



THAITHEPAROS

บริษัท ไทยอินพรส จำกัด (มหาชน)

ANNUAL REPORT | 2016



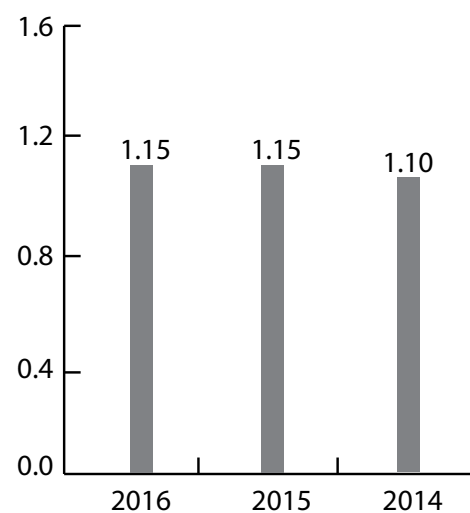
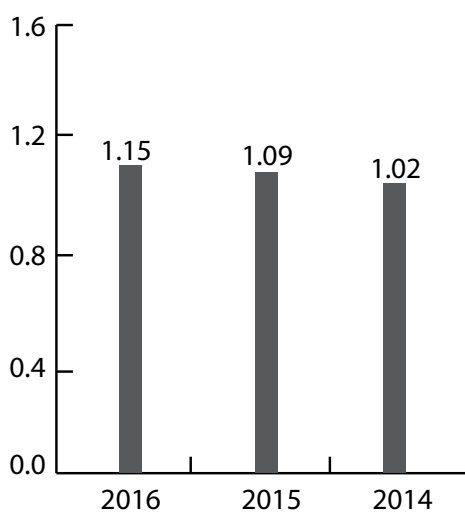
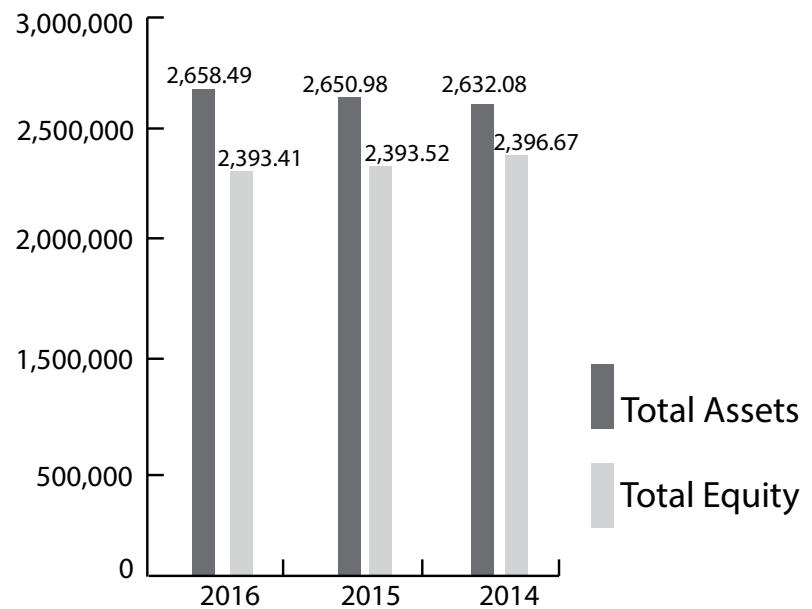
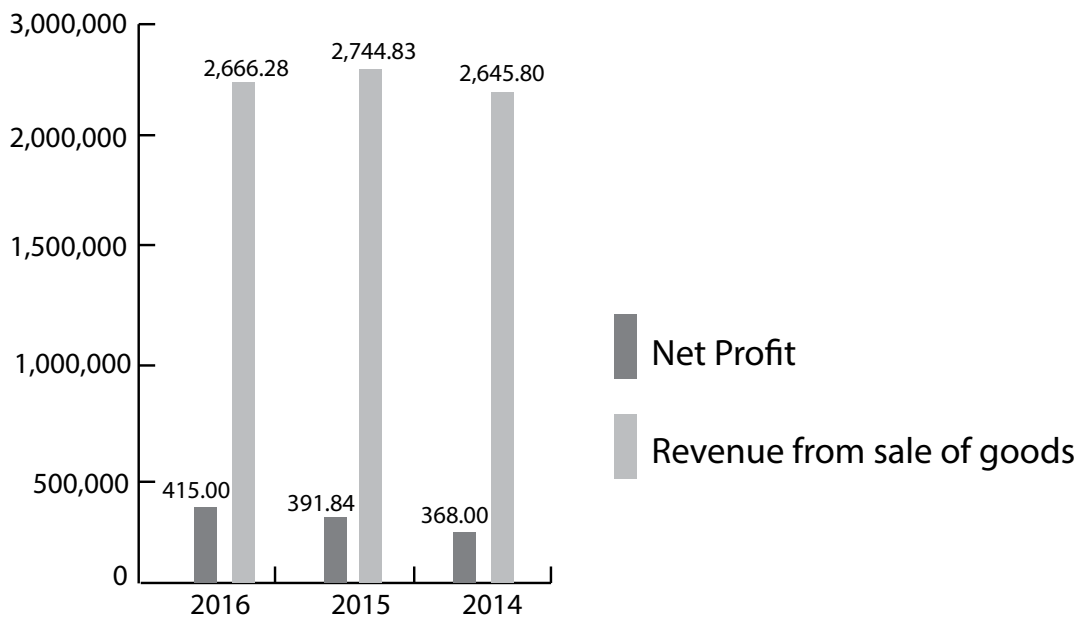
CONTENT

Financial Highlights	4
Message from the Chairman	5
Golden Mountain History	6
Policy and Overview of business	6
Nature of Business	8
Risks Factor	15
General Information and Other significant information	16
Security Information and Shareholders	17
Management Structure	18
The Principles of Corporate Governance	26
Corporate Social Responsibility : CSR	34
Internal Control and Risk Management	37
Related party transactions	39
Management Discussion and Analysis	41
Financial Statements	49

Financial Highlights

	(Million Baht)	2016	2015	2014
Statement of financial position				
Total Assets		2,658.49	2,650.98	2,632.08
Total Liabilities		265.09	257.46	235.41
Total Equity		2,393.41	2,393.52	2,396.67
Statement comprehensive income				
Revenue from sale of goods		2,666.28	2,744.83	2,645.80
Cost of Sales of goods		1,731.99	1,793.45	1,790.45
Gross Profit		934.29	951.38	855.35
Selling expenses		338.45	322.48	283.22
Administrative expenses		157.62	161.21	145.14
Profit before income tax expense		517.93	492.51	461.29
Net Profit		415.00	391.84	368.00
Shares or Related information of common stock				
Earning Per Share	(Baht)	1.15	1.09	1.02
Book Value Per Share	(Baht)	6.65	6.65	6.66
Dividend Per Share	(Baht)	1.15	1.15	1.10
Pay out Ratio	(%)	99.76	105.66	107.61
Financial ratio				
Sales Growth	(%)	(2.86)	3.74	0.58
Net Profit Growth	(%)	5.91	6.48	(26.45)
Cost of Sales Ratio	(%)	64.96	65.34	67.67
Gross Profit Margin Ratio	(%)	35.04	34.66	32.33
Earning before tax expense	(%)	18.89	17.78	17.22
Net Profit	(%)	15.14	14.14	13.74
Return on Equity	(%)	17.34	16.36	15.00
Return on Assets	(%)	15.63	14.83	13.65
Current Ratio	(time)	5.62	5.96	6.34
Debt Equity Ratio	(time)	0.11	0.11	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 or www.thaitheparos.com



Earning Per Share (Baht)

: Dividen Per Share (Baht)

Message from the Chairman

Thailand economic growth in 2016 remained decelerated. This was affected by both internal and external factors which came from the sluggish domestic trade and investment. Household debt was still high. Farmers were affected by drought, meanwhile, at the early December; there was heavy flood in the south, also the external sector continued to drag on growth as slightly slow down export. Moreover, business faced much pressure and aggressive competition on price and promotion fields. Sauce has adjusted and stimulated measures to encourage consumers and market in the fragile domestic and global economic situation constantly.

Sauce focus on taking a proactive approach to market reinforcement and products empowers. With more taking care for customers and consumers, we have expanded our sale promotion and services in the communities they live. The distribution channel through digital marketing was completely integrated into our strategy. This will enhance brand awareness and engagement on a wider scale. Sauce also puts great effort into maintaining high standards of products and services on the basis of ultimate food safety and quality, coupled with optimizing process control production costs per unit to a set budget. Besides, we have improved and diversified our production capability with new products in

modern and new look packaging for more appropriate and better to cook for capturing customers and consumers, also market needs continually.

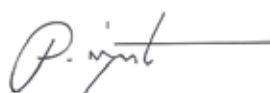
Sauce is still the leader in the market with highest domestic sale volume of seasoning sauce under “Golden Mountain”; our flagship brand; we also have another two active brands under “Sriraja Panich” and “Kinzan”. We have not ceased to develop our strength; our expertise and products quality; also constantly build our brands strength to earn more confidence and challenge to compete in the global market. Particularly in 2016, Thailand has started toward “Thailand 4.0” with a vision of economy development driven by innovation and creativity, also stepped to “Marketing 4.0”; the era of changes and connections which customers will play the outstanding role. Sauce marketing model has to be adjusted accordingly and always keep up the present situation ready to go forwards.

The major production projects were completed as scheduled and since then were made in three key areas; production efficiency development, cost effective energy preservation and better work environment, are as follows:-

- Implemented seasoning sauce reactor tanks improvement to enhance our production efficiency, energy saving consumption and improve better work environment.
- Improved Boiler condition to increase its efficiency, strength and durability for more operation time.
- Additional improved wastewater treatment system by collecting throughout wastewater and used water in our factory for effective treatment before releasing into nature.

We continue to operate under the direction of good corporate governance standards and build a strong platform for the future growth and high stability of our business for customers and end users confidence. A culture of responsibility, accountability and transparency were installed to orientate our staff through various Corporate Social Responsibility activities and environment and energy preservation projects. With this aim, we believe that this will lead to our sustainable growth and development.

On behalf of board of directors, I would like to sincerely thank you our executive management and all employees for their hard work and dedication, and deepest thank our shareholders, customers, our end users, stakeholders, related and supported partners from all sectors for your continual trust in Sauce’s board of directors, management team and staff members.



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 62 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.



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.

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 2016, the Company distributes all our products both domestic and export market. Domestic sales accounts for 91.21% 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 8.79% of total sales, consists of direct exporter and export industrial.

(Unit : Million Baht)

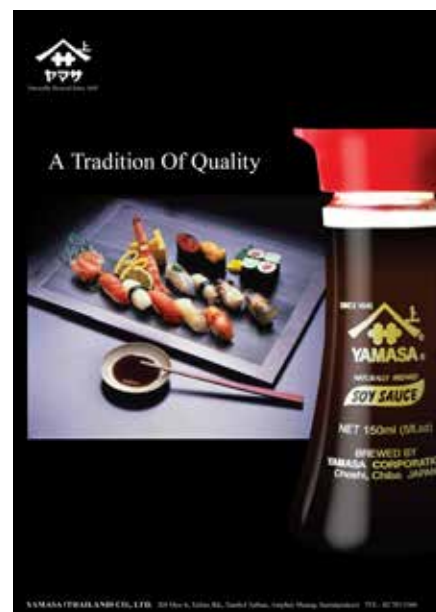
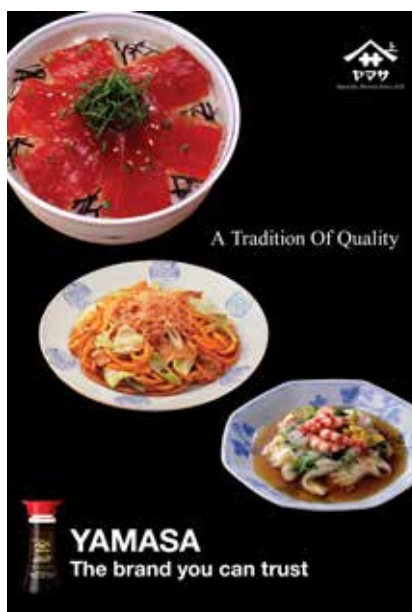
Products	2016		2015		2014	
	Amount	%	Amount	%	Amount	%
Domestic Sales	2,431.85	91.21%	2,516.12	91.67%	2,435.40	92.05%
Export Sales	234.43	8.79%	228.71	8.33%	210.40	7.95%
Total Sales	2,666.28	100.00%	2,744.83	100.00%	2,645.80	100.00%
Increase (Decrease) of Total Sales	(78.55)	(2.86)%	99.03	3.74%	15.35	0.58%

Significant Changes

Associate Company

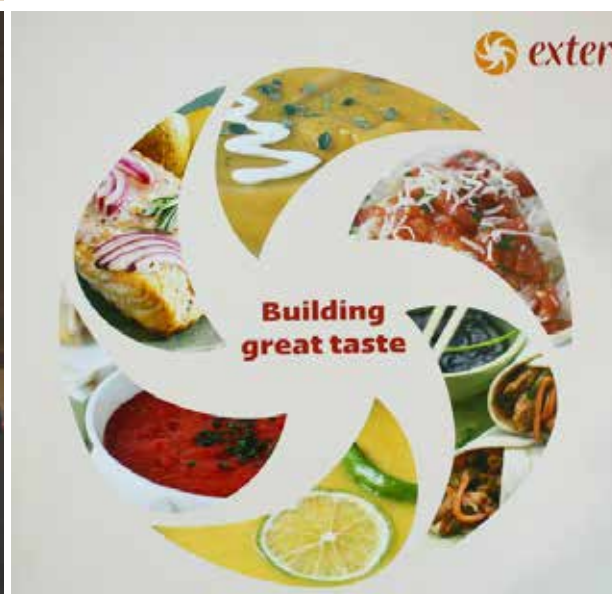
Yamasa (Thailand) Co.,Ltd

The company produces “Yamasa” Soy Sauce distributing to Yamasa (Thailand) Co.,Ltd., associates company ,with total sales in Seventh year amounting to Baht 42.02 million increased by 15.75 Baht million or increased Baht 59.95% compared to that of 2015 Baht 26.27 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 Sixth year amounting to Baht 22.94 MB increased by 6.54 Baht million or increased 39.91 % compared to that of 2015 Baht 16.40 Million



Significant Changes



Oyster Sauce Label Brand Phoo Kao Thong

In the year 2016 we have changed the label of oyster sauce brand Phoo Kao Thong in order to adjust the image of the product to look more modern outstanding in the selling point. The label design has improved to look more beautiful and the design conform to the label of Chili Sauce brand Phoo Kao Thong as we have changed the design in the year 2015. Whereas our oyster label focus on the good point of the product as we have produced from the fresh by showing the image of fresh oyster, and also we focus in selling point about NO MSG in the label. We have changed the oyster label brand Phoo Kao Thong for the sizing 220 Grams and 660 Grams in the 2nd quarter of the year 2016.



Launching the new product "Chili Sauce brand E Zee" Retail market about Chili sauce in Thailand, the value has been continued declined especially in the year 2016, the main reason from Economic slowdown, changing in term of spending from Consumer and the restaurant, the consumer has changed to buy the product in mini size increasingly and buy the cheaper product increasingly, for all reasons caused to the chili sauce in cheap price group has grown up increasingly and on another hand the chili sauce in high price group has grown down decreasingly. Therefore, Thaitheparos Pcl. As a leader of the manufacturer and distributor in chili sauce which is number 1 selling in Thailand and the company is ready in both of the capacity in manufacture, the quality of raw material source and all know-how in chili sauce

production. We can meet the demanded in the market by planning to launch the chili sauce brand E Zee in April 2016 which is the price can compete with cheap chili sauce and also tasty good coloring that meet with consumer and restaurant demand. Our good points are easy tasty and professional use it. We focus our selling in the restaurant and will be expand to department store all over the country.

New product Commando Activity, for recommended to restaurant and persuade to try in the product E Zee chili sauce, and do the cooking decoration and cheer up in selling.



Launching out the new product black sauce for professional brand Phoo Kao Thong As a leader of the seasoning sauce in the market, increasing a new item is a one of strategy in increasing sales for the company. Based on restaurant behavior studies who always use the seasoning sauce green cap with the black sauce another brand, from this point we launched the black sauce to the market. Our black sauce was developed the formula in the color to the food and make food looks more delicious especially if we used together with seasoning sauce green cap brand Phoo Kao Thong, the food in every menu will taste delicious and look colorful. Our company has launched the product Black sauce for professional formula brand Phoo Kao Thong to the market in October 2016 by focusing to the restaurant owner and persuade to taste our product and inform about good point. The company focus our selling in the restaurant and will be expand to department store all over the country.

We have cooking class to sale people for their acknowledgement in the good point of product which can add the good color and good taste and good aroma to the food.

New product Commando Activity, for recommended to restaurant and persuade to try in the product Black sauce for professional formula, and do the cooking decoration and cheer up in selling that sell in the department store in the province and also making the promotion by focusing on the worthiness of the product in order to make interesting to the new product which launch in the market and persuade the restaurant target to use Black sauce for professional formula at the selling point.



In the year 2016, Marketing section has organized the travelling activity to the restaurant customer to thank you the value customer who always support the company for the long time. By organizing activities for partners who collect the point from selling amount from their own shop. The rewards is the travelling ticket to Taiwan and other rewards as the point from customer. The travelling to Taiwan is for 4 days 3 nights and the period is 9-12 November 2016. In this activity, the company set up the good program in term of the place, food and beverage to our value customer and included to many rewards as well.

Images of impressions.



Trip to Taiwan 2016



Industry and Competition

Due to the overall country's economy falters in 2016 which has been affected by the slowdown of the economy in 2015 and the economic slowdown in Q4 of 2016, domestic household purchasing power has been sluggish. Particularly, household spending in agriculture has been driven by declines in agricultural prices and drought in the first half of the year. Including, the household debt effects to the consumption of the household sector by reducing the budget for consumer spending, in turn, the consumer focuses on consumer products that are essential to everyday and focusing on low price products for alternative choice. The economy situation look relaxation in the second half of the year but it does not make the market recover quickly, the economy still cannot grow.

As a result of the unfavorable economy situation, all competitors in the market are struggling to survive, they try to stimulate the market by spending money on promotional campaigns such as the discounting price, promotion buy 1 get 1 free, including the purchase of storage space in both modern trade and general stores in up country but it still cannot make the market grow.

In 2016, the company (as a market leader) could not afford to remain idle we spent more money for advertising, public relations, set up the promotion for maintaining market share both in Modern Trade and in traditional trade especially in major store at up country. Including, the company increases the market share and sale space by focusing to increase sale space in small stores at up country to maintain the market share and leadership. The company has organized a Taiwan tour 4 days 3 nights to the customers who can get the target sale by collecting sales volume in February-May 2016 which is to stimulate the market. Traveled as schedule during 9-12 November 2016.

Additionally, the company make the Marketing Activities by set up the cooking demonstration and Sales Blitz activities across to the country for introduction the recipe from the company's products. The company participates the event for Vegetarian Festival by supporting activity with Modern Trade partners, major stores and various shrines across the country. The company provided promotion for Sriracha Panich Chili Sauce under the campaign name "The Taste of The Original" for announcement we are the original of Sriracha Chili Sauce in the world.

In Q2/2016 and Q4/2016, new products were introduced; E zee Chili Sauce and black soy sauce the recipe professional formula under "Golden Mountain" respectively for building market share in the market which is likely to continue growing. It starts from October 2016 in the general stores, Modern Trades and restaurant for using the good quality product in cheaper price under the selling point, "Cook easy, taste professional".

The overall market in 2016, due to the effect from above reasons make the number of Seasoning Products (not include fish sauce and seasoning powder) decrease 6.44% compared with 5.91% increase in 2015, equal to 0.53% decrease in 2016.

Especially, greatly reduce Chili Sauce and Seasoning Sauce. In contrast, the number of Distilled Vinegar increased 4.17% from 2015.

The Export Market

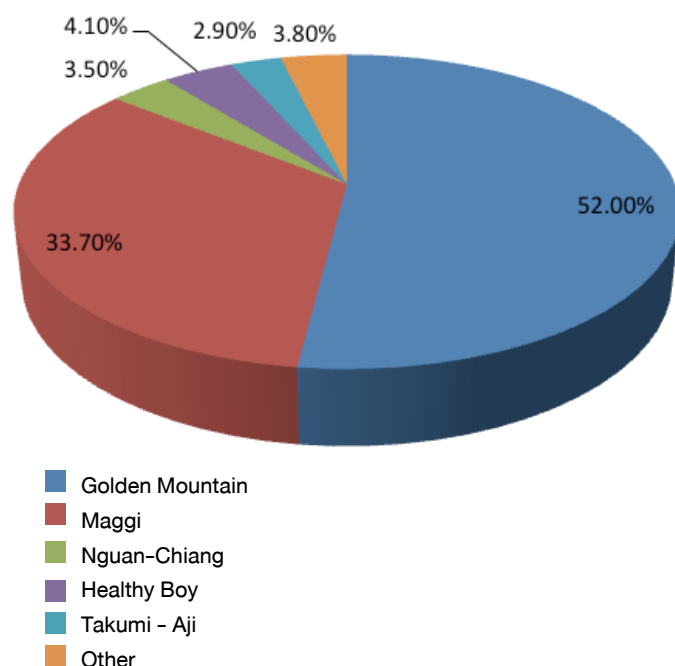
In 2016, seasoning products of Thailand were exported more than 20,874 million baht that said more than 5.80 % increase compare with 2015. The main products as soy sauce, Chili Sauce, fish sauce, instant curry paste and seasoning powder and other seasoning products. As for chili sauce (including sweet chili sauce), soy sauce, tomato ketchup were more than 3,240 million baht which is 15.52% of total value and said that increasing 6.19% % from 2015.

The main importers of soy sauce are USA, Lao, The Netherlands, Vietnam and Australia which acquired more than 442 million baht or 52.75% of total value 837.9 million baht.

For chili sauce, main importers are Germany, UK, USA, South Korea and The Netherlands which acquired more than 1,002.8 million baht or 46.40% of total value 2,161.6 million baht.

In 2016, SAUCE export seasoning products totaling 349.6 million baht increase 2.35 % or 8.6 million baht compared with 341 million baht in 2015. SAUCE has the marketing strategy to expand the market by increasing new customers both old market and new market in 2016 that SAUCE can success in this way.

Market Share



Data Reported by Nielsen through its Retail Index for Seasoning Sauce Market Since January 1, 2016 to December 31, 2016 (Copyright 2016, The Nielsen Company.)

Marketing & Social Activities

Phoo Kao Thong Brand

The company has attended in the important festivals for the Thai Chinese people in the festival name "Yaowarat Chinese New Year 2016" at Yaowarat Road. The company had booth activity in order to distribute our products in special price and give out for many rewards. And also introduce our products, seasoning sauce and seasoning sauce yellow cap in Phoo Kao Thong Brand with serving with the special menu on the 8-9 February 2016.



Participate in public relation Booth Activity in the Makro Festival no. 8 at Impact Muangthongthani on March 17-20 2016. By concentrated in products advertisement and present to good point in brand Phoo Kao Thong, Sriracha Panich Chili Sauce and Seasoning yellow cap.



Full, Delicious Good Health without MSG in this morning Activity with the special menu with Seasoning sauce yellow cap Phoo Kao Thong Brand in the event "DonBosco Mini Marathon#13" at King Rama IX Park



Giving the rewards out to the winner person in the activity

The receipt of Phoo Kao Thong Brand can push forward for travelling to world class mountain. On 19 February 2016 for the winners are impressive in the company activity and request the company create a good activity continuously like this event.



Roadshow Booth & Troop Activity for the year 2016 in order to present the new products and focus on the confident in our products. And advertise to consumer / distributors for understanding in the good point of each products, included in promotion for selling and spread to other area throughout the country.



Marketing & Social Activities

Joint in succession in Vegetarians festival for the year 2016. For the campaign Vegetarians for this year, have a good health with Phoo Kao Thong, an event has occurred in the province throughout country.



Booth Activity, doing the food decoration in the Makro Departmentstore in Bangkok. The company has co-operated this activity with Makro in order to promote the products Phoo Kao Thong Brand and Sriracha Panich Chili Sauce to the consumer who come to buy the product in Makro.



Sriracha Panich Brand

In Thai Fex World Food Asia 2016 on 25-29 May 2016, for emphasizing in the seasoning leader in Thailand, and also we debut the campaign of Sriracha Panich Chili Sauce "The Taste of The Original" to the consumer for acknowledgement and we invited Khun Ou Thanakorn Posayanon showed the cooking skill with Khun Warauya Winyarat as well.



Ms. Happy Diet Charity Market Activity

On 15 May 2016 at Emquartier Departmentstore for first time the reunion for health lover, celebrities influencers and the restaurant which our Sriracha Panich brand has participated in this event. By income after deducted the expenses was donated to Kwan Koa Charity.



All booth activity, for reaching to the target of Sriracha Panich and emphasizing to be "The Taste of the Original"



Marketing Communication

Sriracha Panich Chili Sauce

In the year 2016, the company had a marketing campaign for the product Sriracha Panich Chili Sauce. The campaign named "The Taste of The Original" by emphasizing in the authentic and the history more than 80 year of Sriracha chili sauce which is many Thai people still do not know about these stories.



By communicating through movie trailers via online channel and we had the talent actor name Au Thanakorn Posayanont who became to representative in finding a original taste of Sriracha chili sauce only.



และยังมีการร่วมมือกับ Partner ต่างๆทั้งในช่องทางออนไลน์และสื่อต่างๆ เพื่อนำเสนอแคมเปญ ศรีราชาพานิช The Taste Of The Original อีกมากมาย ไม่ว่าจะเป็น การใช้สื่อ ณ จุดขายเพิ่มเติม



And also we had co-operation with the partner in the online channel and other media for present the campaign Sriracha Panich The Taste of Original, such as the media at the selling point, in the department store, in newspaper and leading magazine in Thailand and included in the grand opening in the campaign Sriracha Panich The Taste of Original in Thai Fex Fair 2016 for communicate to the consumer about the long history 80 years of this brand and the unique identify of the brand that The emphasize on quality ingredients and meticulousness in the sauce.



Communication



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	2016	2015	2014
Sales revenue of three major discount stores	592,086	592,151	559,113
% of total sales	22.21	21.58	21.13

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 62 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 2016, 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, (054) 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 753 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: http://www.set.or.th/tsd E-mail: SETContactCenter@set.or.th B. Auditors Mrs. Siripen Sukcharoenyingyong CPA Registration Number 3636 or Mr. Charoen Phosamritlert CPA Registration Number 4068 or Mrs. Wilai Buranakittisophon CPA Registration Number 3920 KPMG Phoomchai Audit Limited. 48 nd Floor Empire Tower 195 South Sathorn Road, Yannawa, Sathorn Bangkok 10120 Tel: +66-2677-2000 Fax: +66-2677-2222
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	40 Million Baht (2,000,000 shares of Baht 10.00 par value)
Issued and paid up Capital	40 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

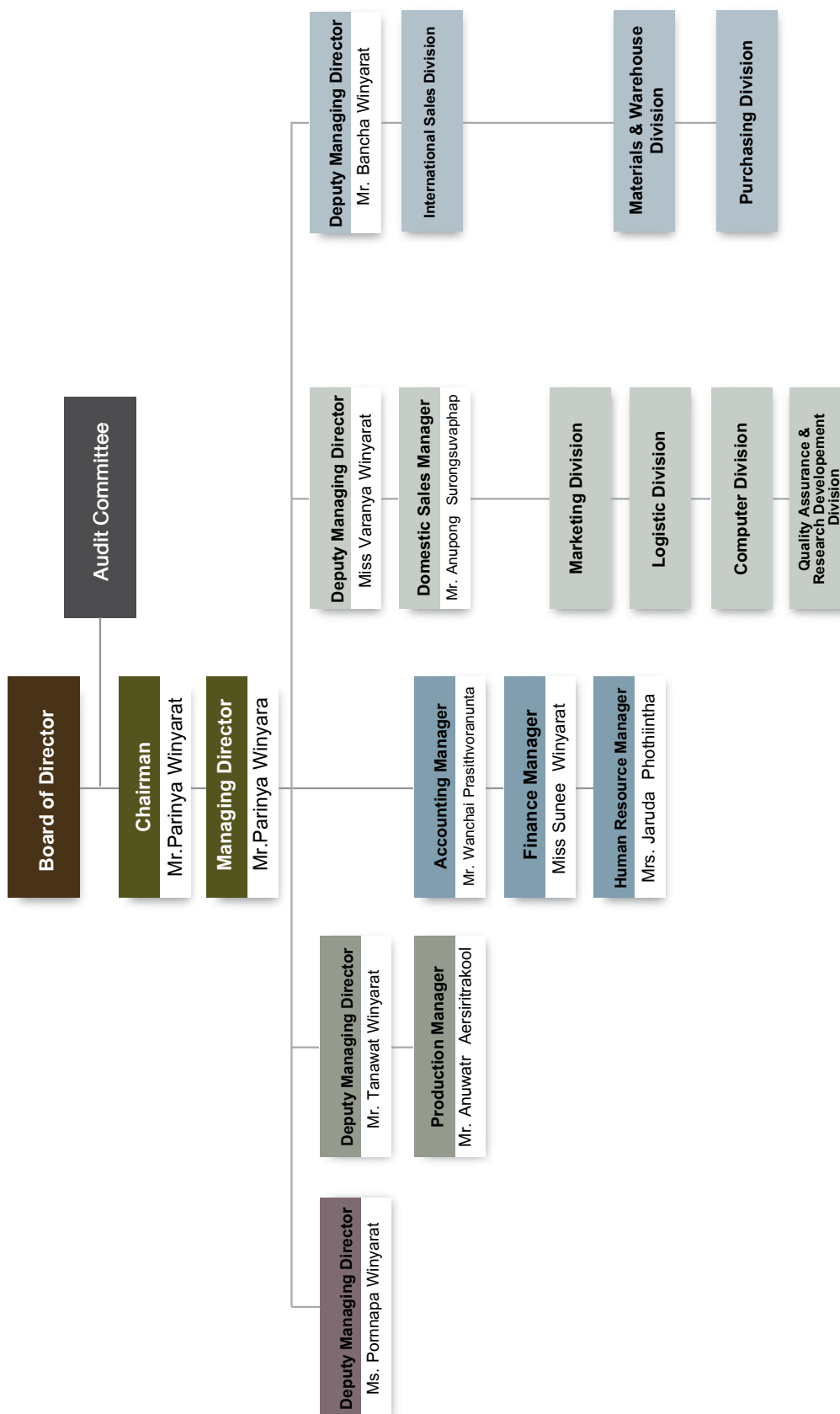
Major Shareholders as of the Annual General Meeting of Shareholders 2016 hold on April 22, 2016.

Major	Shareholders	Shares	(%) of Total Share
1.	WINYARAT FAMILY	287,704,200	79.91
2.	Bangkok Life Insurance PLC.	11,604,200	3.22
3.	Ms. Jaruda Pothiinta	5,604,900	1.56
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	2,921,400	0.81
10.	CS Capital Co,Ltd	2,658,200	0.74
Total		330,783,400	91.88

Remark WINYARAT FAMILY consist of :		Shares	(%) of Total Share
Major Shareholders			
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	74,000	0.01
		<u>287,704,200</u>	<u>79.91</u>

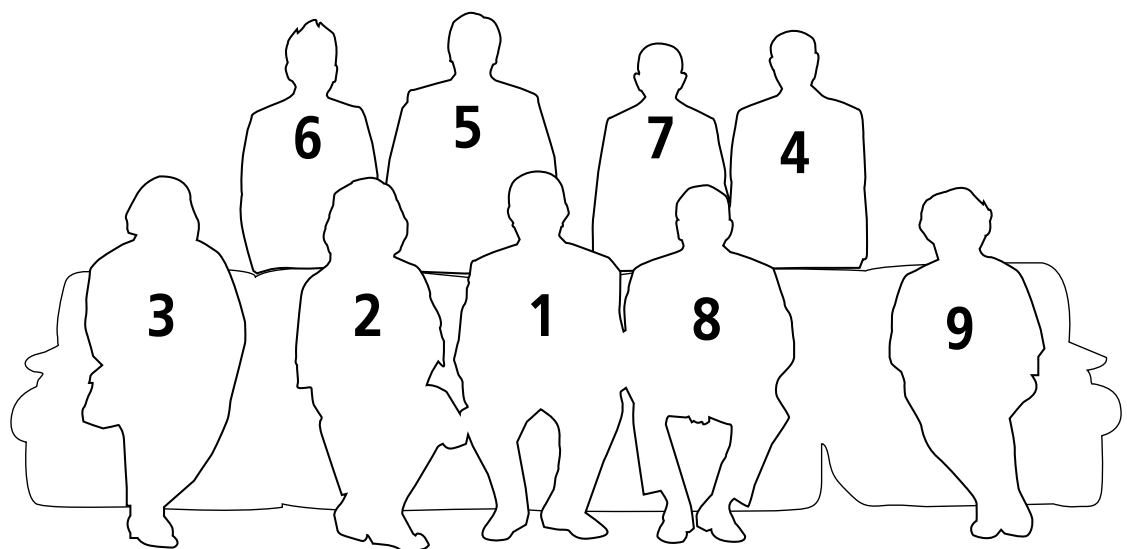
Management Structure

Organization Chart





Board of Directors



1. Mr. Parinya Winyarat

(Director / Chairman of the Board and Managing Director)

Date of Birth : May 26, 1954
Age : 62
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
2011 - Present Director
Bang Pa-in Sportclub Company Limited
2010 - Present Director
Rachakram Property Company Limited
2008 - Present Director
Promma Mining Company Limited
2005 - Present Director
Rachakram Land Company Limited
2008 - Present Director
Siam Agrotex Company Limited

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 : 1,155,000 Baht
Attended Board of Director's
Meeting in 2016 : Attended 6 out of 6 Board of
Director's Meeting

2. Ms. Pornnapa Winyarat

(Director)

Date of Birth : July 26, 1949
Age : 67
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 : 525,000 Baht
Attended Board of Director's
Meeting in 2016 : Attended 6 out of 6 Board of
Director's Meeting

3. Miss Malee Winyarat

(Director)

Date of Birth : February 14, 1954
Age : 62
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 : 525,000 Baht
Attended Board of Director's Meeting in 2016 : Attended 6 out of 6 Board
of Director's Meeting

4. Mr. Bandit Winyarat

(Director)

Date of Birth : October 2, 1956
Age : 60
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 : 26,427,020 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 : 525,000 Baht
Attended Board of Director's
Meeting in 2016 : Attended 5 out of 6 Board of
Director's Meeting
(business trip overseas)

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 : 315,000 Baht
Attended Board of Director's
Meeting in 2016 : Attended 6 out of 6 Board of
Director's Meeting

6. Mr. Bancha Winyarat

(Director)

Date of Birth : April 27, 1985
Age : 31
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 : -
Position in Other Listed Companies : None
Position in None Listed Companies : 2 position :-
2010 - Present : Director, Exter (Thailand) Limited
2015 - Present : Director
Gower Intertrade Company 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 : 315,000 Baht
Attended Board of Director's
Meeting in 2016 : Attended 4 out of 6 Board of
Director's Meeting
(business trip overseas)

7. Vice Admiral Tanong Sirirangsi

(Independent Director / Audit Committee)

Date of Birth : January 7, 1932
Age : 84
Education : United States Naval War College , USA
Royal Thai Navy College
Director Training : Director Certification Program (DCP)
Program : 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 : 367,500 Baht
Audit Committee remuneration : 132,000 Baht
Attended Board of Director's : Attended 6 out of 6 Board
Meeting in 2016 : of Director's Meeting
Attended Board of Audit Committee: Attended 5 out of 5 Audit
Meeting in 2016 : Committee's Meeting

8. Mr. Phot Kongputhi

(Independent Director / Audit Committee)

Date of Birth	: October 10, 1938
Age	: 77
Education	: Accounting, A.B.I., Institute of Book -
Keeper, London	
Director Training Program	: -
Experience	
2002 - Present	: Audit Committee Thaitheparos Public Company Limited
2002 - 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
2002 - 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	: 367,500 Baht
Audit Committee Remuneration	: 132,000 Baht
Attended Board of Director's Meeting in 2016	: Attended 6 out of 6 Board of Director's Meeting
Attended Audit Committee's Meeting	: Attended 5 out of 5 Audit Committee's Meeting

9. Asst. Prof. Raweewan Piyayopanakul

(Independent Director / Audit Committee Chairman)

Date of Birth	: May 8, 1947
Age	: 69
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
2000 - 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	: 420,000 Baht
Audit Committee Remuneration	: 198,000 Baht
Attended Board of Director's Meeting in 2016	: Attended 6 out of 6 Board of Director's Meeting
Attended Board of Audit Committee Meeting in 2016	: Attended 5 out of 5 Audit Committee's Meeting

Director		Historial Forward January 1, 2016	No.of share changed		Carry Forward December 31,2016
			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. 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 : 33 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 : 55

Education : Bachelor Degree in Business
Administration (Second Class Honors),
Sukhothai Thammathirat 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 : 57

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 : 55

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 Phothiinta (Human Resource Manager)

Age : 56

Education : Bachelor of Public Administration
Sukhothai Thammathirat University

Experience

2004 - Present : Human Resource Manager
Thaitheparos Public Company Limited

No. of holding shares : 5,650,100 shares

No. of shares changed : 55,100 shares

9.Mr.Anuwatr Aersitrakool (Production Manager)

Age : 50

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 December 31, 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 Phothiinta	5,595,000	55,100	-	5,650,100
9.Mr.Anuwatr Aersitrakool	-	-	-	-
Total	42,671,530	55,100	-	42,726,630

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 2016 as follow:

	Person	Remuneration for Director	*Salary/Bonus & other	Total
Directors	9	4,515,000.00	19,975,181.00	17,490,181.00
Management	6	-	7,448,709.00	7,448,709.00
Directors and Management	15	4,515,000.00	20,423,890.00	24,938,890.00

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

	(million)				
	Person	2016	2015	Change	%
Remuneration for Director	9	4.52	4.30	0.22	5.12
Salary/Bonus & other - Directors	9	12.97	13.14	(0.17)	(1.29)
Total Directors	9	17.49	17.44	0.05	0.29
Salary/Bonus & other - Management	6	7.45	8.53	(1.08)	(12.66)
Total Directors and Management	15	24.94	25.97	(1.03)	(3.97)

Personnel

As December 31, 2016 Sauce has 753 employees or decreased by 7 persons from 2015 or decrease by 0.92% .Headquarter totally 760 persons in each operation as follows:

Person	2016	2015	Changs	%
Management	3	3	-	-
Production Department	422	432	(10)	(2.31)
Quality Assurance & Research Development Department	26	25	1	4
Engineering Division	15	13	2	15.38
Sales Department, Marketing Department and Logistic Division	220	216	4	1.85
Accounting Department, Financial Department	33	32	1	3.13
Computer Division	5	6	(1)	(16.67)
Human Resource Department	19	22	(3)	(13.64)
Purchasing Division.	8	7	1	14.29
Quality management Division and Secretaries	2	4	(2)	(50)
Total	753	760	(7)	(0.92)

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 2016 totally Bht 258.44 million; compared with Bht 250.03 million in 2015, increase of Bht 8.41 million or 3.36% (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 2016, 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.2/2016 which held on March 9, 2016 providing to arrange the Annual General Meeting of Shareholders on April 22, 2016 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 18, 21-22, 2016 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 2016 which was held on April 22, 2016 comprise of Board of executive director consisting of 3 persons : Chairman of the Board, and Deputy Managing Director 2 person and non executive director 2 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. Over a period of 12 months, the average BOD of 2016 for the company was 15.73 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 affecting 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

In 2016, 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 and 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 31,2016 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. Raweewan Piyayopanakul | Independent Director and Audit Committee Chairman |
| 2. Vice Admiral Tanong Sirirangsri | Independent Director and Audit Committee Member |
| 3. Mr. Phot Kongpuhi | 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 2016, there are 6 regular meetings with all the directors attend except Mr. Bandit Winyarat Attended 5 out of 6 Board of Directors' Meeting in 2016 (business trip overseas) and Mr. Bancha Winyarat Attended 4 out of 6 Board of Directors' Meeting in 2016 (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 2016 as follow:

	Person	Remuneration	*Salary/Bonus & other	Total
		for Directors		
Directors	9	4,515,000.00	12,975,181.00	17,490,181.00
Management	6	-	7,448,709.00	7,448,709.00
Directors and Management	15	4,515,000.00	20,423,890.00	24,938,890.00

*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:

	2016	2015
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	950,000.00	780,000.00
Total the audit fees	950,000.00	780,000.00

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 : CSR

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.

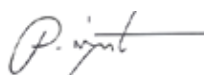
- Our employees are implanted the concept of the energy and environmental conservation. They have played a part in reducing energy consumptions.

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 :

By the way, we have many projects and activities on the social responsibility from the company.

Phoo Kao Thong Children Day

On 9 January 2016, the company has organized the activity Children Day no.4 for the year 2016, under the name “ Dek Dee Phoo Kao Thong no. 4” for the descendant of the employee’s company and other children around Taiban area to be joy happy smile and laugh together. Also build a good relationships with the community and employee’s family. In the event, we invited the comedian group called “ A-Tai Glomgig” to make fun and entertain in the event. In additional, he company also support scholarships and education supply to school, government, and private sector where organized the children day throughout the country for 200 school.



Supporting in activity for the Disabled people day at Samutprakarn province

On 5 March 2016, the company has supported in the event for the international disabled day no. 14 in order to promote and develop the quality of disabled life at Samutprakarn province. And the Management board has received the certificate in this time. By the way in the event has many activity and food banquet for 3000-4000 disabled.



Saitarn Baramee the event for supporting HIV Infected patients at Pra Bat Nam Pu Temple

On 12 March 2016, the company included the committee and employee donated the necessary supplies to the temple and do lunch banquet to 10 monks and 200-250 HIV infected patients



Scholarship Fund for the Children’s Employee

By supporting for 24 times of this event in order to support in education part for the Children’s Employee who study well and behave well. On 28 May 2016, the company has considered to provide the scholarship for 50 funds, total amount is 182,000 Baht and for the period 24 years, the company has provided the scholarship to the Children’s Employee for the total amount is 2,472,000 Baht.



Be a part of doing good thing for society

On 18 October 2016, the company has been a part of the event “doing good thing for society”. By giving out of the food and drinking water to the people and soldier who come to offer sacrifices to the His Majesty King Bhumibol Adulyadej at Royal Plaza; Sanam Luang.



Be a Host of Present robes to monk at the end of Buddhist Lent for the year 2016

On 30 October 2016, the company had been a host to earn money in order to contribute to build the hall of the sermon for the temple name “Rat Pho Thong Temple” and made the 12 almshouses and barbershop for free service, the total amount that the company has provided is 782,253 Baht.



Donated the Vinegar for support the victim who got impact from jelly fish along seashore

On 16 May 2016, the company has provided the Vinegar product to .Marine and Coastal Resources Research and Development Institute” in order to Installed them in a rescue pillar along the seashore for the victim who got impact from jelly fish for 100 cartons.

Be support in the event “Ngarn Ting Ka Jad” for the poor people at Charitable foundation.

On 8 August 2016, the company has supported in the event “Ngarn Ting Ka Jad” for the poor people at Charitable foundation. And giving out for rice dried food and food to poor people who come to the event.



Supporting to earn money to Thai Women’s Association

On 14-15 July 2016, the company has supported to earn money in order to be scholarship to the poor student of Thai Women’s Association.

Join in succession of vegetarian festival

For the campaigned “This vegetarian festival, have a good health with Phoo Kao Thong” for the all province in country.



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. 1/2017 held on February 22, 2017. The board of directors assigned the Audit Committee to evaluate the internal control system of the company in 2016. 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, 2016, there are 5 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 2016. 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 2016, 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.

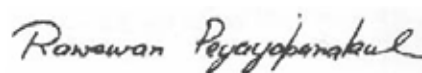
4. To Select Auditor for the year 2017. The Audit Committee select and offer to the Board of Director concerning auditor appointment including auditor's fee which is suitable for the company. In our opinion, the shareholders Meeting is hereby advised to elect Mrs. Siripen Sukchareonyingyong, CPA Registration 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 2017.

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 2016, 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

22 February 2017

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		
		2016	2015
		(in thousand Baht)	
Transactions	Sales of goods	42,024	26,274
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		
		2016	2015
		(in thousand Baht)	
Transactions	Rental income	138	138
	Rent warehouse	201	
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		
		2016	2015
		(in thousand Baht)	
Transactions	Purchase of raw materials	22,956	24,854
	Sales of goods	23,379	17,524
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.		
		2016	2015
		(in thousand Baht)	
Transactions	Rental income	1,489	1,489
	Other income		
	Water utility charge	204	148
	Electricity charge	1,897	1,730
	steam charge	4,717	3,591

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.		
		2016	2015
Transactions	Loan to associated company	1,200	2,400
	interest	130	218
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 22, 2017 as follows.

"Considering in conflicts of interest transaction for the year 2016, 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, 2016 and December 31, 2015

Operating and Financial Status

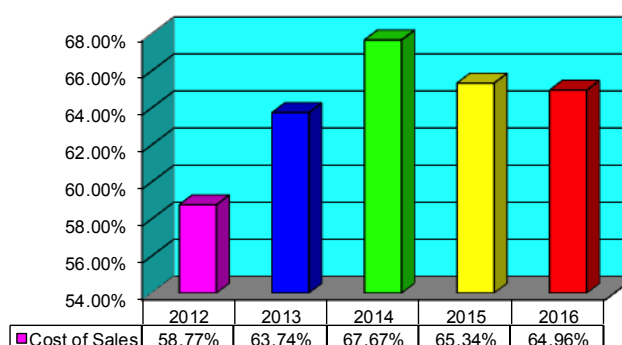
Overview

Operating Results in 2016 has decreased lower than 2015 resulting from the economic slow down and low agricultural which caused the net profit decreased. Revenue from sale of good such as traditional trade and cash van were decreased The revenue from sales of goods from seasoning sauce and chilli sauce have decreased but oyster sauce, distilled vinegar and sriraja chilli sauce have increased.

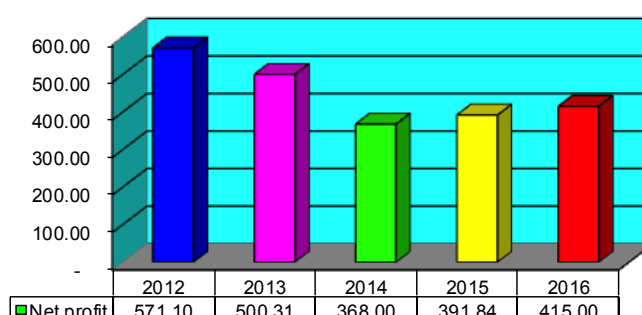
While as cost of sales of goods have slightly decreased but selling expenses have increased because of the high competition as last year. Therefore, the Company recorded the reversal of allowance for impairment loss amounted to Baht 47.48 million as other income in the statements of comprehensive income , after deducting income tax Baht 37.98 million as a result net profit has increase from the previous year.

(in million Baht)	2016	2015	Change	%
Domestic Sales	1,490.04	1,620.87	(130.83)	(8.07)
Modern Trade Sales	705.86	697.10	8.76	1.26
Industrial Sales	170.99	155.48	15.51	9.98
Sales to associate	64.96	42.67	22.29	52.24
International Sales	234.43	228.71	5.72	2.50
Revenue from sale of goods	2,666.28	2,744.83	(78.55)	(2.86)
Cost of sale of goods	1,731.99	1,793.45	(61.46)	(3.43)
Selling Expense	338.45	322.48	15.97	4.95
Administrative Expenses	157.62	161.21	(3.59)	(2.23)
Net Profit form operation	377.02	391.84	(14.82)	(3.78)
Reversal of impairments losses for land not used in operation	37.98	-	37.98	
Net Profit	415.00	391.84	23.16	5.91

Cost of Sales (% of sales) Compared 5 years



Net profit Compared 5 Years (Million Baht)



Operating review

Profitability

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

	2016	2015	Change	%
Net profit (Million Baht)	415.00	391.84	23.16	5.91
Gross Profit Margin %	35.04	34.66	0.38	
Net Profit Margin %	15.14	14.14	0.99	
Return on Equity %	17.34	16.36	0.98	
Return on Total Assets %	15.63	14.83	0.80	

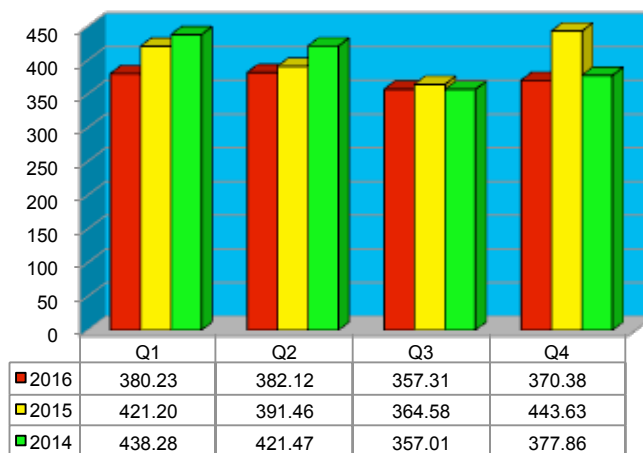
The factors that the Company earn net profit in 2016 increased by 5.91 % or Bt. 23.16 million compared to that of 2015 shown here under :-

(Million Baht)	2016	2015	Change	%
1. Domestic Sales	1,490.04	1,620.87	(130.83)	(8.07)
Modern Trade Sales	705.86	697.10	8.76	1.26
Industrial Sales	170.99	155.48	15.51	9.98
Sales to associate	64.96	42.67	22.29	52.24
International Sales	234.43	228.71	5.72	2.50
Total revenue from sale of goods	2,666.28	2,744.83	(78.55)	(2.86)
2. Cost of sale of goods	1,731.99	1,793.45	(61.46)	(3.43)
% of total sale of goods	64.96%	65.34%	(0.38)%	
3. Selling expenses	338.45	322.48	15.97	4.95
% of total sale of goods	12.69%	11.75%	0.94%	
4. Administrative expenses	157.62	161.21	(3.59)	(2.23)
% of total sale of goods	5.91%	5.87%	0.04%	
5. Other income				
Reversal of allowance for impairments loss	47.48	-	47.48	
Interest income	6.66	8.17	(1.51)	(18.48)
Other income	21.55	17.49	4.06	23.21
Total Other income	75.69	25.66	50.03	194.97

Domestic sales decreased by 8.07% or Bt. 130.83 million Bt. from that of 2015 mostly from decreased 9.43% or 116.50 million Bt. in credit traditional trade channel and decreased 6.39% or 17.35 million Bt. in cash van channel but increased 2.791% or 3.11 million Bt. in trading firm channel.

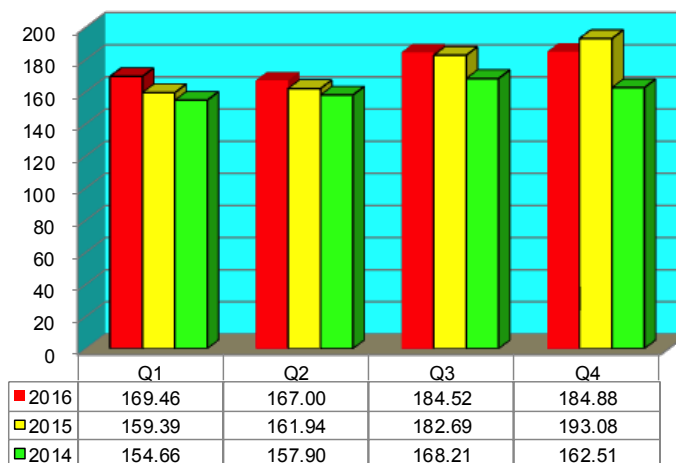
(Million Baht)	2016	2015	Change	%
Traditional Sales	1,119.13	1,235.63	(116.50)	(9.43)
Cash Van Sales	254.08	271.43	(17.35)	(6.39)
Trading Firm	114.39	111.28	3.11	2.79
Other	2.44	2.53	(0.09)	(3.56)
Domestic Sales	1,490.04	1,620.87	(130.83)	(8.07)

Domestic sales by Quarterly (Million Baht)



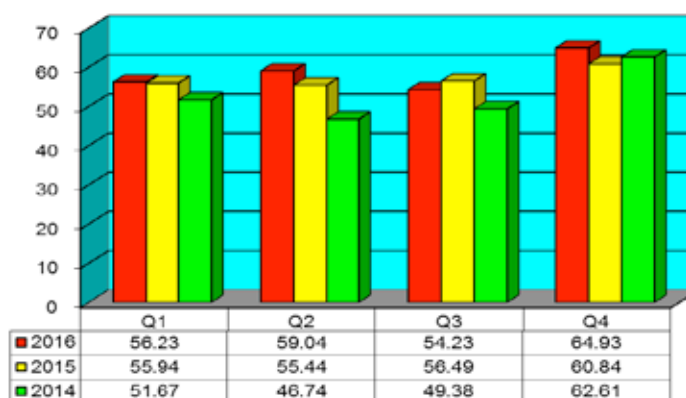
but increased 1.26% or Bht. 8.76 million in modern trade channel.

Modern Trade sales by Quarterly (Million Baht)



International sales increased by 2.50% or Bt. 5.72 million from that of 2015. Due to the increasing from AEC, Australia and England. While as USA China and Europe decreased.

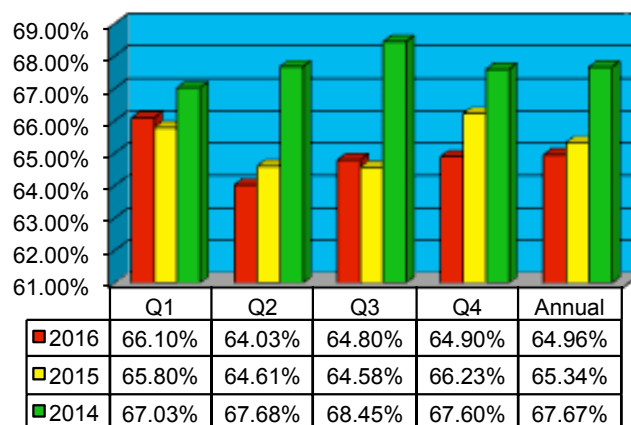
International sales by Quarterly (Million Baht)



to associate increased by 52.24% or Bt. 22.29 million from that of 2015 due to Exter (Thailand) Limited increased Bht. 6.54 million or 39.91 % and Yamasa (Thailand) Company Limited increased Bht. 15.75 million or 59.95%.

From the above reasons, the total sales decreased from Bt.2,744.83 million in 2015 to Bt. 2,666.28 in 2016, decreased by 2.86% or Bt. 78.55 million from that of 2015.

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



Cost of sales decreased 0.38 % from 65.34 % of total sales in 2015 to 64.96 % in 2016 . It was because the price of defatted soy bean and corn gluten were more increased (decreased) 7.98 % and 7.01 % respectively. Besides the price of chili and garlic also were more (decreased) increased (7.06%)and 4.80% respectively.

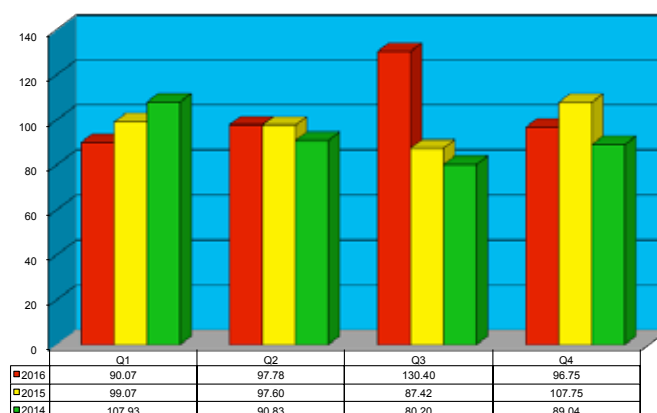
The selling expenses of sales increased from 11.75% in 2015 to 12.69% in 2016 or increased by 0.94 % of total sales or Bt. 15.97 million. This represents the increase in sales promotional expenses and advertising expenses.

The administrative expense decreased from 5.87% in 2015 to 5.91% in 2016 decreased 0.04% or decreased by Bt 3.59 million or due to the decreasing of allowance for obsolete stock etc.

From the above reasons, the net profit increased from Bt. 391.84 million in 2015 to Bt. 415 million in 2016, increased by 5.91 % or Bt. 23.16 million from that of 2015.

But the net profit from operation (except for reversal of allowance for impairment loss Net from income tax Bt. 37.98 million) for the year ended December 31, 2016 decreased from Bt. 391.84 million in 2015 to Bt. 377.02 million in 2016, decreased by 3.78% or Bt. 14.82 million from that of 2015.

Net profit (million Bht.) By Quarterly



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

	2016	2015	Change	%
Earning before income tax expense	517.93	492.51	25.42	5.16
EBT Margin %	18.89	17.78	1.11	

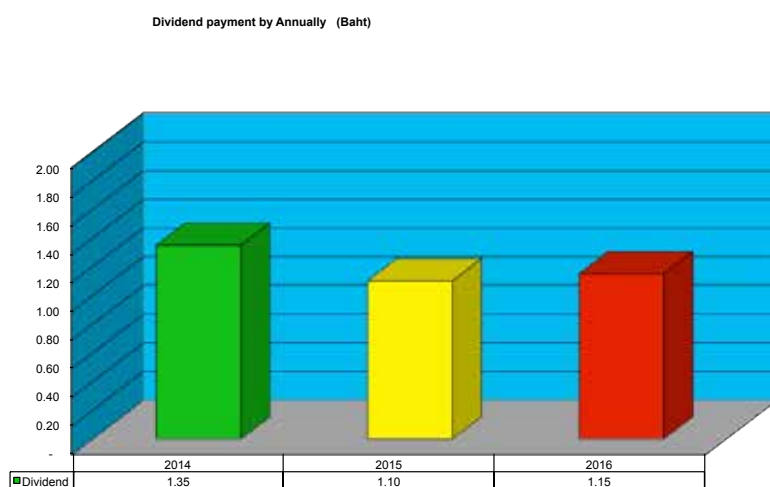
Dividend Policy

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 22 April 2016, the shareholders approved the appropriation of dividend for 2015 and 2011 operation of Baht 1.15 per share, amounting to Baht 414.00 million (payout ratio 105.66%). The dividend was paid to shareholders on May 17, 2016.

	2016	2015	Change	%
Dividends paid (Million Baht)	414.00	396.00	18.00	4.55
Dividends per share (Baht)	1.15	1.10	0.05	4.55
Net profit (Last year)	391.84	368.00	23.84	6.48
Dividends pay out ratio (%)	105.66%	107.61 %	(1.95)%	



Report and Analysis of Financial Position

Financial Structure

Debt Equity Ratios

In 2016 the debt equity ratio was 0.11 which equal 0.11 in 2015. The financial structure was suitable to the size of operations and business equal to 2015.

	2016		2015	
	Million Baht	%	Million Baht	%
Total liabilities	265.09	9.97	257.46	9.71
Equity	2,393.41	90.03	2,393.52	90.29
Total assets	2,658.50	100.00	2,650.98	100.00
Income tax payable	84.85	3.19	82.60	3.11
Trade accounts payable	46.86	1.76	49.16	1.85
Accrued expenses	82.26	3.10	68.14	2.57
Other accounts payable	9.85	0.37	11.31	0.43
Other current liabilities	3.15	0.12	8.70	0.33
Non current liabilities	38.12	1.43	37.55	1.42
Total liabilities	265.09	9.97	257.46	9.71
Issued and paid-up share capital	360.00	13.54	360.00	13.58
Premium on ordinary shares	615.60	23.16	615.60	23.22
Fair value change in investment	(0.03)	(0.00)	1.08	0.04
Legal reserve retained earning	60.00	2.26	60.00	2.27
Unappropriated retained earning	1,357.84	51.07	1,356.84	51.18
Total equity	2,393.41	90.03	2,393.52	90.29

The company has no debt resulting from loan of any kind. Most of liabilities are current liabilities. Most of company's capital come from shareholders.

Liquidity

Cash flows

(Million Baht)	2016	2015	Change	%
Cash flows from operating activities	464.57	573.26	(108.69)	(18.96)
Net cash uses in investment activities	(43.97)	(108.22)	64.25	(59.37)
Net cash uses in financing activities	(414.00)	(396.00)	(18.00)	4.55
Net increase (decrease) in cash and cash equivalents	6.60	69.04	(62.44)	(90.44)

(Million Baht)	2016	2015	Change	%
Current assets	1,275.42	1,309.94	(34.52)	(2.64)
Current liabilities	226.97	219.91	7.06	3.21
Current ratio (Time)	5.62	5.96	(0.34)	(5.66)

Collection Period (days)	39	37	2	5.41
Inventories Turnover Period (days)	69	68	1	1.47
Cash Cycle Period (days)	90	88	2	2.27

Current ratio

Current ratio in 2016 is 5.62 times, decreased from 5.96 times in 2015. This result from the increase of current liabilities by Bt. 7.06 million, most of these are accrued expense, and the decrease of current assets by Bt. 34.52 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 39 days which more than 2015 by 2 days. The inventories turnover period was 69 days which more than 2015 by 1 day. Cash cycle period was 90 days which more than 2015 by 2 days.

As at December 31, 2016, we have total cash and cash equivalents more than Bt. 339.65 million, in addition, have clear credit limit with the major banks more than Bt. 32.50 million, to support the Company for emergency. The company had unutilized credit facilities totaling Baht 97.50 million.

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, 2016 Sauce has Bt. 2,658.49 million of total assets, the growth increased 0.28% compare to Bt. 2,650.98 million as at December 31, 2015.

(Million Baht)	2016	2015	Change	%
Current assets	1,275.42	1,309.94	(34.52)	(2.64)
Non current assets	1,383.07	1,341.04	42.03	3.13
Total assets	2,658.49	2,650.98	7.51	0.28
Current assets / Total assets %	47.98%	49.41%	(1.44)%	
Non current assets / Total assets %	52.02%	50.59%	1.44%	
Total assets %	100.00%	100.00%		

As at December 31, 2016, Sauce has current assets as 47.98%, and non current assets as 52.02% of total assets compare to 49.41% and 50.59% as at December 31, 2015

Main Part of Assets

	December 31, 2016		December 31, 2015	
	Millon Baht	%	Millon Baht	%
Property, plant and equipment	1,128.42	42.45	1,137.58	42.91
Inventories	351.48	13.22	309.07	11.66
Cash and cash equivalent	339.65	12.78	333.05	12.56
Trade accounts	272.90	10.27	298.45	11.26
Current investments	267.47	10.06	336.83	12.71
Unused land	189.90	7.14	142.43	5.37
Advance payment for raw materials	30.75	1.16	19.13	0.72
Other long-term investment	20.41	0.77	20.33	0.77
Investments in associates	19.44	0.73	7.42	0.28
Deferred tax assets	13.57	0.50	22.30	0.83
Other current assets	7.00	0.26	7.55	0.28
Other accounts	4.97	0.19	4.66	0.18
Bank deposits under commitment	4.60	0.17	4.60	0.17
Other non-current assets	2.47	0.09	3.09	0.12
Intangible assets	4.26	0.16	2.09	0.08
Loan ot associate	-	-	1.20	0.05
Current portion of loan to associate	1.20	0.05	1.20	0.05
Total assets	2,658.49	100.00	2,650.98	100.00

Concerning accounts receivable, the Company has set aside an adequate allowance for doubtful accounts. As at December 31, 2016, we have total allowance for doubtful accounts amounting to Bt. 1.39 million and Bt .282 respectively.

(Millon Baht)	2016	2015	Change	%
Related parties	16.41	21.02	(4.61)	(21.93)
Other parties	257.88	280.25	(22.37)	(7.98)
Total	274.29	301.27	(26.98)	(8.96)
Less allowance for doubtful accounts	(1.39)	(2.82)	1.43	(50.71)
Net trade accounts receivable	272.90	298.45	(25.55)	(8.56)

Inventories no the obsolescence and deterioration.

(Millon Baht)	2016	2015	Change	%
Finished goods	81.59	51.92	29.67	57.15
Work in progress	117.66	106.82	10.84	10.15
Raw materials	151.80	147.79	4.01	2.71
Raw materials in transit	-	1.95	(1.95)	
Suplies	0.43	0.59	(0.17)	(28.81)
Total inventories	351.48	309.07	42.40	13.72

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

(Million Baht)	2016	2015	Change	%
Debentures	20.00	20.00	-	-
Investment in marketable equity security	0.41	0.33	0.08	24.24
Total long-term investment	20.41	20.33	0.08	0.39

Allowance for impairment losses

(Million Baht)	2016	2015	Change	%
Unused land at cost	204.07	204.07	-	-
Less allowance for impairment losses	(14.17)	(61.65)	47.48	(77.02)
Net	189.90	142.42	47.48	33.34

The land not used in operation had been acquired for the purpose of plant expansion in 1994. The Company had reconsidered the purpose and cancelled the expansion project since the current plant is able to support the growth of the company.

The carrying value of the unused land as at 31 December 2015 is based on an Independent professional appraisal carried out in the year 2013.

Based on the appraisal report from independent professional appraisers dated 28 September 2016, using the Market Comparison Approach by the fair market value, the revalued unused land was estimated at Baht 189.90 million. Therefore, the Company recorded the reversal of allowance for impairment losses amounted to Baht 47.48 million as other income in the statement of comprehensive income for the year ended 31 December 2016.



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



(Mr. Parinya Winyarat)
Chairman of The Board



(Mr. Tanawat Winyarat)
Director

22 February 2017

Audit report of Certified Public Accountant



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Independent Auditor's Report

To the Shareholders of Thaitheparos Public Company Limited

Opinion

I have audited the 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 2016, 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.

In my opinion, the accompanying 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 2016 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King that are relevant to my audit of the financial statements in which the equity method is applied and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements in which the equity method is applied and separate financial statements of the current period. These matters were addressed in the context of my audit of the financial statements in which the equity method is applied and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Reversal of allowance for impairment loss of land not used in operations	
Refer to Notes 3(f) and 10 to the financial statements	
The key audit matter	How the matter was addressed in the audit
The Company has the land not used in operations with the net book value of Baht 189.90 million (at cost of Baht 204.07 million, less allowance for impairment loss of Baht 14.17 million) as at 31 December 2016. The above land had been acquired for the purpose of plant expansion in 1994. The Company had reconsidered the purpose and cancelled the expansion project since the current plant is able to support the growth of the Company. The net book value of this land as at 31 December 2015 is Baht 142.42 million. During 2016, the Company evaluated the value of land not used in operations by engaging the independent external appraisal valuer, who valued the land at Baht 189.90 million. Therefore, the Company recorded the reversal of allowance for impairment loss amounted to Baht 47.48 million as other income in the statement of comprehensive income for the year ended 31 December 2016. Determining the recoverable amounts of fair value less cost of disposal of the asset requires a number of significant judgments and estimates, the valuation model is complex and since the carrying value of the Company's assets is significant, this is the most significant area which my audit is focused on.	My audit procedures included; assessing the value of land not used in operations by understanding the process and controls of the valuation by the management who have direct responsibility in this area and who engaged the independent external appraisal valuer, and who designed and implemented the controls, evaluating the qualifications, competence and independence of the external appraisal valuer, involving KPMG valuation specialist to obtain an understanding of the work of the external appraisal valuer in determining the fair value by assessing the terms of engagement and considering methodologies used by the external appraisal valuer, calculating the related cost of disposal on comparison with my own expectations based on my knowledge of the Company and the legal costs of trading land, included overall observation of land not used in operations at the location and also assessing the appropriateness of the disclosures in accordance with Thai Financial Reporting Standards.

Recoverability of trade accounts receivable	
Refer to Notes 3(c) and 7 to the financial statements	
The key audit matter	How the matter was addressed in the audit
The Company has a variety of distribution channels covering wholesalers (Yi Pua), retailers (Car Units), modern trade, restaurants, food stores, manufacturing factories industry as well as export and oversea customers. The Company's customers are mostly a large number of wholesalers (Yi Pua) which are significant to total sales and the amount of trade accounts receivable of the Company. Significant judgments and estimates is required in determining the recoverability of trade accounts receivable and the amount of provision and since the net book value of the Company's trade accounts receivable is significant, this is the most significant area which my audit is focused on.	My audit procedures included; assessing recoverability of trade accounts receivable, by understanding the processes and controls of the evaluate valuation which was specific considered from the list of defaulting receivables, prepared by the responsible management, assessing design and implementation of the controls and the future expectation of customers' payments from the list and sampling test the recoverability of the defaulting receivables through examination of subsequent cash receipts. This included inspecting the receivables aging report by obtaining the list of all invoices as of year-end, testing the correctness of the list by sampling test invoices and recalculating the aging report. I also tested the recoverability of the slow-payment receivables which were overdue more than 3 months, apart from the list of defaulting receivables which prepared by responsible management, by sampling examination of subsequent cash receipts.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements in which the equity method is applied and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements in which the equity method is applied and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements in which the equity method is applied and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements in which the equity method is applied and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance 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 the financial statements in which the equity method is applied and separate financial statements in accordance with TFRSs, 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.

In preparing the financial statements in which the equity method is applied and separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements in which the equity method is applied and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements in which the equity method is applied and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of equity-accounted investees of the Company to express an opinion on the financial statements in which the equity method is applied. I am responsible for the direction, supervision and performance of the audit of the financial statements in which the equity method is applied. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements in which the equity method is applied and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Siripen Sukcharoenyingyong)
Certified Public Accountant
Registration No. 3636



KPMG Phoomchai Audit Ltd.
Bangkok
22 February 2017

Statement of Financial Position

Thaitheparos Public Company Limited
Statements of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
		31 December 2016	31 December 2015	31 December 2016	31 December 2015
Assets	<i>Note</i>			(in Baht)	
<i>Current assets</i>					
Cash and cash equivalents	5	339,654,889	333,050,380	339,654,889	333,050,380
Current investments	6	267,474,836	336,831,606	267,474,836	336,831,606
Trade accounts receivable	7	272,904,215	298,447,683	272,904,215	298,447,683
Current portion of loan to associate	4	1,200,000	1,200,000	1,200,000	1,200,000
Inventories	8	351,478,097	309,072,881	351,478,097	309,072,881
Advance payment for raw materials purchased		30,745,464	19,131,309	30,745,464	19,131,309
Other receivables		4,967,006	4,656,155	4,967,006	4,656,155
Other current assets	4	6,998,371	7,554,021	6,998,371	7,554,021
Total current assets		1,275,422,878	1,309,944,035	1,275,422,878	1,309,944,035
<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	19,440,575	7,422,901	13,199,413	5,199,413
Other long-term investments	6	20,407,988	20,323,800	20,407,988	20,323,800
Loan to associate	4	-	1,200,000	-	1,200,000
Land not used in operations	10	189,904,000	142,428,000	189,904,000	142,428,000
Property, plant and equipment	11	1,128,416,838	1,137,579,981	1,128,416,838	1,137,579,981
Intangible assets	12	4,258,028	2,091,862	4,258,028	2,091,862
Deferred tax assets	13	13,572,432	22,302,262	13,572,432	22,302,262
Other non-current assets	4	2,469,196	3,086,684	2,469,196	3,086,684
Total non-current assets		1,383,072,057	1,341,038,490	1,376,830,895	1,338,815,002
Total assets		2,658,494,935	2,650,982,525	2,652,253,773	2,648,759,037

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 2016	31 December 2015	31 December 2016	31 December 2015
Liabilities and equity	Note	(in Baht)			
<i>Current liabilities</i>					
Trade accounts payable	4	84,849,315	82,598,146	84,849,315	82,598,146
Income tax payable		46,865,248	49,163,800	46,865,248	49,163,800
Other payables		3,147,250	8,705,265	3,147,250	8,705,265
Accrued expenses	14	82,258,858	68,136,276	82,258,858	68,136,276
Other current liabilities	4	9,847,576	11,309,743	9,847,576	11,309,743
Total current liabilities		<u>226,968,247</u>	<u>219,913,230</u>	<u>226,968,247</u>	<u>219,913,230</u>
<i>Non-current liability</i>					
Employee benefit obligations	15	<u>38,120,327</u>	<u>37,547,987</u>	<u>38,120,327</u>	<u>37,547,987</u>
Total non-current liability		<u>38,120,327</u>	<u>37,547,987</u>	<u>38,120,327</u>	<u>37,547,987</u>
Total liabilities		<u>265,088,574</u>	<u>257,461,217</u>	<u>265,088,574</u>	<u>257,461,217</u>
<i>Equity</i>					
Share capital	16				
Authorised share capital		<u>600,000,000</u>	<u>600,000,000</u>	<u>600,000,000</u>	<u>600,000,000</u>
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		1,357,839,971	1,356,838,497	1,351,598,809	1,354,615,009
Other component of equity					
Fair value changes in available-for-sale investments		<u>(33,610)</u>	<u>(1,082,811)</u>	<u>(33,610)</u>	<u>1,082,811</u>
Total equity		<u>2,393,406,361</u>	<u>2,393,521,308</u>	<u>2,387,165,199</u>	<u>2,391,297,820</u>
Total liabilities and equity		2,658,494,935	2,650,982,525	2,652,253,773	2,648,759,037

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 For the year ended 31 December		Separate financial statements For the year ended 31 December	
	Note	2016	2015	2016	2015
		(in Baht)			
Income	4				
Revenue from sale of goods	18	2,666,283,087	2,744,829,366	2,666,283,087	2,744,829,366
Other income	19	75,690,627	25,655,428	75,690,627	25,655,428
Total income		2,741,973,714	2,770,484,794	2,741,973,714	2,770,484,794
Expenses	21				
Cost of sale of goods		1,731,993,316	1,793,450,617	1,731,993,316	1,793,450,617
Selling expenses		338,453,986	322,482,354	338,453,986	322,482,354
Administrative expenses		157,616,546	161,212,589	157,616,546	169,212,569
Total expenses		2,228,063,848	2,277,145,560	2,228,063,848	2,285,145,540
Share of profit (loss) on investment in associates	9	4,017,674	(828,725)	-	-
Profit before income tax expense		517,927,540	492,510,509	513,909,866	485,339,254
Income tax expense	22	(102,926,066)	(100,672,175)	(102,926,066)	(99,682,621)
Profit for the year		415,001,474	391,838,334	410,983,800	385,656,633
Other comprehensive income					
Items that are or may be reclassified subsequently to profit or loss					
Change in fair value of available-for-sale investments	22	(1,116,421)	1,008,678	(1,116,421)	1,008,678
Other comprehensive income for the year, net of income tax		(1,116,421)	1,008,678	(1,116,421)	1,008,678
Total comprehensive income for the year		413,885,053	392,847,012	409,867,379	386,665,311
Basic earnings per share	23	1.15	1.09	1.14	1.07

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 witch the equity method is applied							
		Additional paid in capital		Retained earnings		Other component of equity	
						Fair value changes in available-for-sale	
	Note	Issued and paid-up Share capital	Premium on ordinary shares	Legal reserve	Unappropriated	investments	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							
Distributions to owners of the Company							
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

		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	
		Issued and paid-up	Premium on	Legal reserve	Unappropriated	Total equity
Note	Share capital	ordinary shares			investments	
(in Baht)						
Year ended 31 December 2016						
Balance at 1 January 2016	360,000,000	615,600,000	60,000,000	1,356,838,497	1,082,811	2,393,521,308
Transaction with owners, recorded directly in equity						
<i>Distributions to owners of the Company</i>						
Dividends to owners of the Company	24	-	-	-	(414,000,000)	(414,000,000)
Total transaction with owners, recorded directly in equity		-	-	-	(414,000,000)	(414,000,000)
Comprehensive income for the year						
Profit		-	-	-	415,001,474	415,001,474
Other comprehensive income		-	-	-	(1,116,421)	(1,116,421)
Total comprehensive income for the year		-	-	-	415,001,474	413,885,053
Balance at 31 December 2016		<u>360,000,000</u>	<u>615,600,000</u>	<u>60,000,000</u>	<u>1,357,839,971</u>	<u>2,393,406,361</u>

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)						
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		<u>360,000,000</u>	<u>615,600,000</u>	<u>1,354,615,009</u>	<u>1,082,811</u>	<u>2,391,297,820</u>

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

Thaitheparos Public Company Limited

Statement of changes in equity

		Separate financial statements					
		Additional	Retained earnings		Other component		
		paid in capital			of equity		
					Fair value		
					changes in		
					available-for-sale		
Note	Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Unappropriated	investments	Total equity	
(in Baht)							
Year ended 31 December 2016							
	Balance at 1 January 2016	360,000,000	615,600,000	60,000,000	1,354,615,009	1,082,811	2,391,297,820
Transaction with owners, recorded directly in equity							
Distributions to owners of the Company							
	Dividends to owners of the Company 24	-	-	-	(414,000,000)	-	(414,000,000)
	Total transaction with owners, recorded directly in equity	-	-	-	(414,000,000)	-	(414,000,000)
Comprehensive income for the year							
	Profit	-	-	-	410,983,800	-	(410,983,800)
	Other comprehensive income	-	-	-	-	(1,116,421)	(1,116,421)
	Total comprehensive income for the year	-	-	-	410,983,800	(1,116,421)	409,867,379
	Balance at 31 December 2016	360,000,000	615,600,000	60,000,000	1,351,598,809	(33,610)	2,387,165,199

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	2016	2015	2016	2015
<i>(in Baht)</i>				
<i>Cash flows from operating activities</i>				
Profit for the year	415,001,474	391,838,334	410,983,800	385,656,633
Adjustments for				
Depreciation and amortisation	119,390,675	112,062,216	119,390,675	112,062,216
Interest income	19 (6,650,152)	(8,148,384)	(6,650,152)	(8,148,384)
Bad and doubtful debts expense	3,574,483	3,063,479	3,574,483	3,063,479
Unrealised loss on exchange	18,487	15,017	18,487	15,017
Loss on write-off of inventories	1,198,006	4,432,858	1,198,006	4,432,858
Loss on disposal of plant and equipment	1,217,032	2,190,414	1,217,032	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	(2,030,940)	-	(2,030,940)	-
Reversal of allowance for impairment on land not used in operations	10 (47,476,000)	-	(47,476,000)	-
Employees' benefits	5,428,190	5,861,095	5,428,190	5,861,095
Share of (profit) loss on investment in associates	9 (4,017,674)	828,725	-	-
Income tax expense	22 102,926,066	100,672,175	102,926,066	99,682,621
	588,579,647	612,880,015	588,579,647	612,880,015
Change in operating assets and liabilities				
Trade accounts receivable	26,950,581	(29,728,184)	26,950,581	(29,728,184)
Inventories	(43,603,222)	50,545,966	(43,603,222)	50,545,966
Advance payment for raw materials purchased	(11,614,155)	9,026,101	(11,614,155)	9,026,101
Other receivables	(5,571,640)	11,047,374	(5,571,640)	11,047,374
Other current assets	555,650	2,300,369	555,650	2,300,369
Other non-current assets	617,488	(685,057)	617,488	(685,057)
Trade accounts payable	2,251,086	667,697	2,251,086	667,697
Employee benefit obligations	(4,855,850)	(3,041,543)	(4,855,850)	(3,041,543)
Other payables	(5,184,382)	4,689,519	(5,184,382)	4,689,519
Accrued expenses	14,122,582	8,856,761	14,122,582	8,856,761
Other current liabilities	(1,462,167)	1,721,594	(1,462,167)	1,721,594
Cash generated from operating activities	560,785,618	668,280,612	560,785,618	668,280,612
Income tax paid	(96,215,683)	(95,015,672)	(96,215,683)	(95,015,672)
Net cash from operating activities	464,569,935	573,264,940	464,569,935	573,264,940

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	
		2016	2015	2016	2015
<i>(in Baht)</i>					
<i>Cash flows from investing activities</i>					
Interest received		6,910,941	9,199,023	6,910,941	9,199,023
Purchase of plant and equipment		(114,715,646)	(98,318,431)	(114,715,646)	(98,318,431)
Sale of plant and equipment		4,189,094	256,586	4,189,094	256,586
Proceeds from sales of current investments		65,954,747	-	65,954,747	-
Proceeds from loans to related party	4	1,200,000	1,200,000	1,200,000	1,200,000
Purchase of intangible assets		(3,457,811)	(967,009)	(3,457,811)	(967,009)
Decrease (increase) in current investments		3,953,249	(19,588,381)	3,953,249	(19,588,381)
Increase in investments in associate		(8,000,000)	-	(8,000,000)	-
Net cash used in investing activities		<u>(43,965,426)</u>	<u>(108,218,212)</u>	<u>(43,965,426)</u>	<u>(108,218,212)</u>
<i>Cash flows from financing activity</i>					
Dividends paid to owners of the Company	24	(414,000,000)	(395,999,670)	(414,000,000)	(395,999,670)
Cash used in financing activity		<u>(414,000,000)</u>	<u>(395,999,670)</u>	<u>(414,000,000)</u>	<u>(395,999,670)</u>
Net increase in cash and cash equivalents		6,604,509	69,047,058	6,604,509	69,047,058
Cash and cash equivalents at 1 January		<u>333,050,380</u>	<u>264,003,322</u>	<u>333,050,380</u>	<u>264,003,322</u>
Cash and cash equivalents at 31 December	5	<u>339,654,889</u>	<u>333,050,380</u>	<u>339,654,889</u>	<u>333,050,380</u>
<i>Supplemental disclosures of cash flows information:</i>					
<i>Plant and equipment purchased during the years are detailed as follows:</i>					
Total addition of plant and equipment during the years	11	114,342,013	95,703,104	114,342,013	95,703,104
Add Settlement of payables for plant and equipment previously purchased		990,488	3,605,815	990,488	3,605,815
Less Payables on purchase of plant and equipment		(616,855)	(990,488)	(616,855)	(990,488)
		<u>114,715,646</u>	<u>98,318,431</u>	<u>114,715,646</u>	<u>98,318,431</u>

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

Thaitheparos Public Company Limited
Notes to the financial statements
For the year ended 31 December 2016

Note Contents

1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Other investments
7	Trade accounts receivable
8	Inventories
9	Investments in associates
10	Land not used in operations
11	Property, plant and equipment
12	Intangible assets
13	Deferred tax
14	Accrued expenses
15	Employee benefit obligations
16	Share capital
17	Reserves
18	Segment information
19	Other income
20	Employee benefit expenses
21	Expenses by nature
22	Income tax
23	Basic earnings per share
24	Dividends
25	Financial instruments
26	Commitments with non-related parties
27	Thai Financial Reporting Standards (TFRS) not yet adopted
28	Reclassification of accounts

**Note to the
Financial
statements**

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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 22 February 2017.

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, Samutparkan, 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 2016. 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 2017 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

For the year ended 31 December 2016

(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 accounting policies and the 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.

Assumptions and estimation uncertainties

Information about assumptions and 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 7 Measurement of allowance for doubtful accounts: assessing primarily on analysis of payment histories and future expectations of customer payments;

Note 10 Impairment test: key assumptions underlying recoverable amounts of land not used in operations; and

Note 15 Measurement of defined benefit obligations: key actuarial assumptions

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 chief financial officer.

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 note 10 land not used in operation.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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.

(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.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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.

(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 building 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 building 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.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

(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.

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.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

(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 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.

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.

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.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

(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.

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.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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	Pricing policies
Sales of goods	Market price
Rental income	Contractually agreed price
Interest income	Market rate
Other income	Mutually agreed price
Sales of building improvement and equipment	Mutually agreed price
Purchase of raw materials	Market price
Service expenses	Mutually agreed price

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	
	2016	2015
	(in thousand Baht)	
Associate – Yamasa (Thailand) Co., Ltd.		
Sales of goods	42,024	26,274
Gain from sales of building improvement and equipment	558	-
Rental income	339	138
Other income	169	43
Associate – Exter (Thailand) Limited.		
Sales of goods	23,379	17,524
Rental income	1,489	1,489
Interest income	130	218
Other income	8,073	6,374
Purchase of raw materials	22,956	24,854
Service expenses	1,890	-
Key management personnel		
Key management personnel compensation		
Short-term employee benefit	24,751	25,267
Post-employment benefits	164	681
Other long-term benefits	24	20
Total key management personnel compensation	<u>24,939</u>	<u>25,968</u>

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
Associate – Yamasa (Thailand) Co., Ltd.		
Trade accounts receivable	6,067	3,733
Other payables	20	20
Associate – Exter (Thailand) Limited.		
Trade accounts receivable	10,346	17,286
Other receivables	3	6
Long term loans to related party	1,200	2,400
Other non-current assets	1,819	1,967
Trade accounts payable	5,631	5,350
Other payables	200	200

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

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
<i>Loan to related party</i>		
<i>Year ended 31 December</i>		
Associate – Exter (Thailand) Limited.		
At 1 January	2,400	3,600
Decrease	(1,200)	(1,200)
At 31 December	<u>1,200</u>	<u>2,400</u>

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 2016, 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 2016 to 30 September 2017. The Company will receive monthly rental of Baht 11,520. In this regard, the associated company paid the rental deposit of Baht 20,000.

Loan agreement

The Company (“Lender”) had loan agreement with Exter (Thailand) Limited (“Borrower”), amounting to Baht 6.0 million, which will be repayable in 5 equal annual 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 ate of MLR of certain local financial institution plus 1.0% p.a. for the remaining years.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

5 Cash and cash equivalents

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	(in thousand Baht)	
Cheques on hand	503	1,331
Cash on hand	1,444	1,787
Cash at banks - current accounts	8,044	11,400
Cash at banks - savings accounts	279,664	318,532
Fixed deposits with maturity less than 3 months	50,000	-
Total	<u>339,655</u>	<u>333,050</u>

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	
	2016	2015
	(in thousand Baht)	
Thai Baht (THB)	339,020	332,412
United States Dollars (USD)	635	638
Total	<u>339,655</u>	<u>333,050</u>

6 Other investments

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	(in thousand Baht)	
<i>Current investments</i>		
Fixed deposits with maturity more than 3 months	272,078	276,955
Investment in marketable security - mutual fund	-	64,480
	<u>272,078</u>	<u>341,435</u>
<i>Less Fixed deposits with maturity more than 3 months under commitment</i>	<u>(4,603)</u>	<u>(4,603)</u>
Total	<u>267,475</u>	<u>336,832</u>
<i>Long-term investments</i>		
Debentures	20,000	20,000
Investment in marketable equity security	<u>408</u>	<u>324</u>
Total	<u>20,408</u>	<u>20,324</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 2016, fixed deposits at bank of Baht 4.60 million (2015: Baht 4.60 million) were pledged to secure the use of electricity and raw material purchased.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

7 Trade accounts receivable

		Financial statements in which the equity method is applied/ Separate financial statements	
	Note	2016	2015
		<i>(in thousand Baht)</i>	
Related parties	4	16,413	21,019
Other parties		257,885	280,249
Total		274,298	301,268
Less allowance for doubtful accounts		(1,394)	(2,820)
Net		272,904	298,448
Bad and doubtful debts expenses (reversal) for the year		(1,426)	2,005

Aging analyses for trade accounts receivable were as follows:

		Financial statements in which the equity method is applied/ Separate financial statements	
		2016	2015
		<i>(in thousand Baht)</i>	
Related parties			
Within credit terms		10,325	8,175
Overdue:			
Less than 3 months		6,088	4,724
3-6 months		-	3,293
6-12 months		-	4,827
		16,413	21,019
Other parties			
Within credit terms		198,598	199,622
Overdue:			
Less than 3 months		57,709	77,802
3-6 months		495	-
Over 12 months		1,083	2,825
		257,885	280,249
Less allowance for doubtful accounts		(1,394)	(2,820)
Net		272,904	298,448

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

Trade accounts receivable of the Company consist of wholesalers (Yi Pua), retailers (Car Units), modern trade, restaurants, food stores, manufacturing factories industry as well as export and oversea customers.

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	
		2016	2015
		<i>(in thousand Baht)</i>	
Thai Baht (THB)		262,463	287,426
United States Dollars (USD)		8,822	9,928
Singapore Dollars (SGD)		891	-
Australia Dollars (AUD)		544	891
United Kingdom Pound Sterling (GBP)		184	203
Total		272,904	298,448

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

8 Inventories

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
Finished goods	81,594	51,917
Work in progress	117,656	106,820
Raw materials	151,803	147,795
Raw materials in transit	-	1,949
Supplies	425	592
Total	<u>351,478</u>	<u>309,073</u>

9 Investments in associates

	Financial statements in which the equity method is applied		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
At 1 January	7,423	8,252	5,199	13,199
Share of net profits (loss) of associates	4,018	(829)	-	-
Addition	8,000	-	8,000	-
Allowance for impairment	-	-	-	(8,000)
At 31 December	<u>19,441</u>	<u>7,423</u>	<u>13,199</u>	<u>5,199</u>

Investments in associates as at 31 December 2016 and 2015 were as follows:

	Financial statements in which the equity method is applied/ Separate financial statements							
	Ownership Interest		Paid-up capital		Cost		Equity	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	<i>(%)</i>		<i>(in thousand Baht)</i>					
<i>Associates</i>								
Yamasa (Thailand) Co., Ltd.	26	26	20,001	20,001	5,199	5,199	7,767	7,423
Exter (Thailand) Limited.	40	40	40,000	20,000	16,000	8,000	11,674	-
Total			60,001	40,001	21,199	13,199	19,441	7,423
Less allowance for impairment			-	-	(8,000)	(8,000)	-	-
Net			<u>60,001</u>	<u>40,001</u>	<u>13,199</u>	<u>5,199</u>	<u>19,441</u>	<u>7,423</u>

On 28 April 2016, at the Board of Director's, the directors resolved to increase investment in associate, Exter (Thailand) Limited, of Baht 8 million, totaling the investment was Baht 16 million.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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	Total (loss)
2016											
Associates											
Yamasa (Thailand) Co., Ltd.	31 December	26	39,485	3,592	43,077	12,542	247	12,789	91,905	90,287	1,618
Exter (Thailand) Limited	31 December	40	51,956	20,830	72,786	28,458	9,995	38,453	84,877	76,419	8,458
Total			91,441	24,422	115,863	41,000	10,242	51,242	176,782	166,706	10,076
2015											
Associates											
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	65,510	33,193	26,440	59,633	55,847	55,472	375
Total			82,587	23,338	105,925	44,768	26,610	71,378	134,820	130,505	4,315

10 Land not used in operations

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
Land not used in operations at cost	204,073	204,073
Less allowance for impairment loss	(14,169)	(61,645)
Net	189,904	142,428

The land not used in operations had been acquired for the purpose of plant expansion in 1994. The Company had reconsidered the purpose and cancelled the expansion project since the current plant is able to support the growth of the Company.

The carrying value of the unused land as at 31 December 2015 is based on as independent professional appraisal values carried out in the year 2013.

Based on the appraisal report dated 28 September 2016, by the independent appraisal valuer, using the Market Comparison Approach, the land not used in operations was valued at Baht 189.90 million. Therefore, the Company recorded the reversal of allowance for impairment loss amounted to Baht 47.48 million as other income in the statements of comprehensive income for the year ended 31 December 2016.

Measurement of fair value

Fair value hierarchy

The fair value of land not used in operations was determined by external, independent appraisal valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for land not used in operations of Baht 189.90 million (2015: Baht 142.43 million) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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.	• Economic fluctuations • Change around land location's area. • Land use condition	The estimated fair value increase (decrease) if: • The growth of Thailand economic was higher (lower).

11 Property, plant and equipment

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

	Land and land improvements	Building and building improvements	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Spare parts	Construction in progress	Advance payment for machinery purchased	Total
<i>Cost</i>									
At 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									
and 1 January 2016	113,574	570,492	1,801,021	63,811	141,079	24,319	22,708	1,559	2,738,563
Additions	-	-	3,845	1,818	168	5,813	29,312	73,386	114,342
Transfers	-	8,276	31,717	665	11,086	(5,820)	(26,206)	(19,718)	-
Disposals	-	(1,177)	(30,974)	(6,160)	(11,710)	-	-	-	(50,021)
At 31 December 2016	<u>113,574</u>	<u>577,591</u>	<u>1,805,609</u>	<u>60,134</u>	<u>140,623</u>	<u>24,312</u>	<u>25,814</u>	<u>55,227</u>	<u>2,802,884</u>

Depreciation and impairment losses

At 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
Disposals	-	(817)	(27,854)	(1,936)	(1,155)	-	-	-	(31,762)
At 31 December 2015									
and 1 January 2016	273	244,664	1,222,563	45,095	88,388	-	-	-	1,600,983
Depreciation charge for the year	6	18,919	89,565	3,688	5,920	-	-	-	118,098
Disposals	-	-	(30,167)	(5,109)	(9,338)	-	-	-	(44,614)
At 31 December 2016	<u>279</u>	<u>263,583</u>	<u>1,281,961</u>	<u>43,674</u>	<u>84,970</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,674,467</u>

Net book value

At 1 January 2015	113,308	322,707	494,018	17,558	45,260	24,117	138,866	-	1,155,834
At 31 December 2015									
and 1 January 2016	113,301	325,828	578,458	18,716	52,691	24,319	22,708	1,559	1,137,580
At 31 December 2016	<u>113,295</u>	<u>314,008</u>	<u>523,648</u>	<u>16,460</u>	<u>55,653</u>	<u>24,312</u>	<u>25,814</u>	<u>55,227</u>	<u>1,128,417</u>

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2016 amounted to Baht 618 million (2015: Baht 619 million).

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

Security

At 31 December 2016, the Company had unutilised credit facilities totaling Baht 97.50 million (2015: Baht 97.50 million) from financial institutions which was secured by a major portion of the Company's land with book value of Baht 79.66 million (2015: Baht 79.66 million) and by the Company's director.

12 Intangible assets

	Financial statements in which the equity method is applied/ Separate financial statements			
	Software	Trademark license (in thousand Baht)	Software under installation	Total
<i>Cost</i>				
At 1 January 2015	13,395	28,753	-	42,148
Additions	926	41	-	967
At 31 December 2015 and 1 January 2016	14,321	28,794	-	43,115
Additions	322	2,072	1,064	3,458
At 31 December 2016	14,643	30,866	1,064	46,573
<i>Amortisation</i>				
At 1 January 2015	12,251	28,220	-	40,471
Amortisation for the year	473	79	-	552
At 31 December 2015 and 1 January 2016	12,724	28,299	-	41,023
Amortisation for the year	690	602	-	1,292
At 31 December 2016	13,414	28,901	-	42,315
<i>Net book value</i>				
At 1 January 2015	1,144	533	-	1,677
At 31 December 2015 and 1 January 2016	1,597	495	-	2,092
At 31 December 2016	1,229	1,965	1,064	4,258

13 Deferred tax

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

	Financial statements in which the equity method is applied/Separate financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	(in thousand Baht)			
Total	13,936	22,967	(364)	(665)
Set off of tax	(364)	(665)	364	665
Net deferred tax assets	13,572	22,302	-	-

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

Movements in total deferred tax assets and liabilities during the year were as follows:

	Financial statements in which the equity method is applied (Charged) / Credited to:		
	At 1 January 2016	Profit or loss Other comprehensive income (in thousand Baht)	At 31 December 2016
<i>Deferred tax assets</i>			
Land not used in operations	12,329	(9,495)	2,834
Employee benefit obligations	7,510	114	7,624
Others	3,128	342	3,478
Total	22,967	(9,039)	13,936
<i>Deferred tax liabilities</i>			
Marketable securities	(271)	-	-
Others	(394)	30	(364)
Total	(665)	30	(364)
Net	22,302	(9,009)	13,572

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

	Separate financial statements (Charged) / Credited to:		
	At 1 January 2016	Profit or loss Other comprehensive income (in thousand Baht)	At 31 December 2016
<i>Deferred tax assets</i>			
Land not used in operations	12,329	(9,495)	2,834
Employee benefit obligations	7,510	114	7,624
Others	3,128	342	3,478
Total	22,967	(9,039)	13,936

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

	At 1 January 2016	Separate financial statements (Charged) / Credited to:		At 31 December 2016
		Profit or loss	Other comprehensive income	
		(in thousand Baht)		
<i>Deferred tax liabilities</i>				
Marketable securities	(271)	-	271	-
Others	(394)	30	-	(364)
Total	(665)	30	271	(364)
Net	22,302	(9,009)	279	13,572

	At 1 January 2015	Separate financial statements (Charged) / Credited to:		At 31 December 2015
		Profit or loss	Other comprehensive income	
		(in thousand Baht)		
<i>Deferred tax assets</i>				
Land not used in operations	12,329	-	-	12,329
Employee benefit obligations	6,946	564	-	7,510
Others	2,515	613	-	3,128
Total	21,790	1,177	-	22,967
<i>Deferred tax liabilities</i>				
Marketable securities	(19)	-	(252)	(271)
Others	(349)	(45)	-	(394)
Total	(368)	(45)	(252)	(665)
Net	21,422	1,132	(252)	22,302

Deferred tax assets have not been recognised in respect of the following items:

	Financial statements in which the equity method is applied		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Allowance for impairment loss on investment in associate	-	-	1,600	1,600
Cumulative share of loss on an investment in associate	865	1,613	-	-
Total deferred tax assets	865	1,613	1,600	1,600

14 Accrued expenses

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	(in thousand Baht)	
Accrued bonus	31,978	21,430
Accrued promotion expenses	11,774	12,777
Accrued advertising expenses	14,006	7,682
Accrued export expenses	9,458	10,291
Accrued repair expenses	1,946	2,955
Others	13,097	13,001
Total	82,259	68,136

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

15 Employee benefit obligations

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	(in thousand Baht)	
Statement of financial position obligations for:		
Post-employment benefits	31,433	31,328
Other long-term employee benefits	6,687	6,220
Total	38,120	37,548

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	(in thousand Baht)	
Statement of comprehensive income:		
Recognised in profit or loss:		
Post-employment benefits	3,915	4,389
Other long-term employee benefits	1,450	1,472
Total	5,365	5,861

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	(in thousand Baht)	
Recognised in other comprehensive income:		
Cumulative actuarial (gain) loss 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	
	2016	2015	2016	2015
	(in thousand Baht)			
Defined benefit obligations at 1 January	31,328	28,909	6,220	5,820
Include in profit or loss:				
Current service cost	3,817	3,356	1,247	1,264
Interest on obligation	728	1,033	148	208
Actuarial gains	(630)	-	55	-
	<u>3,915</u>	<u>4,389</u>	<u>1,450</u>	<u>1,472</u>
Other				
Benefit paid	(3,810)	(1,970)	(983)	(1,072)
	<u>(3,810)</u>	<u>(1,970)</u>	<u>(983)</u>	<u>(1,072)</u>
Defined benefit obligations at				
31 December	31,433	31,328	6,687	6,220

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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	
	2016	2015
Discount rate (%)	2.37	3.58
Salary increased rate (%)	5.50	5.79
Employee turnover rate (%)	0 - 34	0 - 33
Retirement age (Year)	55	55

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

At 31 December 2016, the weighted - average duration of the defined benefit obligation was 21.32 years (2015: 19.93 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)	
	Increase	Decrease
Defined benefit obligation 31 December 2016		
Discount rate (1 % movement)	(2,070)	2,349
Future salary growth (1 % movement)	2,252	(2,030)
Turnover rate (1 % movement)	(2,230)	1,357
Life expectancy (1 year)	130	(129)

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.

16 Share capital

	Par value per share (in Baht)	Financial statements in which the equity method is applied/ Separate financial statements			
		2016		2015	
		Number	Amount (thousand shares / thousand Baht)	Number	Amount
<i>Authorised</i>					
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>
<i>Issued and paid-up</i>					
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.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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.

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based principally in Thailand.

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
Thailand	2,431,850	2,516,118
International	234,433	228,711
Total	<u>2,666,283</u>	<u>2,744,829</u>

19 Other income

		Financial statements in which the equity method is applied/ Separate financial statements	
	Note	2016	2015
		<i>(in thousand Baht)</i>	
Reversal of impairments losses for land not used in operation	10	47,476	-
Interest income		6,650	8,148
Others		21,565	17,507
Total		<u>75,691</u>	<u>25,655</u>

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

20 Employee benefit expenses

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	(in thousand Baht)	
<i>Management</i>		
Wages and salaries	18,024	18,655
Pension costs – defined benefit plans	188	701
Pension costs – defined contribution plans	577	655
Others	6,150	5,957
	<u>24,939</u>	<u>25,968</u>
<i>Other employees</i>		
Wages and salaries	182,606	176,443
Pension costs – defined benefit plans	5,177	5,160
Pension costs – defined contribution plans	5,583	5,388
Others	40,134	37,066
	<u>233,500</u>	<u>224,057</u>
Total	<u>258,439</u>	<u>250,025</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	
	2016	2015	2016	2015
	(in thousand Baht)			
<i>Included in cost of sales of goods:</i>				
Changes in finished goods and work in progress	(40,513)	98,604	(40,513)	98,604
Raw materials and consumables used	1,442,494	1,364,548	1,442,494	1,364,548
Employee benefit expenses	133,609	127,067	133,609	127,067
Depreciation and amortisation	98,294	93,494	98,294	93,494
Goods for sale promotion	73,736	71,926	73,736	71,926
Others	24,373	37,812	24,373	37,812
Total	<u>1,731,993</u>	<u>1,793,451</u>	<u>1,731,993</u>	<u>1,793,451</u>
<i>Included in selling expenses:</i>				
Marketing expenses	156,562	142,501	156,562	142,501
Distribution expenses	115,008	123,853	115,008	123,853
Employee benefit expenses	20,800	19,496	20,800	19,496
Others	46,084	36,632	46,084	36,632
Total	<u>338,454</u>	<u>322,482</u>	<u>338,454</u>	<u>322,482</u>
<i>Included in administrative expenses:</i>				
Employee benefit expenses	104,030	103,462	104,030	103,462
Depreciation and amortisation	17,991	15,042	17,991	15,042
Impairment loss on investments in associates	-	-	-	8,000
Others	35,596	42,709	35,596	42,709
Total	<u>157,617</u>	<u>161,213</u>	<u>157,617</u>	<u>169,213</u>

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

22 Income tax

Income tax recognised in profit or loss

		Financial statements in which the equity method is applied		Separate financial statements	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Current tax expense					
Current year		93,917	100,815	93,917	100,815
Deferred tax expense	13				
Movements in temporary differences		9,009	(143)	9,009	(1,132)
		9,009	(143)	9,009	(1,132)
Total income tax expense		102,926	100,672	102,926	99,683

Income tax recognised in other comprehensive income

	Financial statements in which the equity method is applied/ Separate financial statements					
	Before tax	2016 Tax (expense) benefit	Net of Tax <i>(in thousand Baht)</i>	Before tax	2015 Tax (expense) benefit	Net of tax
Fair value changes available- for-sale investments	(1,395)	279	(1,116)	1,261	(252)	1,009

Reconciliation of effective tax rate

Financial statements in which the equity method is applied				
	2016		2015	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
<i>(in thousand Baht)</i>				
Profit before income tax expense		517,928		492,511
Income tax using the Thai corporation tax rate	20	103,586	20	98,502
Share of profit on investments in associates		(804)		-
Income not subject to tax		(3)		(3)
Expenses additionally deductible for tax purposes		(1,120)		-
Expenses not deductible for tax purposes		1,267		2,173
Total	20	102,926	20	100,672

Separate financial statements				
	2016		2015	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
<i>(in thousand Baht)</i>				
Profit before income tax expense		513,910		485,339
Income tax using the Thai corporation tax rate	20	102,782	20	97,068
Income not subject to tax		(3)		(3)
Expenses additionally deductible for tax purposes		(1,120)		-
Expenses not deductible for tax purposes		1,267		2,618
Total	20	102,926	21	99,683

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

23 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2016 and 2015 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Financial statements in which the equity method is applied		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht/thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>415,001</u>	<u>391,838</u>	<u>410,984</u>	<u>385,657</u>
Number of ordinary shares outstanding	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>
Earnings per share (basic) (in Baht)	<u>1.15</u>	<u>1.09</u>	<u>1.14</u>	<u>1.07</u>

24 Dividends

At the annual general meeting of the shareholders of the Company held on 22 April 2016, the shareholders approved the payment of dividends of Baht 0.10 per share and Baht 1.05 per share, totaling Baht 1.15 per share, amounting to Baht 414 million from the profit from operations in 2011 and 2015, respectively. The dividend was paid to shareholders on 17 May 2016.

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.

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:

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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

	Effective interest rate (% per annum)	Within 3 months	3 Months- 1 Years (in thousand Baht)	More than 1 Years	Total
2016					
Current					
Cash at bank - at call	0.10 - 1.50	329,664	-	-	329,664
Fixed deposit at bank	0.90 - 1.50	-	272,078	-	272,078
Non-current					
Debentures	4.5	-	-	20,000	20,000
Loan to associate	7.5	-	1,200	-	1,200
Total		329,664	273,278	20,000	622,942
2015					
Current					
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
Non-current					
Debentures	4.5	-	-	20,000	20,000
Loan to associate	7.5	-	1,200	1,200	2,400
Total		318,532	278,155	21,200	617,887

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:

		Financial statements in which the equity method is applied/ Separate financial statements	
	Note	2016	2015
		(in thousand Baht)	
United States Dollars			
Cash and cash equivalents	5	635	638
Trade accounts receivable	7	8,822	9,928
Trade accounts payable		(11)	(1,605)
Other current liabilities		-	(1)
Eurozone Dollars			
Trade accounts payable		-	(1,117)
Australia Dollars			
Trade accounts receivable	7	544	891
United Kingdom Pound (GBP)			
Trade accounts receivable	7	184	203
Japan Yens			
Trade accounts payable		-	(460)
Singapore Dollars			
Trade accounts receivable	7	891	-
Gross statement of financial position exposure		11,065	8,477

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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.

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Financial statements in which the equity method is applied/separate financial statements		
	Carrying amount	Fair value		
		Level 1	Level 2	Total
		(in thousand Baht)		
31 December 2016				
Non-current				
Equity securities available for sale	408	408	-	408
Debt securities held to maturity	20,000	-	20,130	20,130
31 December 2015				
Current				
Equity securities available for sale	64,480	-	64,480	64,480
Non-current				
Equity securities available for sale	324	324	-	324
Debt securities held to maturity	20,000	-	20,329	20,329

The Company uses the methods and assumptions in estimating the fair value of investment in common shares, which there are no available quoted market prices approximates the fair value, based on the underlying net asset base of the investment.

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Debt securities held to maturity	The net asset value as of the reporting date.	Not applicable	Not applicable

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

26 Commitments with non-related parties

	Financial statements in which the equity method is applied/ Separate financial statements	
	2016	2015
	(in thousand Baht)	
<i>Capital commitments</i>		
<i>Contracted but not provided for:</i>		
Building improvement	394	-
Machinery and equipment	63,438	6,672
Software	1,976	-
Total	65,808	6,672
<i>Other commitments</i>		
Bank guarantees	4,603	4,603
Others	-	1,785
Total	4,603	6,388
<i>Bank guarantees</i>		

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 2017, are set out below. The Company does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events after the Reporting Period
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TFRS 8 (revised 2016)	Operating Segments
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 15 (revised 2016)	Operating Leases – Incentives
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
FAP Announcement no. 5/2559	Accounting guidance for derecognition of financial assets and financial liabilities

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2016

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.

28 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2015, which are included in the 2016 financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2016 financial statements as follow:

	2015		
	Financial statements in which the equity method is applied/separate financial statements		
	Before reclass.	Reclass.	After reclass.
<i>Statement of financial position as of 31 December</i>			
Other receivables	-	4,656	4,656
Other current asset	12,210	(4,656)	7,554
Other payables	-	(8,705)	(8,705)
Other current liabilities	(20,015)	8,705	(11,310)
		-	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the nature of transactions.

SRIRAJA PANICH

The Taste of the Original



ซอสพริกศรีราชา ซอสพริกแดง (เผ็ดกลาง) ตราสีราชาพานิช รสชาติของต้นตำรับ

🌶️ ไม่ใส่สารกันเสีย 🌶️ ไม่เจือสีสังเคราะห์ 🌶️ ไม่ใส่ผงชูรส MSG



บริษัท ไทยเทพรส จำกัด (มหาชน)

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