitrakool	-	-	-	-
<b>Total</b>	<b>42,671,530</b>	<b>-</b>	<b>-</b>	<b>42,671,530</b>



## Corporate Secretary

Sauce has appointed Miss Sunee Winyarat, Finance Manager as Corporate Secretary. She has suitable knowledge and experience to perform this function and assumes the of the Secretary to the Board of Directors and the Audit Committee.

## Remuneration for Directors and the Management

Remuneration for Directors: On approval by the Annual General Meeting of the shareholders, the Company set the remuneration for Directors and additional salary for the Audit Committee.

Remuneration for the Management: The Board set the remuneration for the Management. The Executive Director will have salary and bonus in addition to the remuneration.

The Company has provided all remuneration for Directors and the Management for the year 2015 as follow:

	Person	Remuneration for Director	*Salary/Bonus & other	Total
Directors	9	4,300,000.00	13,140,045.00	17,440,045.00
Management	6	-	8,527,880.00	8,527,380.00
Directors and Management	15	4,300,000.00	21,667,925.00	25,967,925.00

\*Salary / bonus / consultant fee / contribution to provident fund / contribution to social security fund / perdium

	(million)				
	Person	2015	2014	Change	%
Remuneration for Director	9	4.30	4.30	-	-
Salary/Bonus & other - Directors	9	13.14	13.05	0.09	0.69
Total Directors	9	17.44	17.35	0.09	0.52
Salary/Bonus & other - Management	6	8.53	9.78	(1.25)	(12.78)
Total Directors and Management	15	25.97	27.13	(1.16)	(4.28)

## Personnel

As December 31, 2015 Sauce has 760 employees or increased by 28 persons from 2014 or increase by 3.83% .Headquarter totally 760 persons in each operation as follows:

Person	2015	2014	Changs	%
Management	3	2	-	-
Production Department	432	407	25	6.14
Quality Assurance & Research Development Department	25	24	1	4.17
Engineering Division	13	16	(3)	(18.75)
Sales Department, Marketing Department and Logistic Division	216	209	7	3.35
Accounting Department, Financial Department	32	33	(1)	(3.03)
Computer Division	6	6	-	-
Human Resource Department	22	21	1	4.76
Purchasing Division.	7	8	(1)	(12.50)
Quality management Division and Secretaries	4	5	(1)	(20.00)
Total	760	732	28	3.83

Remuneration is a key success factor to attract and retain a better performance in SAUCE of which include salary, wages, overtime payment, cost of living, the incentive fee, commission, allowances, bonuses, severance pay and provident fund of which for the year 2015 totally Bht 250.03 million; compared with Bht 237.54 million in 2014; an decrease of Bht 12.49 million or 5.26% (this amount included Directors and Advisors Remuneration). Besides, SAUCE provides other welfares to our employees.

SAUCE recognizes the importance of our employees, so the key role of our policy is Human Resource Development by training and empowering staff skills both in-house and outside. We have an annual training plan including ON THE JOB TRAINING for new staff and the rotated staff. The Company has no significant labor disputes in the past 3 years.

# The Principles of Good Corporate

The Board of Director realizes on the importance of good corporate governance which is for transparency, accountability, business competency and confidence to stakeholders, investors as well as relevant persons and set the good corporate governance policy covering an important principle as follows

## 1. Right of Shareholders

SAUCE recognizes on the right of shareholders and gives the importance and facilities to all shareholders to get the basic shareholder's right both in the position of investor in the securities and the owner of the company. Shareholders have the right to purchase, sell or transfer their securities independently as well as the right to receive the appropriate net profit, to join the shareholders meeting, give their opinions in the meeting. All shareholders have the right to vote according to their holding shares. The vote is counted one vote per share. No shareholders have privilege to restrict the right of other shareholders

Besides the above mentioned Basic Shareholders' rights, SAUCE gives the importance on the information disclosure correctly, in time and transparently to shareholders by disclosing the important information via the company's website both Thai and English version. In 2015, the Board of Directors has principle the activity for the matter of promoting and giving the facilities in using the right of shareholders as follows:

1.1 Disclosure the Board of Directors' Meeting's resolution no.2/2015 which held on March 9, 2015 providing to arrange the Annual General Meeting of Shareholders on April 23, 2015 via the Stock Exchange of Thailand's website since the had pass the resolution to fix the meeting date.

1.2 The company will send the Invitation Letter for attending the Annual General Meeting of Shareholders no less than 21 days prior to the meeting date which mention the time, place to attend the meeting and the agenda completely in accordance with the articles of the Stock Exchange of Thailand and the company's Article of Association which has sufficient information regarding the issues to be decided at the meeting. Each agenda will be specified whether it is for approve, disapprove or for abstain.

Invitation letter for attending the annual general meeting of shareholders has been disclosed in advance one month prior to meeting date on company's website at "Investor Relation" Menu. Shareholders will have opportunity to receive information before the meeting adequately. They can propose the additional agenda to the shareholders meeting according to the time provided by the company.

The company will notify the shareholders of such meeting through Thai newspaper 30 days which published from March 25-27, 2015. In the attending the meeting, the company shall inform shareholders to bring the documents required prior to attending the meeting and attached the proxy and specify the name of Independent Director and Audit Committee Chairman or appoint any other person as a proxy to attend and vote on their behalf in meeting.

1.3 On the meeting date, the company give shareholders to register prior one hour before the meeting begin and printing the voting ticket for each agenda to all shareholders.

1.4 Before the meeting Begin, the Chairman will explain the voting procedure and vote-counting method which will be in an efficient and transparent (counting by staff of Audit Firm). One share will count as one Vote and the resolution is by the majority votes. In case the resolution which is provided the votes not less than two-third of all votes of shareholders who attend the meeting and have the right to vote or the resolution which provide the votes not less than three-fourth of all votes of Shareholders who attend the meeting and have the right to vote which shall be in accordance with the laws and the company article's of association.

1.5 During the meeting, Chairman of the Board gives the opportunity and be allowed sufficient time to give opinions, ask questions and propose the additional agenda for appropriate time. The director will inform and give the information to shareholders with completely.

Besides, shareholders who attend the meeting afterwards the meeting begin, have the right to vote in the agenda which is being considered and still not passing the resolution.

1.6 The company has set the policy to the Board of Directors attending the Annual General Meeting of Shareholders, shareholders can ask questions to them. Board of Directors who attend the Annual General Meeting of Shareholders 2015 which was held on April 23, 2015 comprise of Board of executive director consisting of 3 persons : Chairman of the Board, and Deputy Managing Director 2 person and non executive director 3 persons, Audit Committee Chairman 1 person and audit committee member 2 person. The company, therefore, has a total of 8 directors attending the shareholders meeting.

## 2. Equitable treatment of shareholders

SAUCE gives precedence to equal treatment of shareholders. The Board of Directors has set up a supervision policy to take care of the company by paying attention to the right of shareholders, and to treat all shareholders fairly and equally. This is achieved as follows:

2.1 Managing the shareholder meetings effectively, and in line with the regulations of the company. Consideration and voting will take place in accordance with the agenda, including the consideration about committees to appoint, remuneration for committees, the auditor to appoint, approving the auditor's fees and other agenda items that are raised by the shareholders in the meeting.

2.2 Shareholders who are not comfortable to attend the meeting may authorize the independent committee/ chairman or any other person, to represent them to attend the meeting and vote.

2.3 In order to vote about any agenda item, ballot papers will be used in order to carry out counting of the votes effectively and fast. The company will only archive the ballots in case some shareholders object or abstain. The auditor will evaluate the votes and ensures the vote is executed correctly, including archiving the ballots to be able to check later.

2.4 During the general shareholders' meeting minutes will be drawn up completely and correctly. The following points shall be included: conclusion of the meeting and the result of voting, by showing clear details with the numbers of voters who agreed, disagreed and abstained, and the total number of the votes for each agenda item, including questions, explanation and the opinion of the meeting. The aforementioned minutes will be distributed to all concerned parties within 14 days after the general meeting. The aforementioned minutes will also be published on the company's website. The company has published the conclusion of the shareholders' meeting on the website of the Stock Exchange of Thailand, in order to inform all shareholders as soon as the meeting was finished.

2.5 SAUCE has a policy that confidential information shall not be disclosed. Confidential information will be taken out before disclosing information to the public. The executives have to report all changes in the situation of the assets of the company. Executives are prohibited to trade assets of the company, from one month before the disclosure to the public and 2 weeks after it. The company strictly follows the guidelines of good practice from the Security and Exchange Commission.

The Board of Directors and executive with the position of general manager or higher, and accounting manager and finance manager with a comparable level, have to report the shares that they hold in the company. This also applies to their spouses and underage children. They have to report any changes in their shareholdings, after buying, selling, transferring or accepting a transfer to the Security and Exchange Commission within 3 days, and also report to the secretary of the Board.

## 3. Role of stakeholders

SAUCE has given precedence to the rights of every group of stakeholders, both insider stakeholders e.g. shareholders, employees and executives, and outsider stakeholders, e.g. customers, rivals, trade partners, creditors, the government sector and other concerned parties including communities. Because the company realizes that support from stakeholders will enable the company to compete and generate profit, which is part of being successful in the long term.

3.1 Shareholders: the company is engrossed with operating the business in order to create a stable development and a competitive position, by considering the risks at present and in the future, in order to gain value for shareholders of the company in the long term. The company shall disclose clear, fair, fast, timely, correct and complete information, and seriously strive to protect the assets of the company, including paying dividend, in order to let shareholders have the topmost satisfaction.

3.2 The Board of Directors and executives are the people who have access to all information to be able to make the best assessment how to take care of every group of company stakeholders, both insider stakeholders and outsider stakeholders, in an equal and fair manner.

3.3 Employees: the company always realizes that the employees of the company are the most important resource, so the company is prepared to support the personnel continuously, by emphasizing development of knowledge, abilities, skills, and the quality of an employee. The Company provides continuous and regular management training, both inside and outside, like training-on-the-job for new employees, or for employees who change position, or move to another department, etc. Besides that, the company also takes care of employees' welfare, with providing facilities, such as association provident fund, scholarships for employee's children, tourist trips, the arrangement rehearsals for the fire prevention and hazard protection systems, etc. This is done to support a good quality of life, which is suitable to live in society and have a chance to grow with the development of the company.

3.4 Customers: the company is determined to give customers topmost satisfaction, both in quality and service, for the company's products, including timely delivery, fully meeting the requirements of customers by paying attention to and being responsible to a customer. The annual satisfaction survey gives the customers an opportunity to share their opinions. The Company also manages a program to continuously promote relationships between customers and the company. It organizes trips, both domestic and abroad, invites customers to visit factories etc. Sales administrator has been set up to respond to complaints from customers.

3.5 Trade partners: the Company acknowledges the importance of treating trade partners in accordance with the commercial conditions and to treat them in accordance with contracts. The Company also has a Code of Conduct, which contains rules for fair and honest behavior.

3.6 Competitors: the Company follows the commercial competition rules, and does not use dishonest ways to destroy commercial rivals, but allows the market mechanism to work.

3.7 Creditor: the Company behaves in accordance with the conditions of business agreements, and maintains the duty to behave towards the creditor as a good debtor. The company also gives information in advance to creditors.

3.8 Government sector and other concerned parties: the Company always follows laws and regulations from the government and other concerned parties, and has no intention to disobey the aforementioned practices.

3.9 Communities, society and environment: the Company is concerned about communities, society and the environment, and manages these issues as follows;

- Waste water treatment system: the waste water treatment system of the company can process twice the amount of waste water as needed. At this moment BOD is not more than specified in the law. BOD as of December 2015 was 16.00 milligram per liter (the law requires that the BOD at a temperature 20 C during 5 days does not exceed 20 milligrams per liter).

- Environmental and safety arrangements in work places by considering safety, occupational health and environment, and offering conveniences to employees and customers.

- Supporting the conservation of the environment.

- Supporting activities of students from educational institutes regularly and continuously, including the annual activities on children's day.

- Supporting activities of the government sector, both inside Samutprakarn province and Bangkok.

- Supporting public charity activities with government and other parties from the private sector.

- Supporting activities to support the Buddhism.

- Running welfare stores where economically priced goods are sold, and discounts are given to employees and customers from nearby communities, including general customers, etc.

#### 4. Disclosure and Transparency

Board of Directors recognizes an importance of information disclosure with completeness, accountability both in financial and general including significant information effecting market of the share by issuing such information to the investors and shareholders to all channels of the Stock Exchange of Thailand.

Regarding to the Investor Relation, the company has not yet set up an investor relation office since the Investor Relation activity is still small, but assigned Marketing Manager to communicate with the investors, institutes, shareholders as well as analysts and stakeholders. The investors can access the information through the company secretary at Tel no. 02-703-4444 or via website: [www.gmsauce.com](http://www.gmsauce.com)

In 2015, the company has disclosed sufficiently significant financial information in the financial statements in accordance with the Stock Exchange of Thailand and Office of Securities and Stock Exchange Commission and accounting standards by the information disclosure system of the Stock Exchange of Thailand. The financial statements has been audited and given opinions without any condition by Certified Public Accountant, Audit Committee Meeting and Board of Director before disclosing to shareholders. Board of Directors have disclosed the responsibilities of Board of Directors to the financial report in the annual report as well.

The company has disclosed the summary of its Performance Result, Reviewed Financial Statements and quarterly & yearly Management Discussion and Analysis, the Declaration of Dividend Payment, fixing the date of Annual General Meeting of Shareholders

For more convenience to shareholders, sauce has set up the "shareholders" menu on company website since 2007 (In 2011 change to "Investor Relation").

Invitation letter for attending the annual general meeting of shareholders has been disclosed in advance one month prior to meeting date on company's website at "shareholder" menu. Shareholders will have opportunity to receive information before the meeting adequately. They can propose the additional agenda to the shareholders meeting according to the time provided by the company.

Sauce has improved the aforesaid information by disclosing via company's website which is always up to date.

Sauce has disclosed the significant information and news regularly. Shareholders and stakeholders will receive the information with completely via channels as follows

1. The Stock Exchange of Thailand's website
  - Quarterly and yearly financial statements
  - Annual report
  - Form 56-1
  - News (F45-1, MD &A, the declaration of dividend payment, Shareholder's resolution, Connected transaction, etc.)
2. Office of the Securities and Stock Exchange of Thailand Commission
3. Ministry of Commerce
4. Thai Newspaper (Invitation Letter to attend the Meeting, Balance sheet and loss and profit of account, the declaration of dividend payment etc.)
5. Company's website (www.gmsauce.com) Both Thai and English version.
6. Company Visit
7. Deliver the Invitation Letter to Shareholders by mail.

## 5. Responsibilities of the Board

### 5.1 Structure of the Board of Directors

The company's Board of Directors is comprised of qualified persons who possess knowledge, abilities and experience which are beneficial to the company. The election of Board members follows the resolutions of the Shareholder's Meetings, as well as the rules, regulations and the company's Articles of Association. The number of directors is appropriate to the company's business operations.

The Board of Directors has 9 members comprised of:

- 2 Non-Executive Directors, equal to 22.22% of the Board member
- 4 Executive Directors, equal to 44.44% of the Board member
- 3 Independent Directors, equal to 33.33% of the Board member

(Two Independent Directors have adequate expertise and experience to review creditability of the financial report)

The primary authorized directors with signatory authority on behalf of the company are Mr. Parinya Winyarat, Mr. Tanawat Winyarat, Mr. Bancha Winyarat must be signed by two authorized directors and affixed with the Company Seal.

### Qualifications of Independent Directors

1. An Independent Director must not hold more than 0.5 percent of the Company's shares with voting rights, or those of any affiliated or associated company.
2. An Independent Director must not take part in management and not be an employee, staff member, or adviser who receives a regular salary; nor be in a profession such as auditor, lawyer, etc., that might effect the giving of impartial opinions to the company. Furthermore, the Independent Director must not be someone who has control over the company, the affiliated or the associated company, nor be a person with a conflict of interest, except in cases where he or she has resigned from any such position at least two years previously.
3. An Independent Director must have no direct or indirect business relationship that would restrict the Directors' Independence and impartiality, in an amount or value significant to the company's income, nor benefit, either directly or indirectly from the finances or management of the company, the affiliated or associated company, nor be a person with a conflict of interest that could affect him or her from giving an unbiased opinion.
4. An Independent Director must not be a close relative of any senior executives or a major shareholder of the company, the affiliated or associated company. Neither shall he be a person with a conflict of interest, nor be a representative acting to safeguard the interests of any.

### Term of Office

As required by our Articles of Association, in the General Shareholders Meeting, 1/3 of the directors have to be retired by rotation. The Directors of the public company limited have to be retired in the first and second year by random procedure, and the coming years, the directors who are entitled for the longest period have retired by rotation. The retired directors can be re-elected for another period. The Shareholders Meeting may vote any of directors for retirement before their term ending by the votes not less than 3/4 of total shareholders attending in the meeting and have the right to vote of which the total shares not less than half of total shareholders.



Regarding the term of office of the Audit of Committee shall hold office for a term of 2 years.

Directorship of the Board of Directors and Executives in other Companies

At present, not Sauce director or executive holds a directorship in more than three other listed companies, nor are any in the position of chairman, executive director with signatory authority in excess of three companies.

#### Separation of the Chairman of The Board and the Managing Director

The Chairman of the Board, and the Managing Director is the same person because the Chairman is appointed to be in charge for the Managing Director.

#### Corporate Secretary

Sauce has appointed Miss Sunee Winyarat Finance Manager as Corporate Secretary. She has suitable knowledge and experience to perform this function and assumes the of the Secretary to the Board of Directors and the Audit Committee.

#### Board of Director

As of December 31,2015 Board of Directors of Thai Theparos Food Products Public Company Limited consists of 9 qualified persons as follows:

1. Mr. Parinya	Winyarat	Chairman of the Board and Managing Director
2. Mrs. Pornnapa	Winyarat	Director/Deputy Managing Director
3. Mr. Tanawat	Winyarat	Director/Deputy Managing Director
4. Mr. Bancha	Winyarat	Director/Deputy Managing Director
5. Miss Malee	Winyarat	Director
6. Mr. Bandit	Winyarat	Director
7. Mr. Phot	Kongputhi	Independent Director and Audit Committee Member
8. Asst. Prof.Raweeewan	Piyayopanakul	Independent Director and Audit Committee Chairman
9. Vice Admiral Tanong	Sirirangsri	Independent Director and Audit Committee Member

#### Recruitment of The Board of Directors

SAUCE do not have the nominating committee. The Board of Directors will propose the qualified person to the Shareholders Meeting for approval.

Independent Directors have adequate expertise and experience to creditability of the financial report at least 1 person.

Sauce has two independent directors namely ; Assistant Professor Raweeewan Piyayopanakul and Mr.Phot Kongputhi. They also have adequate expertise and experience to creditability of the financial report

There is no limit on percentage of the director's representatives in each of shareholders' groups.

As required by our regulation, Board of Directors consist of directors which not less than five persons and half of total directors have domicile in Thailand. The Board of Directors Election have been acted by the Shareholders Meeting. The shareholders has right to vote only one time (one share one vote). Every shareholder has to vote one person with all his votes, which can not separate any to other persons or other groups. In the General Shareholders Meeting, 1/3 of the directors have to be retired by rotation. The Directors of the public company limited have to be retired in the first and second year by random procedure, and the coming years, the directors who are entitled for the longest period have retired by rotation. The retired directors can be re-elected for another period. The Shareholders Meeting may vote any of directors for retirement before their term ending by the votes not less than 3/4 of total shareholders attending in the meeting and have the right to vote of which the total shares not less than half of total shareholders.

#### 5.2 Committees

The Board has set up an Audit Committee to monitor the business operation.

The Company has no a remuneration committee, but uses a proper evaluation procedure; information from the same industry and size, also the Company operation result are considered.

#### Audit Committee consist of 3 persons as follows:

- |                                       |   |
|---------------------------------------|---|
| 1. Asst. Prof. Raweevan Piyayopanakul | Independent Director and Audit Committee Chairman |
| 2. Vice Admiral Tanong Sirirangsri    | Independent Director and Audit Committee Member   |
| 3. Mr. Phot Kongputhi                 | Independent Director and Audit Committee Member   |

The Audit Committee number 1 and 3 who have adequate expertise and experience to review creditability of the financial reports.

#### Audit committee Duties and Responsibilities

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, and to determine an independent of the internal audit unit, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the Company's compliance with the law on Securities and Exchange, the SET's regulations, and the laws relating to the Company's business;
4. To consider, select and nominate independent persons to be the Company's auditors, and to propose such persons' remuneration, as well as to attend a non-management meeting with the auditors at least once a year;
5. To consider the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the SET's regulations, to be ensured that the said transactions are reasonable and made for the highest benefit of the Company;
6. To prepare the Audit Committee's report which must be signed by the Audit Committee's Chairman and consist of at least the following information to be disclosed in the Company's annual report:
  - the number of the Audit Committee meetings, and the attendance of such meetings by each member of the Audit Committee,
  - an opinion on the accuracy, completeness and creditability of the Company's financial report,
  - an opinion on the adequacy of the Company's internal control system,
  - an opinion on the compliance with the law on Securities and Exchange, the SET's regulations, or the laws relating to the Company's business,
  - an opinion on the suitability of an auditor,
  - an opinion on the transactions that may lead to conflicts of interests,
  - an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
  - other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors; and
7. To perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

#### Board of Executive Director consist of 4 persons as follows:

- |                           |   |
|---------------------------|---|
| 1. Mr. Parinya Winyarat   | Chairman of the Board and Managing Director |
| 2. Mrs. Pornnapa Winyarat | Director/Deputy Managing Director           |
| 3. Mr. Tanawat Winyarat   | Director/Deputy Managing Director           |
| 4. Mr. Bancha Winyarat    | Director/Deputy Managing Director           |

#### Board of Executive Director's Duties and Responsibilities

To oversight company's efficiency Corporate Governance and business strength, the business expansion and investment in accordance with the Board of Directors policies. To look after financial management and screening other issues that will be proposed to the Board of Directors for determination and also operate other assignment from the Board of Directors.

#### 5.3 Board of Director's Duties and Responsibilities

The Board of Directors is responsible to SAUCE's shareholders.

The Board has roles and responsibilities as follow:

1. Supervise and manage the company so that it complies with the law and the company objectives, the Articles of Association and the resolutions of Shareholder's meeting.
2. Approve the Vision, Mission, Values and Statement of Business Conduct.
3. Monitor the company's performance and progress toward achieving objectives as well as compliance with the laws, regulations and related policies.

4. Set up company's policies.
5. Ensure the existence of an effective internal control system and appropriate risk management framework.
6. Ensure effective audit system executed by both internal and external auditors.
7. Approve quarterly, and annual financial report; ensure that the reports are prepared under generally accepted accounting standards.
8. Ensure the disclosure of information correctly, completely and transparently.
9. Ensure protect the conflict of interest.
10. Consider and screen the other issues which will propose to shareholder meeting for consideration.

#### Policy on Corporate Governance

The Board of Directors realize on the importance of good corporate governance, which is for accountability, business competency, and confidence of shareholders, investors and all related party. The Board has set the policy to cover all important aspect as follow :

Equally and fairly treat to shareholders and all stakeholders.

Focus in the additional long term value of the Company, carefully manage, be competence and efficient for maximum benefit of the shareholders. Precaution on any conflict of interests, and be responsible on own decisions and actions.

Do business with accountability, and auditable. Enough information should be accessible for all related party.

#### Inside Information Rules and Practices

Our inside information rules and practices are not disclosed inside information before the information to be disclosed to public which the management have to report the company securities movement in management accounts in every movement as well. The management are forbidden to trade all of their accounts 1 month before and 2 weeks after the information is disclosed and made to public. The company is strictly perform according to inside trading practices of the Securities and Stock Exchange Commission.

#### Internal Control

The company maintains an internal control structure and monitors that structure to ensure that the company's operations comply with established policies and procedures. The objectives of the internal control structure are to provide reasonable, but not absolute, assurance as to the integrity and reliability of financial statements, protect asset from unauthorized use of disposition, and ensure that

#### 5.4 Board of Directors' Meetings

The Board of Directors set periodical meetings in February, March, May, August, and November. Special meeting can be called as required. The agenda is clearly set in advance and including the review of operation.

The secretary issues invitation with agenda and information 7 days in advance. A regular meeting consumes 2.5-3 hours. In 2015, there are 5 regular meetings with all the directors attend except Mr. Bancha Winyarat Attended 3 out of 5 Board of Meeting in 2015 Director's Meeting (business trip overseas ).

#### 5.5 Remuneration for Directors and the Management

Remuneration for Directors: On approval by the Annual General Meeting of the shareholders, the Company set the remuneration for Directors and additional salary for the Audit Committee.

Remuneration for the Management: The Board set the remuneration for the Management. The Executive Director will have salary and bonus in addition to the remuneration.

The Company has provided all remuneration for Directors and the Management for the year 2014 as follow:

	Person	Remuneration for Directors	*Salary/Bonus & other	Total
Directors	9	4,300,000.00	13,140,045.00	17,440,045.00
Management	6	-	8,527,880.00	8,527,880.00
Directors and Management	15	4,300,000.00	21,667,925.00	25,967,925.00

\*Salary / bonus / consultant fee / contribution to provident fund / contribution to social security fund / peridium

### Corporate Governance of associate

SAUCE has submitted our Directors to be Directors in the associate's Board of Directors as follows:

- |                                 |               |                         |
|---------------------------------|---------------|-------------------------|
| 1. Yamasa (Thailand) Co., Ltd.: | 1 Director :  | 1. Mr. Tanawat Winyarat |
| 2. Exter (Thailand) Ltd.:       | 2 Directors : | 1. Mr. Tanawat Winyarat |
|                                 |               | 2. Mr. Bancha Winyarat  |

### Auditor's remuneration

#### 1. Audit fees

The Company paid for the audit fees as follows:

	2015	2014
Paid to the Company's auditor for the fiscal year in the amount of Baht	-	-
Paid to the Auditing firm for the fiscal year in the amount of Baht	780,000.00	750,000.00
Total the audit fees	780,000.00	750,000.00

#### 2. Non-audit fees

The Company has not paid for the non-audit fees to the Company's auditor or the Auditing firm, person, the related parties the Auditor and the Auditing firm for the fiscal year.



# Corporate Social Responsibility :

## Corporate Social Responsibilities: CSR)

SAUCE strongly recognizes the interests of all stakeholders including, investors, employees, the community and the environment. These are translated into the company's Corporate Social Responsibility policy, principles and directions and laid influential grounds of employees and executives' practices.

This policy is a guideline for shared practice comprised of 7 categories.

### 1. Ethical Business Operation

We are committed to ensure that our business is fairly conducted according to ethical, professional and legal standard. The company embraces the guidelines of the good corporate governance by following on Corporate Governance of the Stock Exchange of Thailand (SET).

### 2. Anti-Corruption

Our company is operated with transparency and has no involvement with any kinds of corruption. We have a commitment to full legal compliance. Moreover, there are reliable external and internal inspection agencies to monitor our business.

Members of Board of Director, executives and all employees are strictly obliged to company rules, regulations and business integrity to impede business bribery. Violators are subject to the highest punishment.

### 3. Respect on Human Right

We emphasize on booting a standard human right, human right and freedom. Our employees are equally treated with respect and no subjection on gender and diversity. Furthermore, we are against child labor employment.

### 4. Labor justic and Employee Responsibility

We promote a quality of life of our employees to meet labor standards by enforcing a fair treatment and an equality of opportunity in employment, a standard social welfare and a safe working environment.

## Occupational Health and Safety Policy

"Working safely and attentively for no accidents"

In addition, we have continually engaged in a project named "Employees' Children Tuition Fee Fund" which was first established in 2002 by Mrs.Kim-Siew Sae-Tung (a wife of Mr.Chai Sae-Kow, a founder of a company). This fund is conducted aiming to support a tuition fee of our employees' children who have a good record on studying and pleasant behaviors.

### 5. Consumer Responsibility

- The company has set up a Hotline Number service to gather comments and complaints about our products and sale service from customers for further improvement.

- We continuously develop alternative methods and means that can effectively help extend our production and manufacturing quality to certify international standard; Good Manufacturing Practices (GMP), Hazard Analysis and Critical Control Points (HACCP) and ISO 9001:2008.

## Quality Policy

"Produce high-quality and safe products according to food regulations to serve our customers' needs and satisfaction."

## HAL-Q Policy

"Produce quality and health-concern condiment, without any restricted contaminants as Islamic provision."

- We have invested and utterly utilized our resources in Research and Development (R&D) to bring high quality products to consumers.

### 6. Environmental Conservation

- We are aware of environmental issues that can affect human life and well-being. Therefore, the company has implemented green technology and environmental friendly production process. We carefully use and reduce the consumption of energy resources. We have initiated waste and water recycling project.

## Environmental Management System (EMS) Policy

"1. Continually manage and develop an Environmental Management System

2. Operate under relevant environmental rules and regulations

3. Carefully manage the use of energy resources and lessen pollution from its source "

## Energy Conservation Worthily Policy

"consume resources and energy; continuously develop under a related conservation energy law"

- We have adopted a new "Green Carton" packaging which is a packaging innovation for environment reduce the use of natural resources. It's also lighter and stronger.

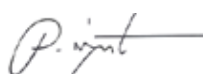
- Our employees are implanted the concept of the energy and environmental conservation. They have played a part in reducing energy consumptions.

### 7. Community or Society Development

We actively establish an engagement among our local community, society, country and Thai citizens. The company has valued the importance of supporting and creating our stakeholders' advantages. We attempt to engage ourselves to our community and society, where we belong to and largely share cultivation. Therefore our CSR's vision reflects through diverse projects and activities.

SAUCE is continuing with our full determination and capacity to drive and sustain our CSR strategies and projects. We are looking forward to delivering the great prospect to and our community, society and Thai citizens.

This Corporate Social Responsibility policy will become effective on December 4th, 2013.



(Parinya Winyarat)  
Chairman of the Board

## CSR ACTIVITIES - SAUCE has organized projects and CSR activities as follows :

### The Children's Day

On 10 January 2015, Sauce set up the Children's Day activity which was held continuously in the third year with the theme of "The 3rd Golden Mountain Good Children" for children of Sauce's employee and children nearby the company to enjoy with our activities. For the activity, we can build smile and good relationship with the parent and the children who participate on that day. Sauce invite "Thana Lipayaraya (Chain), the formal famous singer of RS Co., Ltd. to entertain. Beside, Sauce also sponsor the scholarship to the nearby school and support our products to the school more than 248 schools which organized this activities throughout the country.



### Employees' Children Scholarship

In 2015 Employees' Children Scholarship held its ceremony on 6 June 2015. For 23 years, Sauce has been efficiently operated and granted 2,292,000.00 Baht.



### Mangrove Planting Activity

The management team and more than 100 employees led by Ms. Varanya Winyarat, Deputy Managing Director, to participate the Mangrove Planting Activity at Bangpoo Nature Education Center, Samutprakarn.



### Build kitchen

On 26-29 July 2015 "Think good and Do good for Sustainable social Team" delivered kitchen to Ban Na Kha School, Khon Kaen province and also hosted lunch to its students and teachers.



### Donate Money for the Victims of Earthquake at Nepal

Ms. Varanya Winyarat, Deputy Managing Director, was the representative of the company to donate Money for the victims of earthquake at Nepal via The Thai Red Cross Society amounting to 100,000.00 Baht.



### Support Multi-Purpose Grounds

On 26-27 February 2015 Miss Sunee Winyarat, Finance Manager, was the representative of the company to deliver Multi-Purpose Grounds to Ban Klong Song School, Chumporn, and hosted lunch to their children and organized sport harmony as well..





### Support "Parknam Games" Badminton Competition

Sauce supported Samutprakarn's Badminton Club for seeking badminton player to compete on n National Youth Game No 32 which was held on 9-19 March 2015 at Suphanburi.



### Lunch Party for Hilltribe Children

On 29 July 2015. Sauce hosted Lunch for The company has given a lunch party hilltribe children who travelled to study regarding Mangrove Project at Bangpoo Nature Education Center, Samutprakarn.



### Support The Products And Sport Equipment for up country shools

On 20 August 2015 Sauce supported product and sport equipment to the up country schools in order to promote of exercise for children to keep away from drugs and also use their time wisely. On this occasion, it had been honored by Rear Admiral Prachachart Sirisawat of Naval Academy to receive them for school project.



### Supported Rally for againsting Drug Abuse

On 21-22 February 2015, Sauce has supported rally for againsting Drug Abuse with the Samutprakarn chamber of commerce.



### Support The Products and Kitchen Equipment

On 28 November 2015. Sauce supported its products and kitchenware to Ban Sai Thong School, Phetchaboon.



### Supported Disabled Day Activity

On 5 February 2015, Sauce supported the arranging of International Disabled Day at Samutprakarn. The management team received a certificate in this event as well.



## Internal Control and Risk Management

### Internal control and Risk management

#### Internal control

#### Auditor Committee's Opinion

The company maintains an internal control structure and monitors that structure to ensure that the company's operations comply with established policies and procedures. The objectives of the internal control structure are to provide reasonable, but not absolute, assurance as to the integrity and reliability of financial statements, protect asset from unauthorized use of disposition, and ensure that transactions are executed in accordance with the authorization management.

The board of directors of Thaitheparos Public Company Limited at a meeting No. 1/2016 held on February 19, 2016. The board of directors assigned the Audit Committee to evaluate the internal control system of the company in 2015. The Audit Committee has the question to the management related 5 parts of the internal control program as follows :

1. Organization and environment
2. Risk management
3. Management operation control,
4. Information technology & communication program and
5. Monitoring program.

To ensure internal control system and internal audit program. In an Audit Committee's opinion, "internal control system of Thaitheparos Public Company Limited is adequate , appropriate and efficacious",



## Audit Committee's Report

To : The Shareholders of Thai Theparos Food Products Public Company Limited

The Audit Committee of Thaitheparos Public Company Limited has been assigned by the Board of Director. During the accounting period for the year ended December 31, 2015, there are 4 audit committee meetings and all of them attend meeting.

Audit Committee Responsibilities are as follow :

1. To review the quarterly and the yearly financial statement of the company in 2015. In our opinion, Thaitheparos Public Company Limited 's financial statement is correct ,complete and credible. Also the company prepared financial statement under Accounting Standard as indicated in The Accounting Act B.E. 2543 ,the Declaration of the Securities and Stock Exchange Committee , the Declaration of the Stock Exchange of Thailand including disclose correctly and sufficiently detailed information of financial statement.

2. To ensure internal control system and internal audit program . In our opinion, internal control system of Thaitheparos Public Company Limited is adequate , appropriate and efficacious.

3. To ensure Good Corporate Governance, the Audit Committee ensure the company to follow the Good Corporate Governance Practice and give opinion that Thaitheparos Public Company Limited have follow the declaration of the Securities and Stock Exchange Committee including relevant law and disclose information adequately, correctly, completely as well as emphasizing to do business strictly and accountability.

Considering in conflicts of interest transaction for the year 2015, audit committee give an opinion that connected transaction of Thaitheparos Public Company Limited. is fairly transaction It will not give any benefit to person with a conflict of interests. It is an appropriate transaction and utmost usefulness for the company.

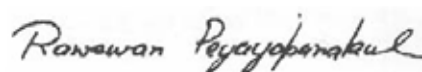
4. To Select Auditor for the year 2016. The Audit Committee select and offer to the Board of Director concerning auditor appointment including auditor's fee which is suitable for the company. In our opinion, the shareholders Meeting is hereby advised to elect Mrs. Siripen Sukchareonyingyong, CPA Registration No. 3636 or Mr. Charoen Phosamritlert, CPA Registration No. 4068 or Mrs. Wilai Buranakittisophon CPA Registration No. 3920 of KPMG Phoomchai Audit (Thailand) Co. Ltd. As the auditor of the company for the year 2016.

The above mentioned auditors are independent. They do not have any relevant to the company and do not give any services except audit of accounting.

During the year 2015, Audit Committee attended the meeting with Auditor of company independently in order to ask for their opinions for any matter 4 times.

5. In our opinion, audit committee operating are independent. The Board of Directors have reported the operating results to the audit committee continual. There are not any events which may cause important effects to the company's operating results.

On behalf of the Audit Committee



Asst. Prof. Raweevan Piyayopanakul  
Chairman of Audit Committee

19 February 2016

## Related party transactions

The company has no related parties transaction with shareholders or by common shareholders or directors. Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Company were as follows:

Name of entities	Yamasa (Thailand) Co., Ltd. (. Yamasa Corporation Limited Japan, 49% shareholding )		
Nature of relationships	Associate, 26% shareholding Mr. Tanawat Winyarat is co director		
		2015	2014
		(in thousand Baht)	
Transactions	Sales of goods	26,274	23,321
Pricing policies	Market price		
The necessary	The purpose of Foundation Yamasa (Thailand) Limited is to, distribute Japanese Soy Sauce in the South East Asia region and authorized Thai Theparos Public Company Limited to be the sole manufacturer in Thailand		
		2015	2014
		(in thousand Baht)	
Transactions	Rental income	138	138
Pricing policies	Contractually agreed price which compared to the lease of the company nearby.		
The necessary	The Company entered into a building granted - lease agreement for use as a office with Yamasa (Thailand) Limited which total area of 43 square metres. In order to save the transportation costs and it is convenient for management because they are in the same area.		
Name of entire	Exter ( Thailand) Ltd.(Exter BV Netherland 60% shareholding)		
Nature of relationship	Associate, 40% shareholding Mr. Tanawat Winyarat and Mr. Bancha Winyarat are co director		
		2015	2014
		(in thousand Baht)	
Transactions	Purchase of raw materials	24,854	-
	Sales of goods	17,524	23,678
Pricing policies	Market price		
The necessary	The purpose of Foundation Exter (Thailand) Limited is to, export “EXTER” reaction flavour in European countries and South East Asia region and authorized Thaitheparos Public Company Limited to be the sole manufacturer of the main raw material in Thailand.		
		2015	2014
		(in thousand Baht)	
Transactions	Rental income	1,489	1,489
	Other income		
	Water utility charge	148	164
	Electricity charge	1,730	1,644
	steam charge	3,591	3,776

Pricing policies	Contractually agreed price which compared to the lease of the company nearby.		
The necessary	Sauce entered into a building granted - lease agreement for use as an office and factory with Exter Thailand totally 880 square meters which it is benefits for mutual companies on transportation cost saving as well as management and utilities' convenience.		
		2015	2014
Transactions	Loan to associated company	2,400	3,600
	interest	218	326
Pricing Policy	MLR (KBANK)+1.0%		
The necessary	Sauce provided loan to Exter Thailand for our mutual benefits on monetary liquidity of Exter Thailand with the reasonable loan interest.		

Audit Committee give an opinion relating to the related party transaction according to the Audit Committee's report dated February 19, 2015 as follows.

"Considering in conflicts of interest transaction for the year 2015, audit committee give an opinion that connected transaction of Thaitheparos Public Company Limited. is fairly transaction. It will not give any benefit to person with a conflict of interests. It is an appropriate transaction and utmost usefulness for the company."

# Management Discussion and Analysis

## Management Discussion and Analysis Translation For the year ended December 31, 2015 and December 31, 2014 Operating and Financial Status

### Overview

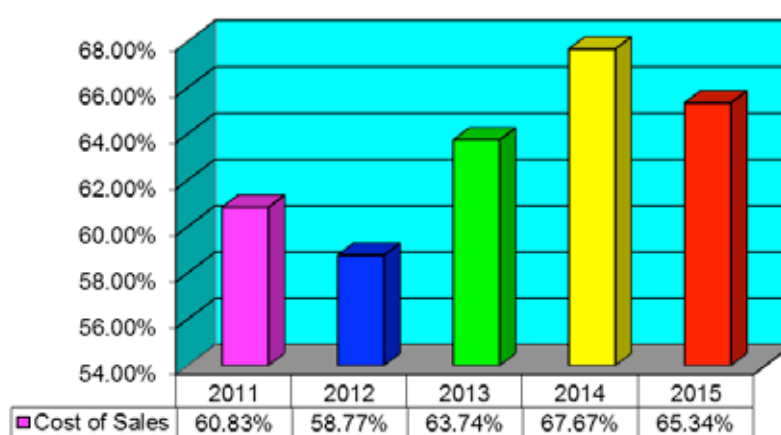
Operating Results in 2015 was better than last year which caused profit increased. Revenue from sales of goods has increased, while cost of sales of goods have decreased due to the price of major raw material decreased but selling expenses have increased because of the high competition as last year.

This year Sauce has launched a new product of “Cooking Sauce under the Golden Mountain Brand”, one bottle for all purposes, no additional seasoning needed, specializing in stir-fry menus” like a professional chef cooking for you. In July 2015 additional delicious for every kitchen with “Green Cap Seasoning Sauce “easily absorbed into meats, specializing in marinades and stews.

(in million Baht)	2015	2014	Change	%
Domestic Sales	1,620.87	1,594.60	26.27	1.65%
Industrial Sales	155.48	150.66	4.82	3.20%
Modern Trade Sales	697.10	643.29	53.81	8.36%
Sales to associate	42.67	46.85	(4.18)	-8.92%
Export Sales	228.71	210.40	18.31	8.70%
Total Sales	2,744.83	2,645.80	99.03	3.74%
Cost of Sales	1,793.45	1,790.45	3.00	0.17%
Selling Expenses	322.48	283.22	39.26	13.86%
Administrative Expenses	161.21	145.14	16.07	11.07%
Net Profit	391.84	368.00	23.84	6.48%

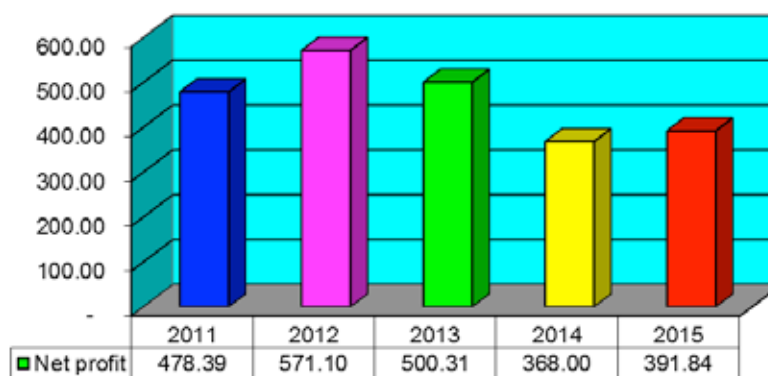
Growth	2015	Target	Effectiveness
Total Sales	3.74%	5.00%	74.80%
Cost of Sales	-2.33%	-2.00%	116.50%
Net Profit	6.48%	6.50%	99.69%

Cost of sales (% of Sales) Compared last 5 year





Net profit (Million Baht) By Quarterly



### Operating review

#### Profitability

Thai Theparos Plc earn net profit for year ended December 31, as follow:-

	2015	2014	Change	%
Net profit (Million Baht)	391.84	368.00	23.84	6.48
Gross Profit Margin %	34.66	32.33	2.33	
Net Profit Margin %	14.14	13.74	0.40	
Return on Equity %	16.36	15.00	1.36	
Return on Total Assets %	14.83	13.65	1.18	

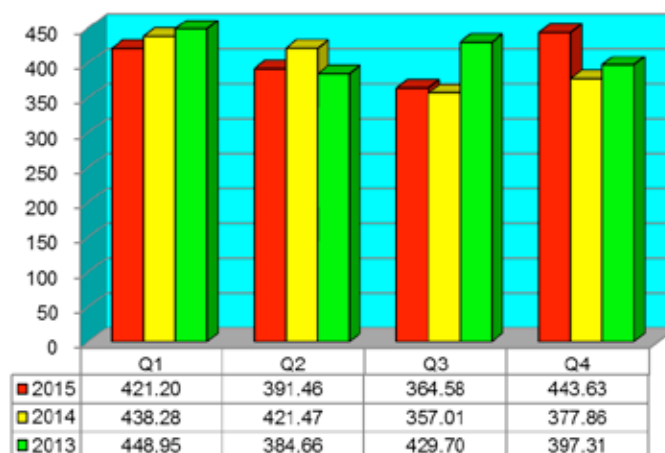
The factors that the Company earn net profit in 2015 increased by 6.48 % or Bt. 23.84 million compared to that of 2014 shown here under :-

(Million Baht)	2015	2014	Change	%
1. Domestic Sales	1,620.87	1,594.60	26.27	1.65
Modern Trade Sales	697.10	643.29	53.81	8.36
Industrial Sales	155.48	150.66	4.82	3.20
Sales to associate	42.67	46.85	(4.18)	(8.92)
Export Sales	228.71	210.40	18.31	8.70
Total revenue from sales of goods	2,744.83	2,645.80	99.03	3.74
2. Cost of sales of goods	1,793.45	1,790.45	3.00	0.17
% of total sales of goods	65.34%	67.67%	-2.33%	
3. Selling expenses	322.48	283.22	39.26	13.86
% of total sales of goods	11.75%	10.70%	1.05%	
4. Administrative expenses	161.21	145.14	16.07	11.07
% of total sales of goods	5.87%	5.49%	0.38%	

Domestic sales increased by 1.65% or Bt. 26.27 million Bt. from that of 2014 mostly from increased 1.04% or 12.71 million Bt. in credit traditional trade channel and increased 13.41% or 13.16 million Bt. in trading firm channel but decreased 0.33% or 0.90 million Bt. in cash van channel.

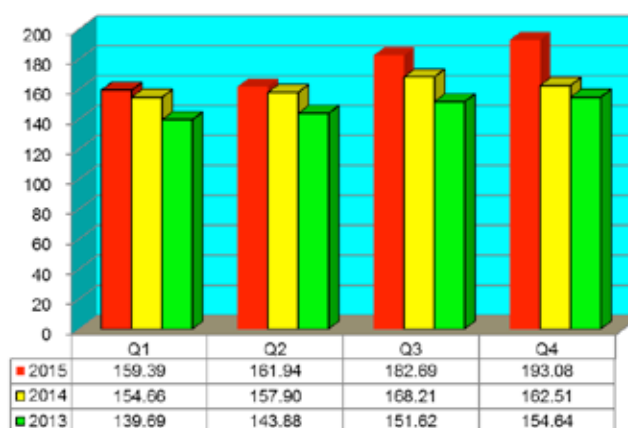
(Million Baht)	2015	2014	Change	%
Traditional Sales	1,235.63	1,222.92	12.71	1.04%
Cash Van Sles	271.43	272.33	(0.90)	-0.33%
Trading Firm	111.28	98.12	13.16	13.41%
Other	2.53	1.23	1.30	105.69%
Domestic Sales	1,620.87	1,594.60	26.27	1.65%

**Domestic Sales (Million) by Quarterly**



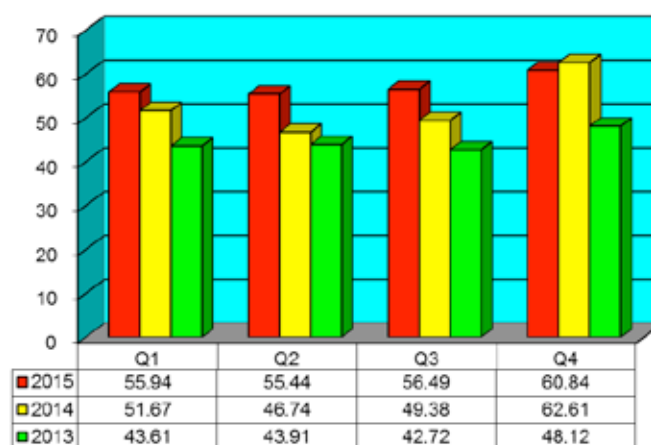
but increased 8.36% or Bht. 53.81 million in modern trade channel.

**Modern Trade Sales (Million Baht) by Quarterly**



Export sales increased by 8.70% or Bt. 18.31 million from that of 2014. Due to the increasing from AEC and China.

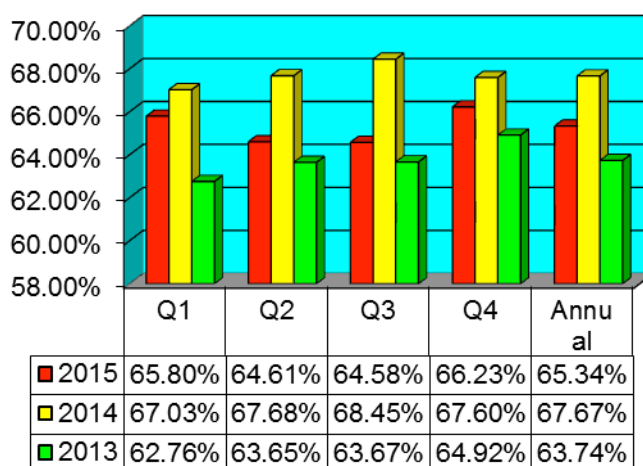
**Export Sales (Million Baht) by Quarterly**



Sales to associate decreased by 8.92% or Bt. 4.18 million from that of 2014 due to the decline sales Exter (Thailand) Ltd..

From the above reasons, the total sales increased from Bt.2,645.80 million in 2014 to Bt. 2,744.83 in 2015, increased by 3.74% or Bt. 99.03 million from that of 2014.

### Cost of sales of goods (% of sales) by Quarterly



Cost of sales decreased 2.33% from 67.67% of total sales in 2014 to 65.34% in 2015 or increased 0.17% of sales or Bt.3.00 million. It was because the price of defatted soy bean and corn gluten were more decreased 8.50% and 13.03% respectively. Besides the price of chili and garlic also were more decreased 13.73% and 18.15% respectively

The selling expenses of sales increased from 10.70% in 2014 to 11.75% in 2015 or increased by 1.05 % of total sales or Bt.39.26 million. This represents the increase in sales promotional expenses due to higher competition in the domestic sales, especially in the Modern Trade Channel. Furthermore the advertising expense increased resulting from the launch of new advertisements for the Golden Mountain brand under the tagline “ Green Cap Seasoning Sauce : delicious flavor, easily-absorbed into meats, specializing in marinades and stews” and “New Cooking Sauce : one bottle for all purposes, no additional seasoning needed, specializing in stir-fry menus ”. These advertisements present two essential sauces for every kitchen, to increase consumer awareness in the first and third quarter, respectively.

The administrative expense increased from 5.49% in 2014 to 5.87% in 2015 increased 0.38% or increased by Bt 16.07 million or due to the increasing of employee benefit expenses, allowance for doubtful account and allowance for obsolete stock etc.

From the above reasons, sales increased and cost of sales decreased but selling expenses and administrative expenses increased , the net profit for the year ended December 31, 2015 increased from Bt. 368.00 million in 2014 to Bt. 391.84 million in 2015, increased by 6.48% or Bt. 23.84 million from that of 2014.

Sauce has earning before income tax (EBT) for year ended December 31, as follows:-

	2015	2014	Change	%
Earning before income tax expense	492.51	461.29	31.22	6.77
EBT Margin %	17.78	17.22	0.56	3.25

### Dividend Policy

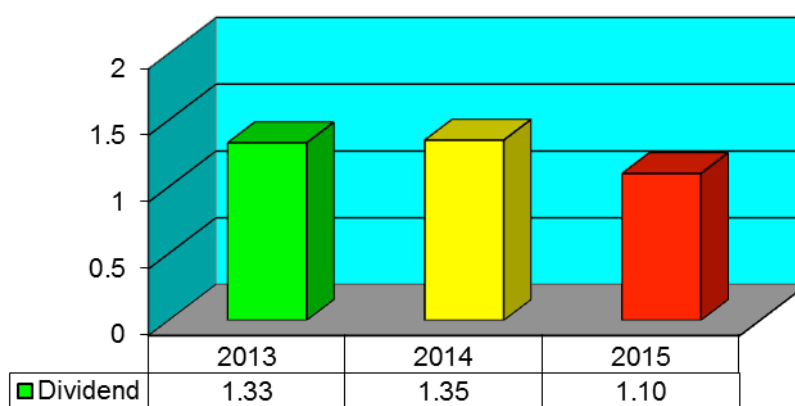
Minimum of 50% of net profit annually and will be paid in next year.

### Dividend Payment

At the annual general meeting of the shareholders of the Company held on 23 April 2015, the shareholders approved the appropriation of dividend for 2014 operation of Baht 1.10 per share, amounting to Baht 396.00 million (payout ratio 107.61% ). The dividend was paid to shareholders on May 19, 2015.

	2015	2014	Change	%
Dividends paid ( Million Baht)	396.00	486.00	(90.00)	(18.52)
Dividends per share (Baht)	1.10	1.35	(0.25)	(18.52)
Net profit (Last year)	368.00	500.31	(132.31)	(26.45)
Dividends pay out ratio (%)	107.61%	97.14%	10.47%	

### Dividend payment by Annually (Bath)



## Report and Analysis of Financial Position

### Financial Structure

#### Debt Equity Ratios

In 2015 the debt equity ratio was 0.11 which increased 0.10 in 2014. The financial structure was suitable to the size of operations and business equal to 2014.

	December 31, 2015		December 31, 2014	
	Millon Baht	%	Millon Baht	%
Total liabilities	257.46	9.71	235.41	8.94
Equity	2,393.52	90.29	2,396.67	91.06
Total assets	2,650.98	100.00	2,632.08	100.00
Income tax payable	49.16	19.09	43.36	18.42
Trade accounts payable	82.60	32.08	81.88	34.78
Accrued expenses	68.14	26.47	59.28	25.17
Other current liabilities	20.01	7.78	16.16	6.86
Non current liabilities	37.55	14.58	34.73	14.75
Total liabilities	257.46	100.00	235.41	100.00
Issued and paid-up share capital	360.00	15.04	360.00	15.02
Premium on ordinary shares	615.60	25.72	615.60	25.69
Fair value change in investment	1.08	0.04	0.07	0.00
Legal reserve retained earning	60.00	2.51	60.00	2.50
Unappropriated retained earning	1,356.84	56.69	1,361.00	56.79
Total equity	2,393.52	100.00	2,396.67	100.00

### Liquidity

#### Cash flows

(Million Baht)	2015	2014	Change	%
Cash flows from operating activities	573.26	379.95	193.31	50.88
Net cash uses in investment activities	(108.22)	(173.81)	65.59	(37.74)
Net cash uses in financing activities	(396.00)	(486.00)	90.00	(18.52)
Net increase (decrease) in cash and cash equivalents	69.04	(279.86)	348.90	(124.67)

(Million Baht)	2015	2014	Change	%
Current assets	1,309.94	1,271.74	38.20	3.00
Current liabilities	219.91	200.68	19.23	9.58
Current ratio (Time)	5.96	6.34	(0.38)	(6.00)

Collection Period (days)	37	37	-	-
Inventories Turnover Period (days)	68	69	(1)	(1.45)
Cash Cycle Perid (days)	88	90	(2)	(2.22)

## Current ratio

Current ratio in 2015 is 5.96 times, decreased from 6.34 times in 2014. This result from the increase of current liabilities by Bt.19.23 million, most of these are income tax payable, and the increase of current assets by Bt. 38.20 million, most of these are cash and cash equivalent.

Sauce still enjoys high current ratios with no shortage of cash flow. The collection period was 37 days which equal to 2014. The inventories turnover period was 68 days which less than 2014 by 1 day. Cash cycle period was 88 days which less than 2014 by 2 days.

As at December 31, 2015, we have total cash and cash equivalents more than Bt. 333.05 million, in addition, have clear credit limit with the major banks more than Bt. 35.50 million, to support the Company for emergency. The company had unutilized credit facilities totaling Baht 247.5 million.

## The ability to pay debt and practice according to the loan

The company has no debt resulting from loan of any kind. Most of liabilities are current liabilities from trade account payable and accrued expenses. The company has performed its duty as a good debtor and paid debt in Accordance with customer's trade agreement.

## Quality of Assets

### Change in Assets

As at December 31, 2015 Sauce has Bt. 2,650.98 million of total assets, the growth increased 0.72% compare to Bt. 2,632.08 million as at December 31, 2014.

As at December 31, 2015, Sauce has current assets as 49.41%, and non current assets as 50.59% of total assets compare to 48.32% and 51.68% as at December 31, 2014

(Million Baht)		2015	2014	Change	%
Current assets		1,309.94	1,271.74	38.20	3.00
Non current assets		1,341.04	1,360.34	(19.30)	(1.42)
Total assets		2,650.98	2,632.08	18.90	0.72
Current assets / Total assets	%	49.41%	48.32%	1.10%	
Non current assets / Total assets	%	50.59%	51.68%	-1.10%	
Total assets	%	100.00%	100.00%		

## Main Part of Assets

	December 31, 2015		December 31, 2014	
	Million Baht	%	Million Baht	%
Property, plant and equipment	1,137.58	42.91	1,155.83	43.91
Current investments	336.83	12.71	315.98	12.00
Cash and cash equivalent	333.05	12.56	264.00	10.03
Inventories	309.07	11.66	364.05	13.83
Trade accounts	298.45	11.26	270.69	10.29
Unused land	142.43	5.37	142.43	5.41
Deferred tax assets	22.30	0.83	22.41	0.86
Other long-term investment	20.33	0.77	20.33	0.77
Advance payment for raw materials	19.13	0.72	28.16	1.07
Other current assets	12.21	0.46	27.67	1.05
Investments in associates	7.42	0.28	8.25	0.31
Bank deposits under commitment	4.60	0.17	4.60	0.18
Other non-current assets	3.09	0.12	2.40	0.09
Intangible assets	2.09	0.08	1.68	0.06
Loan of associate	1.20	0.05	2.40	0.09
Current portion of loan to associate	1.20	0.05	1.20	0.05
Total assets	2,650.98	100.00	2,632.08	100.00



Concerning accounts receivable, the Company has set aside an adequate allowance for doubtful accounts. As at December 31, 2015, we have total allowance for doubtful accounts amounting to Bt. 2.82 million and Bt. 0.81 respectively.

(Million Baht)	2015	2014	Change	%
Related parties	21.02	27.21	(6.19)	(22.75)
Other parties	280.25	244.29	35.96	14.72
Total	301.27	271.50	29.77	10.97
Less allowance for doubtful accounts	(2.82)	(0.81)	(2.01)	248.15
Net trade accounts receivable	298.45	270.69	27.76	10.26

Inventories no the obsolescence and deterioration

(Million Baht)	2015	2014	Change	%
Finished goods	51.92	94.19	(42.27)	(44.88)
Work in progress	106.82	163.15	(56.33)	(34.53)
Raw materials	147.79	106.23	41.56	39.12
Raw materials in transit	1.95	-	1.95	
Supplies	0.59	0.48	0.11	22.92
Total inventories	309.07	364.05	(54.98)	(15.10)

Long-term investment will be due in 2022 for the amount of Bt. 20 million.

(Million Baht)	2015	2014	Change	%
Debentures	20.00	20.00	-	-
Investment in marketable equity security	0.33	0.33	-	-
Total long-term investment	20.33	20.33	-	-

#### Allowance for impairment losses

##### Unused land

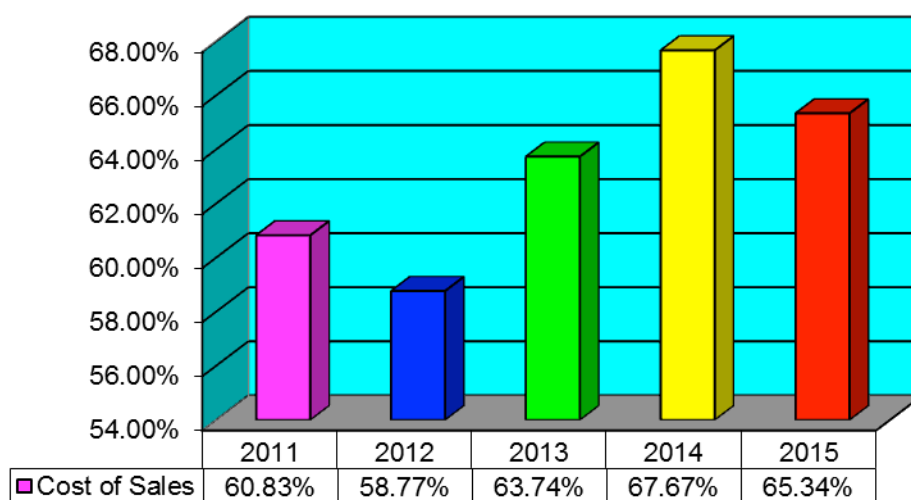
(Million Baht)	2015	2014	Change	%
Unused land at cost	204.07	204.07	-	-
Less allowance for impairment losses	(61.65)	(61.65)	-	-
Net	142.42	142.42	-	-

The carrying value of the unused land as at 31 December 2012 is based on an Independent professional appraisal carried out in dated 2 July 2009.

Based on the appraisal report from independent professional appraisers dated 11 December 2013, using the Market Comparison Approach by the fair market value, the revalued unused land was estimated at Baht 142.4 million. Therefore, the Company recorded the reversal of allowance for impairment losses amounted to Baht 47.5 million as other income in the 2013 statement of comprehensive income.

## Factor affected to the Performance Results in the future

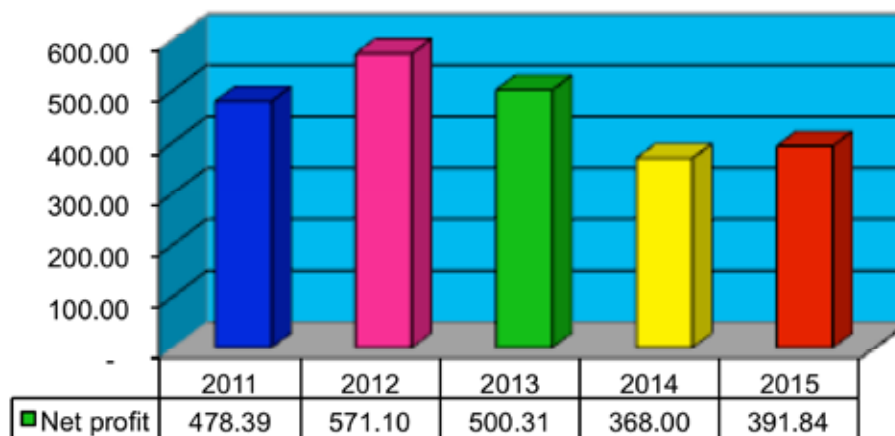
### Cost of sales (% of Sales) Compared last 5 year



In 2016 , Cost of sales tendency will the same as 65.34 % in 2015 due to the price of the main raw materials are the same of last year.

The company's performance results in 2016, it was expected that its net profit will increase by 2.00-2.50 % from the previous year resulting from the revenue from sale of goods increase 5% and the cost of sales/sales the same as 2015. Selling expense will increase by 9-10% from high competition

### Net profit (Million Baht) By Quarterly





## THAITHEPAROS PUBLIC COMPANY LIMITED Financial Statements




# Report of The Board of Directors’ Responsibilities For Financial Report

Financial Statements of Thaitheparos PLC. are prepared in accordance with generally accepted accounting principles under the Accounting Act B.E. 2543 which included Accounting Standards issued under the Accounting Professions Act B.E.2547 and the regulations of the Securities and Stock Exchange Committee related to the preparation and presentation of financial report under the Securities and Stock Exchange Act B.E. 2535 including the declaration of Trade Registered Department subject to “Fixing the abbreviation transactions needed in the Financial Statements B.E. 2544” dated 14 February 2001 according to the act under section 11 paragraph 3 of the Accounting Act B.E. 2543.

The Board of Directors is responsible for the Financial report of Thaitheparos PLC. to ensure that it is presented the financial position, revenues, expenses and cash flows with actual and reasonable by recording accounting data correctly, completely and sufficiently in order to maintain the assets and also protect fraud or irregularities. The preparation of Financial report, the Board of Directors has considered Accounting Policy with reasonable and generally accepted accounting principals including disclose important data in the Financial Statement Notes adequately which the auditor has provided the opinion of Thaitheparos PLC.’s Financial Statement in the Audit report of Certified Public Accountant.

On behalf of The Board of Directors



Chairman of The Board



Director

19 February 2016

# Audit report of Certified Public Accountant



KPMG Phoomchai Audit Ltd.  
Empire Tower, 50 - 51 Floors  
195 South Sathorn Road  
Bangkok 10120, Thailand

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ชั้น 50 - 51 เอ็มไพร์ทาวเวอร์  
195 ถนนสาทรใต้  
กรุงเทพฯ 10120

Tel : 66 (2) 677 2000  
Fax : 66 (2) 677 2222  
www.kpmg.co.th

## Independent Auditor's Report

### To the Shareholders of Thaitheparos Public Company Limited

I have audited the accompanying financial statements in which the equity method is applied and separate financial statements of Thaitheparos Public Company Limited (the "Company"), which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at 31 December 2015, the related statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinion

In my opinion, the financial statements in which the equity method is applied and separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2015 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

(Siripen Sukcharoenyingyong)  
Certified Public Accountant  
Registration No. 3636

KPMG Phoomchai Audit Ltd.  
Bangkok  
19 February 2016



# Statement of Financial Position

Thaitheparos Public Company Limited  
Statements of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
	Note	31 December 2015	31 December 2014	31 December 2015	31 December 2014
		(in Baht)			
<b>Assets</b>					
<i>Current assets</i>					
Cash and cash equivalents	5	333,050,380	264,003,322	333,050,380	264,003,322
Current investments	6	336,831,606	315,974,281	336,831,606	315,974,281
Trade accounts receivable	7	298,447,683	270,686,849	298,447,683	270,686,849
Current portion of loan to associate	4	1,200,000	1,200,000	1,200,000	1,200,000
Inventories	8	309,072,881	364,051,705	309,072,881	364,051,705
Advance payment for raw materials purchased		19,131,309	28,157,410	19,131,309	28,157,410
Other current assets	4	12,210,176	27,666,846	12,210,176	27,666,846
<b>Total current assets</b>		<b>1,309,944,035</b>	<b>1,271,740,413</b>	<b>1,309,944,035</b>	<b>1,271,740,413</b>
<i>Non-current assets</i>					
Bank deposits under commitment	6	4,603,000	4,603,000	4,603,000	4,603,000
Investments in associates	9	7,422,901	8,251,626	5,199,413	13,199,393
Other long-term investments	6	20,323,800	20,331,895	20,323,800	20,331,895
Loan to associate	4	1,200,000	2,400,000	1,200,000	2,400,000
Land not used in operations	10	142,428,000	142,428,000	142,428,000	142,428,000
Property, plant and equipment	11	1,137,579,981	1,155,834,060	1,137,579,981	1,155,834,060
Intangible assets	12	2,091,862	1,676,886	2,091,862	1,676,886
Deferred tax assets	13	22,302,262	22,411,731	22,302,262	21,422,177
Other non-current assets	4	3,086,684	2,401,627	3,086,684	2,401,627
<b>Total non-current assets</b>		<b>1,341,038,490</b>	<b>1,360,338,825</b>	<b>1,338,815,002</b>	<b>1,364,297,038</b>
<b>Total assets</b>		<b>2,650,982,525</b>	<b>2,632,079,238</b>	<b>2,648,759,037</b>	<b>2,636,037,451</b>

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

Thaitheparos Public Company Limited  
Statement of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
Liabilities and equity	Note	(in Baht)			
<i>Current liabilities</i>					
Trade accounts payable	4	82,598,146	81,877,597	82,598,146	81,877,597
Income tax payable		49,163,800	43,364,596	49,163,800	43,364,596
Accrued expenses	14	68,136,276	59,279,508	68,136,276	59,279,508
Other current liabilities	4	20,015,008	16,155,136	20,015,008	16,155,136
<b>Total current liabilities</b>		<b>219,913,230</b>	<b>200,676,837</b>	<b>219,913,230</b>	<b>200,676,837</b>
<i>Non-current liability</i>					
Employee benefit obligations	15	37,547,987	34,728,435	37,547,987	34,728,435
<b>Total non-current liability</b>		<b>37,547,987</b>	<b>34,728,435</b>	<b>37,547,987</b>	<b>34,728,435</b>
<b>Total liabilities</b>		<b>257,461,217</b>	<b>235,405,272</b>	<b>257,461,217</b>	<b>235,405,272</b>
<i>Equity</i>					
Share capital	16				
Authorised share capital		600,000,000	600,000,000	600,000,000	60,000,000
Issued and paid-up share capital		360,000,000	360,000,000	360,000,000	360,000,000
Additional paid in capital					
Premium on ordinary shares	16	615,600,000	615,600,000	615,600,000	615,600,000
Retained earnings					
Appropriated					
Legal reserve	17	60,000,000	60,000,000	60,000,000	60,000,000
Unappropriated		1,356,838,497	1,360,999,833	1,354,615,009	1,364,958,046
Other component of equity					
Fair value changes in available-for-sale investments		1,082,811	74,133	1,082,811	74,133
<b>Total equity</b>		<b>2,393,521,308</b>	<b>2,396,673,966</b>	<b>2,391,297,820</b>	<b>2,400,632,179</b>
<b>Total liabilities and equity</b>		<b>2,650,982,525</b>	<b>2,632,079,238</b>	<b>2,648,759,037</b>	<b>2,636,037,451</b>

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

# Statement of Comprehensive Income

Thaitheparos Public Company Limited  
Statement of comprehensive income

		Financial statements in which the equity method is applied		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2015	2014	2015	2014
		(in Baht)			
<i>Income</i>	4				
Revenue from sale of goods		2,744,829,366	2,645,804,340	2,744,829,366	2,645,804,340
Other income	19	25,655,428	32,532,110	25,655,428	32,532,110
<b>Total income</b>		<b>2,770,484,794</b>	<b>2,678,336,450</b>	<b>2,770,484,794</b>	<b>2,678,336,450</b>
<i>Expenses</i>	20, 21				
Cost of sales of goods		1,793,450,617	1,790,452,666	1,793,450,617	1,790,452,666
Selling expenses		322,482,354	283,224,160	322,482,354	283,224,160
Administrative expenses		161,212,589	145,140,516	169,212,569	145,140,516
<b>Total expenses</b>		<b>2,277,145,560</b>	<b>2,218,817,342</b>	<b>2,285,145,540</b>	<b>2,218,817,342</b>
Share of profit (loss) on investment in associates	9	(828,725)	1,773,337	-	-
<b>Profit before income tax expense</b>		<b>492,510,509</b>	<b>461,292,445</b>	<b>485,339,254</b>	<b>459,519,108</b>
Income tax expense	22	(100,672,175)	(93,290,534)	(99,682,621)	(92,935,867)
<b>Profit for the year</b>		<b>391,838,334</b>	<b>368,001,911</b>	<b>385,656,633</b>	<b>366,583,241</b>
Other comprehensive income					
<i>Items that will never be reclassified to profit or loss</i>					
Defined benefit plan actuarial gains		-	4,784,848	-	4,784,848
<i>Items that are or may be reclassified to profit or loss</i>					
Change in fair value of available-for-sale investments		1,008,678	(975,471)	1,008,678	(975,471)
<b>Other comprehensive income for the year, net of income tax</b>		<b>1,008,678</b>	<b>3,809,377</b>	<b>1,008,678</b>	<b>3,809,377</b>
<b>Total comprehensive income for the year</b>		<b>392,847,012</b>	<b>371,811,288</b>	<b>386,665,311</b>	<b>370,392,618</b>
Basic earnings per share	23	1.09	1.02	1.07	1.02

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

# Statement of changes in equity

Thaitheparos Public Company Limited

Statement of changes in equity

Financial statements in which the equity method is applied							
		Additional	Retained earnings		Other component		
		paid in capital			of equity		
					Fair value		
					changes in		
					available-for-sale		
					investments		

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



Thaitheparos Public Company Limited  
Statement of changes in equity

Financial statements in which the equity method is applied						
	Additional paid in capital		Retained earnings		Other component of equity	
					Fair value changes in available-for-sale investments	
Note	Issued and paid-up Share capital	Premium on ordinary shares	Legal reserve	Unappropriated		Total equity
(in Baht)						
Year ended 31 December 2015						
Balance at 1 January 2015	360,000,000	615,600,000	60,000,000	1,360,999,833	74,133	2,396,673,966
Transaction with owners, recorded directly in equity						
<i>Distributions to owners of the Company</i>						
Dividends to owners of the Company 24	-	-	-	(395,999,670)	-	(395,999,670)
Total transaction with owners, recorded directly in equity	-	-	-	(395,999,670)	-	(395,999,670)
Comprehensive income for the year						
Profit	-	-	-	391,838,334	-	391,838,334
Other comprehensive income	-	-	-	-	1,008,678	1,008,678
Total comprehensive income for the year	-	-	-	391,838,334	1,008,678	392,847,012
Balance at 31 December 2015	360,000,000	615,600,000	60,000,000	1,356,838,497	1,082,811	2,393,521,308

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

Thaitheparos Public Company Limited  
Statement of changes in equity

		Separate financial statements				
		Additional paid in capital	Retained earnings	Other component of equity		
					Fair value changes in available-for-sale investments	Total equity
Note	Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Unappropriated		
				(in Baht)		
<b>Year ended 31 December 2014</b>						
Balance at 1 January 2014	360,000,000	615,600,000	60,000,000	1,479,589,957	1,049,604	2,516,239,561
<b>Transaction with owners, recorded directly in equity</b>						
<i>Distributions to owners of the Company</i>						
Dividends to owners of the Company 24	-	-	-	(486,000,000)	-	(486,000,000)
<b>Total transaction with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(486,000,000)</b>	<b>-</b>	<b>(486,000,000)</b>
<b>Comprehensive income for the year</b>						
Profit	-	-	-	366,583,241	-	366,583,241
Other comprehensive income	-	-	-	4,784,848	(975,471)	3,809,377
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>371,368,089</b>	<b>(975,471)</b>	<b>370,392,618</b>
<b>Balance at 31 December 2014</b>	<b><u>360,000,000</u></b>	<b><u>615,600,000</u></b>	<b><u>60,000,000</u></b>	<b><u>1,364,958,046</u></b>	<b><u>74,133</u></b>	<b><u>2,400,632,179</u></b>

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

Separate financial statements							
		Additional paid in capital	Retained earnings	Other component of equity			
					Fair value changes in available-for-sale investments		
Note	Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Unappropriated		Total equity	
						(in Baht)	
Year ended 31 December 2015							
Balance at 1 January 2015	360,000,000	615,600,000	60,000,000	1,364,958,046	74,133	2,400,632,179	
Transaction with owners, recorded directly in equity							
<i>Distributions to owners of the Company</i>							
Dividends to owners of the Company	24	-	-	(395,999,670)	-	(395,999,670)	
Total transaction with owners, recorded directly in equity		-	-	(395,999,670)	-	(395,999,670)	
Comprehensive income for the year							
Profit		-	-	385,656,633	-	385,656,633	
Other comprehensive income		-	-	-	1,008,678	1,008,678	
Total comprehensive income for the year		-	-	385,656,633	1,008,678	386,665,311	
Balance at 31 December 2015	360,000,000	615,600,000	60,000,000	1,354,615,009	1,082,811	2,391,297,820	

# Statement of cash flows

Thaitheparos Public Company Limited

Statement of cash flows

	Financial statements in which the equity method is applied		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
Note	2015	2014	2015	2014
	(in Baht)			
<b>Cash flows from operating activities</b>				
Profit for the year	391,838,334	368,001,911	385,656,633	366,583,241
<b>Adjustments for</b>				
Depreciation and amortisation	112,062,216	92,833,645	112,062,216	92,833,645
Interest income	19	(8,148,384)	(10,853,567)	(8,148,384)
Bad and doubtful debts expense (reversal)		3,063,479	(598,701)	3,063,479
Unrealised loss (gain) on exchange		15,017	(12,222)	15,017
Loss on write-off of inventories		4,432,858	615,316	4,432,858
Loss on disposal of plant and equipment		2,190,414	4,726,704	2,190,414
Impairment loss on investments in associates		-	-	7,999,980
Provision for bad debt with associates		64,086	-	64,086
Gain from sales of current investments		-	(1,651,238)	-
Reversal of allowance for impairment loss on equipment		-	(306,095)	-
Employees' benefits		5,861,095	2,396,470	5,861,095
Share of loss (profit) on investment in associates	9	828,725	(1,773,337)	-
Income tax expense	22	100,672,175	93,290,534	99,682,621
		612,880,015	546,669,420	612,880,015
<b>Change in operating assets and liabilities</b>				
Trade accounts receivable		(29,728,184)	8,302,466	(29,728,184)
Inventories		50,545,966	(42,572,948)	50,545,966
Advance payment for raw materials purchased		9,026,101	(14,218,745)	9,026,101
Other current assets		13,347,743	(12,178,098)	13,347,743
Other non-current assets		(685,057)	(523,597)	(685,057)
Trade accounts payable		667,697	11,780,228	667,697
Employee benefit obligations		(3,041,543)	(1,974,750)	(3,041,543)
Accrued expenses		8,856,761	(6,831,085)	8,856,761
Other current liabilities		6,411,113	(3,196,398)	6,411,113
Cash generated from operating activities		668,280,612	485,256,493	668,280,612
Income tax paid		(95,015,672)	(105,300,193)	(95,015,672)
<b>Net cash from operating activities</b>		<b>573,264,940</b>	<b>379,956,300</b>	<b>573,264,940</b>

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



Thaitheparos Public Company Limited

Statement of cash flows

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2015	2014	2015	2014
(in Baht)					
<b>Cash flows from investing activities</b>					
Interest received		9,199,023	10,270,488	9,199,023	10,270,488
Purchase of property, plant and equipment		(98,318,431)	(119,117,619)	(98,318,431)	(119,117,619)
Sale of plant and equipment		256,586	735,288	256,586	735,288
Proceeds from sales of current investments		-	38,698,412	-	38,698,412
Proceeds from loans to related party	4	1,200,000	1,200,000	1,200,000	1,200,000
Purchase of intangible assets		(967,009)	(432,773)	(967,009)	(432,773)
Increase in bank deposits under commitment		-	(10,000)	-	(10,000)
Increase in current investments		(19,588,381)	(135,161,582)	(19,588,381)	(135,161,582)
Decrease in long term investments		-	30,000,000	-	30,000,000
<b>Net cash used in investing activities</b>		<b>(108,218,212)</b>	<b>(173,817,786)</b>	<b>(108,218,212)</b>	<b>(173,817,786)</b>
<b>Cash flows from financing activity</b>					
Dividends paid to owners of the Company	24	(395,999,670)	(486,000,000)	(395,999,670)	(486,000,000)
<b>Cash used in financing activity</b>		<b>(395,999,670)</b>	<b>(486,000,000)</b>	<b>(395,999,670)</b>	<b>(486,000,000)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>69,047,058</b>	<b>(279,861,486)</b>	<b>69,047,058</b>	<b>(279,861,486)</b>
Cash and cash equivalents at 1 January		264,003,322	543,864,808	264,003,322	543,864,808
<b>Cash and cash equivalents at 31 December</b>	5	<b>333,050,380</b>	<b>264,003,322</b>	<b>333,050,380</b>	<b>264,003,322</b>
<b>Supplemental disclosures of cash flows information:</b>					
<i>Property, plant and equipment purchased during the years are detailed as follows:</i>					
Total addition of property, plant and equipment during the years	11	95,703,104	120,581,829	95,703,104	120,581,829
Add Settlement of payables for plant and equipment previously purchased		3,605,815	2,141,605	3,605,815	2,141,605
Less Payables on purchase of plant and equipment		(990,488)	(3,605,815)	(990,488)	(3,605,815)
		<b>98,318,431</b>	<b>119,117,619</b>	<b>98,318,431</b>	<b>119,117,619</b>

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

Thaitheparos Public Company Limited  
 Notes to the financial statements

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Note to the  
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## Thaitheparos Public Company Limited

### Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 19 February 2016.

#### 1 General information

Thaitheparos Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 208 Moo 6, Taibarn Road, Tambol Taibarn, Amphur Muang, Samutprakan, Thailand. Its branch is in Lampang.

The Company was listed on the Stock Exchange of Thailand in 20 January 1995.

The Company’s major shareholder during the financial year was the Winyarat Family which holds a 79.91% shareholding.

The principal activities of the Company are the manufacture and distribution of sauces and condiments.

#### 2 Basis of preparation of the financial statements

##### (a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Company’s accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Company’s operations are disclosed in note 27.

##### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Items	Measurement bases
Available-for-sale financial assets	Fair value
Net defined benefit liability	Present value of the defined benefit obligation, limited as explained in Note 15

##### (c) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

## Thaitheparos Public Company Limited

### Notes to the financial statements

#### (d) Use of estimates and judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### (i) Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 10	Land not use in operations
Note 13	Current and deferred taxation
Note 15	Measurement of defined benefit obligations
Note 25	Valuation of financial instruments

#### Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Company Audit Committee.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 10 – Land not use in operation; and
- Note 25 – Financial instruments.

## 3 Significant accounting policies

#### (a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

## Thaitheparos Public Company Limited

### Notes to the financial statements

#### (b) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments.

#### (c) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

#### (d) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost of work in process is calculated using the average cost formula while cost of other inventories is calculated using the first in, first out method. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

#### (e) Investments

Investments in associates

Investments in associates in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the financial statements in which the equity method is applied are accounted for using the equity method.

Investments in other debt and equity securities

Debt securities that the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses, are recognised directly in equity. Impairment losses are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

#### Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the first in first out method applied to the carrying value of the total holding of the investment.

#### (f) Land not use in operations

Land not use in operations is stated at cost less impairment loss.



## Thaitheparos Public Company Limited

### Notes to the financial statements

#### (g) Property, plant and equipment

##### Recognition and measurement

##### Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

##### Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

##### Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a declining balance method basis over the estimated useful lives of each component of an item of property, plant and equipment acquired before 1 January 2012. The percentages apply for declining balance methods are as follows:

	Percentage
Building and improvements	5
Machinery and equipment	20
Furniture, fixtures and office equipment	20 - 33
Vehicles	10 - 20

Depreciation is charged to profit or loss on straight-line method basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Building and improvements	10 - 20 years
Machinery and equipment	3 - 14 years
Furniture, fixtures and office equipment	3 - 10 years
Vehicles	5 - 12 years

No depreciation is provided on freehold land, spare parts or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### (h) Intangible assets

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

## Thaitheparos Public Company Limited

### Notes to the financial statements

#### **Amortisation**

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over their estimated useful lives from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Trademarks	3 – 10 years
Software	5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### **(i) Impairment**

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

#### **Calculation of recoverable amount**

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

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

#### **Reversals of impairment**

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **(j) Trade and other accounts payable**

Trade and other accounts payable are stated at cost.

#### **(k) Employee benefits**

##### **Defined contribution plans**

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

##### **Defined benefit plans**

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

## Thaitheparos Public Company Limited

### Notes to the financial statements

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### *Other long-term employee benefits*

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

#### *Termination benefits*

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

#### *Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### **(l) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### **(m) Revenue**

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

#### *Sale of goods*

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

#### *Rental income*

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Contingent rentals are recognised as income in the accounting period in which they are earned.

#### *Interest and dividend income*

Interest income is recognised in profit or loss as it accrues. Dividend income is recognised in profit or loss on the date the Company's right to receive payments is established.

#### **(n) Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

#### **(o) Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

## Thaitheparos Public Company Limited

### Notes to the financial statements

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (p) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

#### (q) Segment reporting

Segment results that are reported to the Company's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## 4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Yamasa (Thailand) Co., Ltd.	Thailand	Associate, 26% shareholding
Exter (Thailand) Limited.	Thailand	Associate, 40% shareholding
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

The pricing policies for particular types of transactions are explained further below:

#### Transactions

Purchase of raw materials  
Sales of goods  
Rental income  
Interest income  
Other income

#### Pricing policies

Market price  
Market price  
Contractually agreed price  
Market rate  
Mutually agreed price

Thaitheparos Public Company Limited

Notes to the financial statements

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Associate- Yamasa (Thailand) Co., Ltd.</b>				
Sales of goods	26,274	23,321	26,274	23,321
Rental income	138	138	138	138
Other income	43	69	43	69
<b>Associate- Exter (Thailand) Limited.</b>				
Purchase of raw materials	24,854	-	24,854	-
Sales of goods	17,524	23,678	17,524	23,678
Rental income	1,489	1,489	1,489	1,489
Interest income	218	326	218	326
Other income	6,374	5,968	6,374	5,968
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefit	25,267	26,426	25,267	26,426
Post-employment benefits	681	687	681	687
Other long-term benefits	20	18	20	18
Total key management personnel compensation	<u>25,968</u>	<u>27,131</u>	<u>25,968</u>	<u>27,131</u>

Balances as at 31 December with related parties were as follows:

	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Associate - Yamasa (Thailand) Co., Ltd.</b>				
Trade accounts receivable	3,733	4,783	3,733	4,783
Other current liabilities - deposit	20	20	20	20
<b>Associate - Exter (Thailand) Limited.</b>				
Trade accounts receivable	17,286	22,426	17,286	22,426
Other current assets - other receivables	6	9	6	9
Long term loans to related party	2,400	3,600	2,400	3,600
Other non-current assets	1,967	1,745	1,967	1,745
Trade accounts payable	5,350	-	5,350	-
Other current liabilities - deposit	200	200	200	200

Movements during for the years ended 31 December of loan to related party were as follows:

Loan to related party	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Associate - Exter (Thailand) Limited.</b>				
At 1 January	3,600	4,800	3,600	4,800
Decrease	(1,200)	(1,200)	(1,200)	(1,200)
At 31 December	<u>2,400</u>	<u>3,600</u>	<u>2,400</u>	<u>3,600</u>



## Thaitheparos Public Company Limited

### Notes to the financial statements

#### Significant agreements with related parties

##### Lease agreements

On 1 June 2011, the Company entered into a building granted-lease agreement for use as office and factory with an associated company, Exter (Thailand) Limited. covering 10 years starting from 1 June 2011 to 31 May 2021. The Company will receive monthly rental of Baht 79,200 for the 1st year to the 3rd year, receive monthly rental of Baht 105,600 for the 4th year to the 5th year, and receive monthly of Baht 158,400 for the 6th year to the 10th year. In this regard, the associated company paid the rental deposit of Baht 200,000.

On 1 October 2015, the Company entered into a building granted-lease agreement for use as an office with an associated company, Yamasa (Thailand) Co., Ltd., covering 1 years starting from 1 October 2015 to 30 September 2016. The Company will receive monthly rental of Baht 11,520. In this regard, the associated company paid the rental deposit of Baht 20,000.

On 1 October 2010, the Company entered into a building granted-lease agreement for use as an office with another associated company, Yamasa (Thailand) Co., Ltd. covering 5 years starting from 1 October 2010 to 30 September 2015. The Company will receive monthly rental of Baht 10,000 for the first thirteen months and Baht 11,520 for the remaining months.

##### Loan agreement

As at 31 December 2015, the Company ("Lender") had loan agreement with Exter (Thailand) Limited. ("Borrower"), amounting to Baht 6.0 million, which will be repayable by 5 years equal installments commencing on 20 May 2013 up to 20 May 2017. This loan bears interest at the rate of 7.5% p.a. for the 1st year to the 3rd year, and at the rate of MLR of certain local financial institution plus 1.0% p.a. for the remaining years.

## 5 Cash and cash equivalents

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
Cheques on hand	1,331	-
Cash on hand	1,787	1,227
Cash at banks - current accounts	11,400	10,230
Cash at banks - savings accounts	318,532	241,100
Fixed deposits with maturity less than 3 months	-	11,446
<b>Total</b>	<b><u>333,050</u></b>	<b><u>264,003</u></b>

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
Thai Baht (THB)	332,412	263,419
United States Dollars (USD)	638	584
<b>Total</b>	<b><u>333,050</u></b>	<b><u>264,003</u></b>

## Thaitheparos Public Company Limited

### Notes to the financial statements

#### 6 Other investments

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
<b>Current investments</b>		
Fixed deposits with maturity more than 3 months	276,955	280,366
Investment in marketable security - mutual fund	64,480	40,211
	<u>341,435</u>	<u>320,577</u>
Less Fixed deposits with maturity more than 3 months under commitment	(4,603)	(4,603)
<b>Total</b>	<u><b>336,832</b></u>	<u><b>315,974</b></u>
<b>Long-term investments</b>		
Debentures	20,000	20,000
Investment in marketable equity security	324	332
<b>Total</b>	<u><b>20,324</b></u>	<u><b>20,332</b></u>

The debenture of Baht 20 million which was invested in 2012 was issued by Kasikornbank Public Company Limited and is classified as a held to maturity debt instrument. The debenture has 10 years maturing on 15 February 2022 and bears interest of 4.50% per annum for the whole term of the debenture.

As at 31 December 2015, fixed deposits at bank of Baht 4.60 million (2014: Baht 4.60 million) were pledged to secure the use of electricity and raw material purchased.

#### 7 Trade accounts receivable

		Financial statements in which the equity method is applied/ Separate financial statements	
	Note	2015	2014
		(in thousand Baht)	
Related parties	4	21,019	27,209
Other parties		<u>280,249</u>	<u>244,293</u>
<b>Total</b>		<u><b>301,268</b></u>	<u><b>271,502</b></u>
Less allowance for doubtful accounts		(2,820)	(815)
<b>Net</b>		<u><b>298,448</b></u>	<u><b>270,687</b></u>
Bad and doubtful debts expenses (reversal) for the year		<u>2,005</u>	<u>(819)</u>

Aging analyses for trade accounts receivable were as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
<b>Related parties</b>		
Within credit terms	8,175	8,839
Overdue:		
Less than 3 months	4,724	9,285
3-6 months	3,293	4,200
6-12 months	<u>4,827</u>	<u>4,885</u>
	<u>21,019</u>	<u>27,209</u>
<b>Other parties</b>		
Within credit terms	199,622	225,223
Overdue:		
Less than 3 months	77,802	15,418
3-6 months	-	1,003
6-12 months	-	161
Over 12 months	<u>2,825</u>	<u>2,488</u>
	<u>280,249</u>	<u>244,293</u>
Less allowance for doubtful accounts	(2,820)	(815)
	<u>277,429</u>	<u>243,478</u>
<b>Net</b>	<u><b>298,448</b></u>	<u><b>270,687</b></u>

## Thaitheparos Public Company Limited

### Notes to the financial statements

The normal credit term granted by the Company ranges from 30 days to 90 days.

The currency denomination of trade accounts receivable as at 31 December was as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
Thai Baht (THB)	287,426	263,945
United States Dollars (USD)	9,928	6,229
Australia Dollars (AUD)	891	513
United Kingdom Pound Sterling (GBP)	203	-
<b>Total</b>	<b>298,448</b>	<b>270,687</b>

## 8 Inventories

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
Finished goods	51,917	94,190
Work in progress	106,820	163,151
Raw materials	147,795	106,227
Raw materials in transit	1,949	-
Supplies	592	484
<b>Total</b>	<b>309,073</b>	<b>364,052</b>

Inventories recognised as an expense in 'cost of sales of goods':

- Cost	1,793,451	1,790,453
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## 9 Investments in associates

	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
At 1 January	8,252	6,478	13,199	13,199
Share of net profits (loss) of associates	(829)	1,774	-	-
Allowance for impairment	-	-	(8,000)	-
<b>At 31 December</b>	<b>7,423</b>	<b>8,252</b>	<b>5,199</b>	<b>13,199</b>

Investments in associates as at 31 December 2015 and 2014 were as follows:

	Financial statements in which the equity method is applied/ Separate financial statements							
	Ownership Interest		Paid-up capital		Cost		Equity	
	2015	2014	2015	2014	2015	2014	2015	2014
	%				(in thousand Baht)			
<b>Associates</b>								
Yamasa (Thailand) Co., Ltd.	26	26	20,001	20,001	5,199	5,199	7,423	6,255
Exter (Thailand) Limited.	40	40	20,000	20,000	8,000	8,000	-	1,997
<b>Total</b>			<b>40,001</b>	<b>40,001</b>	<b>13,199</b>	<b>13,199</b>	<b>7,423</b>	<b>8,252</b>
Less allowance for impairment			-	-	(8,000)	-	-	-
<b>Net</b>			<b>40,001</b>	<b>40,001</b>	<b>5,199</b>	<b>13,199</b>	<b>7,423</b>	<b>8,252</b>

None of the Company's associates are publicly listed and consequently do not have published price quotations.

Thaitheparos Public Company Limited  
Notes to the financial statements

The following summarised financial information on equity-accounted investees is not adjusted for the percentage ownership held by the Company:

	Reporting date	Ownership interest (%)	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Profit/(loss)
<b>2015</b>											
<b>Associates</b>											
Yamasa (Thailand) Co., Ltd.	31 December	26	38,873	1,542	40,415	11,575	170	11,745	78,973	75,033	3,940
Exter (Thailand) Limited.	31 December	40	43,714	21,796	65,509	33,193	26,440	59,633	55,847	55,472	375
<b>Total</b>			<b>82,587</b>	<b>23,338</b>	<b>105,924</b>	<b>44,768</b>	<b>26,610</b>	<b>71,378</b>	<b>134,820</b>	<b>130,505</b>	<b>4,315</b>
<b>2014</b>											
<b>Associates</b>											
Yamasa (Thailand) Co., Ltd.	31 December	26	35,370	368	35,738	10,854	153	11,007	77,045	(69,490)	7,555
Exter (Thailand) Limited.	31 December	40	28,577	26,115	54,692	30,531	18,660	49,191	44,579	(44,835)	(256)
<b>Total</b>			<b>63,947</b>	<b>26,483</b>	<b>90,430</b>	<b>41,385</b>	<b>18,813</b>	<b>60,198</b>	<b>121,624</b>	<b>(114,325)</b>	<b>7,299</b>

10 Land not used in operations

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
Land not used in operations at cost	204,073	204,073
Less allowance for impairment losses	(61,645)	(61,645)
<b>Net</b>	<b>142,428</b>	<b>142,428</b>

Based on the appraisal report dated 11 December 2013 by Thai Property Appraisal Lynn Phillips Co., Ltd., a firm of independent professional valuers, using the Market Comparison Approach, the land not used in operations was valued at Baht 142.4 million.

### Measurement of fair value

#### Fair value hierarchy

The fair value of land not used in operations was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Company's land not used in operations portfolio on an annual basis.

The fair value measurement for land not used in operations of Baht 142 million has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

#### Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of land not used in operations, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market approach: The valuation model considers the selling price by using Weighted Quality Score (WQS) method. Factors that affect pricing include location, land size, utility and land utilisation.	<ul style="list-style-type: none"> <li>Economic fluctuations</li> <li>Change around land location's area.</li> <li>Land use condition</li> </ul>	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> <li>The growth of Thailand economic was higher (lower).</li> </ul>

Thaitheparos Public Company Limited

Notes to the financial statements

11 Property, plant and equipment

Financial statements in which the equity method is applied/Separate financial statements

	Land and land improvements	Building and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Spare parts	Construction in progress	Advance payment for machinery purchased	Total
				(in thousand Baht)					
<b>Cost</b>									
At 1 January 2014	112,831	546,510	1,571,258	59,446	130,430	29,155	127,426	654	2,577,710
Additions	242	-	6,773	3,105	2,003	15,448	80,706	12,305	120,582
Transfers	501	9,160	87,545	1,317	2,893	(20,486)	(67,971)	(12,959)	-
Disposals	-	(5,761)	(5,807)	(2,597)	(5,763)	-	(1,295)	-	(21,223)
At 31 December 2014 and 1 January 2015	113,574	549,909	1,659,769	61,271	129,563	24,117	138,866	-	2,677,069
Additions	-	-	7,470	3,732	3,008	11,422	57,486	12,585	95,703
Transfers	-	21,894	163,113	943	9,940	(11,220)	(173,644)	(11,026)	-
Disposals	-	(1,311)	(29,331)	(2,135)	(1,432)	-	-	-	(34,209)
At 31 December 2015	113,574	570,492	1,801,021	63,811	141,079	24,319	22,708	1,559	2,738,563
<b>Depreciation and impairment losses</b>									
At 1 January 2014	258	213,584	1,104,684	43,061	84,413	-	-	-	1,446,000
Depreciation charge for the year	8	17,320	66,393	2,991	4,590	-	-	-	91,302
Reversal of impairment losses	-	-	(306)	-	-	-	-	-	(306)
Disposals	-	(3,702)	(5,020)	(2,339)	(4,700)	-	-	-	(15,761)
At 31 December 2014 and 1 January 2015	266	227,202	1,165,751	43,713	84,303	-	-	-	1,521,235
Depreciation charge for the year	7	18,279	84,666	3,318	5,240	-	-	-	111,510
Transfers	-	-	-	-	-	-	-	-	-
Disposals	-	(817)	(27,854)	(1,936)	(1,155)	-	-	-	(31,762)
At 31 December 2015	273	244,664	1,222,563	45,095	88,388	-	-	-	1,600,983
<b>Net book value</b>									
At 1 January 2014	112,573	332,926	466,574	16,385	46,017	29,155	127,426	654	1,131,710
At 31 December 2014 and 1 January 2015	113,308	322,707	494,018	17,558	45,260	24,117	138,866	-	1,155,834
At 31 December 2015	113,301	325,828	578,458	18,716	52,691	24,319	22,708	1,559	1,137,580

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2015 amounted to Baht 555 million (2014: Baht 546 million).



## Thaitheparos Public Company Limited

### Notes to the financial statements

#### Security

At 31 December 2015, a portion of the Company's land with book value of Baht 80 million (2014: Baht 80 million) was used as collateral for a credit line from a bank.

#### 12 Intangible assets

##### Financial statements in which the equity method is applied/ Separate financial statements

	Software	Trademark license (in thousand Baht)	Total
<b>Cost</b>			
At 1 January 2014	12,980	28,735	41,715
Additions	<u>415</u>	<u>18</u>	<u>433</u>
At 31 December 2014 and 1 January 2015	13,395	28,753	42,148
Additions	<u>926</u>	<u>41</u>	<u>967</u>
At 31 December 2015	<u>14,321</u>	<u>28,794</u>	<u>43,116</u>
<b>Amortisation</b>			
At 1 January 2014	11,835	27,104	38,939
Amortisation for the year	<u>416</u>	<u>1,116</u>	<u>1,532</u>
At 31 December 2014 and 1 January 2015	12,251	28,220	40,471
Amortisation for the year	<u>473</u>	<u>79</u>	<u>552</u>
At 31 December 2015	<u>12,724</u>	<u>28,299</u>	<u>41,023</u>
<b>Net book value</b>			
At 1 January 2014	1,145	1,631	2,776
At 31 December 2014 and 1 January 2015	1,144	533	1,677
At 31 December 2015	<u>1,597</u>	<u>495</u>	<u>2,092</u>

#### 13 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

##### Financial statements in which the equity method is applied

	Assets		Liabilities	
	2015	2014	2015	2014
	(in thousand Baht)			
Total	22,967	22,780	(665)	(368)
Set off of tax	<u>(665)</u>	<u>(368)</u>	<u>665</u>	<u>368</u>
Net deferred tax assets	<u>22,302</u>	<u>22,412</u>	<u>-</u>	<u>-</u>

##### Separate financial statements

	Assets		Liabilities	
	2015	2014	2015	2014
	(in thousand Baht)			
Total	22,967	21,790	(665)	(368)
Set off of tax	<u>(665)</u>	<u>(368)</u>	<u>665</u>	<u>368</u>
Net deferred tax assets	<u>22,302</u>	<u>21,422</u>	<u>-</u>	<u>-</u>

Movement in total deferred tax assets and liabilities during the year were as follow:

Thaitheparos Public Company Limited

Notes to the financial statements

Financial statements in which the equity method is applied  
(Charged) / Credited to:

	At 1 January 2015	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2015
<b>Deferred tax assets</b>				
Land not used in operations	12,329	-	-	12,329
Employee benefit obligations	6,946	564	-	7,510
Others	3,505	(377)	-	3,128
<b>Total</b>	<b>22,780</b>	<b>187</b>	<b>-</b>	<b>22,967</b>
<b>Deferred tax liabilities</b>				
Marketable securities	(19)	-	(252)	(271)
Other	(349)	(45)	-	(394)
<b>Total</b>	<b>(368)</b>	<b>(45)</b>	<b>(252)</b>	<b>(665)</b>
<b>Net</b>	<b>22,412</b>	<b>142</b>	<b>(252)</b>	<b>22,302</b>

Financial statements in which the equity method is applied  
(Charged) / Credited to:

	At 1 January 2014	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2014
<b>Deferred tax assets</b>				
Land not used in operations	12,329	-	-	12,329
Employee benefit obligations	8,058	84	(1,196)	6,946
Others	4,040	(535)	-	3,505
<b>Total</b>	<b>24,427</b>	<b>(451)</b>	<b>(1,196)</b>	<b>22,780</b>
<b>Deferred tax liabilities</b>				
Marketable securities	(263)	-	244	(19)
Other	(278)	(71)	-	(349)
<b>Total</b>	<b>(541)</b>	<b>(71)</b>	<b>244</b>	<b>(368)</b>
<b>Net</b>	<b>23,886</b>	<b>(522)</b>	<b>(952)</b>	<b>22,412</b>

Thaitheparos Public Company Limited

Notes to the financial statements

	Separate financial statements (Charged) / Credited to:		
	At 1 January 2015	Profit or loss Other comprehensive income (in thousand Baht)	At 31 December 2015
<b>Deferred tax assets</b>			
Land not used in operations	12,329	-	12,329
Employee benefit obligations	6,946	564	7,510
Others	2,515	613	3,128
<b>Total</b>	<b>21,790</b>	<b>1,177</b>	<b>22,967</b>
<b>Deferred tax liabilities</b>			
Marketable securities	(19)	-	(271)
Other	(349)	(45)	(394)
<b>Total</b>	<b>(368)</b>	<b>(45)</b>	<b>(665)</b>
<b>Net</b>	<b>21,422</b>	<b>1,132</b>	<b>22,302</b>

	Separate financial statements (Charged) / Credited to:		
	At 1 January 2014	Profit or loss Other comprehensive income (in thousand Baht)	At 31 December 2014
<b>Deferred tax assets</b>			
Land not used in operations	12,329	-	12,329
Employee benefit obligations	8,058	84	6,946
Others	2,696	(181)	2,515
<b>Total</b>	<b>23,083</b>	<b>(97)</b>	<b>21,790</b>
<b>Deferred tax liabilities</b>			
Marketable securities	(263)	-	(19)
Other	(278)	(71)	(349)
<b>Total</b>	<b>(541)</b>	<b>(71)</b>	<b>(368)</b>
<b>Net</b>	<b>22,542</b>	<b>(168)</b>	<b>21,422</b>

14 Accrued expenses

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
Accrued bonus	21,430	20,452
Accrued promotion expenses	12,777	7,682
Accrued export expenses	10,291	8,889
Accrued advertising expenses	7,682	5,252
Accrued repair expenses	2,955	6,268
Others	13,001	10,737
<b>Total</b>	<b>68,136</b>	<b>59,280</b>

Thaitheparos Public Company Limited

Notes to the financial statements

15 Employee benefit obligations

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
<b>Statement of financial position obligations for:</b>		
Post-employment benefits	31,328	28,908
Other long-term employee benefits	6,220	5,820
<b>Total</b>	<b>37,548</b>	<b>34,728</b>
<i>Year ended 31 December</i>	<i>2015</i>	<i>2014</i>
	(in thousand Baht)	
<b>Statement of comprehensive income:</b>		
<b>Recognised in profit or loss:</b>		
Post-employment benefits	4,389	4,055
Other long-term employee benefits	1,472	(1,659)
<b>Total</b>	<b>5,861</b>	<b>2,396</b>
	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
<b>Recognised in other comprehensive income:</b>		
Actuarial (gains) losses recognised in the year	-	(5,981)
Cumulative actuarial (gains) losses recognised	(5,981)	(5,981)

*Post-employment benefit plan*

The Company operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

**Other long-term employee benefits**

Other long-term employee benefit obligation was based on the length of service of employee and actuarial assumptions.

Movement in the present value of the defined benefit obligations

	Financial statements in which the equity method is applied/ Separate financial statements			
	Post-employment benefits		Other long-term employee benefits	
	2015	2014	2015	2014
	(in thousand Baht)			
Defined benefit obligations at 1 January	28,909	31,887	5,820	8,401
<b>Include in profit or loss:</b>				
Current service cost	3,356	3,129	1,264	1,166
Interest on obligation	1,033	926	208	192
Actuarial gains	-	-	-	(3,017)
	<u>4,389</u>	<u>4,055</u>	<u>1,472</u>	<u>(1,659)</u>
<b>Included in other comprehensive income</b>				
Actuarial gain	-	(5,981)	-	-
	<u>-</u>	<u>(5,981)</u>	<u>-</u>	<u>-</u>
<b>Other</b>				
Benefit paid	(1,970)	(1,052)	(1,072)	(922)
	<u>(1,970)</u>	<u>(1,052)</u>	<u>(1,072)</u>	<u>(922)</u>
<b>Defined benefit obligations at 31 December</b>	<b>31,328</b>	<b>28,909</b>	<b>6,220</b>	<b>5,820</b>

## Thaitheparos Public Company Limited

### Notes to the financial statements

Actuarial gains recognised in other comprehensive income arising from:

	Financial statements in which the equity method is applied/		Separate financial statements	
	2015	2014 (in thousand Baht)	2015	2014
Experience adjustment	-	(5,981)	-	(5,981)
<b>Total</b>	<u>-</u>	<u>(5,981)</u>	<u>-</u>	<u>(5,981)</u>

#### Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Financial statements in which the equity method is applied/		Separate financial statements	
	2015	2014	2015	2014
Discount rate (%)	3.5752	3.5752	3.5752	3.5752
Salary increased rate (%)	5.79	5.79	5.79	5.79
Employee turnover rate (%)	0 - 33	0 - 33	0 - 33	0 - 33
Retirement age (Year)	55	55	55	55

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2015, the weighted - average duration of the defined benefit obligation was 19.93 years (2014: 20.93 years).

#### Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Financial statements in which the equity method is applied/		Separate financial statements	
	(in thousand Baht)			
<b>Defined benefit obligation 31 December 2015</b>	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1,847)	2,093	(1,847)	2,093
Future salary growth (1% movement)	2,341	(2,106)	2,341	(2,106)
Turnover rate (1% movement)	(2,019)	1,207	(2,019)	1,207

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.



## Thaitheparos Public Company Limited

### Notes to the financial statements

#### 16 Share capital

##### Financial statements in which the equity method is applied/ Separate financial statements

	Par value per share (in Baht)	2015		2014	
		Number	Amount (thousand shares / thousand Baht)	Number	Amount
<b>Authorised</b>					
At 1 January					
- ordinary shares	1	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
At 31 December					
- ordinary shares	1	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
<b>Issued and paid-up</b>					
At 1 January					
- ordinary shares	1	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>
At 31 December					
- ordinary shares	1	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>

#### Share premium

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

#### 17 Reserves

Reserves comprise:

##### Appropriations of profit

##### Legal reserve

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

##### Other components of equity

##### Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

##### Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

#### 18 Segment information

Management considers that the Company operates in a single line of business, namely sauce segment, and has, therefore, only one major business segment.

Management considers that the Company operates principally in Thailand, and there are no material revenues derived from foreign countries, therefore, only one geographical segment.

#### 19 Other income

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015 (in thousand Baht)	2014
Interest income	8,148	10,854
Others	<u>17,507</u>	<u>21,678</u>
Total	<u>25,655</u>	<u>32,532</u>

Thaitheparos Public Company Limited

Notes to the financial statements

20 Employee benefit expenses

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
<b>Management</b>		
Wages and salaries	18,655	19,663
Pension costs – defined benefit plans	701	705
Pension costs – defined contribution plans	655	691
Others	5,957	6,072
	<u>25,968</u>	<u>27,131</u>
<b>Other employees</b>		
Wages and salaries	176,443	164,042
Pension costs – defined benefit plans	5,160	4,708
Pension costs – defined contribution plans	5,388	4,838
Others	37,066	36,821
	<u>224,057</u>	<u>210,409</u>
<b>Total</b>	<u>250,025</u>	<u>237,540</u>

Defined benefit plans

Details of the defined benefit plans are given in note 15.

Defined contribution plans

The defined contribution plans comprise provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at the rate of 5% of their basic salaries and by the Company at the rate of 5% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed Fund Manager.

21 Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Included in cost of sales of goods:</b>				
Changes in finished goods and work in progress	98,604	(52,024)	98,604	(52,024)
Raw materials and consumables used	1,364,548	1,516,934	1,364,548	1,516,934
Employee benefit expenses	127,067	120,284	127,067	120,284
Depreciation and amortisation	93,494	76,122	93,494	76,122
Goods for sale promotion	71,926	78,549	71,926	78,549
Others	37,812	50,588	37,812	50,588
<b>Total</b>	<u>1,793,451</u>	<u>1,790,453</u>	<u>1,793,451</u>	<u>1,790,453</u>
<b>Included in selling expenses:</b>				
Marketing expenses	142,501	115,619	142,501	115,619
Distribution expenses	123,853	118,353	123,853	118,353
Employee benefit expenses	19,496	18,718	19,496	18,718
Others	36,632	30,534	36,632	30,534
<b>Total</b>	<u>322,482</u>	<u>283,224</u>	<u>322,482</u>	<u>283,224</u>
<b>Included in administrative expenses:</b>				
Employee benefit expenses	103,462	98,538	103,462	98,538
Depreciation and amortisation	15,042	12,838	15,042	12,838
Impairment loss on investments in associates	-	-	8,000	-
Others	42,709	33,765	42,709	33,765
<b>Total</b>	<u>161,213</u>	<u>145,141</u>	<u>169,213</u>	<u>145,141</u>

Thaitheparos Public Company Limited

Notes to the financial statements

22 Income tax

Income tax recognised in profit or loss

		Financial statements in which the equity method is applied		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
Current tax expense					
Current year		<u>100,815</u>	<u>92,768</u>	<u>100,815</u>	<u>92,768</u>
Deferred tax expense	13				
Movements in temporary differences		<u>(143)</u>	<u>522</u>	<u>(1,132)</u>	<u>168</u>
		<u>(143)</u>	<u>522</u>	<u>(1,132)</u>	<u>168</u>
Total income tax expense		<u>100,672</u>	<u>93,290</u>	<u>99,683</u>	<u>92,936</u>

Income tax recognised in other comprehensive income

	Financial statements in which the equity method is applied/ Separate financial statements					
	Before tax	2015 Tax (expense) benefit	Net of Tax	Before tax	2014 Tax (expense) benefit	Net of tax
(in thousand Baht)						
Fair value changes available- for-sale investments	1,261	(252)	1,009	(1,219)	244	(975)
Defined benefit actuarial gains	-	-	-	5,981	(1,196)	4,785
<b>Total</b>	<u><u>1,261</u></u>	<u><u>(252)</u></u>	<u><u>1,009</u></u>	<u><u>4,762</u></u>	<u><u>(952)</u></u>	<u><u>3,810</u></u>

Reconciliation of effective tax rate

	Rate (%)	Financial statements in which the equity method is applied		Rate (%)	2014 (in thousand Baht)
		2015 (in thousand Baht)			
Profit before income tax expense		<u>492,511</u>			<u>461,292</u>
Income tax using the Thai corporation tax rate	20	98,502	20		92,258
Income not subject to tax		(3)			(217)
Expenses not deductible for tax purposes		2,173			1,249
<b>Total</b>	<b>20</b>	<u><u>100,672</u></u>	<b>20</b>		<u><u>93,290</u></u>

	Rate (%)	Separate financial statements		Rate (%)	2014 (in thousand Baht)
		2015 (in thousand Baht)			
Profit before income tax expense		<u>485,339</u>			<u>459,519</u>
Income tax using the Thai corporation tax rate	20	97,068	20		91,904
Income not subject to tax		(3)			(217)
Expenses not deductible for tax purposes		2,618			1,249
<b>Total</b>	<b>21</b>	<u><u>99,683</u></u>	<b>20</b>		<u><u>92,936</u></u>

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction of the corporate income tax rate to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the statutory corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

The Company has applied the tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

## Thaitheparos Public Company Limited

### Notes to the Financial statements

#### 23 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2015 and 2014 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht/thousand shares)			
Profit attributable to ordinary shareholders of the Company (basic)	391,838	368,002	385,657	366,583
Number of ordinary shares outstanding	360,000	360,000	360,000	360,000
Earnings per share (basic) (in Baht)	1.09	1.02	1.07	1.02

#### 24 Dividends

At the annual general meeting of the shareholders of the Company held on 23 April 2015, the shareholders approved the payment of dividends of Baht 1.10 per share, totaling Baht 396 million from the profit from operations in 2014 and 2012. The dividend was paid to shareholders on 19 May 2015.

At the annual general meeting of the shareholders of the Company held on 24 April 2014, the shareholders approved the appropriation of dividends of Baht 1.35 per share, totaling Baht 486 million. The dividend was paid to shareholders during 2014.

#### 25 Financial instruments

##### Financial risk management policies

The Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

##### Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity, and also monitors the level of dividends to ordinary shareholders.

##### Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows.

As at 31 December, the financial assets, which may be affected by interest rate risk, as classified by maturity consisted of:

	Financial statements in which the equity method is applied/ Separate financial statements				Total
	Effective Interest Rate (% per annum)	Within 3 Months	3 Months- 1 Year	More than 1 Year	
		(in thousand Baht)			
<b>2015</b>					
<b>Current</b>					
Cash at bank – at call	0.37-1.60	318,532	-	-	318,532
Fixed deposit at bank	1.00 - 1.88	-	276,955	-	276,955
<b>Non-current</b>					
Debentures	4.5	-	-	20,000	20,000
Loan to associate	7.5	-	1,200	1,200	2,400
<b>Total</b>		<u>318,532</u>	<u>278,155</u>	<u>21,200</u>	<u>617,887</u>
<b>2014</b>					
<b>Current</b>					
Cash at bank – at call	0.10-2.15	241,100	-	-	241,100
Fixed deposit at bank	1.05-2.80	11,446	280,366	-	291,812
<b>Non-current</b>					
Debentures	4.5	-	-	20,000	20,000
Loan to associate	7.5	-	1,200	2,400	3,600
<b>Total</b>		<u>252,546</u>	<u>281,566</u>	<u>22,400</u>	<u>556,512</u>

## Thaitheparos Public Company Limited

### Notes to the financial statements

#### Foreign currency risk

The Company is exposed to foreign currency risk relating to trade receivables and trade payables in foreign currencies but there is no policy on foreign currencies risk hedging as the Company's financial assets and financial liabilities in foreign currencies are not significant amounts.

At 31 December, the Company was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Financial statements in which the equity method is applied/ Separate financial statements	
		2015	2014
		(in thousand Baht)	
<b>United States Dollars</b>			
Cash and cash equivalents	5	638	584
Trade accounts receivable	7	9,928	6,229
Trade account payable		(1,605)	(1,538)
Other current liabilities		(1)	(259)
<b>Eurozone Dollars</b>			
Trade account payable		(1,117)	-
<b>Australia Dollars</b>			
Trade accounts receivable	7	891	513
<b>United Kingdom Pound (GBP)</b>			
Trade accounts receivable	7	203	-
<b>Japan Yens</b>			
Trade account payable		(460)	(421)
<b>Gross statement of financial position exposure</b>		<u>8,477</u>	<u>5,108</u>

#### Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Company's customer base, Management does not anticipate material losses from its debt collection.

#### Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

#### Fair values of financial assets and liabilities

Fair values of financial assets and liabilities, together with the carrying values shown in the financial statements in which the equity method is applied and separate financial statements of financial position at 31 December were as follows:

	Carrying amount	Financial statements in which the equity method is applied/separate financial statements		
		Fair value		Total
		Level 1	Level 2	
		(in thousand Baht)		
<b>2015</b>				
<b>Current</b>				
Equity securities available for sale	64,480	-	64,480	64,480
<b>Non-current</b>				
Equity securities available for sale	324	324	-	324
Debt securities held to maturity	20,000	-	20,329	20,329
<b>2014</b>				
<b>Current</b>				
Equity securities available for sale	40,211	-	40,211	40,211
<b>Non-current</b>				
Equity securities available for sale	332	332	-	332
Debt securities held to maturity	20,000	-	19,988	19,988



## Thaitheparos Public Company Limited

### Notes to the financial statements

Fair values of financial assets and liabilities, together with the carrying values shown in the statement of financial position at 31 December were as follows:

	<b>Financial statements in which the equity method is applied/ Separate financial statements</b>	
	Fair value	Carrying value
	<i>(in thousand Baht)</i>	
<b>2015</b>		
<i>Current</i>		
Equity securities available for sale	64,480	64,480
<b>Non-current</b>		
Equity securities available for sale	324	324
Debt securities held to maturity	20,329	20,000
<b>Total</b>	<u>85,133</u>	<u>84,804</u>
<b>2014</b>		
<i>Current</i>		
Equity securities available for sale	40,211	40,211
<b>Non-current</b>		
Equity securities available for sale	332	332
Debt securities held to maturity	19,988	20,000
<b>Total</b>	<u>60,531</u>	<u>60,543</u>

The Company uses the following methods and assumptions in estimating the fair value of financial instruments:

- Cash and short-term investments

The carrying amount approximates fair value because of the short period to maturity.

- Accounts receivable and accounts payable – trade and others

The carrying amount approximates fair value because of the short period to maturity.

- Investment in common shares

The carrying amount of investment in common shares for which there are no available quoted market prices approximates the fair value based on the underlying net asset base of the investment.

### Financial instruments carried at fair value

#### Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Company determines Level 2 fair values for debt securities using a discounted cash flow technique, which uses contractual cash flows and a market-related discount rate.

Level 2 fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and counterparty when appropriate.

## Thaitheparos Public Company Limited

### Notes to the financial statements

#### 26 Commitments with non-related parties

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(in thousand Baht)	
<b>Capital commitments</b>		
Contracted but not provided for:		
Machinery and equipment	6,672	17,714
<b>Total</b>	<b>6,672</b>	<b>17,714</b>
<b>Other commitments</b>		
Bank guarantees	4,603	4,603
Others	1,785	810
<b>Total</b>	<b>6,388</b>	<b>5,413</b>

As at 31 December 2015, the Company had unutilized credit facilities totaling Baht 247.5 million (2014: 247.5 million).

#### Bank guarantees

The Company has a commitment with a bank in respect of a letter of guarantee issued by the bank in connection with the Company's use of electricity and raw material purchased. This letter of guarantee has been collateralised by pledge of fixed deposits (See Note 6).

#### 27 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Company's operations, which become effective for annual financial periods beginning on or after 1 January 2016, are set out below. The Company does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TFRS 8 (revised 2015)	Operating Segments
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 15 (revised 2015)	Operating Leases – Incentives
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 13 (revised 2015)	Customer Loyalty Programmes

The Company has made a preliminary assessment of the potential initial impact on the Company's financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.



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