

Bangkok Ranch Public Company Limited



Reborn, Entrenched, and Now Expanding
New Me, New Land

The world's most reputable purveyor of duck products



บริษัท บางกอกเรนซ์ จำกัด (มหาชน)
Bangkok Ranch Public Company Limited

Duck for you

(Translation)



Annual Report 2015

Bangkok Ranch Public Company Limited

Our Vision

The world's most reputable purveyor of duck products.

Our Mission

Sustaining a valuable business platform based
on quality duck-related products ,
satisfying customer demand as well as benefiting all
stakeholders and the public a large.

Sustainable Target

The value of the company and its shareholders:

To expand a group of businesses with stability and sustainability to
lead to growth in the value of the shareholder in a long term basis.

Customers and consumers:

To present the valuable and modernized products to
the company's customers.

Member of the staff and organization:

To enhance the knowledge ,ability of the staff within
the organization with happiness.

Society and the environment:

To receive recognition that they are a good citizen
who are responsible to the society and the environment.

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CORPORATE INFORMATION

COMPANY NAME : Bangkok Ranch Public Company Limited
18/1 Moo 12 Sailangwatbangpleeyainai Rd.,
Bangplee Yai, Banplee, Samutprakan 10540, Thailand
Tel. 66-2-337-3280-3 Fax. 66-2-337-3293

PAID UP CAPITAL : Baht 4,567,232,790
(Total of 913,446,558 ordinary shares with par value of Baht 5 per share)

SUBSIDIARIES

Company's name	Nature of Business	Percentage of shareholding	Shares Issued and fully paid
Anatis Foods Limited	Holding Business	99.99	Baht 904,489,230 (Dividend into 90,448,923 ordinary shares with par value of Baht 10 per share)
BR Agriculture Co.,Ltd.	Duck farming business	99.99	Baht 70,000,000 (Dividend into 20,000,000 ordinary shares with par value of Baht 10, 35% paid-up)
BM Agriculture Co.,Ltd.	Raising Duck for meat business	48	Ordinary share : Baht 5,000,000 (Dividend into 50,000 ordinary shares with par value of Baht 100 per share) Preference share : Baht 180,000 (Divided into 1,800 preference share with par value of Baht 100 per share)

REGISTRAR : Thailand Securities Depository Co., Ltd.
93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Tel. 66-2-009-9384 Fax. 66-2-009-9001

AUDITOR : EY Office Limited
33rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Bangkok 10110

LEGAL ADVISOR : Weerawong, Chinnavat & Peangpanor Ltd.
22nd Floor, Mercury Tower, 540 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

WEBSITE : www.br-brgroup.com

Annual General Meeting of Shareholders to be held on April 25th , 2016 at 2:00 p.m.
at Ballroom 1, 5th Floor, S31 Sukhumvit Hotel, No. 545, Sukhumvit Road, Klongtoey Nua, Wattana,
Bangkok 10110, Thailand



Financial Highlights

	2015	2014	2013
Income Statement			
Revenues	7,758	8,509	7,746
Gross Profits	1,448	1,705	1,226
EBITDA	776	1,019	761
Net Profits	550	661	415
Earnings per share	0.69	0.96	0.61
Balance Sheet			
Assets	7,213	6,382	6,422
Debts	2,511	4,205	4,886
Equity	4,702	2,177	1,536
Financial Ratio			
Gross Profit Margin Ratio	19%	20%	16%
Net Profit Margin Ratio	7%	8%	5%
Return on Equity	16%	36%	12%
Return On Assets	8%	10%	6%
Debt/ Equity Ratio	0.53	1.93	3.18



2015 was another challenging year for the operation of the Company. A most significant development was the successful listing of the company shares on the Stock Exchange of Thailand on July 15th, 2015, which not only generated additional working capital but also strengthened the Company's financial position. This signal event should provide a strong basis for the Company to become a fully integrated Duck Meat Producer on a global scale.

As regards the Company's financial performance, in spite of a gradual improvement in the domestic economy, the price drop of major protein meat such as chicken and pork had in turn caused a fiercer price competition than last year in the duck meat industry. Furthermore, customer orders from major export markets such as Europe, Japan and Russia slowed down from the European economic recession, weakening of the Russian Ruble and falling oil prices. As a result, the company sales declined when compared with 2014.

Nevertheless, the Company had endeavoured to increase its business potential to compensate for lost sales by creating more value-added products to satisfy customer needs. The Company produced new food products in ready-to-eat and ready-to-cook categories. Concurrently, the Company initiated sales promotion and brand-building campaigns to re-enforce launching of the new products. Moreover, the Company had added more distribution channels to better serve consumers.

In 2016, the Company expects a better business performance supported by continued domestic and global economic recovery. Sales improvement will be driven by the aforementioned new value-added products and increased distribution channels as well as expanded overseas markets.

On Behalf of the Company's Board of Directors, I would like to thank all shareholders, customers, partners, employees and other stakeholders including domestic and international financial institutions for your continuous support. We are committed to operate our business with care, transparency, good corporate governance and sustainable development to create the highest values for all stakeholders and to achieve the Company's vision of becoming a recognised global duck products purveyor.

(Mr.Joti Bhokavanij)
Chairman of the Board



Bangkok Ranch Public Company Limited aims to become the World-class purveyor of duck meat by offering products that meet ever-changing demands of customers in all part of the world. In 2015, the Company successfully became listed in the Stock Exchange of Thailand on July 15th, 2015. This was our First step to become the World-class Company and to bring Thai's High-quality products to all parts of the World.

Currently, the Company has continued to develop more product variety, increase the product values and improve the product quality to respond to various customers' demands. Last year, we introduced various ready-to-cook products and ready-to-eat products through various sales channels. Our research and development team also created such new menu as Duck Hamburger. In addition, the Company also expanded to Fast-Food Chain to reach consumers more directly.

Regarding the Company's results, last year was another challenging year for the company. We were affected by the unstable European Economy, the sharp drop of oil price, the strong currency fluctuation and even the crisis between the US and The Russia, the major world countries. In addition, the domestic economy also slowed down from the weaker exports. Moreover, the price of major protein meat such as Chicken and Pork dropped sharply and caused strong competition in all poultry meat markets. Overall, the Company's result declined compared to the previous year but The Company's Net Profits still reached 550 Million Baht in 2015.

For the Outlook in 2016, the domestic duck market should start to recover in first half of the year and recover stronger in the second half. The domestic competition should continue to soften from late 2015, while the export sales should recover, especially from the European markets, our largest export markets. In addition, this year, we have new sales increment strategies by launching new products, adding new distribution channels as well as increase our investment both domestically and internationally.

The Company aims to contribute to the society by organizing Corporate Social Programs and utilize our Technology and Capital to develop Thai Chefs and upgrade the Thai Food Industry to the world-class standard. Last year, we organized a Duck Meat Cooking Contest in order to generate

learning and enhance Chefs Career in Thailand. It also promoted the duck menu to consumers. We organized this training event free of charge to all participants.

Our Continuous Success are a result of the support from all customers, shareholders and investors as well as the dedication of all management and employees. Therefore, I would like to thank you everyone for their trust and thank you all employees for all the efforts which help the Company to grow continuously and sustainably.

(Mr. Joseph Suchaovanich)
Vice Chairman

Nature of Business Engagement



Bangkok Ranch Company Limited was established on 16 July 1984 with initial registered capital of 20 million Baht by Mr. Joseph and Miss Rosanna Suchaovanich under joint venture with KCT International Development Company Limited which operated its business through Holding company in Thailand and German investors for business operation in production and distribution of fresh duck, frozen fresh duck and by-products from duck dissection.

In 1986, the Company initiated the application of Contract Farm System as the agreement system of the Company and the farmer party that the Company shall deliver duckling, animal feed, and drug to the farmer for duck raising and the Company promises to accept re-purchase of ducks in return as agreed. The Company has continuously expanded its business.

In 1993, the Company entered as the listed company in the Stock Exchange of Thailand on 1 February 1993.

During 1997-1998, it has been the crucial step of the Company into the complete manufacturer of duck meat. The Company has opened the operation of feed mill in Sing Buri Province for use in raising the Company's ducks and distributing to sub-buyers. In addition, duck hatchery farm has been opened for operation in Phetchabun Province.

In 1998, it was the year of which the Company was severely affected from economic crisis due to its confrontation with financial difficulty from flotation of Baht value, resulting in significant

increase in the existing debt obligation in USD currency. The Company filed the request for business rehabilitation plan to the Central Bankruptcy Court. In the following year, the Company's rehabilitation plan had been implemented whereas the new joint investor, Navis Asia Fund of Navis Capital Partners, has entered as the major shareholder through London 8 Limited, Thongchai Asia Company Limited and Middle Village Company Limited.

In 2000, the Company increased registered capital for 80 million shares through offering for sales to London 8 Limited, Thongchai Asia Company Limited and Middle Village Company Limited which have been the Group of the Companies for investment of Navis Asia Fund.

In 2004, Thailand encountered with the crisis of Avian Influenza Virus outbreak nationwide, resulting in decrease in duck consumption of customers both in domestic and abroad around 50%. Nevertheless, the Company adjusted the strategy by expansion of production capacity and export of pre-cooked and processed products in replacement of export of raw products. However, the situation was eased up into the improved way with collaborations of public sector, farmers and entrepreneurs in solving problems and finding measures for prevention and control to minimize problems since the husbandry of the Company's duck farms are mostly in closed system and the Company therefore was not much affected.

In 2005, the Company's financial status was improved from business rehabilitation plan and it was approved from the Stock Exchange of Thailand for re-entry to normal trading of the Company's securities.

In 2007, it was regarded as the year with considerable significant development in the Company under strategic adjustment for long-term expansion of the Company's business. The Company has entered in joint venture by purchase of all shares of Duck-To Holding B.V. ("DTH") of the Netherlands (kindly consider the shareholding structure in Chart 1.5). Tomassen Duck-To B.V. which is the subsidiary of DTH Group was established since 1964 by the Tomassen Family for operations of chicken production business. However, around the year of 1985, Chinese restaurants in various European countries tended for growth, resulting in more popularity of duck consumption. The Company therefore has decided to change into the operation of duck dissection business for distribution to those Chinese restaurants. At present, DTH Group has become the biggest duck meat producer in the Netherlands and has been one of the biggest duck producers of Europe.

DTH is the leading company in fully-integrated whole fresh duck business with distribution network that contributes to support the Company's export in several countries in Europe starting from merger and operation under the name of "Tomassen Bangkok Ranch" for Europe market. This has been the initial point causing the Company to be more well-known and accepted in Europe market. Such business acquisition has caused the Group of the Companies become one of the biggest industrial duck entrepreneurs in the world excluding the manufacturers in China. The Company has

commenced to step into an international company through the merger of DTH whereas the merger has resulted in the critical changes such as the shift of distribution system management, product mark-up in European market, product change and integration, originality in part of other actions, and adaptation of more advanced technology from DTH with duck production in Thailand.

However, for management flexibility, the Company's major shareholders then decided on voluntary delisting whereas London 8 Limited, Thongchai Asia Company Limited and Middle Village Company Limited, which are the major shareholders of the Company submitted the offer for purchase of all of the Company's securities by offering for purchase of shares for 9.67% of total sold shares. The people with sales intention were 7.89% and after offering for purchase of securities, the shareholding proportion was 47.75% for London 8 Limited, 34.53% for Thongchai Asia Company Limited, and 15.94% for Middle Village Company Limited. All of the Company's securities which were ordinary shares were approved for delisting as the listed securities since 5 August 2009.

Later in 2010, the Company entered to acquire the business in Cherry Valley Farms Limited ("CVF") which is the business of breed development and sales of duck breeders (Duck genetics) for extension of upstream business of the Company.

In 2012, the group of the executives led by Mr. Joseph Suchaovanich, Mr. Gertjan Tomassen and Mrs. Rosanna Suchaovanich, together with other investors, bought back the shares from Navis Asia Fund the major shareholder in the name of BP Partner Company Limited. The shareholding was restructured through amalgamation under the Civil and Commercial Code among Bangkok Ranch Public Company Limited, Thongchai Asia Company Limited, Middle Village Company Limited, and BT Partner Company Limited in the level of shareholders for appropriate shareholding restructuring with registration in the Stock Exchange of Thailand.

In 2015, the Company listed its shares in the Stock Exchange of Thailand on 15 July 2015.



Revenue structure according to consolidated financial statement

The revenue structure according to the consolidated financial statement for the specific purpose of 2013 and the consolidated financial statement of 2014-2015 can be concluded as follows:

	2013		2014		2015	
	MB	%	MB	%	MB	%
<u>Businesses in Thailand</u>						
Revenue from Upstream	1,957.4	26	2,177.3	26	2,384.7	31
Revenue from Downstream	3,475.8	46	4,094.7	48	3,546.2	46
Revenue from collaborations	(1,231.5)	(16)	(1,573.6)	(19)	(1,462.3)	(19)
Total net revenue from businesses in Thailand	4,201.7	55	4,698.3	55	4,468.6	58
<u>Businesses in Netherlands</u>						
Revenue from Upstream	624.7	8	653.2	8	589.2	8
Revenue from Downstream	1,789.6	24	1,781.6	21	1,590.0	21
Total revenue from businesses in Netherlands	2,414.3	32	2,434.8	29	2,179.2	28
<u>Supporting Businesses</u>						
Revenue from supporting businesses	956.6	13	1,350.6	16	1,080.9	14
Total revenue	7,572.6	100	8,483.8	100	7,728.7	100

Remark: The company's consolidated financial statement is for the specific purpose of demonstrating the company's operations under the assumption that Bangkok Ranch Public Company Limited, Thongchai Asia Company Limited, Middle Village Company Limited, and BT Partner Company Limited have run the businesses under the structure after the consolidation before 1 January 2013 although the pattern of legal relationship of such companies incurred after 15 July 2013. Moreover, there is the assumption that the company had sold the investment funds of Anatis UK Limited before 1 January 2013.

Characteristics of products

The company groups have run the complete businesses of food production from duck. The agricultural and industrial businesses cover the upstream; Feed, Parent Stock Farm, Hatchery, and Commercial Farm and Contract Farm until the downstream; Slaughterhouse and Food Processing to distribute good quality of duck to consumers. Most revenues of the upstream businesses are buying feed, duckling, and vaccines to contract farmers who raise ducks for the Company to manufacture them as ready-to cook processed duck and cooked processed duck which are the company's main products distributed to end users. The characteristics of company groups' main businesses can be classified to 2 parts according to duck production base of the company groups; 1) Businesses in Thailand, 2) Businesses in Netherlands.

1.) Businesses in Thailand

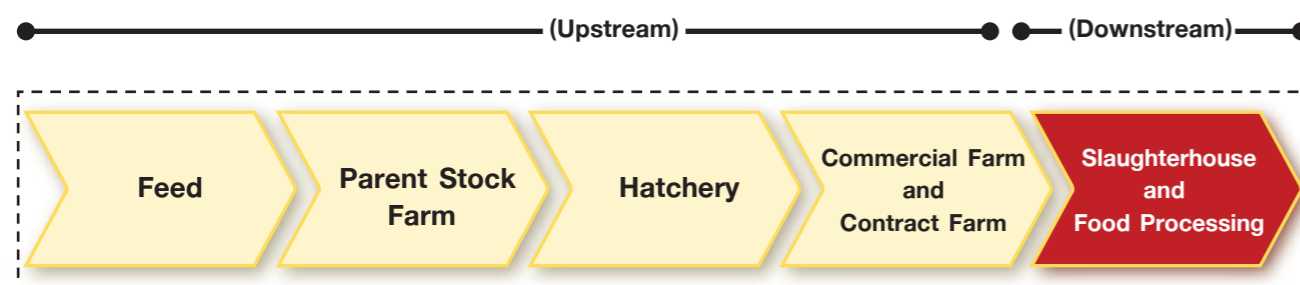
The company is one of the largest ones in Thailand who run the complete businesses of manufacturing and exporting duck. The businesses of the company can be divided into 5 main types as follows:

- 1) Feed
- 2) Parent Stock Farm
- 3) Hatchery
- 4) Commercial Farm and Contract Farm
- 5) Slaughterhouse and Food Processing

Company's Revenue from Businesses in Thailand

	2013		2014		2015	
	MB	%	MB	%	MB	%
<u>Businesses in Thailand</u>						
Revenue from upstream	1,957.4	47	2,177.3	46	2,384.7	54
Revenue from downstream	3,475.8	83	4,094.7	87	3,546.2	79
<u>Revenue from selling domestic products</u>						
Duck	1,976.6	47	2,120.9	45	1,896.8	43
By-products and others	267.9	6	340.0	7	318.7	7
Total revenue from selling domestic products	2,244.4	53	2,460.9	52	2,215.5	50
<u>Revenue from exporting products</u>						
Duck	939.4	22	1,363.8	29	1,172.1	26
By-products and others	292.0	7	270.0	6	158.6	3
Total revenue from selling domestic products	1,231.4	29	1,633.8	35	1,330.7	29
Total revenue from businesses in Thailand	5,433.2	129	6,272.0	133	5,930.9	133
Revenue from collaborations	(1,231.5)	(29)	(1,573.6)	(33)	(1,462.3)	(33)
Net revenue from businesses in Thailand	4,201.7	100	4,698.3	100	4,468.6	100

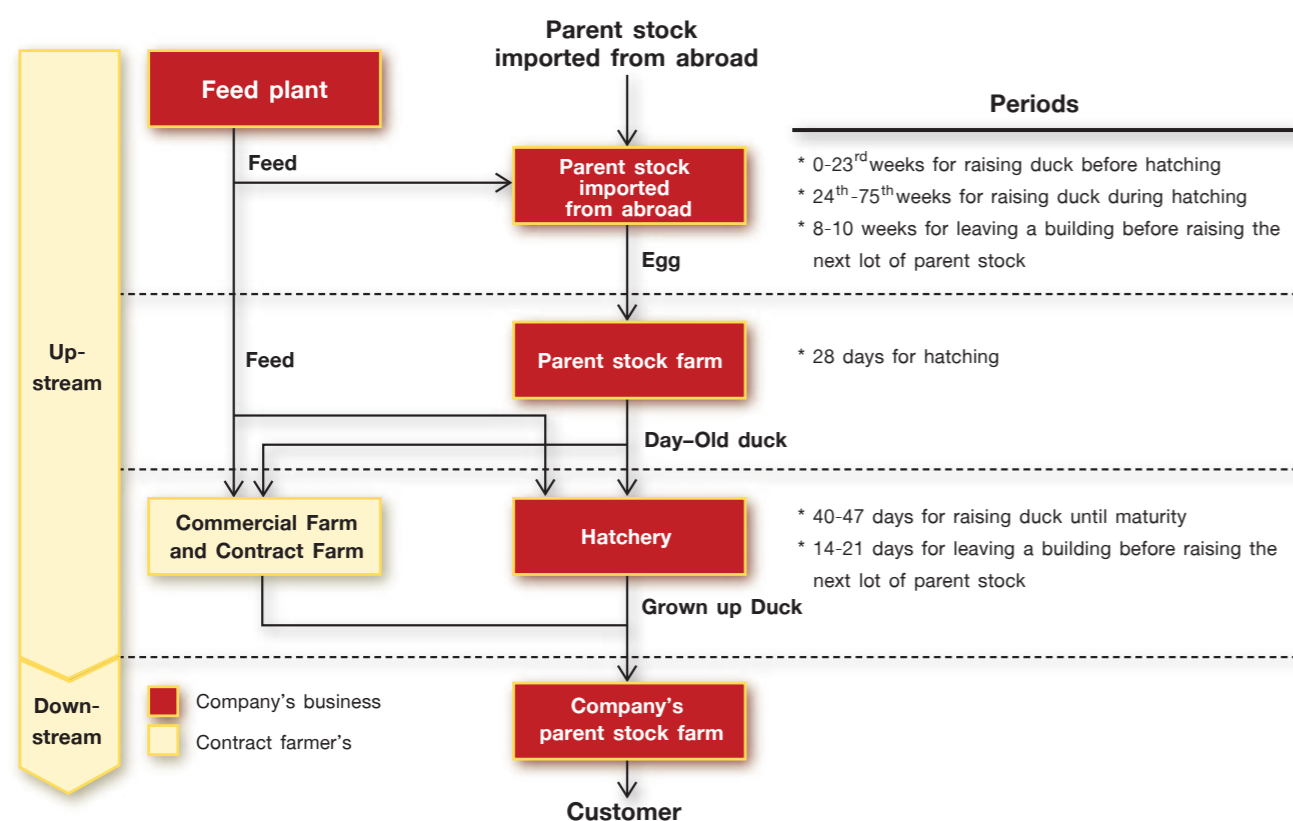
Diagram of the complete duck businesses in Thailand



Origins of the company's businesses are as follows:

- 1) Feed:** Manufacturing feed for raising parent stock and commercial ducks of both the company and of contract farmers who raise ducks for the company.
- 2) Parent Stock Farm:** The company imports all parent stocks from abroad to raise and breed commercial ducks from parents' eggs.
- 3) Hatchery:** a breeder's duck eggs will be brought to a hatchery to produce as ducklings and provide to the company's commercial farm and contract farm and distribute to contract farmers.
- 4) Commercial Farm and Contract Farm:** They are operated by the company and contract farmers. They are presently operated by contract farmers in the proportion of approximately 90 per cent of the company's all commercial duck capacity. However the company has the policy to increase the company's commercial farm and contract farm to reduce dependency from contract farmers and increase profit rate including extend the capacity of the slaughterhouse resulting in an increase of commercial farm and contract farm.
- 5) Slaughterhouse and Food Processing:** When commercial ducks are mature, the company will accept to purchase mature commercial ducks with the standardized weight from the farm and bring commercial ducks raised by the company itself to the slaughterhouse and food processing plant. Commercial ducks will be processed as various products such as ready-to-cook duck, cooked processed duck, throughout manufacturing products from duck under the company's brand or other brands determined by customers in order to distribute to domestic and overseas consumers. The company's products are well-known and widely recognized because they have good and safe quality for a long time resulting in close relationship with major customers.

With over 30 business experience years of the company and the executive team, the company has become the one of two biggest companies who manufactures industrial duck with high market share of manufacturing commercial duck for consumption in Thailand and for export. Moreover, competition of new manufacturers is difficult because the complete duck business requires a lot of investment funds and depends on expertise and experiences of raisers including it must be a big business enough for economies of scale. Due to such reasons, there are only a few companies who run the complete duck business.



The commercial farm is divided into raising many species of commercial duck and egg duck. The company's objective is to raise duck for manufacturing and distributing to consumers. All good parent stocks the company chooses is commercial duck. There are many popular species such as Pekin duck, Muscovy, Mule duck, Kabinburi, and Hybrid breed. The company chooses Pekin duck which has been developed as Hybrid Pekin duck for commerce since it has been developed and bred for properties as a market's need. The company chooses Hybrid Pekin duck of Cherry Valley Farms Ltd. ("CVF") of England or Cherry Valley. It has been developed from Pekin duck. It is white likewise Pekin duck but its body is bigger and grows up faster. The rate of changing weight of feed to of duck (rate of meat change) is good resulting in appropriate production cost so it is suitable to raise it for commerce. However, the company is presently under the trial process of raising commercial duck and has developed it as other species which is Hybrid Pekin duck likewise Cherry Valley.

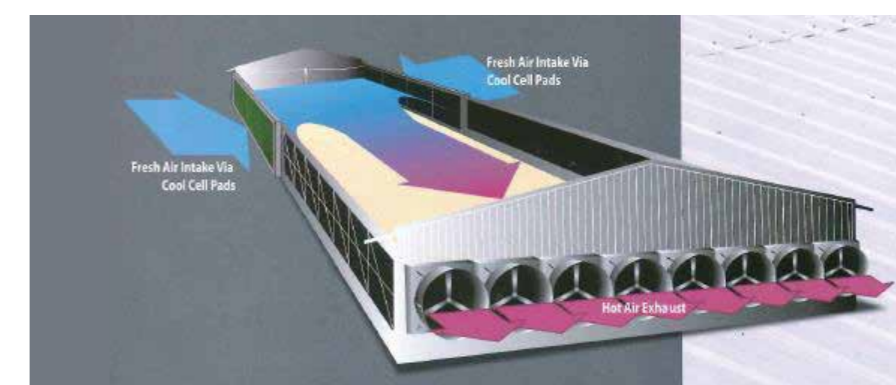


Cheery Valley Duck has been developed from Pekin duck and it is the main species that the company chooses for raising.

The company's parent stock farm started from importing parent stock from abroad. The company purchases and imports parent stock from 2 manufacturers. They consist of Cherry Valley from CVF which has a breeding place in England and Germany including Pekin parent stock from another company in Europe. An age of imported parent stock is one old duck and the company will arrange the annual importing parent stock by evaluating from consumption need of domestic and overseas customers to estimate parent stock amounts that the company must import them. Parent ducklings imported from abroad will be perfectly taken care of in the closed EVAP building (Evaporative Cooling System) and the standard of farm is certified from the Department of Livestock Development with the international standard. The floor is appropriately modified by sparkling chaff in order to balance moistness on the floor. The closed EVAP building will be controlled moistness, temperature, light, and ventilation to match each age period of duck. Moreover, the building uses energy with a appropriate level and an automatic water and food feeding system. In addition, it can protect insects, infection in duck from diseases outside and greatly protect epidemic in duck, especially Avian Influenza because it protects animals outside from mixing and touching duck leading to transmission in duck. Furthermore, quality of raising is controlled by checking duck's health regularly, weighing parent stock of each age period as due, and maintaining state of a building to be sanitary and appropriate moistness in the building floor with good ventilation so that parent stock has good health and appropriate weight throughout the age of duck. Normally, one parent stock has the breeding age for about 52 weeks.

The Closed Evaporative Cooling System of Parent Stock Farm

EVAP is the closed building system. One side has a hole for fresh air passing through special paper curtain that water can absorb. Air which passes through cool cell pads adjusts level of temperature and moistness in the building. And another side of the building that fresh air passes through will be installed a big ventilator to adjust wind speed in the building. Wind speed determined by ventilator speed and water absorbing through the paper curtain will determine the level of temperature and moistness in the building appropriately. From the engineering structure of such building, EVAP system can perfectly control the level of temperature for raising duck.



Model of EVAP Building

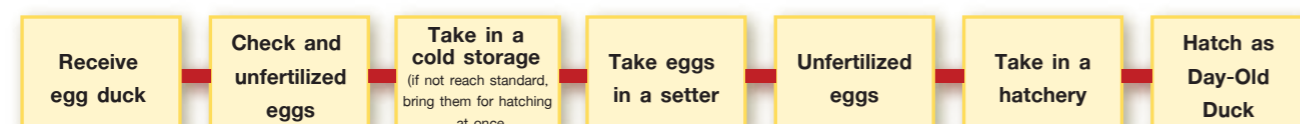
However, throughout the age of parent stock, one breeder will lay about 250 eggs when it does the raising period of 75 weeks and parent stock will be discharged. The building will be cleaned and equipment will be sterilized both inside and outside such as equipment of raising water and foods. After cleaning the building and equipment, it will be left for about 8-10 weeks before raising the next lot of duck parent.

The volume of laying egg duck depends on parent's health and treatment such as quality of food, ventilation system, and living of duck, etc. The company has regularly arranged an animal husbandman to check parent stock's health and sanitary including vaccination according to the age of duck, cleaning control and an entrance and an exit of the farm. A person must wash their body by taking a bath both entering and going out from the farm, changing to clean and sterilized cloth and sterilizing diseases which probably come with luggage by an ultraviolet ray scanner including a transportation vehicle must be sterilized every time before entering in the area of farm.

The company presently has 7 parent stock farms. The 5 farms are located in Petchaboon Province and one each in Rayong and Chonburi Provinces. All farms have been certified the agriculture operation for the parent stock farm from the Department of Livestock Development and the license as the poultry detention center for import and export.

Hatchery

Eggs gained from the parent stock farm will be delivered to the hatchery every day in order to be matured and hatched in appropriate state using modern hatching technology to get the regular and high hatching rate. The output is Day-Old Duck.



The hatchery starts from the process of choosing eggs which do not reach the company's standard and sold to other customers such as undersize, cracked, thin peel, rough, abnormal shape, distorted or brickel, etc before keeping standardized eggs in a cold storage which controls temperature at 18-19 degree Celsius. The process of hatching eggs starts from taking eggs in a setter and turn them upside down for every one hour to hatching eggs of a breeder to spread heat thoroughly and regularly for 25 days with the temperature of 37 degree celsius. After this process, there are unfertilized eggs by lighting them.



Eggs that the hatchery receives from the parent stock farm and waited for hatching in a setter.

After fertilizing eggs, they will be left in a hatcher which controls temperature and moistness for 3 days. Ducklings will gradually chip egg peel to be a strong and healthy duckling. Then it will be delivered to the commercial duck farm of company or of contract farmers to raise commercial duck and distribute excessive amounts of duckling to general customers. The company's hatchery has hatching capacity for 24.3 million eggs per year.

At the end of 2015, the company has the only one hatchery in Wichianburi District, Petchaboon Province which is not far from most parent stock farms of the company to reduce risk from damage of transportation and facilitate duck eggs transportation.



Day-Old Duck will be delivered to the commercial farm

The company's strong point of the hatchery is using modern and automatic machine and equipment. A setter and a hatcher can be regularly controlled temperature and moistness which is suitable for hatching duck eggs. Therefore, the company has high hatchability with low fluctuation. In addition, all processes are controlled by HACCP (Hazard Analysis Critical Control Point) which protects hazard from bacteria that probably come with egg peel, protect infection in the hatching process, and control cleanness of an entrance-an exit. A staff or an external person must be passed the sterilizing process, taking a bath, and wearing a cloth prepared by a hatchery before entering in the internal area. Moreover, equipment or things to be brought in the hatchery must be sterilized by ultraviolet ray so that the company can protect infection completely. The company's hatchery has been

certified production standards such as Good Manufacturing Practice (GMP), Hazard Analysis Critical Control Point (HACCP), ISO9001, ISO14001, ISO18001, and ISO 22000.

Commercial Farm

The company is one of two biggest manufacturers in Thailand who raises industrial duck. The company has 2 farm systems; Commercial Farm operated by the company itself and Contract Farm made the contract with farmers who will purchase duckling, feed, and vaccine for duck from the company. Then the company will accept to purchase them back from farmers according to the price and conditions agreed in the contract. In the past, the company had no their own commercial farm and all contract farmers raised ducks. However, the company realizes importance of being a leader of the complete duck manufacturing so the company started to raise ducks in the company's farm in 2012 so there was the sample farm to develop knowledge of raising commercial farm in order to provide correct knowledge to contract farmers who raised ducks resulting in good quality control and cost including good management of required amounts. Moreover, the company could control and saved the cost rather than raised by contract farmers and an increase of profit.

On 31 December 2015, the company had total 95 contract farmers who raise commercial farm. However, the company has the policy to exten the investment of the commercial farm to support an increase of duck consumption demand and contract farmers are still important to the commercial farm in the future.

The commercial farm has duty to raise ducks and deliver them to the company's slaghterhouse for processing. The commercial farm will accept to purchase duckling from the hatchery and raise them in the EVAP farm for 40-47 days to grow them as maturity. During they were being raised, contract farmers must order and use finished foods and medicine from the company only. Raisers must have knowledge, ability, expertise, and correct approaches according to the standard of raising ducks arranged by the company to control quality of commercial farm until duckling will grow and reach the determined size and characteristics. When it is due, farmers agree to sell them back to the company only. The price of duckling, finished foods, vaccines, and the price to accept a big duck will be determined in advance as agreed in the contract. The price to accept a big duck depends on their fertility and the company will classify the size and weigh big ducks. The price of ducks which have incomplete characteristics is lower. However, all raising processes are under the control of the Department of Livestock Development and a veterinarian who controls the farm and passed the training and received the license as the veterinarian who controls the poultry farm in Thailand to get good quality of ducks for delivering them to a slaghterhouse and manufacture foods in the future.



Sample of EVAP farm with the building size of 24 m.x100 m.

In the future, the company has the policy to increase the proportion of their own commercial farm in order to increase the company's gross profit margin under the operation of BR Agriculture Co., Ltd. The company is presently prompted the investment from the Board of Investment (BOI).

Feed

Feed is the important business resulting in the company has competition advantages and can grow sustainably and the company greatly gives importance to this business because the cost of feed is the main cost of sales. The feed business was established in 1996 and there is 1 mannufacutring plant in Singburi Province. It is located in the location which is convenient to supply raw materials for manufacturing and transportation to farms of the company and of contract farmers. However, the company presently has no policy to manufacture other types of feed to districute to customers. On the contrary, the company focuses on manufacturing feed used in the company's business groups only. The feed plant has capaclity of feed manufacturing for 138,000 tons per year.

With regard to manufacturing duck feed, the company greatly gives importance to the manufacturing process in order to obtain duck feed with good quality, safe, and international standard. The company's feed plant must be certified the quality and manufacturing standard such as Good Manufacturing Practice (GMP), Hazard Analysis Critical Control Point (HACCP), ISO9001, ISO14001, ISO 22000 and UFAS Standard of UK. It starts from choosing raw materials with good quality entering the manufacturing process controlled by computer system. All processes are tested from the company's food scientists.

The company's duck feed manufacturing process covers supplying many types of raw materials to maintain quality of such raw material before manufacturing duck feed. Manufacturing starts from grinding raw materials and mixing them in the ratios according to the company's specific formula for correct nutrients. Then it will be made as pellets and contained in a bag or a sack or a bulk truck because it is easy to transport to farms of the company and of contract farmers. However, the volume of feed manufacturing depends on duck and their age because each age range has different nutrient need.



Company's Feed Plant in Singburi Province

Main raw materials used for manufacturing duck feed can be divided into 2 main groups; protein group such as soybean meal, rapeseed meal, full fat soy, and energy group such as corn, rice bran, broken-milled rice, wheat, cassava, sorghum and vegetable oil. A strong point of the company's feed business is ability to manage raw material costs effectively. The company regularly develops and improves mixtures of raw materials of manufacturing to be in accordance with the prices of various raw materials in each period whereas the company maintain nutrient of duck as needed. The company has proactive cost management of raw materials starting from the estimation of raw material prices, selection of raw materials from suppliers who provide the best quality and price including procurement of raw materials from raw material manufacturers directly such as corn fields in various provinces in order to choose raw materials with high quality and reasonable prices used in manufacturing.

Slaughterhouse and duck processing

When duck is mature with the weight and quality standard determined by the company, the company will purchase duck from all contract farmers with the price agreed upon in advance including will deliver commercial farms raised by the company to the slaughterhouse which is located in Bangplee District, Samutprakarn Province.

When ducks are delivered to the slaughterhouse, they will be transported to counters to soak hanging belts in water and pass them through mild electric current so that they will be unconscious before employees cut them according to Islamic principal or Halal. After cutting, hanging belts will take them to the process of scalding hot water controlled by determined temperature and transporting them to the process of removing and depilating feather with hot wax to remove feather from their bodies.



Process of slaughtering duck

After that it is the processes of picking entrails and the official of the Department of Livestock Development will stand by in the slaughterhouse and check quality of duck and their entrails whether their properties meet the hygienic principle or not. If any duck has incorrect property, it will be culled immediately. Then ducks are passed in a chiller, which is the machine to reduce temperature of duck through cold water in order to maintain freshness and quality of ducks to reach the standard. Then the process restarts to hang ducks on hangers entering the process of choosing sizes or dissecting additional parts. When finishing this process, some ducks will be packed into containers using a vacuum packing machine in order to maintain freshness and quality of ducks and cleanness for consumers before entering the process of chilling or freezing according to appropriateness of products prior to distributing as the ready-to-cook processed duck products. Moreover, some ducks are raw material in the process of cooking and includes roasting, smoking and stewing as the cooked processed duck products. These approaches are to add value of the company's products before distributing to domestic and overseas customers. The domestic distribution will be operated through distribution channels of modern trades such as supermarkets and supercenters, restaurants, and hotels, including wholesalers and retailers. The capacity of the slaughterhouse is currently 18 million ducks per year.

In addition, the company manufactures Ready to cook and sell to customer groups of restaurants and hotels as well as Ready to eat and sell to the distribution channels for retail customers under the company's own brand name.

The company has exported products to over 20 countries. The main importing countries are European Union and Asia. The company has been certified the quality system and BRC standard (British Retail Consortium), GMP, HACCP, OHSAS, ISO14001, ISO9001, BRC, IFS and Halal. Therefore, all company's products can be sold in a variety of channels and recognized by consumers regarding the quality and standard of clean and safe manufacturing.



Process of cutting bones from cooked processed commercial farms

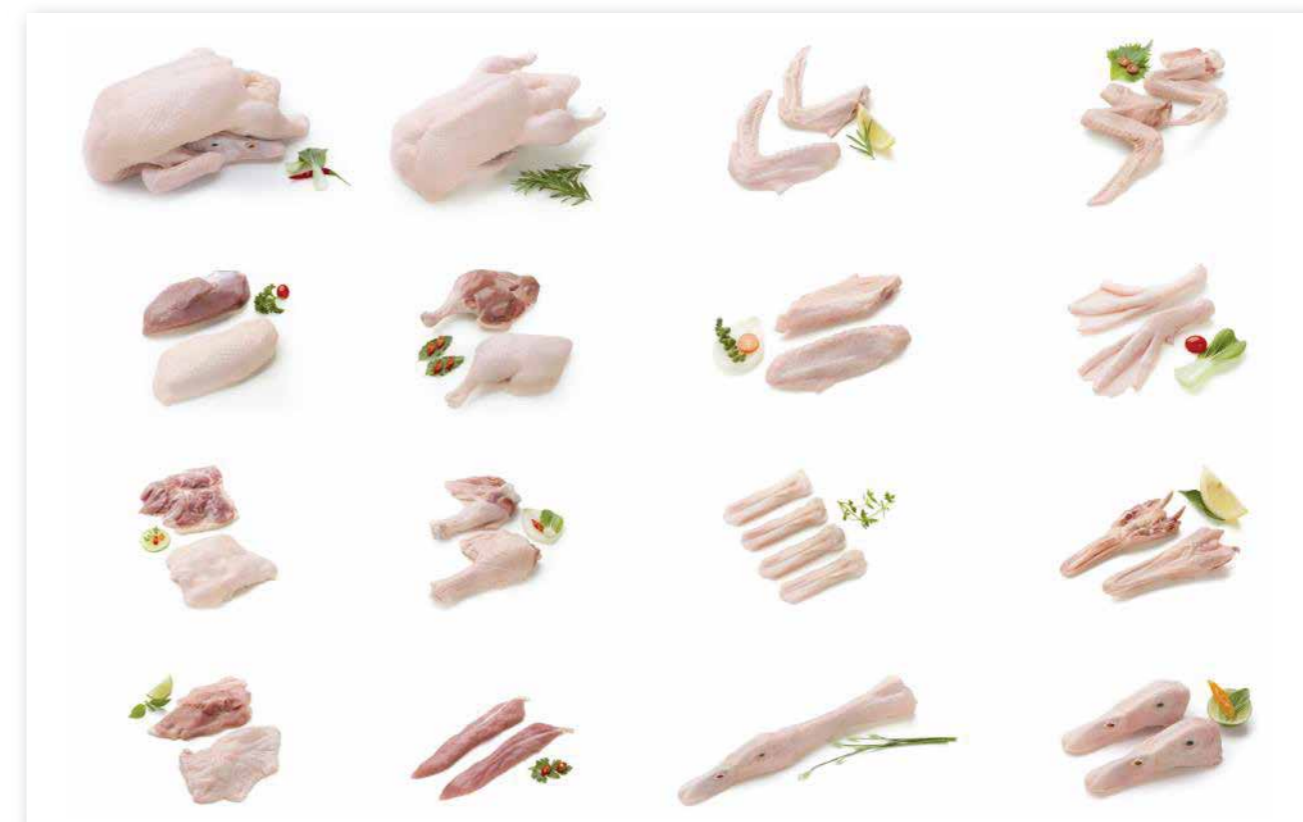
Characteristics of company's products can be divided into 5 types as follows:

1) Whole Duck and Griller

The whole uncooked ducks the Company sells has 2 types; Whole Duck and Cut-Up. Most whole uncooked ducks are sold in the country. Due to the spread of bird flu in Thailand in 2004, the major trading partners like Japan and countries in the European Union suspended imports of uncooked ducks from Thailand. Then, the company has reduced the proportion of selling uncooked ducks in overseas and increase the proportion of domestic sales because the domestic market still has demand that the company can manufacture duck supplying to the market. This is partly a result of the growth of different types of restaurants and they are one of the main customers of the company. Japan presently cancel such measure resulting in an increase of duck sales volume (both Whole Duck and Cut-Up) to overseas. Therefore, the current duck sales volume increases from both domestic and overseas markets.

2) Cut-Up

Cut-Up is to separate selling pieces of duck such as breast, calf and hip, wing, leg, tenderloin, etc. They are the products that generate high margin, especially selling Cut-Up to overseas.



Ready-to-Cook processed duck products (uncooked) of the company

3) By-Product

By-Product is the product remained from Cut-Up such as blood, gizzard, pieces of duck, bone, etc. They can be sold to fish farms and general customers.

4) Cooked Products

The company has the specific research and development department which aims to create the products that meet consumers' needs and change of lifestyles. Moreover, the company focused on manufacturing foods with good quality, taste, and safety of cooked products distributed for domestic markets and export such as spicy roasted duck curry, stewed duck, smoked duck Pekin duck including manufacturing for distribution under the purchaser's brand name as well. In addition, the company has an obvious policy to drive the business as the manufacturer of a variety of processed duck products.



Samples of Dalee Products

5) Feather

Feather is another product which builds value added to the company. Feather peeled off by wax in the process of slaughtering will be transported through a pipeline which transports water to the feather plant. Feather will be cleaned before rolling out water and bring feather in a baker. After that, feather will be packed in big sacks and contained in a container. All dry feather of the company will be sold to foreign partners. Most of them bring feather to manufacture cloths with high quality and price such as sweaters. Therefore feather is the product which has high gross margin.

With regard to operations in Thailand, the company has received 5 promotion cards from the Board of Investment according to the table below.

	Card no.	Approval Date	Receive Revenue	Expiry date	Business	Type	Remark
1.	2477(3)/Or./2556	9 September 2013	1 June 2008	31 May 2016	Manufacture cooked frozen and chilled foods	1.11 Manufacture or preserve foods or food additives by modern technology	Accept the business transfer from Bangkok Ranch Public Company Limited according to promotion card no.1748 (3)/2551 dated 31 July 2008.
2.	1507(2)/2557	27 February 2014	2 March 2015	1 March 2023	Manufacture duckling	1.5 Breed or raise animals	Received a promotion card on behalf of Bangkok Ranch Public Company Limited
3.	1600(2)/2557	11 April 2014	15 May 2015	14 May 2023	Manufacture germ duck egg	1.5 Breed or raise animals	Received a promotion card on behalf of BR Agriculture Company Limited
4.	2101(2)/2557	4 August 2014	Not yet start	8 years	Raise commercial farm	1.5 Breed or raise animals	Received a promotion card on behalf of BR Agriculture Company Limited
5.	2102(2)/2557	4 August 2014	Not yet start	8 years	Raise commercial farm (under the change of business to manufacturing germ duck egg)	1.5 Breed or raise animals	Received a promotion card on behalf of BR Agriculture Company Limited
6.	58-2094-0-01-1-0	28 July 2015	26 August 2015	25 August 2015	Raise commercial farm	1.5 Breed or raise animals	Received a promotion card on behalf of BR Agriculture Company Limited

2.) Businesses in Netherlands

Company's sales revenue from businesses in Netherlands

	2013		2014		2015	
	MB	%	MB	%	MB	%
Businesses in Netherlands						
Revenue from Upstream	624.7	26	653.2	27	589.2	27
Revenue from Downstream	1,789.6	74	1,781.7	73	1,590.0	73
Duck Products	1,662.9	68	1,639.7	67	1,484.3	68
By-Products and others	126.7	5	142.1	6	105.7	5
Total revenue from businesses in Netherlands	2,414.3	100	2,434.9	100	2,179.2	100

The company operates the complete businesses of duck manufacturing in Netherlands likewise businesses in Thailand except feed business, which purchased from the supplier in Netherlands. DTH covers from upstream to downstream such as parent stock farm, hatchery, contract farm, and slaughterhouse and cooked duck processing. The parent stock farm as well as control and coordination are operated through contract farmers. Hatching duck egg as well as control and coordination through contract farmers are operated by DTF. The slaughterhouse is operated by TDT and the cooked duck processing plant is operated by Lucky Duck. All three companies are subsidiaries. DTH hold 100 per cent of shares in DTF and TDT and Lucky Duck is held shares by TDT with the proportion of 90 per cent. The company groups in Netherlands run the businesses in Ermelo, Netherlands.

Moreover, the company runs other related businesses in Netherlands such as the business of inspecting standard of the poultry slaughterhouse in Netherlands by the experts of poultry inspection who have been certified by the Department of Livestock Development in Netherlands. It is operated by VPK but others are dormant companies such as TT. It was established as a company which transports duck meat products and Cannature which is the distributor of duck meat products.

Parent Stock Farm

Raising parent stock is operated by DTF. It imports Pekin parent stock which is the popular species of meat duck in Europe. Parent stock ducklings are purchased from Cherry Valley Farms Limited, a company which manufactures and develops species of meat duck and operated in the UK. In addition, DTF imports parent stock from a company in France and it is Pekin species as well.

Parent stock ducklings purchased by DTF will be raised during the first 18 weeks at the meat duck farm of DTF. This period is important to development of ducklings in terms of weight and health.

Therefore, the company pays much attention to take care of ducks during this period. After 18 weeks, the company will deliver some parent stock to contract farmers to continue raising them and the company will accept to purchase all duck eggs back. For another part, DTF will raise parent stock by itself. Ability to raise parent stock during the first 18 weeks in the company's farm is 10,000 parent stocks and the company has the ability to raise them throughout their life in the company's farm for 31,000 parent stocks per generation. The reason to raise some parent stocks is to use them as the model of raising parent stock for contract farmers and to be another channel of developing potential and technologies of raising meat duck of the company. Parent stock will be continuously raised up to the 24th week and begin to lay eggs and hatch ducklings.

Parent stock will be raised in the EVAP farm (or Evaporative Cooling System), which controls temperature and moistness to be suitable with ducks and straw will be added all the time of raising to control moistness on the floor in the appropriate level. Within the farm, there is an automatic water and food feeder. The proportion of female parent stocks to male parent stock is five to one, which is a suitable ratio for the rate of hatching from female parent stocks. Female duck will lay eggs for about one year or 52 weeks after the first date of laying eggs. Therefore, parent stocks will be raised for about 75 weeks and moved them out. However, one female parent stock will lay about 250 eggs on average throughout its life age.

Hatchery

DTF will accept to purchase duck eggs from contract farmers by paying money at the end of every month or bring eggs from the DTF's parent stock farm to the hatchery which is located in the same area. The hatchery will manufacture Day-Old Duck and accepts eggs from the parent stock farm every day to hatch them in the closed-hatchery using modern machinery, control cleanness, sterilizing for the high and regular hatching rate. The current capacity of the hatchery is approximately 155,000 eggs per week and can manufacture about 125,000 ducklings per week.

The hatchery starts from choosing duck eggs from the parent stock farm and bring them in a setter to turn upside down eggs for every one hour to spread heat evenly for 25 days at a temperature of 37 degrees Celsius. Then it is the process of separating unfertilized eggs. Then eggs will be hatched in a hatcher) which is controlled temperature and moistness for 3 days so that ducklings will chip egg peel. The strong and healthy ducklings will be delivered to the contract farm and raise them in a next lot.

The DTF hatchery has been operated according to the standards of Hazard Analysis Critical Control Point (HACCP) and DQP (Duck Quality Programme), which are the standards of The Netherlands Food and Consumer Product Safety Authority. Moreover, it was audited and certified for the manufacturing quality and operated by many countries such as Thailand, South Korea, Russia, Canada, etc. so that duck meat products manufactured in downstream has been permitted to export. Such standards ensure confidence to customers of company groups in Netherlands for the quality of duck meat continuously and for a long period.

Commercial Farm and Contract Farm

DTF controls raising meat duck of contract farmers. The company does not raising meat duck by itself but it employs contract farmers because Netherlands is the country which has progress of agriculture so there are farmers who have good quality as contract farmers and has no problem of farmer shortage to raising meat duck. There are presently total 30 contract farmers and capacity of raising is about 5.3 million ducks per year.

DTF made the contract farmers. They will accept to purchase Day-Old Duck from the DTF's hatchery and farmers agree to sell meat duck back when it is due of determined age and weight to TDT, which operates the slaughterhouse. Moreover, DTF is responsible for selling feed purchased from the external feed manufacturers and resell to contract farmers. This approach can reduce the cost of purchasing feed for farmers because DTF has the authority to negotiate the price from feed sellers and make procurement with large volume. With regard to other raw materials such as vitamins which are needed for raising ducks, DTF purchases and resells to contract farmers to continue raising ducks.

Amounts of contract farmers who are under the contract farming systems are sufficient for duck meat capacity of the DTH's company groups. If the capacity is increased, the DTH's company groups can supply farmers to the network in the future within a short period because it has a good reputation, long-term business, good relationship with farmers and provide attractive and competitive conditions of payment to accept to purchase ducks back to farmers.



Sample of commercial farm and contract farm in Netherlands

The company employs farmers to raise ducks in the EVAP farm (Evaporative Cooling System) likewise raising ducks in Thailand. Moreover, there is an automatic water and food feeder, good ventilation system, control moistness, temperature, light, including prevent contact or spread of animal diseases from outside. The animal husbandman adjusts the state of floor by sprinkling straw to maintain level of moistness as appropriate. After raising ducks of each round, the farm must be left for 5-10 days to prepare the state of building for raising meat duck in the next lot.

Slaughterhouse and food processing

TDT operates the slaughterhouse and accepts to purchase mature meat duck from contract farmers and bring them into process of slaughtering. The TDT's slaughterhouse is one of the most modern slaughterhouses in the world. It uses an automatic slaughtering system with the basic capacity of 5.2 million ducks per year, 5 working days per week, 8 hours per day, and can increase the capacity up to 6.5 million ducks per year by increasing dates and working hours. This plant has a very small numbers of workers. There are only 50 permanent employees and most of them stand by at the end of production line in the parts of packaging and goods storage.

The TDT's slaughterhouse has been certified IFS (International Food Standard) and BRC (Global Standard for Food Safety of BRC or British Retail Consortium). These standards are required to operate the duck slaughterhouse according to the requirement of The Netherlands Food and Consumer Product Safety Authority. Moreover, this agency sends an accredited veterinarian to be stationed at the duck slaughterhouse in order to inspect all slaughtered ducks that they have good quality and safety for consumption.

The products TDT manufacture mainly are whole uncooked duck or the proportion of approximately 90 per cent of total outputs and distributed in Europe through customers of Chinese restaurants and retail stores. The remaining are other parts of ducks such as breast or calves, etc. They are distributed in Europe Union as well. The company's main markets for export within Europe are Germany, Spain, France, and Italy.



Slaughterhouse and food processing in Netherlands

The cooked and food processing plant is operated by Lucky Duck, the plant which manufactures cooked and ready to eat duck meat products. The capacity is approximately 300,000 ducks per year. The products have good quality and meet needs of customers for the group which have buying power demand for high quality products. The price level is higher than the cooked and processed duck meat from China.

In addition, Lucky Duck processes other types of products such as roasted red pork, crispy pork, and cooked-marinated chicken including it sells spices such as garlic through trading for distribution to Chinese restaurants in Netherlands and European Union as well as supermarkets to distribute product to end users. The Lucky Duck's businesses have been operated according to the Hazard Analysis Critical Control Point (HACCP), which is the standard of The Netherlands Food and Consumer Product Safety Authority.

Future Strategy of the Company

Bangkok Ranch Public Company Limited and its Subsidiaries



Poultry Business Trend for the Year 2016

The domestic purchasing power has been expected to improve from stable political condition and the gradual budget approval of the government for numerous infrastructure development projects. However, other economic factors have been considerably required to be available for support of such challenging achievement such as agricultural crop price, level of household debts, as well as rapidity of budget disbursement in the infrastructure development projects which have been approved, etc. Therefore, the possibility of industrial recovery will be in the gradual nature according to the adjustment of such supportive factors. Expect Demand should increase, particularly in European countries which have been positively boosted from economic stimulation measure announced by European Central Bank.

The Company's Direction for the Year 2016

The Company and its subsidiaries clearly formulate the strategies in giving precedence to fully integrated production and distribution of duck meat under emphasis on increase in domestic and foreign sales quantity. In addition, there has still been the opportunity for business operation in the group of ready-made foods and frozen foods, etc. so as to diversity risk and further create secure and sustainable business growth of the Company and its subsidiaries as "the manufacturer and distributor of premium duck meat of Thailand" for maximum benefit to all parties of stakeholders.

Risk factors

The company greatly gives importance to risk management and promotes it as the part of the organization culture. However, the company's executives believe that risk management will lead to the creation of value for the organization and will lead the organization to sustainable growth.

At present, factors for both inside and outside the country of running the business rapidly change. Therefore, risk management is important to help the company has readiness when facing risk factor so the company has continuously monitored the internal and external situations including observed, analyzed the measures to reduce risk factors against the business. However, managing risk factors can reduce risk of doing business to a controllable and acceptable level. Risks can be divided into Market Risk, Operations Risk, and Financial Risk.

1. Market Risk

1.1 Demand and Supply Risk of the company's products

The company's main products consist of uncooked and processed meat duck. The price that the Company can distribute these products depends on demand and supply of the products at that time including demand and supply which provide other types of proteins. Such marketing mechanism relates to consumer's consumption demand or purchasing power of consumers and supply or quantity of such products in the market. The current price of uncooked duck meat and livable ducks are not controlled by the Department of Internal Trade, Ministry of Commerce likewise other types of products such as chicken, pork, etc. However, if in the future, the related government agencies have the policy on pricing of uncooked duck meat and livable ducks, the company's business may be significantly impacted in the negative way.

As the company's main products are consumer products, the company has risk to be impacted from consumer's behavior change and expenditure and the company cannot predict the selection of goods and services from consumers including there are unpredictable factors such as economic conditions, price, quality of product, consumer satisfaction, level of consumers' revenue, alternatives of expenditure, differences of products and services, etc. Thus, the company's turnover and expansion depend on many factors including the company's ability to convince customers to continue consuming the company's products. However, consumer's negative behavior change and expenditure may impact in a negative way against consuming the company's products throughout ability to retain current customers and find new ones. Therefore, the company's business has an opportunity to be significantly impacted in the negative way.

Sensitivity against price is one of demand risks. For example, the economic slowdown in Europe in 2010 resulted in some consumer groups in Europe are sensitive against the higher price of duck meat and changed to purchase duck meat from suppliers who provided lower quality and

price. Moreover, the price of duck meat compared to other types of protein products was higher. Thus, consumers probably choose to consume other types of foods which can replace or provide same protein. Therefore, slowdown of the global economy in some regions probably reduces consumers' purchasing power.

However, the company believes that continuing development for a variety of products and meeting needs of customers, value, quality of standardized products, brand recognized by consumers and a management team with sharp vision and skillful experience will make consumer trust and choose the company's products. Moreover, the company has reviewed the strategic plan, business plan and budget to be in line with changed economic state. The Executive will monitor performance of departments and compare with the annual action plan regularly determined to evaluate the success of the determined plan.

1.2 Risk of fluctuation of raw material price

The company's manufacturing mainly derives from raw materials used for feed manufacturing such as soybean meal, soybean seeds, corn, sorghum, rice bran, etc. They are products which have price fluctuation. The prices of these raw materials in the global market depend on many factors such as supply and demand of the manufacturing and consuming countries, volume of import and export of each country, speculation of speculators in commodity prices, climate which facilitates for cultivation of each country. With regard to corns, the company will purchase from suppliers in Thailand. For soybean meals, the company mainly purchases them from Brazil, which is the major manufacturer in the world.

Price fluctuations of many types of raw materials will impact all company's cost of production starting from upstream to downstream and sales pricing to the contract farmers, sales price of ducklings, payback price of duck meat throughout sales price of duck meat and processed products of the company. Fluctuation of feed cost creates challenge in managing costs to remain at a constant level. These factors may be beyond the scope of company's control and probably results in an increase of production cost of both feed and duck meat.

The company has the department which is skillful in the procurement of feed raw materials and has good relationship with suppliers and farmers directly. Moreover, the company has collaborated with the association of feed manufacturers in Thailand to purchase feed raw materials together with other feed manufacturers in order to purchase raw materials at reasonable prices and good quality with lower prices. In addition, the company has the standardized storage with sufficient containing size where can keep feed raw materials for feed manufacturing for 3 months. Therefore, the company can manage raw material costs during the period of price fluctuation and the company's feed cost does not vary to all raw materials prices. Moreover, the company has the research and development department that specializes in developing recipes for ducks and has ability to find other raw materials which have quality equal to the main ones with lower prices used for manufacturing. Moreover, the company has the guideline to purchase primary raw materials for processing as well.

From above reasons, it shows that the company has ability to manage feed cost to reduce the impact from raw material price fluctuations in the global market and the company's feed cost does not vary to all raw materials prices.

With regard to running the business in Netherlands under the DTH Group, the company's subsidiary, it is not impacted from feed raw material price fluctuations significantly because all feed raw materials can be purchased within Netherlands with certain pricing before procurement. DTH currently purchases raw materials from approximately 10 manufacturers or distributors and never experience problems regarding under standard quality of raw materials or delivery resulting the subsidiary in Netherlands can manage and control the cost of feed raw materials according to the action plan.

1.3 Risk of parent stock supply

In the process of manufacturing meat duck, the manufacturer must supply parent stock from the company which develops duck species. There are only a few companies in the world which specialize in parent stock development and manufacturing. Therefore, the company must depend on such species development companies. In the past, the company only chose to use Cherry Valley species of Cherry Valley Farms from England as this species grows fast with good rate of weight and meat resulting in good output and efficiency. Therefore, it is suitable for commercial farm. However, the company presently realizes risk of depending on a single supplier so the company purchases parent stock from other species developers to reduce such risk.

However, the Company did not enter into any contract in a long term with both species development companies about purchasing parent stock. The company has planned to annually purchase parent stock together with each manufacturer and the species development companies will deliver parent stock to the company as agreed. Therefore, the company has risk of parent stock supply in case both manufacturers cannot develop parent stock to the company and probably impact the company's operations significantly. Supplying parent stock from other manufacturers must have the selection and ordering system which probably take a long time and supplying the parent stock development company with good quality and reliability likewise the current ones may be difficult or unable to sufficiently supply to meet the company's need or within the specified period.

However, the company has good relationship with both companies and has arranged the procurement plan together with each manufacturer for about one year in advance because both manufacturing companies are necessary to plan manufacturing parent stock in advance as well. In the past, both manufacturers could deliver parent stock to the company according to the procurement plan as continuously agreed in advance and as the determined period.

1.4 Risks of natural disasters, accidents and disruptions in current operations.

At present, changes of global temperature and climate result in an increase and violence of natural disasters such as flood, drought, etc. They cause damages to an agricultural sector for both agricultural products and livestock, manufacturing, transportation throughout raw material prices including other serious accidents such as fire, accident from transporting raw materials or company's products. However, the company runs the complete business. In case there is natural disaster or a serious accident resulting in disruption of the production process in any step, it may impact the entire production process. Moreover, relocating of the company's operations may not be conducted in a short period such as parent stock farm, building, feed mill, etc. Therefore, the company may be negatively impacted by the disruption of the operation, whether it is partial or whole part including both direct and indirect damages against the company such as direct damages against properties, disruption of utilities services system, etc. If such severe incident happens, it may impact the company's operations and turnover significantly.

However, the company has the preventive policy to avoid or reduce opportunity of incidents which can be prevented by checking conditions and availability of machinery, tools, equipment, vehicle throughout providing knowledge or training employees and contract farmers for safety and accident prevention. Moreover, the Company has prepared the Business Continuity Plan (BCP) and the heads of departments are assigned to be responsible for operations and arrange the plan to support emergency cases to ensure that the Business Continuity Plan of the company's operation of can support incidents in time. In addition, the company has made all risks insurance for properties used in operations, raw materials, and primary products of the company for all production processes (exclude livestock), which covers damages from natural disasters and all types of disasters including the Business Interruption Insurance which compensates damages to the company for every case as well. However, in the past, the company never faced severe incidents or damages which impacted the company's business. In addition, the great flood in Thailand at the end of 2011 resulted in damages in many areas and impacted transportation. However, the operations' company were not directly impacted because the company's operation area has low risk from flood such as Petchabun, Lopburi, etc. but the company had been indirectly impacted from such incident because some main transport routes were cut off resulting in an increase of time for transporting raw materials or primary products with higher transportation cost and so on.

1.5 Risk from epidemic of communicable diseases

Data in the past and present showed that Thailand has risk of epidemic of Avian Influenza (Bird Flu) within the country because it is reported that bird flu infections found in people and poultry continuously in neighboring countries and nearby regions. If such epidemic happens, it will directly impact on the company's operations and turnover. For example, bird flu spread in the past impacted a cycle of raising and manufacturing, poultry consumption behavior throughout prohibition to import poultry products of the partner countries due to lack of confidence in safety of poultry consumption.

However, the company has monitored, taken care of, and observed epidemic and infections in poultry in Thailand and Netherlands throughout improved technology and modern raising system by building the EVAP farm (Evaporative Cooling System), controlling temperature and moistness humidity in the appropriate level and prevent the disease from outside. Moreover, the company has the policies and practices regarding raising animals and good environment for animals according to the international standard, management, sanitary system, and control and hygiene standards of farms of the company and of contract farmers. In addition, the establishments for both domestic and overseas companies have been certified by the relevant government agencies such as the Department of Livestock Development. Moreover, the company prepares an animal husbandman, specialists including develops personnals of the company and of contract farmers having knowledge and understand types of diseases, preventive risk method of outbreak, epidemic, method to do when disease is found. The Company will focus on prevention as a priority such as cleanliness of people and vehicles for an entrance and exit in the area of farm, building, slaughterhouse, etc. to reduce the risk of disease.

1.6 Risk of consumers' confidence in safety of the company's products.

Consumers presently require fresh, clean, and safe foods. Therefore the company's turnover may be impacted if consumers' confidence in quality and safety of the company's products reduces such as risk of spoilage or contaminants caused by any raw materials used in the operations or from any stage of the production process from both the operation within the company or from contract farmers in Thailand and Netherlands such as quality of ordering raw materials used in processing, transportation management systems, or storage system throughout delivery of products to consumers. Therefore, the company is greatly essential to provide an operational system that can ensure confidence that the company's products have quality and safety according to the international standard.

However, the company realizes quality and safety of company's products as the first priority so that consumers consume fresh, clean and safe products. The company has operated all production processes systematically and conformed to the international standard. The company can guarantee the quality assurance such as design and layout of the plant for production to maintain quality of the company's fresh products with the quality control system of raw materials used in production by sampling raw materials in a laboratory for packaging, transporting throughout storing products before delivering to consumers to be in accordance with the determined standard. The company has been certified the quality of food standard for both domestic and overseas companies in many areas such as GMP (Good Manufacturing Practice), HACCP (Hazard Analysis Critical Control Point), BRC Global Standard (The British Retail Consortium), ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System) and HALAL. These can guarantee quality and safety of company's products.

1.7 Risk from changing policy, rules and regulations relating to the operations of the company groups

The company group currently runs the business in Thailand and Netherlands. In Thailand, the business is under supervision according to the important legal principles and regulations of the relevant authorities such as the Notice of the Standard of Farm in Thailand B.E. 2542 issued by the Ministry of Agriculture, the Control of Animal Slaughter and Meat Distribution Act B.E. 2535, Factory Act B.E. 2535, and Regulations of Permitting, Inspecting and Eliminating Diseases for Transferring Animals or Carcasses Within the Kingdom of Thailand B.E. 2546 by the Department of Livestock Development, The National Environmental Quality Maintenance and Promotion Act B.E. 2535, etc. These legal limitations and requirements are the important factor of the company group's operations. Therefore if the related government agencies change such policy, rule, or regulation, it may impact affect the company group's operations or cause an increase of obligation or operations cost which may negatively impact the company's turnover.

However, the subsidiary's operation in Netherlands is under supervision according to legal principles and regulations of the relevant authorities which is not different from Thailand. The company and its subsidiary focus on complying with related laws and requirements strictly. In the past, the company and it subsidiary's operations in Thailand and Netherlands have never violated such rules.

1.8 Risk from changing trade measures by importing countries.

The company has revenue from selling the company group's products to foreign countries continuously. Approximately 60 per cent of the export value derives from exporting duck meat to the European Union as the number one. Currently, the EU has tariff measures to prevent dumping and protect farmers and duck farming industry in the EU through specifying quota of meat import from many countries. Each country started to implement the measure since 2013 and it has no expiration unless the European Commission is changed. The current tariff on importing cooked and processed duck meat from Thailand has the rate lower than China, which is the major competitor of exporters from Thailand. Moreover, issuing other trade barriers or protecting industry of the importing countries using the tariff measures and non-tariff measures of importing countries such as a long period of asking import permission and determination of criteria or standards of hygiene and safety, etc. These may negatively impact the revenue from selling the company group's products significantly.

However, the company has studied and followed rules or measures of importing the company group's products in various countries from news, government's website, and partners of the company groups in many countries by arranging related agencies and personnels to follow-up to and reports to the Executive and related departments to keep update the situation and enable to plan the appropriate strategy. The company's subsidiary in Netherlands operates to reserve import quotas of duck meat in the EU in order to import cooked and processed duck meat from Thailand and participates in suggesting beneficial trade opinions to the European Commission. This is the good result for cooked and processed duck meat exporters from Thailand. Moreover, the company has the strategy to continuously expand exports to other countries, particularly in Japan, Russia, the

Middle East countries including countries in Asia region such as Vietnam, Myanmar, and Indonesia which are the major countries who consume duck meat. However, this approach is to reduce risk of dependence on one country too much.

2. Operations Risk

2.1 Risk of dependence on contract farms for raising meat duck.

At present, about 90 per cent of total amounts of manufactured ducks are raised by contract farmers. Therefore, the company must depend on these farmers to raise ducks having weight and quality according to criteria determined by the company. If there is an unexpected incident, for example, the farmer who adjusts his farm to raise other animals instead, or to raise ducks for other manufacturers (competitors) who offer the better choice may negatively impact to the company significantly.

However, the company has the policy to promote farmers who raise ducks by providing knowledge along with developing potential of farmers to raise ducks and reach good standard, quality, and price in order to build stability for contract farmers' occupation and revenue. Moreover, the company distributed dependency on many small contract farmers. The company currently has total 95 contract farmers.

2.2 Risk from using labors in the process of processing duck meat.

On 31 December 2015, the company used 926 daily employees or calculated as the proportion of 89.0 percent of all labors in the company's duck meat manufacturing and processing. The plant is located in Samut Prakan Province where there are many industrial zones which may result in a shortage of labors in the duck meat manufacturing and processing plant. However, increasing the minimum wage and welfare to maintain labors in the manufacturing process will result in an increase of expenditure for employees and personnels and may negatively impact the company's turnover. In addition, the company has total labor turnover rate is approximately 6 per cent. Therefore, if the company fails to supply new labors who have skills or expertise to support or replace the labors who retire timely and employee rotation (labor) may result in new labors have inconsistent skills and may cause the company's products cannot reach the standard, fault, or damaged in the duck meat manufacturing and processing such as variation of size and weight and may impact the company's operations and turnover significantly.

However, the company has realized the importance of all levels of personnels or all employees to the company. Therefore, the company considers to increase the wage and welfare with the competitive rates in order to retain all personnels and labors. Moreover, the company has a policy to pay allowance to reduce the turnover rate and motivates incentives to employees in order to increase employees' productivity including the company has the plan to invest the duck meat manufacturing and processing system using an automatic machines further to replace or reduce dependency on labors and maintain quality and standard of the company's products. With regard

to the automatic manufacturing system, the company has considered the manufacturing technology of TDT, which is the subsidiary in Netherlands and the owner of one of slaughterhouses in the world using the best slaughtering technology resulting in amounts of labors are very small, about 50 labors in the slaughtering process. However, such automatic manufacturing system helps to increase productivity and reduce waste from the manufacturing process including can maintain high quality and standard of the company's products.

3. Financial Risk

3.1 Risk from fluctuations of foreign currency exchange rate.

The company has commercial transactions as foreign currencies. They are both export and import. During the 12 months of 2015, the revenue from exports was 40 per cent from the downstream. Such export was mainly in the form of US dollar, Euro, and Yen currencies resulting in the company may be impacted from fluctuations of foreign exchange rate. With regard to the export, if Thai baht currency rises, it will impact the reduced revenue when converting to Thai baht. With regard to importing feed raw materials used for manufacturing feed, if Thai baht weakens it will impact the higher cost of raw materials as well including the company's revenues and profit.

However, the company realizes risk from fluctuations of such currency exchange rates. Therefore, the company has the policy to make the Foreign Currencies Exchange Forward Contract for transactions which are foreign currencies with many financial institutes and the company can know the exact cost of manufacturing and has more efficient pricing. Then, the company can predict costs and profits as the plan. Moreover, as the company runs both import and export businesses using same foreign currency, it is some risk protection as Natural hedge. In addition, some of the company's liability which is the loans from financial institutions is Thai baht. Therefore, such loan has no risk of fluctuations of foreign currency exchange rate.

3.2 Risk from fluctuations of interest rate.

On 31 December 2015, the company loaned Million Baht 1,796 million with a floating interest rate referred with MLR. Therefore, the company has the risk from changing the interest rates and negatively impacts the company's performance. However, the company has a policy to manage fluctuations of interest rate by controlling the interest rate obtained from deposits with financial institutions to be the similar rate with for paying obligation with financial institutes. For example, the subsidiary in overseas had made the Cap interest rate agreement used as a tool to manage risk relating to such subsidiary's overdraft bank at the end of 2014. The subsidiary had the Cap interest rate agreement with the amount of 2 Million Euros and due in June 2015 under such contract since June 2012. The subsidiary in overseas must pay interest to the financial institute with interest rate of Euribor 1 month + 2.25 but not exceed 3.75 per cent per year. Moreover, the financial institute will pay the interest to the subsidiary in overseas with interest rate of Euribor 1 month + 2.25 per year. The benefits of such contracts resulted in the subsidiary in overseas can

manage the interest income rate and the interest payable rate with the similar level and save the expenditure of interest rate in case it increases. However, the current interest rate on bank overdrafts of the banks in oversea is still low. Therefore, such contract is not required to be used.

3.3 Risk from retroactive tax assessment by the Department of Revenue

The Company may have an obligation to pay additional retroactive corporate income tax. The Department of Revenue will send the summons to the company to request an explanation to the assessment official. For filing an income tax return for taxpayers for the accounting period from 1 January to 31 December 2008, 1 January to 31 December 2009, and 1 January to 31 December 2010, the company must submit the financial statement according to the accounting law, accounts and reports according to the Revenue Code, evidences and documents for accounting and reporting for such accounting period and submit them to the assessment official for inspection.

As above operation of the Department of Revenue, it is possible that the company must be assessed the retroactive tax regarding tax caused from deficit in case the company has been promoted for more than one project under the Section 31, the Investment Promotion Act B.E. 2520 or taxes relating to reduction of tax rate and exemption of the company's corporate income tax of Regional Operating Headquarters (ROH) including taxes relating to the company's operations. However, in case the company must be assessed the retroactive tax for the amount assessed by the Department of Revenue, the company will be compensated based on the amount and approach determined in the Share Purchase Agreement made with the original major shareholder. Such compensation of such retroactive tax obligation may be considered in the Court.

3.4 Ability of paying the company's dividend depends on profit, cash flow, financial status capital expenditure and limitations of conditions from supplying a source of loan.

Ability of paying the company's present and future dividend depends on profit, cash flow, financial status capital expenditure and limitations of conditions from the loan contract made with the commercial banks and financial institutes. The company has policy to pay dividends from net profit of the company's consolidated financial statement and the subsidiary after deducting reserve determined by the law and according to the company's regulation including conditions from supplying a future source of loan. Moreover, such dividend will not impact the company's normal operations significantly as the Board of Directors considers appropriateness.

According to the conditions in the long term loan contract that the company made with the commercial bank, it determined that paying the dividend to the shareholders can be made when the company already paid some principal back to the commercial bank. However, the company has the plan to spend some amount from this funding to reduce debt obligation according to the long term loan contract that the company made with the commercial bank. The company expects that paying some principal back to the commercial bank will not impact paying the dividend.

Paying the company's future dividend will depend on the demand of spending capital, capital expenditure, and requirement from supplying a future source of loans such as business expansion, investment in the future project or occurrence of the unexpected incident which negatively impacts the company's cash flow and has an opportunity of changes according to situation, opportunity, and decision of the Board of Directors as necessary and appropriate. Therefore, the company may consider to pay the dividend lower than the specified rate and may impact the company's ordinary share price in the secondary market.

In addition, the company probably cannot pay the dividend from all company's retained earnings. The Board of Directors will consider to pay the dividend in order not to impact the status of a listed company in the Stock Exchange of Thailand in the future; namely considering not to pay the dividend from the retained earnings with the excessive amount until the proportion of all shareholders combined with the merger which is lower than the capital from consolidation is negative. However, this additional capital by selling the company's ordinary shares increase will help to increase the value proportion of shareholders and reduce the limitation of paying the dividend from the retained earnings result in reduction of above shareholders' the negative proportion.

3.5 Risk of impairment of intangible asset and/or goodwill from a business consolidation.

As BT Partners entered to purchase the company's business from the original major shareholders in 2012, this resulting fair appraisal of the acquired identifiable assets and debt obtained from the acquisition date. The variance between the cost which directly relates to such share purchase and the net fair value of the assets, debt and debt probably incurred on the date of shares trading according to the proportion of investment had been recorded as goodwill from a business consolidation. With regard to the intangible asset, it consists of computer software and relationship with customers and trade name. The relationship with customers and trade name are intangible assets with the appraisal after BT Partners entered to purchase the company's business. The value of customer relationship was calculated from discount of cash flow from estimated earnings before including interest payable tax, tax, and depreciation (EBITDA) of the company since 2013 until the next years. Such cash flow is expected by the company that it will be obtained from maintaining business relationship with original customers who regularly and continuously purchase the company's products during 2008-2012 and the company will calculate to amortized such items for 40 years. With regard to the value of trade name, it is calculated from discounting the expenditure from the royalty fee of using the trade name that the company can save money each year. For the company which has their own trade name and the expenditure from the royalty fee of using the trade name is similar to the same industry, the subsidiary will not amortized the intangible asset (trade name) but they use the testing approach of impairment of intangible asset and goodwill from a business consolidation. However, on 31 March 2015, the company had the intangible assets which consisted of customer relationship for 466.9 million baht and trade name for 274.7 million baht with the total amount of 741.5 million baht or 15.8 percent of the shareholders' proportion. If considering the overall intangible assets by combining goodwill from business consolidation of 1,954.5 million baht,

there is a total of 2,696.0 million baht or 57.3 percent of the shareholders' proportion. Therefore, if the company tests the impairment of intangible assets and goodwill from business consolidation and indicates that the intangible assets and/or goodwill from such business consolidation has incurred impairment, the company will consider to record the impairment of intangible assets and/or goodwill from such business consolidation which may impact the company's turnover and reduction of the shareholders' proportion although the company has tried to consider and take action carefully.

Basically, reduction of cash flow from the expected operations, changes of economic circumstance and or essence state of market and lose of key customers may be an indication of an impairment in case the intangible asset's book value and/or goodwill is higher than the expected amount to be retuned which may negatively impact the turnover with the impairment record and the company's financial status. However, the company considers that the possibility of impairment of intangible assets and/or goodwill from business consolidation is less because the company has the revenue which continuously increases since purchasing the business in 2012. Moreover, the company has amortized the intangible assets. (A list of customer relationships) caused from the group restructuring in 2012 for approximately 5 per cent of the customer relationships resulted from the group restructuring and the company gradually paid from 2013 to 2015. The remaining will be amortized in the future. Such amortization will reduce value of customer relationship in the future.

Securities and Shareholders

As at 31 December 2015, the company's registered capital is Baht 4,569,643,720 and paid-up registered capital of Baht 4,567,232,790, classifying into 913,446,558 ordinary shares at par value of 5 Baht per share.

List of the company's top 10 shareholders as at 30 December 2015 has been as follows:

No.	List of Shareholders	Number of Shares	% of issued share capital
1.	JRGG Company Limited	229,275,086	25.100
2.	Black River Capital Partners Food Fund Holdings (Singapore) Pte. Ltd.	88,348,138	9.672
3.	Bangkok Bank Public Company Limited	59,236,902	6.485
4.	BR Associates	33,029,209	3.616
5.	Redfeather Limited	30,023,445	3.287
6.	N.C.B. Trust Limited - Norges Bank 11	26,568,500	2.909
7.	Bualuang Long Term Equity Fund	26,459,500	2.897
8.	Chase Nominees Limited	22,460,400	2.459
9.	Government Saving Bank by UOB Asset Management (Thailand) Co., Ltd	22,258,940	2.437
10.	United Overseas Bank Limited by UOB Asset Management (Thailand) Co., Ltd.	22,258,940	2.437
11.	Other Shareholders	353,527,498	38.701
	Total	913,446,558	100.000

Dividend Policy of the Company

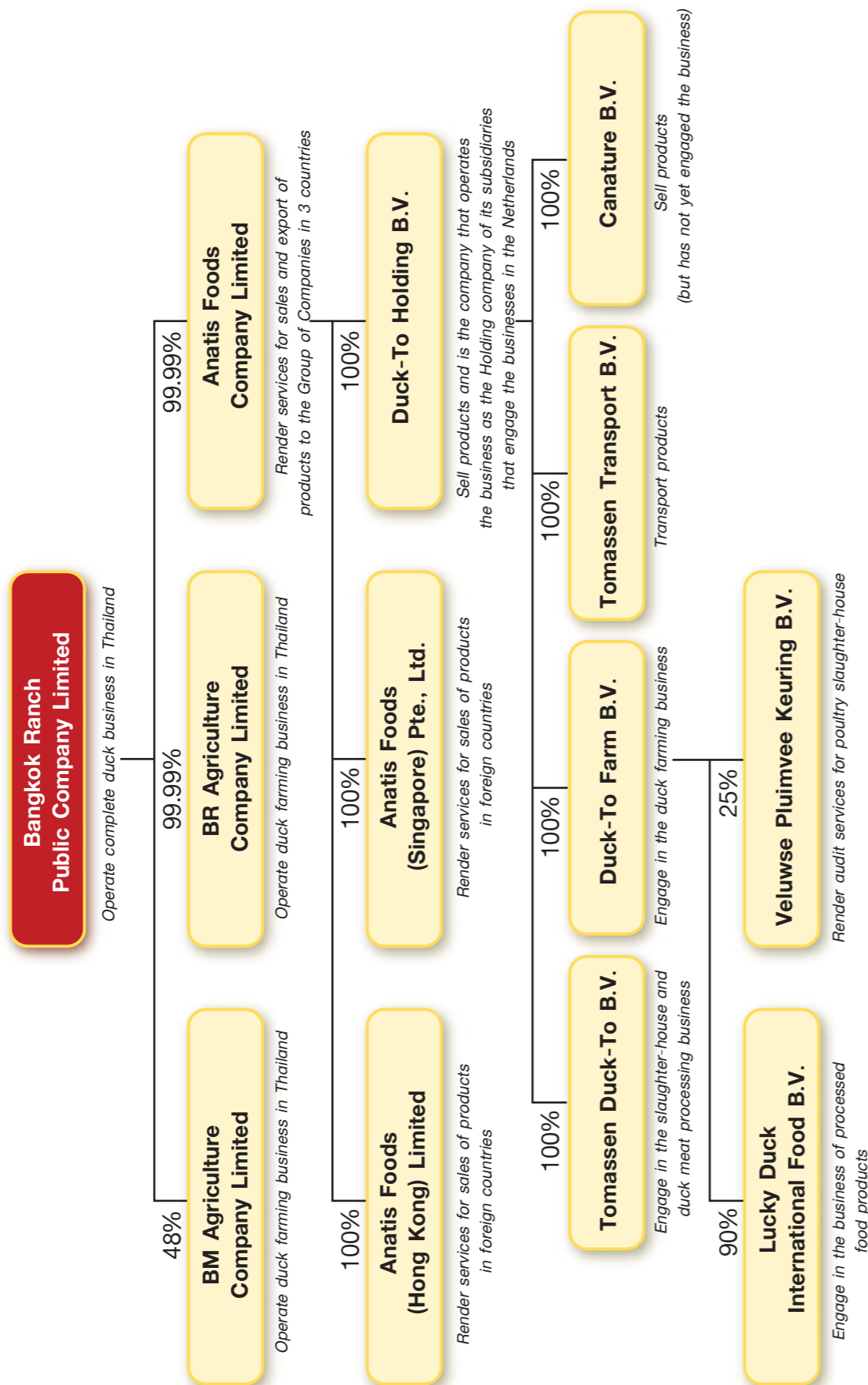
The Company's policy is to pay dividend for not less than 50% of net profit after deduction of tax and legal reserve. In consideration on each time of individual payment, the Company shall mainly consider dividend payment with concern on the shareholders' benefit such as preservation of money for future investment or for loan payback or as working capital inside the Company, etc.

Dividend Policy of the Subsidiaries

The dividend payment policy of its Subsidiaries is not less than 50% of net profit after deduction of tax and legal reserve. Nevertheless, the Board of the Subsidiaries and/or shareholders will consider dividend payment by considering the appropriateness of the business condition such as consideration from investment plan in the Subsidiaries' business expansions, etc.

Shareholding Structure of the Company and its Subsidiaries

Chart of Shareholding Structure of the Company and its Subsidiaries, and Shareholding Proportion as at 31 December 2015



Board of Directors

As at 31 December 2015, the Board of Directors of the Company has been consisted of the following : 1) Board of Directors and 2) Three Sub-Committee consists of Audit Committee, Nomination and Remuneration Committee and Executive Committee

As at 31 December 2015, the Board of Directors of Bangkok Ranch Public Company Limited has been consisted of 15 Directors as follows

Name-Surname	Position
1. Mr. Joti Bhokavanij	Chairman of the Board / Independent Director
2. Mr. Taveechai Charoenbundit	Vice Chairman of the Board/ Independent Director
3. Mr. Joseph Suchaovanich	Vice Chairman/ Managing Director of Asia and Asia Pacific
4. Mr. Gertjan Tomassen	Vice Chairman/ Managing Director of Europe
5. Mr. Vudhiphol Suriyabhivadh	Chairman of Audit Committee/ Independent Director
6. Dr. Poranee Pataranawat	Audit Committee / Independent Director
7. Mr. Yeo Kok Tong	Audit Committee/ Independent Director
8. Mrs. Rosanna Suchaovanich	Executive Director / Chairman of Nomination and Remuneration Committee / Chief Operating Officer
9. Mr. Gerard Martin Elbertsen	Director
10. Mr. Lin Tai Chuan	Director
11. Mr. Faris Ibrahim Taha Ayoub	Director
12. Mrs. Nutthaporn Luangsuwan	Director
13. Mr. Thanawat Aroonpun	Director
14. Mr. Danal Pathonvanich	Director
15. Mr. Richard Lee Gammill	Director

- Dr. Siriporn Viriyabuncha is the Secretary of the Board of Directors since 24 April 2013

Authorized director of the Company

The directors who can sign to bind the Company shall be Mr. Joseph Suchaovanich or Mr. Gertjan Tomassen or Mr. Gerard Martin Elbertsen one of three sign together with Mr. Danai Pathomvanich or Mr. Faris Ibrahim Taha Ayoub or Mrs. Rosanna Suchaovanich or Mr. Lin Tai Chuan or Mr. Richard Lee Gammill and affix with the Company's seal.

Scope of Duty and Responsibility of the Board of Directors

1. To perform duties in compliance with laws, objectives, articles of associations, and Board of and shareholders' resolutions with accountability, prudence, and integrity.
2. To consider providing details and endorse vision, business strategy, business direction, business policy, goal, guideline, operating plan and budget of the Company and its subsidiary companies as prepared by the management.
3. To monitor the operating results of the Company continuously in order to meet with the operating plan and budget of the Company.
4. To ensure that the Company and its subsidiary companies apply appropriate and efficient accounting system, as well as establish the internal control system and the internal audit system.
5. To review the risk management procedures and policies as well as follow up the results.
6. To formulate the corporate governance policy and apply such policy into practice efficiently.
7. To appoint the sub-committee such as Audit Committee, Nomination, Remuneration, Corporate Governance Committee or any other various Board Committee in order to assist and support the Board of Directors in the discharge of its responsibilities.
8. To appoint the senior executive positions of the Company such as Chairman of Executive Committee, Chief Executive Officer, Chief Operating Officer and Chief Financial Officer and any other senior officer as deemed necessary.
9. To appoint the Company's Secretary to assist the Board of Directors in its various activities to run the business in line with the related laws and regulations.
10. To seek professional opinions from external organizations if necessary so as to contribute to making proper decisions.
11. Encourage the Company's directors and executives to attend various training courses of the Thai Institute of Directors in relation to duties and responsibilities of such directors and executives.


Nevertheless, to assign duty and responsibility of the Board of Directors are not to give proxy or sub-proxy that the Board of Directors or the proxy from the Board of Directors are to approve transaction or people that may cause conflict (As the definition in Notice of SEC or the Capital Market Supervisory Board) that they have stakes or gain benefit or may have conflict of interest with the Company or Subsidiary unless it is to approve transaction according to the policy or principles approved by shareholders' meeting or the Board of Directors' meeting.


Rotation of Director

In Annual Shareholders' meeting, at least 1/3 of director shall retire but if the amount of director cannot be divided as three, the nearest number shall retire. The directors that retire by rotation can be reelected to the opposition again.


Other than retirement by rotation, the director will be dismissed in case of


- (1) Death
- (2) Resignation (effective by date of the resignation letter received by the Company)
- (3) Loss of qualification or having prohibited characteristic by law, or the Company's rules
- (4) Shareholders' vote to dismiss
- (5) Court's Order for Dismissal

Name and Last name	Mr. Joti Bhokavanij	
Position in BR	Chairman of the Board , Independent Director	
Age	74	
Nationality	Thai	
Education Background	<ul style="list-style-type: none"> - Fellow of the Association of Chartered Certified Accountants, England - Programme for Management Development, Harvard Business School, USA - Marketing Management Programme, Stanford University Graduate School of Business, USA 	
Director Training	<ul style="list-style-type: none"> - Chairman 2000 - Director Certification Program (DCP) - Advanced Audit Committee Program (AACP) - Successful Formulation & Execution of Strategy (SFE) - How to Measure the Success of Corporate Strategy (HMS) 	
Shareholding / % (including spouse and minor children)	7,503,576 shares or 0.821 % as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	<ul style="list-style-type: none"> - Independent Director and Member of the Audit Committee, True Corporation Public Company Limited - Member of the Finance Committee and Member of the Compensation and Nominating Committee, True Corporation Public Company Limited - Independent Director and Member of the Audit Committee, Loxley Public Company Limited - Independent Director and Member of the Audit Committee, Siam Makro Public Company Limited 	
Other position other non - Thai listed Company	<ul style="list-style-type: none"> - Director, Kingfisher Holdings Limited - Director, Thai Smart Card Company Limited 	
Position in other companies potentially having conflict of Interest	none	
Board of Directors' Meeting attendance in the past year (2015)	5 of 5 (100%)	
Date of Registration as Director of BR	15 July 2013	


Name and Last name	Mr. Taveechai Charoenbundit	
Position in BR	Vice Chairman of the Board, Independent Director	
Age	75	
Nationality	Thai	
Education Background	Bachelor of Law, Thammasat University Barrister at Law, Legal Thai Bar Association	
Director Training	Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)	
Shareholding / % (including spouse and minor children)	100,000 shares or 0.0109 % as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non - Thai listed Company	<p>2009-2010: Senior Judge of the office of the Director-General, Regional 1 (until retirement 70 years old in 2010)</p> <p>2001-2009: Senior Judge Courts, Intellectual Property and International Trade Court (up to 8 years)</p> <p>2000 : The judicial level 8 (Vice-president of the Supreme Court of Justice), The president of the Intellectual Property and International Trade Court</p> <p>1998 : Deputy of Director General of Appeal Court Regional 8 and the President of the Court of Appeal 8</p> <p>1996 : Presiding Judge of the Panel of the Supreme Court</p> <p>1993 : Judge of the Supreme Court</p> <p>1991 : Presiding Judge of the Panel of the Appeal Court</p> <p>1988 : Judge of the Appeal Court</p> <p>1986 : Presiding Judge of the Panel of the Civil Court</p> <p>1982 : Presiding Judge of the Civil Court</p> <p>1981 : Chief Justice of the Minburi Provincial Court</p> <p>1979 : Chief Justice of the Surattthani Provincial Court</p>	


Other position other non – Thai listed Company	<p>1978 : Chief Justice of the Betong Provincial Court</p> <p>1977 : Chief Justice of the Ministry of Justice</p> <p>1972 : Judge of the Ratchburi Provincial Court</p> <p>1969 : Judge of the Suratthani Provincial Court</p> <p>1967 : Judge of the Pattani Provincial Court</p> <p>1966 : Government official as the prosecutor, Department of Public Prosecution</p> <p>1965 : Government official as the official receiver, Ministry of Justice</p> <p>1963 : Government official of the Department of Lands, Ministry of Interior</p>
Position in other companies potentially having conflict of Interest	None
Board of Directors' Meeting attendance in the past year (2015)	5 of 5 (100%)
Date of Registration as Director of BR	2 May 2014

Name and Last name	Mr. Joseph Suchaovanich	
Position in BR	Vice Chairman and Managing Director of Asia and Asia Pacific	
Age	63	
Nationality	Thai	
Education Background	MBA, Beijing Institution of Economic Management, Beijing, China	
Director Training	Director Certification Program, Thai Institute of Directors Association (IOD)	
Shareholding / % (including spouse and minor children)	629,603 shares or 0.0689 % as at 31 December 2015	
Family Relationship with Management Team	Spouse to Mrs. Rosanna Suchaovanich	
Other position other Thai listed Company	None	
Other position other non – Thai listed Company	<p>Present : Director, BR Agriculture Company Limited</p> <p>Present : Director, BM Agriculture Company Limited</p> <p>2007 – Present: Director, London 8 Ltd.</p> <p>1997 – Present: Director, Anatis Foods Limited</p> <p>2008 – Present: Director, Anatis Foods (Hong Kong) Limited</p> <p>2008 – Present: Director, Anatis Foods (Singapore) Pte. Ltd.</p> <p>1999 – 2005: Director, Bangkok Ranch Planner Ltd.</p> <p>None</p>	
Position in other companies potentially having conflict of Interest	5 of 5 (100%)	
Board of Directors' Meeting attendance in the past year (2015)	15 July 2013	
Date of Registration as Director of BR		


Name and Last name	Mr. Gertjan Tomassen	
Position in BR	Vice Chairman and Managing Director of Europe	
Age	46	
Nationality	Netherland	
Education Background	-	
Director Training	None	
Shareholding / % (including spouse and minor children)	1,612 shares or 0.0001% as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	<p>1998 - Present: CEO, Duck-To Holding BV / Tomassen Duck-To BV /Duck-To Farm BV (The Netherland)</p> <p>1986 - 1998: COO, Tomassen Poeliersbedrijf BV (The Netherland)</p> <p>2013 - Present: Director, LISUDA, Vastgoed B.V. Ermelo, (The Netherland.)</p> <p>2007 - Present: Director, London 8 Ltd.</p> <p>2007 - Present: Director, Anatis Foods Limited (Thailand)</p> <p>2007 - Present: Director, Anatis Foods (Hong Kong) Limited</p> <p>2007 - Present: Director, Anatis Foods (Singapore) Pte. Ltd.</p> <p>2004 - Present: Director, Fly Eagle Limited Holding, (Hong Kong)</p> <p>2003 - Present: Director, GJ. Tomassen Holding BV (The Netherland)</p> <p>1998 - Present: Director, Duck-To Holding B.V. Ermelo, (The Netherland)</p> <p>1998 - Present: Director, Tomassen Duck-To B.V., Duck-To Farm B.V., Tomassen Transport B.V.</p>	
Position in other companies potentially having conflict of Interest	None	


Board of Directors' Meeting attendance in the past year (2015)	1 of 5
Date of Registration as Director of BR	15 July 2013


Name and Last name	Mr. Vudhiphol Suriyabhivadh	
Position in BR	Chairman of Audit Committee, Independent Director	
Age	71	
Nationality	Thai	
Education Background	<ul style="list-style-type: none">- Bachelor of Commerce (Accountancy), University of New South Wales, Australia- Bachelor of Law, Sukhothai Thammathirat University- Executive Course, IMD, Lausanne, Switzerland	
Director Training	<ul style="list-style-type: none">- Director Certification Program, Thai Institute of Directors Association (IOD)- Audit Committee Program, Thai Institute of Directors Association (IOD)	
Shareholding / % (including spouse and minor children)	7,223,576 shares or 0.791 % as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	<ul style="list-style-type: none">- Independent Director, Audit & Risk Committee Chairman, Nomination and Remuneration Committee Member, Laguna Resort & Hotel Public Co., Ltd.- Independent Director, Audit Committee Chairman, Nomination Remuneration Committee Member, Thai Wah Food Products Public Co., Ltd.- Independent Director, Audit Committee Chairman, Nomination and Remuneration & Corporate Governance Committee Chairman, L.P.N. Development Public Co., Ltd.	
Other position other non-Thai listed Company	None	
Position in other companies potentially having conflict of Interest	None	
Board of Directors' Meeting attendance in the past year (2015)	5 of 5 (100%)	
Date of Registration as Director of BR	15 July 2013	


Name and Last name	Associate Professor Dr. Poranee Pataranawat	
Position in BR	Independent Director and Member of the Audit Committee	
Age	64	
Nationality	Thai	
Education Background	<ul style="list-style-type: none">- Ph.D. (Environmental Toxicology, Technology and Management), Asian Institute of Technology (AIT). Thailand.- Certificate in Applied Remote Sensing (Natural Resources Management). AIT. Thailand.- Certificate in Environmental Impact Assessment for Water-Related Projects. CEFIGRE. (France). Bangkok.- Certificate in Environmental Management in Oil & Gas Field Program. AIT.- Environmental Management System. ISO 14001.EMSI. (England). Bangkok.- Environmental Toxicology and Bioassay Techniques, Roskilde University Center (RUC), Denmark.- M.Sc. (Botany), Chulalongkorn University. Bangkok.- B.Sc. (Botany), Chulalongkorn University. Bangkok.	
Director Training	Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)	
Shareholding / % (including spouse and minor children)	200,000 shares or 0.0218 % as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non– Thai listed Company	<ul style="list-style-type: none">- Expertise in Environmental Pollutants Management, the Committee of Specialists for Environmental Impact Assessment Consideration in Petroleum Development Sector.	


	<ul style="list-style-type: none"> - The Advisory for the Karen National Union, Merqui Tavoy District (KNU MIT) on Environmental and Sustainable Development for Business Development. Myanmar. - Vice President of the Foundation of Ubon Ratchathani People. - Special lecturer for Mahidol University and Silpakorn University. <p>Experience:</p> <p>1977 - 2012: Faculty of Public Health, the Department of Sanitary Engineering, Mahidol University.</p> <p>1992 - 1996: Member of the Committee of Master of Science Programme. Faculty of Public Health, Mahidol University.</p> <p>1996 - 1998: Assistant Dean of Academic Services. Mahidol University, Faculty of Public Health.</p> <p>1996 - 1998: Secretariat of the Committee of Research. Faculty of Public Health, Mahidol University.</p> <p>1996 - 2001: The Academic Ranking Review Committee of the Faculty of Public Health. Mahidol University.</p> <p>2006 - 2011: Member of the Executive Committee of Doctor of Philosophy Programme in Environmental Technology (International Programme), Mahidol University.</p>
Position in other companies potentially having conflict of Interest	None
Board of Directors' Meeting attendance in the past year (2015)	5 of 5 (100%)
Date of Registration as Director of BR	2 May 2014


Name and Last name	Mr. Yeo Kok Tong	
Position in BR	Independent Director and Member of the Audit Committee	
Age	60	
Nationality	Singapore	
Education Background	Institute of Marketing UK, Diploma Singapore Institute of Management, Graduate Diploma	
Director Training	Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)	
Shareholding / % (including spouse and minor children)	10,000 shares or 0.001 % as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	Present : Independent Director, Member Audit Committee Chairman Remuneration Committee Neo Group Limited Present : Chairman, Pacific Hunt Energy Pte Ltd 2006 to 2009 : CEO, Singapore Food Industries Limited (Independent Director, 1998 to 2008) 2003 to 2006 : CEO, DE Untied Food Industry Ltd (Nigeria)	
Position in other companies potentially having conflict of Interest	None	
Board of Directors' Meeting attendance in the past year (2015)	5 of 5 (100%)	
Date of Registration as Director of BR	2 May 2014	

Name and Last name	Mrs. Rosanna Suchaovanich	
Position in BR	Executive Director / Chairman of Nomination and Remuneration Committee / Chief Operating Officer	
Age	61	
Nationality	Thai	
Education Background	MBA, Beijing Institution of Economic Management, Beijing, China	
Director Training	Director Certification Program, Thai Institute of Directors Association (IOD)	
Shareholding / % (including spouse and minor children)	3,881,798 shares or 0.4249 % as at 31 December 2015	
Family Relationship with Management Team	Spouse to Mr. Joseph Suchaovanich	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	Present : Director, Anatis Foods Limited, Thailand Present : Director, Anatis Foods (Hong Kong) Limited Present : Director, Anatis Foods (Singapore) Pte. Ltd. Present : Director, BR Agriculture Company Limited Present : Director, BM Agriculture Company Limited Start up – 2010 : COO, Bangkok Ranch Public Company Limited 2009 – 2012 : Director of BR Group 2003 – 2009 : Director, Anatis Foods Limited, Thailand 2003 – 2009 : Director, Anatis Foods (Hong Kong) Limited 2003 – 2009 : Director, Anatis Foods (Singapore) Pte. Ltd. 1999 – 2005 : Director, Bangkok Ranch Planner Ltd.	
Position in other companies potentially having conflict of Interest	None	
Board of Directors' Meeting attendance in the past year (2015)	5 of 5 (100%)	
Date of Registration as Director of BR	15 July 2013	

Name and Last name	Mr. Gerard M. Elbertsen	
Position in BR	Director	
Age	51	
Nationality	Netherland	
Education Background	Bachelor in Business Administration (BBA), HEAO Finance and Economic Management (Windesheim Zwolle)	
Director Training	None	
Shareholding / % (including spouse and minor children)	1,400,000 shares or 0.153 % as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	Present : Director, Anatis Foods Company Limited, Bangkok, Thailand 2012 – Present : Director, Duck-to Holding BV, Ermelo 2005 – Present : CFO, Duck-To Holding BV, Tomassen Duck-To BV, Ermelo, The Netherlands 2003 – 2005 : Controller/Head of Admin. Van Panhuis Ermelo BV, The Netherlands 1998 – 2002 : Controller/Head of Admin. De Heus Veevoederfabriek BV, The Netherlands 2013 – Present : Director, Lucky Duck International Food B.V., Uden, The Netherlands	
Position in other companies potentially having conflict of Interest	None	
Board of Directors' Meeting attendance in the past year (2015)	3 of 5	
Date of Registration as Director of BR	15 July 2013	


Name and Last name	Mr. Lin Tai- Chuan	
Position in BR	Director	
Age	39	
Nationality	Austria	
Education Background	M.Sc. in Business/Economics/Finance, Vienna University of Economics and Business, Austria	
Director Training	None	
Shareholding / % (including spouse and minor children)	None	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	2014 – Present : Director, Golden Maple Holdings Pte Ltd, China/Singapore 2012 – Present : Director, Bangkok Ranch Public Co., Ltd., Thailand 2011 – 2014 : Director, AgriNurture, Inc., Philippines 2010 – Present : Director, AustAsia Investment Holdings Pte Ltd, China/Singapore 2008 – 2012 : Director, Metallkraft A/S, Singapore/Norway 2007 – Present : Managing Director, Proterra Investment Partners (formerly Black River Asset Management), Shanghai/Singapore 2004 – 2007 : Credit Suisse First Boston, London/New York 2001 – 2004 : HSBC Investment Bank, Hong Kong/London	
Position in other companies potentially having conflict of Interest	None	
Board of Directors’ Meeting attendance in the past year (2015)	3 of 5	
Date of Registration as Director of BR	15 July 2013	


Name and Last name	Mr. Faris Ibrahim Taha Ayoub	
Position in BR	Director	
Age	36	
Nationality	British	
Education Background	The University of Edinburgh , MA (Hons.), Economics & Politics	
Director Training	None	
Shareholding / % (including spouse and minor children)	N/A as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	2012 - Present : Managing Director, Cassia Investments Limited, Hong Kong 2009 - 2012 : Executive Director, JP Morgan Chase, Hong Kong 2007 - 2009 : Investment Manager, Helios Investment Partners, London 2001 - 20017 : Vice President, JP Morgan Chase, London	
Position in other companies potentially having conflict of Interest	None	
Board of Directors' Meeting attendance in the past year (2015)	3 of 5	
Date of Registration as Director of BR	15 July 2013	

Name and Last name	Mrs. Nutthaporn Luangsuwan	
Position in BR	Director	
Age	52	
Nationality	Thai	
Education Background	2014: National Defence College Academy 2013: Capital Market Academy Leadership Program 2011: Advance Management Program, Harvard Business School, USA 1993: Master of Science in Finance, Suffolk University 1988: Master of Economic, Monetary Policy, National Institute of Development Administration 1984: Bachelor Degree of Science, Kasetsart University	
Director Training	Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)	
Shareholding / % (including spouse and minor children)	350,000 shares or 0.0383% as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	2002 – Present: Executive Vice President, Bangkok Bank Public Company Limited 2001 – 2002: Assistance Vice President, ABN AMRO Bank 1999 – 2001: Assistance Vice President, Bangkok Bank Public Company Limited Sep 1999: Vice President, DSA Service Ltd. 1994 – 1998: Senior Manager & Senior Analyst, The Nikko Securities Co., Ltd. 1993 – 1994: Investment Banking Analyst, Smith Barney Sherason, Inc. 1990 – 1991: Senior Investment Analyst, Manager Information Services Co., Ltd. 1998 – 1990: Research Assistant, Thailand Development Research Institute Foundation	

Position in other companies potentially having conflict of Interest	None
Board of Directors' Meeting attendance in the past year (2015)	4 of 5
Date of Registration as Director of BR	15 July 2013

Name and Last name	Mr. Thanawat Aroonpun	
Position in BR	Director	
Age	37	
Nationality	Thai	
Education Background	Economics, Kasetsart University	
Director Training	None	
Shareholding / % (including spouse and minor children)	490,000 shares or 0.0536 % as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	Present : Managing Director - Straits Asset Group Company Limited Present : Managing Director - Straits Asset Advisory Company Limited Present : Local Partner of Shinhan BNP Paribas Asset Management Company Limited (Infrastructure Fund, Korea) 2013-2015 : Investment Advisor to KDB Infrastructure Asset Management Company Limited (Infrastructure Fund, Korea) 2012-2013 : Advisor to Chairman of the Standing Committee on Monetary Affairs, Finance, Banking & Financial Institutions of the House of Representatives	
Position in other companies potentially having conflict of Interest	None	
Board of Directors' Meeting attendance in the past year (2015)	4 of 5	
Date of Registration as Director of BR	15 July 2013	

Name and Last name	Mr. Danai Pathomvanich	
Position in BR	Director	
Age	41	
Nationality	Thai	
Education Background	<ul style="list-style-type: none">- Senior Executive Program, Stanford University (2016)- DBA (Deferred), University of Manchester- MA International Finance and Economics, Chulalongkorn University- BS Finance, Thammasat University	
Director Training	<ul style="list-style-type: none">- Director Certification Program 207/2015, ACPG 25/2016. Institute of Directors (IOD)- Directors' College, Stanford University	
Shareholding / % (including spouse and minor children)	N/A as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	2013 - Present: Director, Anatis Foods Limited, Thailand 2012 - Present: Director, Dragon Path Asset Management Limited 2014 - Present: Director, Tasty Ventures Limited 2006 - Present: Managing Partner, Hatton Capital Limited 2004 - 2006: Executive Director, ED Media Company Limited 2001 - 2003: Thailand Representative, Celestial Asia Securities Holdings Limited 1999 - 2000: Arthur Andersen	
Position in other companies potentially having conflict of Interest	None	
Board of Directors' Meeting attendance in the past year (2015)	5 of 5 (100%)	
Date of Registration as Director of BR	15 July 2013	

Name and Last name	Mr. Richard Lee Gammill	
Position in BR	Director	
Age	44	
Nationality	American	
Education Background	MBA, University of California Los Angeles B.S. Engineering, Harvey Mudd College, Claremont CA	
Director Training	None	
Shareholding / % (including spouse and minor children)	N/A as at 31 December 2015	
Family Relationship with Management Team	None	
Other position other Thai listed Company	None	
Other position other non-Thai listed Company	2013 – Present: Director, Riverstone Farm Pte Ltd, China/Singapore 2013 – Present: Director, AC Proteína Agropecuária S.A./Brazil 2012 – Present: Director, Bangkok Ranch Public Company Ltd./Thailand 2010 – Present: Director, AustAsia Investment Holdings Pte Ltd, China/Singapore 2015 – Present: Proterra Investment Partners 2007 – 2015: Black River Asset Management, Minneapolis, MN 2006 – 2007: ARC Investment Partners, Beverly Hills, CA 2001 – 2006: DynaFund Ventures, Los Angeles, CA 2000 – 1998: Sabre Holdings Corp, Dallas, TX 1993 – 1998: Accenture, Minneapolis, MN	
Position in other companies potentially having conflict of Interest	None	
Board of Directors’ Meeting attendance in the past year (2015)	0/5	
Date of Registration as Director of BR	15 July 2013	

Management

Mr. Teerapong Lorratchawee

Position: Chief Financial Officer

Recent Working Experience:

Present: Chief Financial Officer, Bangkok Ranch PCL.
 2006 – 2012: Financial Controller, Bangkok Ranch PCL.
 2001 – 2006: Finance and Accounting Manager, Thai Rung Union Car PLC.

Education Background:

- MBA, Thammasat University
 - BBA, Accounting, Thammasat University

Family Relationship with Management Team: None

Mr. Wutinai Ulit

Position: Chief Information Officer

Recent Working Experience:

2005 – Present: Chief Information Officer, Bangkok Ranch PCL.
 2001 – 2004: MIS Manager Nakamichi Malaysia Sdn. Bhd.
 1992 – 2000: MIS Manager Capetronic International (Thailand) Public Company Limited

Education Background:

Master of Business Administration, Chulalongkorn University
 Master of Science in Computer Information System (MS-CIS) Assumption University
 Bachelor of Art in Public Administration (MPA) Krirk University

Family Relationship with Management Team: None

Dr. Siriporn Viriyabuncha

Position: Corporate and Compliance Director, Company Secretary

Recent Working Experience:

2013 – Present: Corporate and Compliance Director, Company Secretary, Bangkok Ranch PCL.

2003 – 2013: Senior lawyer, Natee International Law Office Ltd.

1995 – 2003: Tax and Legal Manager, KPMG Peat Marwick Suthee Ltd.

1991 – 1994: Senior Lawyer, SGVN Legal and Tax Consulting Ltd.

Education Background:

- Ph.D (Educational Psychology), Chulalongkorn University
- Master of Art, National Institute of Development Administration
- Bachelor of Law, Business Law, Chulalongkorn University
- Bachelor of Accountancy, Sukhothai Thammathirat University
- Bachelor of Business Administration, Ramkhamhang University
- Board Reporting Program (BRP), Thai Institute of Directors Association (IOD)
- Company Secretary Program (CSP), Thai Institute of Directors Association (IOD)

Family Relationship with Management Team: None

Mr. Teerawat Jarupipatpong

Position: Breeding Director

Recent Working Experience:

2009 – Present: Breeding Director, Bangkok Ranch PCL..

Education Background:

- Master of Business Administration, Chulalongkorn University
- Bachelor of Science, Chiangmai University

Family Relationship with Management Team: None

Audit Committee

As of 31 January 2015, Audit Committee consists of 3 members as follows:

Name	Position
1. Mr. Vudhiphol Suriyabhivadh*	Chairman of Audit Committee
2. Dr. Poranee Pataranawat	Audit Committee
3. Mr. Yeo Kok Tong*	Audit Committee

Mr. Kosol Yamleemul is the secretary of the Audit Committee since 9 September 2014

* **Remark** : The Audit Committees is two directors have knowledge and experience in auditing and finance

1. Mr. Vudhiphol Suriyabhivadh obtained a Bachelor of Science in Accounting from University of New South Wales in 1969
2. Mr. Yeo Kok Tong obtained a Bachelor in Marketing from Singapore Institute of Management in 1980. With experienced in Auditing and Finance, he held position Investment Board of PT Assuransi RAMA Indonesia since 2013 – 2014

Scope of Duties and Responsibilities of the Audit Committee

The Audit Committee has the duties as delegated by the company Auditing and Finance, he held pos

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, to determine an internal audit unit audit unitdit system to ensureprove 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 Exchange's regulations, and the laws relating to the Company's business;
4. To consider, select, and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year
5. To review 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 Exchange's regulations, and are reasonable and for the highest benefit of the Company;
6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information;

- (a) An opinion on the accuracy, completeness and creditability of the Company's financial report,
- (b) An opinion on the adequacy of the Company's internal control system,
- (c) An opinion on the compliance with the law on securities and exchange, the Exchangeial report, must be signed by the audit committee's chairman a
- (d) An opinion on the suitability of an auditor,
- (e) An opinion on the transactions that may lead to conflicts of interests,
- (f) The number of the audit committee meeting, and the attendance of such meeting by each committee member,
- (g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
- (h) Other transactions which, according to the audit committeettee from its performance n 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 work that the Audit Committee agrees to, as may be assigned by the Company's Board of Directors, whereas the company's activities relating to outside parties are responsible of the overall board of directors.

Tenure of the Audit Committee

The tenure of the Audit Committee is two (2) years, starting from the date of appointment. Nevertheless, a retiring director is eligible for re-election in accordance with the Board of Directors deems appropriate.

The Nomination and Remuneration Committee

As at 31 December 2015, the Nomination and Remuneration Committee consists of six directors as follws;

Name	Position
1. Mrs. Rosanna Suchaovanich	Chairman of Nomination and Compensation Committee
2. Mr. Joti Bhokavanij	Nomination and Compensation Committee
3. Mr. Gertjan Tomassen	Nomination and Compensation Committee
4. Mr. Vudhiphol Suriyabhivadh	Nomination and Compensation Committee
5. Mr. Lin Tai Chuan	Nomination and Compensation Committee
6. Mr. Joseph Suchaovanich	Nomination and Compensation Committee

Miss Kannikar Boonyarak is the Secretary of the Nomination and Remuneration Committee from 9 September 2014

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

1. Considered and advised the overall policy for nomination of the CompanyCompanyadvis, subcommittee members and staffs, and benefit of the Company's directors, subcommittee members and staffs.
2. Determined the employment policy for executive directors under consideration on the individual competence and employment of the Executive Board; and also determined the scope of wage payment in the event of dismissal and pension management.
3. Approved total remuneration for the Chairman of the Board, and remuneration and benefit for Chief Executive Office and other executive directors through consideration on individual competence under requirement of consented policy.
4. In considering special remuneration from the Company Board, and remuneration and benefit for Chief Executive Office and other executive directors through consideration on indactor (Indicator) of the significant operations and verification of yielded turnover when compared with significant operating target and indicator of (i) the Company, and (ii) individual executive director under consideration on individual competence.
5. Approved long-term benefit such as Share Appropriation Rights, and Receipt of Performance Shares, and audit work criteria under consideration on long-term benefit of the staffs that will be received under different forms used by the Company.
6. Verified the format of benefit provision in term of Share Incentive Scheme and determined working criteria to be presented to the Board and the Meeting of Shareholders for further consideration and approval.
7. Consented the policy for approval on claim of expenses from Chief Executive Officer and Chairman of the Board.
8. Executed to ensure that the benefit in different natures is given in consistency with the policy and system of the Company's risk.
9. Verified to be satisfactory that the guideline and policy for determination of remuneration in the report of director remuneration specified in Annual Report of the Company are fairly taken place.
10. Considered function and membership in the Nomination and Remuneration Committee's Meeting and their own Terms of Reference to ensure of maximum benefit from their function; and advised to have change in such issue based on necessity for consideration and approval by the Board of Directors.

11. The Chairman of the Nomination and Remuneration Committee had to report the Board of Directors for acknowledgement about the operation after each Nomination and Remuneration Committee's Meeting.

12. Prohibited any director not to enter to participate in consideration of self-remuneration.

13. Advised the Board as deemed as proper in the part related to Terms of Reference that should be executed or improved.

14. Considered other issues as assigned by the Board of Directors

Tenure of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee will be dismissed in case of:

- (1) Death
- (2) Resignation
- (3) Being removed by the Board of Directors

Any Director wishing to resign shall submit his resignation to the Company in writing to Chairman of the Board. In the event there is a vacancy, the Board shall appoint a qualified person to fill such vacancy within Ninety (90) days.

Executive Board

As of 31 December 2015, the Executive Board has been consisted of 7 members as follows;

Name	Position
1. Mr. Joseph Suchaovanich	Managing Director of Asia and Asia-Pacific
2. Mr. Gertjan Tomassen	Managing Director of Europe
3. Mrs. Rosanna Suchaovanich	Chief Operating Officer
4. Mr. Gerard Martin Elbertsen	Chief Financial Officer (Netherlands)
5. Mr. Teerapong Lorrachawee	Chief Financial Officer (Thailand)
6. Dr. Siriporn Viriyabuncha	Corporate and Compliance Director

Mr. Chonlachart Worawuthichongsathit is the secretary of the Executive Board since 1 January 2016

Scope of Duties and Responsibilities of the Executive Board

1. Provide Strategic Direction, Management Structure and Annual Operational Plan and budget
2. Ensure than the Company operates according to the already set plan, goals and objectives.

3. Check and Monitor the Company and its subsidiaries already set plan, goals and objectives. acancy within Ninety (90) days.out

4. Seek and evaluate new business opportunities

5. Review and recommend the dividend policy to the Board of Directors

6. Review and approve the investment transaction, asset divestment, human resource management, financial and monetary resource, general administration of the Company's operation under the specified responsibilities approved by the Board of Directors. However, the Executive Board can assign the Management or Staff to perform the tasks as long as they are not conflicting with the Company's interests. (as specified in the Companynystment transaction, asset divestment, human resource management, financial and monetary resrinciples set by the Board of Directors and related laws.

7. Review and check the risk management and the risk management system of the Company

8. Identify the advisor or persons with independent view to provide opinion or advice as necessary

9. Request Management or Staff to attend the Board of Director meeting to provide information on topics discussed.

10. Report the Executive Boardf to attend the Board of Director meeting to provide information on topics disc

11. To evaluate the performance of the Management on a regular basis.

12. Review and Determine the suitability of this resolution

13. Perform duties assigned by the Board of Director

Tenure of the Executive Board

The director will be dismissed in case of:

- (1) Death
- (2) Resignation
- (3) Being removed by the Board of Directors

Any Director wishing to resign shall submit his resignation to the Company in writing to Chairman of the Board. In the event there is a vacancy, the Board shall appoint a qualified person to fill such vacancy within Ninety (90) days.

A report on updated (1) Form 59-2 and (2) Declaration of Interest of Directors and Executives as at February 1, 2016 of BR

No.	Name	Position	Total common shares (shares)	
			Shareholding in BR (Form 59-2)	Declaration of Interest
1.	Mr. Joti Bhokavanij	Chairman of the Board / Independent Director	7,503,576	None
2.	Mr. Taveechai Charoenbundit	Vice Chairman of the Board / Independent Director	100,000	None
3.	Mr. Joseph Suchaovanich	Vice Chairman of the Board	629,603	Spouse to Mrs. Rosanna Suchaovanich
4.	Mr. Gertjan Tomassen	Vice Chairman of the Board	1,612	None
5.	Mr. Vudhiphol Suriyabhivadh	Chairman of Audit Committee / Independent Director	7,223,576	None
6.	Dr. Poranee Pataranawat	Audit Committee / Independent Director	200,000	None
7.	Mr. Yeo Kok Tong	Audit Committee / Independent Director	10,000	None
8.	Mr. Faris Ibrahim Taha Ayoub	Director	N/A	None
9.	Mr. Lin Tai-Chuan	Director	N/A	None
10.	Mr. Richard Lee Gammill	Director	N/A	None
11.	Mrs. Nutthaporn Luangsuwan	Director	350,000	None
12.	Mr. Thanawat Aroonpun	Director	454,000	None
13.	Mrs. Rosanna Suchaovanich	Executive Director	3,881,798	Spouse to Mr. Joseph Suchaovanich
14.	Mr. Gerard Martin Elbertsen	Director	1,400,000	None
15.	Mr. Danai Pathomvanich	Director	N/A	None
16.	Mr. Teerapong Lorratchawee	Chief Financial Officer	76,302	None
17.	Mr. Wutinai Ulit	Chief Information Officer	82,800	None
18.	Dr. Siriporn Viriyabuncha	Corporate and Compliance Director/ Company Secretary	30,000	None
19.	Mr. Teerawat Jarupipatpong	Breeding Director	186,702	None

Remuneration of Directors and Executives

The Board of Directors assigns the Nomination and Remuneration Committee to consider the returns for directors, sub-committee and chief executive officer by speculating duty, responsibility compared to other businesses with similar size. The committees that are assigned more duties and tasks, they deserve to receive more allowance.

Monthly Allowance Rate and Meeting Allowance

Position	Monthly Remuneration (Baht)	Meeting Allowance (Baht per Time)
Chairman of The Board	100,000	-
Vice Chairman	75,000	-
Director	25,000	-
Chairman of Audit Committee	70,000	-
Audit Committee	35,000	-

Details of Director's allowance Payment in 2015

Name-Surname	12 Months Round Ended 31 December 2015		
	Monthly Remuneration (Baht)	Meeting Allowance (Baht)	Total (Baht)
1. Mr. Joti Bhokavanij	25,000	-	1,500,000
2. Mr. Taveechai Charroenbundit	25,000	-	1,200,000
3. Mr. Joseph Suchaovanich	25,000	-	300,000
4. Mr. Gertjan Tomassen	25,000	-	300,000
5. Mr. Vudhiphol Suriyabhivadh	25,000	-	1,140,000
6. Dr. Poranee Pataranawat	25,000	-	720,000
7. Mr. Yeo Kok Tong	25,000	-	720,000
8. Mr. Faris Ibrahim Taha Ayoub	25,000	-	300,000
9. Mr. Lin Tai-Chuan	-	-	-
10. Mr. Richard Lee Gammill	-	-	-
11. Mrs. Nutthaporn Luangsuwan	25,000	-	300,000
12. Mr. Thanawat Aroonpun	25,000	-	300,000
13. Mrs. Rosanna Suchaovanich	25,000	-	300,000
14. Mr. Gerard Martin Elbertsen	25,000	-	300,000
15. Mr. Danai Pathomvanich	25,000	-	300,000

Director's allowance

In 2015, Bangkok Ranch Public Company Limited has paid directors allowance including monthly remuneration to 13 directors in amount of Baht 7,680,000. Two directors had not received allowance due to investment condition of the Company's capital group.

Corporate Governance Policy

The Board of Directors' Meeting No. 5/2014 on 9 September 2014 resolved to approve the determination of corporate governance policy in accordance with the guideline of the Stock Exchange of Thailand. The Company has adhered and complied with the principle of good corporate governance in its business operation through its directors, executives and staffs. Moreover, the principle of good corporate governance is deemed as the crucial factor in promoting overall success of the Company as an organization which is responsible for the society.

The Company has prepared the document of the corporate governance policy to be used as the guideline for compliance of the directors, executives and staffs with the rule of the Stock Exchange of Thailand and criteria of corporate governance of the Organization for Economic Co-Operation and Development (OECD). The corporate governance policy of the Company consists of the following significant principle.

Section 1: Right of Shareholders

With awareness on the significance of interest and facilitation of the exercise of the shareholder's right, the Company therefore determines the policy of equitable and equal treatment to all shareholders as follows:

1.1 Promoting the exercise of the shareholder's right

The Company promotes all shareholders to equally and impartially exercise their rights, promotes all shareholders to attend the Meeting of Shareholders as well as promotes the shareholders to propose their opinions and suggestions to the Board of Directors.

1.2 Facilitating shareholders in meeting attendance and voting in the meeting

The Company promotes the participation of the shareholders in decision making in the crucial issues and voting in various issues in the General Meeting of Shareholders. However, in each voting for resolution, voting shall be made in ballot.

1.3. Delivering information of the Meeting of Shareholders

The Company shall keep its shareholders informed in advance about the key information, criteria and method used in the meetings as well as voting method in each meeting agenda prior-the General Meeting of Shareholders, under its attempt to deliver all information of the Meeting of

Shareholders to all shareholders for not less than seven (7) days in advance so that the shareholders can study the information prior-meeting attendance beforehand. Moreover, the Company shall announce all of the said information in the Company's website prior-delivery of Invitation to the Meeting.

1.4 Giving opportunity to shareholders in interrogation and opinion expression in the General Meeting of Shareholders

The Company opens the opportunity to all shareholders to inquire queries, express opinions or express any suggestions in every Meeting of Shareholders.

Section 2: Equal Treatment to Shareholders

The Company adheres to equal treatment to its shareholders and manages the equal acquisition of information for all shareholders. The opportunity is also given to its shareholders to nominate the directors and propose additional meeting agenda via the Company's website.

2.1 Procedure and Method of the Meeting of Shareholders

The Company facilitates the shareholder who cannot attend the Meeting of Shareholders through the use of Power of Attorney, and promotes the shareholder who cannot attend the Meeting of Shareholders to enable to appoint the an independent director of the Company as the proxy to attend the Meeting and vote in lieu of him or her.

2.2 Insider Trading

The Company's directors, executives and staffs shall be responsible for strict confidentiality of the corporate information (particularly the inside information which is improper for public disclosure) whereas the Company's directors, executives and staffs shall not utilize such information for self-benefit or for other people's benefit and shall strictly comply with laws and the policy of non-insider trading for their own securities.

2.3 Conflict of Interest

The Company's directors, executives and staffs shall keep the Company disclosed for acknowledgement without delay in the event of any gains and losses that may cause conflict of interest or connected transaction doing so as to be in line with the criteria of the Securities and Exchange Commission and of the Stock Exchange of Thailand as well as the Company's policy.

Section 3: Role of Stakeholders

The Company adheres to the general principle of equal treatment to stakeholders such as shareholders, customers, staffs, business partners, and creditors, public and competitors, so as to create fairness and transparency. The Company therefore shall consider the interests of its stakeholders as follows.

3.1 Shareholders

Right and treatment to the Company's shareholders are in line with what are determined in Section 1 and Section 2 of this document.

3.2 Customers

The Company attempts to maintain and reinforce good long-term relationship with its customers under the Company's will of maximum customer satisfaction through high quality product manufacture and service to meet customer demand as much as possible at fair price, after-sales service on advanced standard basis, and provision of accurate information related to the Company's business operation and products to its customers.

The Company remains and tries to maintain the communication channel with its customers by opening to listen to the customer opinions all the time.

3.3 Staffs

All of the Company's staffs are regarded as the valued resources of the organization and are significant for growth and profitability of the Company and its subsidiaries. With the Company's attempt to furnish the quality work environment to its staffs, the maximum safety and health issue is emphasized. The Company treats all staffs with fairness to gain impartial and fair return when compared with the similar businesses.

In addition, the Company also gives the precedence to development of skills, knowledge and competence and potential of the Company's staffs with attempt to build various work environments and motivate the retention of high competent and knowledgeable staffs for continuous corporate development.

3.4 Business Partners and Creditors

The Company deems that to make its business partners and creditors truly understand about its business is the significant matter so as to remain sustainable and clear relationship on mutual trustworthiness basis between the Company and its business partners and creditors.

The Company fairly treats its business partners and strictly complies with terms and conditions of the contract as well as provides accurate and complete financial information to the Company's creditors.

3.5 Public

The Company pays attention and emphasizes on environmental and social safety and quality of life of the parties related to all of the Company's operations and purveys the compliance with laws and regulations.

Moreover, the Company attempts to participate in activities that are the creation and preservation of environment and society as well as cultural promotion of the countries where the Company are operating its businesses.

The Company has the disposal measure of waste and garbage from its production for minimum people, environmental and social impact.

3.6 Competitors

The Company treats its competitors in accordance with the framework of ethical and fair competition and business engagement under the goal of market progress and development. This will positively affect the overview of the industry.

Section 4: Information Disclosure and Transparency

4.1 Information Disclosure

The Company accurately discloses its key information with transparency without delay under consideration on the appropriateness of the information disclosure.

4.2 Relationship with Shareholders / Investors

The Company arranges the officer of Investor Relation Department of the Company to perform the communication with the investor or shareholder as well as institution investor and sub-investor. In addition, the Company holds the meeting for regular analysis of overall operations.

4.3 Director Information

The Company discloses the information of each director as well as role and duty of the Board of Directors and Subcommittee of the Company in the Company's Annual Report (Form 56-2) and Annual Registration Statement (Form 56-1).

4.4 Financial Reporting

The Company gives precedence to the financial report marking the Company's actual financial status and turnover on the basis of adequate, complete and accurate accounting information in accordance with generally accepted accounting standards.

4.5 Remuneration of Directors and Senior Executives

The Company discloses remuneration of the directors and senior executives in the Company's Annual Report (Form 56-2) and Annual Registration Statement (Form 56-1).

Section 5: Responsibility of the Board of Directors

The Board of Directors shall perform their duties as required by relevant laws and govern the operations to be in line with corporate governance policy.

The Board of Directors purveys the requirement of Code of Conduct, the charter of the Board of Directors and Subcommittee as necessary and appropriate (such as the Audit Committee, and Nomination and Remuneration Committee, etc.), the charter of clear function of Subcommittee as necessary and appropriate (such as the Risk Management Subcommittee), and the charter of clear function of Subcommittee and other documents that determine the guideline of function, duty and responsibility of the Board (such as operating manual of the directors, training manual, etc.). In addition, the Board of Directors shall yearly conduct self-assessment of the Board's performance.

Supervising Internal Data Use and Trading of the Company's securities

The Board of Directors realizes the importance of the good corporate governance. In order to ensure transparency and prevent the use of information of the Company that has not been made public to seek benefits for oneself, the Company has set a policy to use the company's data as follows:

- Educate directors, executives, and executives in accounting or finance at a level of Division Manager and above or equivalent on their duties to prepare and submit the report of securities holdings of themselves, their spouses, and immature children to the Office of the Securities and Exchange Commission pursuant to Section 59, and determine the penalty pursuant to Section 275 of the Securities and Exchange Act B.E. 2535.
- Directors, executives, and executives in accounting or finance at a level of Division Manager and above or equivalent are required to initially prepare and submit the report of securities holdings of themselves, their spouses, and immature children to the Company Secretary at all times prior to submitting to the Office of the Securities and Exchange Commission within 30 days from the date of appointment as directors or executives; or to report changes in securities holdings within 3 days from the date of trading, transferring, or acquiring the securities.
- Directors, executives, as well as executives in accounting or finance at a level of Division Manager and above or equivalent, and concerned staff who have acknowledged the Company's significant information which affects changes in the stock price have to suspend trading of the Company's securities prior to the disclosure of the financial statements or financial position and the Company's status until the Company discloses such information to the public. In this regard, the Company shall inform directors, executives, and executives in accounting or finance at a level of Division Manager and above or equivalent in writing to suspend trading of the Company's securities for at least 30 days in advance of the disclosure of information to the public. In addition, they should wait for at least 24 hours following the disclosure of information to the public, as well as not to disclose such significant information to other people.
- Determine the disciplinary action in case of insider trading violations for purpose of seeking benefits for oneself in the form of written warning, reduction in pay, suspension without pay, or termination. The disciplinary action is subject to the intent of the action and severity degree of the action.

Anti-Corruption

The Company aims to conduct its business with transparency and honesty in accordance with laws and guideline of good corporate governance with awareness that the function with honesty is the significant factor contributing to sustain the Company's reputation and support its business. Therefore, anti-corruption policy has been determined to be used as observance guideline for all levels of related parties under below essence.

The Company gives precedence to prevent non-occurrence of wrongful benefit exploitation in duty for themselves or other persons in below issues.

1.1 Bribe and Incentive

It is entirely prohibited to give or receive bribe and incentive in any forms and prohibited to assign other persons to give or receive bribe and incentive instead.

1.2 Gift and Interest

It is prohibited to give or receive gift and any other interests to motivate practice, or to omit wrongfully function, or to possibly cause consent and relief in improper business agreement for observance according to the criteria as determined in the staff ethics.

1.3 Charity Donation and Subsidy Granting

The charity donation and subsidy granting shall be transparently taken place without conflict of law and moral.

1.4 Political Activity and Participation

The Company shall not use its capital or resources for political support to the candidate who competes as the politician or to any political party for political campaign or political activity operation unless the support provision is legally permitted and overall democracy is supported upon the Company's approval prior-operation.

1.5 Risk Management

The Company purveys risk management in relation to wrongful benefit exploitation in duty in order to ensure that such risk can be prevented or controlled under determination of identification, assessment, control and monitoring, and reporting of risk related to wrongful benefit exploitation in duty according to policy and process of risk management determined by the Company.

1.6 Internal Control

The Company manages to have good governance of the Company's business operation and control culture under significant risk assessment, determination of efficient control activities and proper function segregation as well as purveyance of reliable and adequate information system, and regular internal control monitoring and assessment.

1.7 Human Resource Management, Communication and Training

The Company gives the precedence to efficient human resource management, and communicates, educates and trains about the policy of prevention from wrongful benefit exploitation in duty and the relevant regular practical guideline for promotion of the related parties to understand and properly work.

Corporate Social Responsibility

From our vision, mission and corporate values, BR Group focuses on the quality and safety in all stages of production, including caring and delivering our products to customers with the heart of administration. We are passionate to develop the potential people with capability as well as we encourage our people to foster their own contribution and awareness in the environment protection to create share value to society.



Core Values for Sustainability:

“PDF” is our values and our heart which is essential in our BR works and permeates in every BR angles either employee behavior, thinking process, working process, technology, and products.

P - Partnership

Give opinions or recommendations to his/her supervisor when he/she observes situations that may cause problems in the future; demonstrate a willingness to involve any work that support the success of organization; be a good partner or an advisor to provide useful information to colleagues and supervisor.

D – Dedication

Work and address problems immediately to solve urgent task required as target; willing to participate in any activities or works that may not be his/her roles and responsibilities; demonstrate fully sacrifice and dedicate all capabilities for his/her

F - Fairness

Discuss with direct supervisor on the requirements of task (objective, result, timeframe, process etc.) with immediate actions needed to preventive problems; treat his/her supervisor colleagues and subordinates with equality and fairness; work attitude by focusing on benefits of organization more than his/hers

OUR VISION

The world's most reputable purveyor of duck.

OUR MISSION

Sustaining a valuable business platform based on quality duck-related products , satisfying customer demand as well as benefiting all stakeholders and the public a large.

Sustainable Target

The value of the company and its shareholders:

To expand a group of businesses with stability and sustainability to lead to growth in the value of the shareholder in a long term basis.

Customers and consumers:

To present the valuable and modernize products to the company's customers.

Member of the staff and organization:

To enhance the knowledge, ability of the staff within the organization with happiness.

Society and the environment:

To receive recognition that they are a good citizen who are responsible to the society and the environment.

BR Group Sustainable Approach





We believe. as a manufacturer and distributor, to deliver quality and safety of purveyor products, it must be driven by the strength of BR Core Value to employees adhere to and comply with the values: “P” Partnership, “D” Dedication, “F” Fairness, including; our employees must understand and adhere to the practice of Good Corporate Governance and foster the creating of shared values in order to be sustainable for organization, society, and community.

The major factor in driving to achieve a sustainable development is “**Human Resource Development**”, which are the valuable resource assets and the main driver for sustainable achievement. The Company strives to develop and nature both the managements and employees in any races to be a good leader for long term sustainability including the provision of equity and fairness in human resource management as well as respect for human right both the Company and its business partners.




The Company is committed to take the business practices that generate a positive impact on the environment in the production process and all products delivered process by creating a natural balance and applying the standardized system to administer and manage in all internal processes. In addition, the Company provides support and help building the relationships with both supplier partners and business partners to ensure a positive experience with long-term relations and sustainability goals which includes the stakeholder engagement as well.

With this strategy, the sustainable development is thus a key driver of the Company to develop the capacity to produce and deliver the quality and safety of purveyor products and be beneficial to society. The process development, work consistency and dynamic, promotion with integrated concept of responsibility and creating share values is the part of our culture of the organization, coupled with the strengthening of the economic, social and environment.

Stakeholder Engagement

Stakeholder Engagement			
Stakeholder Group	Engagement Approach	Stakeholder Expectations	BR Response
 Customers	<ul style="list-style-type: none"> • Dialogue, Face-to-Face meetings, customer visit • Customer feedback Surveys • Standardized procedures to customers 	<ul style="list-style-type: none"> • Quality products and services • Impartial treatment • Protection of customer data 	<ul style="list-style-type: none"> • Develop new innovative products and services to meet customer expectations • Customer data protection procedures and measurement
 Employee	<ul style="list-style-type: none"> • Town-halls Meeting (Year-end/Half-year Reviews); conference, social activities • Performance Appraisal • Individual Development Program 	<ul style="list-style-type: none"> • Appropriate employee rewarding and recognition system • Career advance and security 	<ul style="list-style-type: none"> • Respect human rights and treat employees impartially • Employee development Program • Employee engagement activities
 Suppliers	<ul style="list-style-type: none"> • Regular meetings and site visits/audits 	<ul style="list-style-type: none"> • Equal and fair treatment to every supplier • Clear orders and transparent procurement process • Long-term order commitment to product/supplier • Flexibility to adjust prices of product/services offered 	<ul style="list-style-type: none"> • Establish clear supplier selection and audit processes • Establish Supplier Code of Conduct • Review and improve procurement process and communication to meet mutual needs • Share knowledge and technologies to improve procurement processes • Review and take immediate actions on any issues that occurred
 Government Agencies	<ul style="list-style-type: none"> • Regular government agencies meetings and events 	<ul style="list-style-type: none"> • Partnership in government agencies programs • Involvement in new public policies and best practice sharing 	<ul style="list-style-type: none"> • Share best practice programs with certain governments agencies

Stakeholder Engagement

Stakeholder Engagement			
Stakeholder Group	Engagement Approach	Stakeholder Expectations	BR Response
 Shareholders and Investors	<ul style="list-style-type: none"> • Annual General Meeting (AGM) • Annual report • Press releases • Quarterly financial announcements • Meetings with investors and equity analysts 	<ul style="list-style-type: none"> • Maintain management excellence to ensure above average performance • Impartial treatment • Good corporate governance • Internal control and audit system 	<ul style="list-style-type: none"> • Publish Annual Reports • Deliver business performance and pay dividends • Provide transparent and timely on the updated information • Establish business code of conduct
 Community	<ul style="list-style-type: none"> • Engage employees in volunteer activities • Regular site visits and meeting with community leaders 	<ul style="list-style-type: none"> • Conduct business with social responsibilities, particularly concerning public benefits • Promote and participate in activities that benefit communities and the whole society 	<ul style="list-style-type: none"> • Volunteer employees participate in activities that benefit communities and society • Develop community-related projects
 Business Partners	<ul style="list-style-type: none"> • Regular meetings • Site visits and interactions between Business Development team, BR team and business partners 	<ul style="list-style-type: none"> • Create shared value and mutual benefits for the businesses • Share knowledge for business improvements, innovations in new products and services • Willingness to promptly provide support when issues occur 	<ul style="list-style-type: none"> • Review and discuss with business partner on value-creation initiatives • Review and update product innovations • Review and take immediate actions on any issues that occurred

Becoming the “BR Family”

BR pays special warm attention on the orientation program for new employees when they enter into the BR family. We engage new employees through learning with “PDF” and “G3” in order for them to better understand as well as contribute new ideas to apply for their works and lives in everyday actions. BR management team participate the orientation program to share the best knowledge or practice from their work experiences to new employees.



Diversity and Inclusion

BR is committed to the fair treatment to employees, including compliance with all labor laws and human rights standards. BR rules and regulations cover all business units and functions without exception, including all employee levels from top management to operational workers. In addition, we respect employee rights by promoting freedom of expression, gender equality, and the fair treatment of indigenous minorities and people with disabilities. As of 31st December 2015, we have a total of 1,751 employees.

Respect of Human Right and Quality of Labor Life

The Company has a policy to implement human rights as an approach of important work process and integration. The policy on human rights is part of the implementation of the entire Company which has presented in Corporate Governance, business ethics, code of conduct, regarding the treatment of employees, social responsibility policy, restrictions on work, employment conditions agreement, and employee handbooks, etc.

The Basic Rights of Employee Equally Treatment Practice

- The Company allow employee to have the full eligible rights without discrimination, including education, employment, social activities, etc., and the right of their marriage and family matters. The Company’s rules and regulations state on the right of maternity leave and the right of transferring to temporary function during pregnancy and also state on the non-discriminate in employment, e.g., gender, race, etc.
- The Company support disabled people to be treated with dignity, freedom, and to participate fully in society. We respect each other regarding to non-discrimination, reasonable consideration of access to various facilities. We open widely to recruit disabled people and currently we have disabled employees working with us.
- The Company takes consideration on the higher interests to children and youth, including non-discrimination, the right to life of child, the right to survival, the right of children development, and freedom of expression and currently we have internship-students working with us.
- The Company recognizes and respects the rights of equal opportunity and equally treatment as well as encourage work environment to eliminate prejudice against people, religious groups, such as providing prayer room for Islam employees, etc.
- The Company has policies and practices in the employment of alien employees by directly engaging the employment from the legally recruitment agency of the country of origin according to the Government of Thailand designated a Memorandum on the Work of alien employees in bilateral (MOU) to avoid the human trafficking issues and forced labor. It is included the equally fair treatment to Thai and alien employees and welfare benefits provided, e.g., accommodation for alien employees, and so forth.

Fair Equally Treatment to Employees

- The Company has a policy of employment free from bias by not based on race, color, nationality, sex, gender or national origin, ethnic or social origin, caste, marital status, sexual orientation, disability, health status, political relations, or any bias matters. We will not allow the discrimination of employment, either gender, nationality, religious, etc., as well as our female employees are appointed to be Top Management.
- The Company focuses on the importance of stable employment in both permanent and temporary employees. We will use the annual man-power planning to control and avoid the excessive temporary workers usages unless the nature of work in short-term or seasonal works period.
- The Company has to report the information within a reasonable period and co-works with Welfare Committees or Employee Representatives to discuss and find ways to reduce the impact of operational changes.
- The Company provides equal opportunities for all employees and non-discrimination, both directly and indirectly in terms of labor practices on the basis of race, color, nationality, gender, age, national

origin. This is stated in the Corporate Governance Policy under the right of stakeholders (employees), e.g., probationary period, permanent employees appointment, job vacancy, etc., and employment terms and conditions, e.g., promotion criteria, job transfer, protection migration, retirement, etc.

- The Company has policies and practices in employment, e.g., income, employment status, employment conditions, etc., as well as employee training and promotion or termination, depending on the job requirements. This is stated in Code of Conduct regarding to the employees treatment, the Company's rules and regulation, employment conditions.
- The Company has a practice of dismissal according to the employment conditions, Company's rules and regulations regard work discipline, disciplinary action or guidelines for the offense and punishment.
- The Company has a policy to protect the privacy and the privacy of employees through document control management system to determine the identity and level of accessibility to the personal information as well as personal documentation.

Human Resource Development

BR Group is likely the "Organization with Plenty of Opportunities". Employees are provided with opportunities to learn and develop their potential in the real situation and chances to show their talents in overcoming challenges. This would thus help our people to show full potential of their capabilities with the increasing challenges at all time. We provide the opportunity for our employees to grow with our business growing and see the opportunity for career growth both in the current and future path.

In 2558, the Company has consistently held human resource development as it priorities both in Practical/Operational Skills (Functional/Technical) and Management Skills (Leadership Development).

Practical/Operational Skills

The Company has a sharing knowledge based in terms of operation and technical skills among BR Group between countries. The employees in various levels, neither operational level nor sr. management level have an opportunities to be trained as on-the-job-training and operation/technical training in real situation in various countries, e.g., Holland, China, etc., ensuring that our employees are better understanding on the real practices and able to transfer knowledge or share best learning practices to employees in each of the relevant functions.



In addition, we consistency emphasizes on learning and development for employees, especially on the matters related to Food Safety Standardization.

Leadership/Management Skills

The Company emphasizes on the Leadership Development as well as Management Development to all levels. Last year we rolled out 2 major Leadership Development Programs throughout the year for all employees to learn and apply in a real practical situation:

- "Strategic Leadership Development for Business Driven"- focus all employees to attend the program through learning and activities based as well as the use of Extend DISC to create and develop leadership in self at all levels.

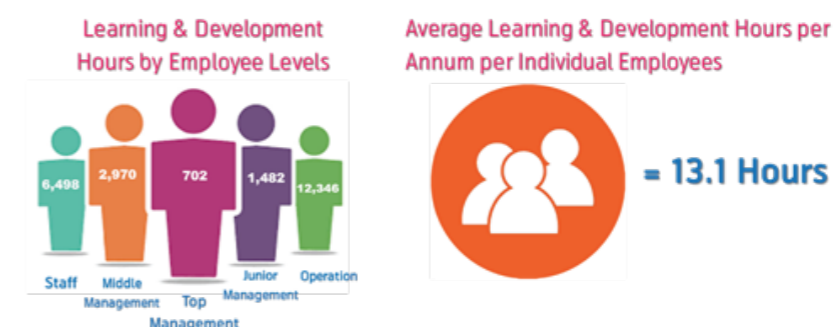
- "J2N New Me Newland"- encourage employees to elevation their behaviors and tradition processes to shift to be the new one in terms of work behaviors and new thinking processes in order to support change and external business competition. In 2015, we emphasized to elevate the employee in Top and Middle Managements to be a role model in transformation processes. The Company still continues to promote "New Me Newland" Programs in 2016 and roll out to all levels in order to be elevated themselves to work in the expansion of sustainable business growth.



In 2015, the Company spent 23,998 hours in human resource learning and development with average at 13.1 hours per annum per individual employee.



Learning and Development Hours by Employee Levels



Professional Career Development Program for Chef

Apart of the company committed to focus on the human resource development within BR Group, we intend to develop outside, in particular to the professional development in “Chef” position. We obtained cooperation with Thailand Culinary Academy by organizing “**Thailand Duck Cooking Challenge 2016**” Competition as a tool for learning and development in career growth with professional standards. This competition is a phenomenon new to the field of Chef in Thailand to strengthen the experience and understanding of the word “**Professional**” in “**Chef**” career path.

In this competition, there were more than 1,000 exhibitors from all regions to join the Cooking Competition under the standard rules of World Association of Chefs Societies (WACS) and we have created a competitive special BR Group Cooking Challenge Arena in the competition area of over 1,000 square meters at the Central Festival in 5 regions: Central Festival Pattaya, Central Festival Chiangmai, Central Festival Khon Kaen, Central Festival Phuket, and Central Festival Samui. The competition is divided into two levels: “Professional Level”, contestants must be minimum 24 years of age; “Youth Level” contestants must be aged below 24 years.



The Company obtain good cooperation with Chef Somsak Rarongkum, Vice President of Thailand Chefs Association and Chef Willment Leong, Thailand National Team Coach, to be the honor Trainer in providing knowledge and sharing experience for the class of “**To Be The Great Chef**” by conducting the class in nationwide from October 2015 until December 2015 with free expenditures for all participants.



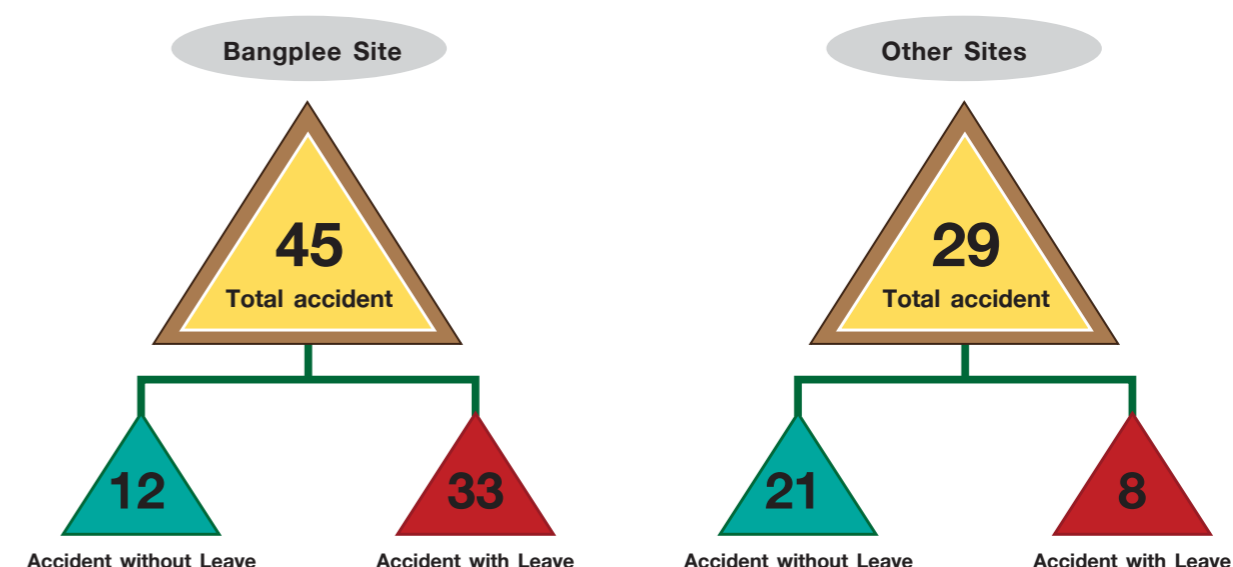
Health, Safety and Environment in the Workplace

The Company emphasizes on creating the best working environment for all employees in all workplaces, whether farm, plant, or office locations, to ensure the safety operation for the stakeholders. Under proactive management of health, occupational health and safety, we initiate a risk assessment program on occupational health. Work space design was executed to limit unsafe possibility from the source. The work environment including chemicals, light, noise, and heat, is regularly monitored to define preventive and mitigation measures, as well as improving workplace safety. With our caring to employees, the information or knowledge regarding health, occupational health, and safety will be transferred to employees including the policy, starting from the first day of orientation program and also in the Job Safety Analysis Program in each line regularly in order to learn on how to prevent and cope with hazards and illnesses that may occur in the workplace.

To ensure the operational effectiveness, the Company has set up the Health, Occupational Health and Safety Committees to monitor and maintain the work procedures to be complied with system standards and legal requirements. The Committees will have a regular meeting on monthly basis and their roles are to enhance knowledges and skills for themselves and also for employees, especially the capability of safety equipment usage, in order to handle emergency situations according to legal requirements, such as fire drills management, firefighter preliminary training, forklift driving with safety, etc.



Accidental in Workplace



Fostering Creating Share Values to Society

The Company believes that the sustainable development has come from creating shared values and corporate social responsibility. We intends to cultivate and encourage the employee from the first day of joining the BR Family and we also convey the vision regarding the sustainable development to employees by initiating each function to held their own various activities to deliver consistency of the values to society during working with the Company.

The employees gathered up together to create a share value to society as volunteers include:

- **"Little Duck Por Pieng"**, aims to set for employees and remoted school to get deep understanding of the new agriculture theory based on Sufficiency Economy (Integrated farming and agriculture). The Company will transfer knowledge of the preparation of organic fertilizers, farming horticulture kitchen/food crop 30:30:30:10, duck farm in fish pond, to serve as lunch for school itself. This will support school to be self-reliance and to reduce the burden of parents, teachers, or governments.

- **"Meal for Kid"**, aims to set for remote school to be able to consume the hygiene lunch meal, and to promote a good health for kids, etc. The Company prepared and cooked for lunch at remote schools with the Company's products and also offer the Company's products, financial support, toys, or necessary stuffs to kids such as Kratumthongprachasang School, Petchaboon, that we has been involved with students and teacher the lunch and provide the scholarships as well as trash to school.



- The **"Big Cleaning Day"**, aims to encourage both employees and communities to help and maintain the good environmental surrounding as well as to build the relationships between Company and communities by making it clean, e.g., sweeping, garbage collection, cleaning floors and mowing in the areas around the plant.



- **"Klong Sua Name Sai"**, aims to bring employees and communities around the plant to maintain public streams which are the river of lives and the community. This also creates a better relationship between the community and the Company. Moreover, our employees and the communities help together to get rid of weeds floating on the water and garbage in the canal park and we will educate the community on the waste water treatment and environmental management in order to be beneficial for the community as a whole in the future.

- **"Sustainable Forest"**, aims to provide employees recognizing the preservation of natural resources which currently reduce less and less by joining with the related government agencies, such as the restoration and conservation of mangrove reforestation activities and so on.



- **"Jak Jai Pi Hai Nong"**, aims to provide scholarships and educational equipment to children and students for remote schools. We have got a good cooperation from the related government agencies to organize the programs, such as "Library Dream", "Anti-drug Activities", "Risk-Reduction-In-School" etc., and we also donate computer to school for their usage as the media of instruction.

- **"Plant for 5 Precepts"**, aims to encourage employees to adherence to be moral and a good citizen with unity and harmony such as blood donation, etc.

In addition, to creating values to society, the Company pays more attention on its surrounding community. In recent years, our employees supported and helped one of neighbor in the community to build up a new home after the cause of fire and ensure that they can get back to live with happiness as before.



Environment Responsibilities

The company is committed to support the suitability, in particular of environment which is the challenge for us as a leader in Agriculture and Food Processing Industry to manage and mitigate environmental impacts as effectively and efficiently. We have 2 major goals which are aimed to reduce environmental impact and to create a natural balance.

Environmental Impact

The company has identified sources of pollution and waste related to its activities, products and services of the organization as stated in the process flow diagram, production process, the origin of wastewater identification, unused materials, etc., according to environmental management systems standard as required by ISO 14001.

The Company has identified and prevented the use of chemicals in a systematic way in order to prevent the use of banned chemicals as stated in the law and in the International Convention (ozone-depleting substances, organic long-lasting (POPs), chemicals under Rotterdam Convention, hazardous chemicals and pesticides). This included carcinogens or mutagens and chemicals affecting reproduction which is caused to endocrine disorders or residue long and accumulate in living organisms (PBTs) or long and residue accumulation in organisms (vPvBs) by following with the standard operation procedures for quality assurance of raw materials/chemicals/packaging used in production.

In addition, the Company also took steps to prepare for the prevention plan of chemical accidents and had the emergency plan covering accidents and incidents arising from the operation by allowing employees, partners, governments, local communities, and stakeholders to be part of prevention and emergency plans. The plans has identified hazards, risk assessment, the process of notification and communication system as stated in prevention and emergency plan, standard operation procedures for chemical control, chemical spill emergency plan (ammonia) and accident prevention plan.

The Company paid attention to direct, control, and limit the impact on the environment and also had guidelines for the implementation of strictly environmental management, especially in the field of wastewater treatment and pollution within the production lines. To prevent and reduce pollution of water resources in the community, we disclosed to the public on emissions out of the system, including remote monitoring pollution (BOD Online).

The Company has an operation and measurement to focus on pollution prevention and waste through Waste Management Hierarchy by taking into consideration the source of waste reduction, recycle, reused and recycled processing, recycled into new production processes, waste treatment and disposal of waste, etc., to ensure the proper handling of pollutants and waste. We performed by sorting the material that is not used by using 3 R. This eliminated by using the sewage system which was better than the government-set standards and being able to control sewage systems

continuously 24 hours a day. The Company also provided support to protect the environment through activities by supported from both government agencies and our employees in order to increase understanding and a portion of the impact that can be caused to the environment and the community.

Furthermore, the Company has record the measurement and report of water usages, reduction of pollution causing waste and energy. The report stated the material that was not recycled within the plant, result analysis of pollutants in wastewater and also reporting on Air Quality Monitoring (Boiler), the power consumption of the production process, and energy conservation.

The level of pollution in the waste water treatment will be sent to the related government agencies [DIW] in real time and they will make an observation and inform the Company if pollution levels exceed the required standards. The Company also held a meeting and discussed the problems and the environmental impact consistency with the community representatives. This is an opportunity to understand and get the comments from the community on a regular basis. The officials from government agencies act as intermediaries in mediation if there is a problem or a comment from a representative of the community. The Companies featured in the opinions and recommendations to revise and update our internal processes to prevent complaints in the future. We had a measurement of pollution levels around the plant to ensure the safety of the people within the community and we also had an internal discussions and meetings held regularly, both before and after meetings with government and community representatives.

The Use of Sustainable Resources

The company has taken measures to use resources efficiently in order to reduce the usage of energy, water and other resources by considering the good practice indications and compare with other sources of information as such, Water & Energy Consumption (metric is used to reduce water and energy). The standard rate of fuel use is to monitor (Benchmark is km/liter) the use of a company car. And The Annual Energy Conservation plan include the use of alternative resources that can be recycled and low-impact use to incorporate with or replace the nonrenewable resources. This includes:

- "Biogas from Wastewater Reduction to Be Used as co-fuel use in the Boiler" Program by sewage water treatment and re-used as an alternative fuel in boiler system to replace LPG or fuel oil instead as much as possible. The goal is to reduce greenhouse gas emissions by recognizing the result of the use of such resources in social and environmental responsibility.
- "Reuse and Recycle" Program by taking condensate water to reuse in boiler room, reuse waste water treatment to clean the streets.

The Company emphasized to prevent the greenhouse gas emissions, especially gases that destroy the ozone layer from the using of land or equipment including the heating system, air conditioning and ventilation system, etc. We had the policy to use the non CFC refrigerants and change the use of chemical fire extinguisher from Halon to be Green Halon, not being greenhouse effect gas. This will focus on the measurement and reporting the use of energy, water, and other resources consumptions by stated in the Use of Energy in Production Process, Wastage Report, Daily Fuel Consumption, and Energy Conservation Report.

Internal Control System of the Company

The Board of Directors has assigned the Audit Committee to perform the verification of efficient and proper internal control system and internal audit system as well as verification of the Company's working to be in line with Securities and Exchange Law, requirement of the Stock Exchange, and laws related to the Company's business engagement. The Audit Committee will mutually convene the meetings at least every quarter for consideration and execution to have proper financial report and adequate and complete information disclosure as well as consideration on connected transaction or transaction that may have conflict of interest to be in line with laws and requirement of the Office of SEC and the Stock of Exchange of Thailand. Moreover, adequacy, appropriateness and effectiveness of the existing internal control system will also be verified in order to ensure that the internal control system of the Group of the Companies are proper and adequate in accordance with the principle of the internal control based on the concept of COSO (The Committee of Sponsoring Organisation of the Treadway Commission) covering the important internal control both in corporate level and each activity level so that the organization can achieve its objective whether in the aspects of Operations Objective, Data Reporting Objective, and Compliance Objective for related laws and regulations.

Moreover, the Company has appointed Unique Advisor Company Limited ("the Company's Internal Auditor") to assess and verify internal control system of the Company and monitor the result of internal control. During 2015, the internal auditor of the Company performed the audit of main work system of the Company's business under emphasis on the system with business engagement risk consisting of (1) sales system, revenue recognition and payment receipt, (2) general accounting system and financial reporting, (3) human resource management system, (4) procurement system, capital expenditure, and payment, and (5) general control in information technology system, to ensure that the Company has effective and proper internal control system. The Company has executed the improvement and correction of various aspects to achieve internal control objective for various aspects.

The Company has appointed Deloitte Company Limited (the Netherlands) ("the Internal Auditor of the Group of its Subsidiaries in the Netherlands") to perform assessment and verification of internal control system of the group of its subsidiaries in the Netherlands that has business operation and

significant revenue generation for the companies such as TDT and DTF, and also monitor the improvement of internal control system during the year of 2015.

However, the Board had the opinion that the Company's internal control system has been adequate and proper under its purveyance of adequate personnel for effective operation according to such system so that the Company can operate based on the determined target. In addition, the system has been set according to the principle of Good Corporate Governance and transparency. The monitoring and controlling system for the operations of the Company and its subsidiaries has been set in order to ensure that the assets of the Company and its subsidiaries can be protected from the wrongful or unauthorized use of the directors or executives. Moreover, the proper and adequate regulating system has been set in the matter of doing transactions with the person who may have conflict of interest or the connected person.

Auditor

In 2015, the auditor from EY Co.,Ltd. has audited balance sheet and current operating performance of the company with satisfactory overall operation and Mr. Termphong Opanaphan, the auditor with license number 4501 are qualified not contrary to principles of the Stock Exchange of Thailand

Nevertheless, the audit fee of 2015 was 5,585,000 Baht and the auditors did not provide other services for the Company and had no connection and/or stakes with the Company/subsidiary/ executive, major shareholder or the relevant.

Inter-Transactions

The parties that may have conflict of interests and have inter-transactions with the Company in the year of 2015 ended 31 December 2015 as follows.

Person/Juristic Person that may have conflict of interests	Relationship	Position in the Company
Noodle Ratchada Company Limited	Mr. Joseph Suchaovanich is the major shareholder, director and executive of the Company and is listed as the shareholder in Noodle Ratchada Company Limited.	-None-
Mr. Joseph Suchaovanich	Mr. Joseph Suchaovanich is the major shareholder, director and executive of the Company.	Director and Managing Director, Asia and Asia Pacific
Mrs.Rosanna Suchaovanich	Mrs. Rosanna Suchaovanich is the major shareholder, director and executive of the Company.	Director and Chief Operating Officer (COO)
Mr. Gertjan Tomassen	Mr. Gertjan Tomassen is the major shareholder, director and executive of the Company.	Director and Managing Director, Europe
Mr. Gerard Elbertsen	Mr. Gerard Elbertsen is the major shareholder, director and executive of the Company.	Director and Chief Financial Officer (the Netherlands) (CFO)
Lisuda Vastgoed B.V.	The major shareholder of Lisuda Vastgoed B.V. is Mr. Gertjan Tomassen who is the major shareholder, director and executive of DTH.	-None-
Ermel's Hof B.V.	Ermel's Hof B.V. is belonged to Mr. A Tomassen who is the father of Mr. Gertjan Tomassen who is the major shareholder, director and executive of DTH.	-None-
G.J. Tomassen Holding B.V.	The major shareholder of G.J. Tomassen Holding B.V. is Mr. Gertjan Tomassen who is the major shareholder, director and executive of DTH.	-None-

The summary of the Company's debt guarantee by assets and the parties who may have conflict of interests occurred in the year of 2014 ended 31 December 2014 and in the year of 2015 ended 31 December 2015 as follows.

Nature of Inter-Transactions	Transaction Value (Baht)		Necessity/Reasonability/Opinion of the Audit Committee
	2014	2015	
Guaranteed Obligation Mr. Joseph Suchaovanich is the Company's guarantor of long-term loan line in the limit of 3,500 million Baht with the lending bank. If the Company cannot pay interest or principal as determined, Mr. Joseph Suchaovanich shall pay the said money instead. The emolument for the guarantee of such limit has not been charged with the Company by Mr. Joseph Suchaovanich.	-	-	Guarantee of the Company's long-term loan in the limit of 3,500 million Baht with the lending bank. The bank will approve the cancellation of such guarantee condition after the Company's ordinary shares can be listed for trading in the Stock Exchange of Thailand and the outstanding long-term obligation with the commercial bank is not more than 1,500 million Baht. However, as at 31 December 2015, the bank has already unbound the condition of such guarantee. There has had no issue in this transaction for the Audit Committee since it has been the transaction of which the Company has gained the interest from its shareholder.
Pledge of Shares Around 36% of the Company's ordinary shares has been held by the executive group (Mr. Joseph Suchaovanich, Mrs. Rosanna Suchaovanich and the family) including Mr. Gertjan Tomassen and Mr. Gerard Martin Elbertsen) and pledged with the lending bank as the loan security of long-term loan line. The emolument from pledging their shares with the bank has been charged by the executive group.	-	-	The pledge of the Company's ordinary shares with the lending bank is the existing condition prior to listing for trading in the Stock Exchange of Thailand. As at 31 December 2015, the bank has already unbound such guarantee condition. There has had no issue in this transaction for the Audit Committee since it has been the transaction of which the Company has gained the interest from its shareholders.

Inter-transactions of the Company and the parties who may conflict of interests occurred in the year of 2014 ended 31 December 2014 and the year of 2015 ended 31 December 2015 as follows.

Person/Juristic Person that may have conflict of interests / Relationship	Type of Transactions	Transaction Value (Baht)		Necessity/Reasonability/Opinion of the Audit Committee
		2014	2015	
Noodle Ratchada Company Limited ("Noodle Ratchada") <u>Nature of Business</u> Sales of foods/Manufacture of foods	1. Revenue from Sales of Products Noodle Ratchada Company Limited purchases Whole Duck from the Company for cooking and processing. Such revenue is the revenue including Whole Duck value, packaging cost and transportation cost.	2,168,497	168,855	Noodle Ratchada Company Limited is the manufacturing company of noodles and dumpling and is also the food cooking and processing company whereas the price of which Noodle Duck buys Whole Duck and packaging from the Company is market price which is the same price sold to the general sub-stores. Noodle Ratchada will take whole ducks to be cooked. After that, the Company will repurchase the cooked ducks at market price. The Company can sell products in order to make around 18% of profit as gross profit margin of which the Company gains from sales of the general products for the Company.
	2. Expenses of Product Purchase The Company purchases processing food and noodle products, machineries and fixed assets used in the office from Noodle Ratchada Company Limited			
	- Cost of processing food and noodle products	3,583,534	698,007	
	- Cost of machinery and office equipment	1,838,694	12,508,126	
	3. Account Receivables	90,826	-	
	4. Account Payables	58,943	-	
	5. Other Payables	-	905,755	In 2014, the Company has purchased fixed assets from Noodle Ratchada at book value of such assets for 1,838,694 Baht. In addition, the Company has purchased machineries for use in product manufacture from Noodle Ratchada in 2015 in the value of 8,465,000 Baht as the price appraised by American Appraisal (Thailand) Company Limited which is the asset valuer consented from the Office of SEC whereas Mr. Rodolefo Verkara is the key valuer, VorThor.022, consented from the Office SEC in accordance with the objective of public disclosure and bookkeeping.

Person/Juristic Person that may have conflict of interests / Relationship	Type of Transactions	Transaction Value (Baht)		Necessity/Reasonability/Opinion of the Audit Committee
		2014	2015	
Lisuda Vastgoed B.V. ("Lisuda") The Netherlands <u>Nature of Business</u> Letting real estate	Land Rent for the Netherlands Operation TDT which is the Company's subsidiary has rented Lisuda's land located at address no. 116 Fokko Kortlanglaan in Ermelo town, the Netherlands, for business operation of meat duck slaughter house and the extension. The lessee grants right to Mr. Tomassen Sr. (the father of Mr. Gertjan Tomassen) in utilization of the office building located in front of duck slaughter house with the area size of around 150 sq.m. The size of land rented by TDT for business engagement is 13,122 sq.m. and the Lease is expired on 2 October 2019 whereas TDT is entitled to request for renewal of the Lease in every 9 years for 2 times period to be ended in 2037 and the Lease can be renewed for another 7 years to be ended on 2 October 2044. Lisuda shall permit TDT to renew the Lease if TDT exercises its right to renew the Lease and the annual rent rate will be increased referring from rent index specified by the Netherlands Statistic Bureau.	12,663,730	11,676,320	The subsidiary has rented such land in the rent of 307,274 Euro per year which is below 353,635 Euro per year based on market rent in accordance with asset appraisal report dated 16 March 2015 of American Appraisal Company Limited which is the asset valuer consented from the Office of SEC whereas Mr. Rodolefo Verkara is the key valuer in Thailand, VorThor.022, consented from the Office of SEC in accordance with the objective of public disclosure and bookkeeping using figure from cost approach multiplied by rate of return (market rental value = cost approach outcome x desired yield) .

Person/Juristic Person that may have conflict of interests / Relationship	Type of Transactions	Transaction Value (Baht)		Necessity/Reasonability/Opinion of the Audit Committee
		2014	2015	
	<p>Land Rent for the Netherlands Operation</p> <p>TT which is the subsidiary of the Company has rented Lisuda's land located at address no. 112 Fokko Kortlanglaan in Ermelo town for use as parking lot and weight scale of vehicles inside the meat duck slaughter house business.</p> <p>The size of land rented by TT for business engagement is 8,225 sq.m. The Lease is expired on 2 October 2019 whereas TDT is entitled to request for renewal of the Lease in every 9 years for 2 times period to be ended in 2037 and the Lease can be renewed for another 7 years to be ended on 2 October 2044. Lisuda shall permit TT to renew the Lease if TDT exercises its right to renew the Lease. The annual rent rate is increased by referring from rent index specified by the Netherlands Statistic Bureau.</p> <p>In 2014, TT has additionally rented the packaging storage building for use in slaughter house, resulting in increase in transaction value from 2013.</p>	6,255,576	6,446,117	<p>The subsidiary has rented such land in the rent of 169,636 Euro per year which is below 170,772 Euro per year based on market rent in accordance with the Report of Asset Appraisal dated 16 March 2015 of American Appraisal Company Limited which is asset valuer consented by the Office of SEC whereas Mr. Rodolefo Verkara is the key valuer in Thailand, VorThor.022, consented from the Office of SEC in accordance with the objective of public disclosure and bookkeeping using figure from cost approach multiplied by rate of return (market rental value = cost approach outcome x desired yield).</p> <p>The Audit Committee considered and had the opinion that it is possible for such transaction to cause conflict of interests with the Company. However, the land rent is appropriate rent. The value of land and assets in such piece of land has been appraised by American Appraisal Company Limited which is the independent land and asset valuer consented from the Office of SEC (whereas the valuer of American Appraisal Company Limited has been licensed in the Netherlands) using Cost approach for appraisal. The estimation of rent which is market rent identified that the current rent is in proper level.</p> <p>However, the Audit Committee proposed the Board of Directors to consider the appropriateness of such transaction.</p>

Person/Juristic Person that may have conflict of interests / Relationship	Type of Transactions	Transaction Value (Baht)		Necessity/Reasonability/Opinion of the Audit Committee
		2014	2015	
<p>Ermel's Hof B.V. ("Ermel") ปรังเผล</p> <p>The Netherlands</p> <p><u>Nature of Business</u> Letting real estate</p> <p><u>Relationship</u> Ermel's Hof B.V. is belonged to Mr. Tomassen Sr. who is the father of Mr. Gertjan Tomassen who is the major shareholder, director and executive of DTH.</p>	<p>Land Rent for the Netherlands Operation</p> <p>DTF which is the subsidiary of the Company has rented land located at 148 Harderwijkweg, Ermelo town for duck breeder farm and hatchery farm from Ermel.</p> <p>The size of land rented by DTF for business engagement is 34,606 sq.m. The Lease is expired on 31 July 2026 and DTF is entitled to request for renewal of the Lease for another 6 years. When the Lease is expired, the lessor can decide not to renew the Lease when the lessee seriously violates such as non-payment of the rent. If the lessee does not violate, the lessor shall renew the Lease whereas the condition of such Lease is in line with Farm lease law "Pachtwet" in the Netherlands. Moreover, the annual rent rate is increased referring from rent index specified by the Ministry of Economic Affairs for use as farm area in the Netherlands.</p>	10,691,974	9,516,645	<p>In the Meeting No. 6/2014 on 7 October 2014, the Board of Directors recognized the condition and existence of such Land Lease without any additional opinions of the Audit Committee as aforesaid.</p> <p>The subsidiary has rented such land in the rent of 250,440 Euro per year which is below 317,520 Euro per year based on market rent in accordance with the Report of Asset Appraisal dated 16 March 2015 of American Appraisal Company Limited which is asset valuer consented by the Office of SEC whereas Mr. Rodolefo Verkara is the key valuer in Thailand, VorThor.022, consented from the Office of SEC in accordance with the objective of public disclosure and bookkeeping using figure from cost approach multiplied by rate of return (market rental value = cost approach outcome x desired yield).</p> <p>The Audit Committee considered and had the opinion that it is possible for such transaction to cause conflict of interests with the Company. However, the land rent is appropriate rent and the value of land and assets in such piece of land has been appraised by American Appraisal Company Limited which is the independent land and asset valuer consented from the Office of SEC (whereas the valuer of American Appraisal Company Limited has been licensed in the Netherlands) using appraisal method with Cost approach. The estimation of rent which is market rent identified that the current rent is in proper level.</p>

Person/Juristic Person that may have conflict of interests / Relationship	Type of Transactions	Transaction Value (Baht)		Necessity/Reasonability/Opinion of the Audit Committee
		2014	2015	
				<p>However, the Audit Committee proposed the Board of Directors to consider the appropriateness of such transaction.</p> <p>In the Meeting No. 6/2014 on 7 October 2014, the Board of Directors recognized the condition and existence of such Land Lease without any additional opinions of the Audit Committee as aforesaid.</p>
Mr. Gertjan Tomassen	<p>Land Rent for the Netherlands Operation Lucky Duck which is the subsidiary of the Company has rented Mr. Gertjan Tomassen's land located at address no. 5 Rietdekkerstraat in Uden town in the Netherlands for food slaughter house, cold storage and warehouse.</p> <p>The size of the land rented by Lucky Duck for business engagement is 2,624 sq.m. The Lease is expired on 30 April 2019 whereas Lucky Duck is entitled to request for renewal of the Lease in every 9 years for 5 times period to be ended on 30 April 2044. Mr. Gertjan Tomassen shall permit Lucky Duck to renew the Lease if Luck Duck exercises its right to renew the Lease. The annual rent rate is increased by referring from rent index specified by the Netherlands Statistic Bureau.</p>	5,799,598	5,573,872	<p>The subsidiary has rented such land in the rent of 146,682 Euro per year which is similar to 145,840 Euro per year based on market rent in accordance with the Report of Asset Appraisal dated 16 March 2015 of American Appraisal Company Limited which is asset valuer consented by the Office of SEC whereas Mr. Rodolefo Verkara is the key valuer in Thailand, VorThor.022 consented from the Office of SEC in accordance with the objective of public disclosure and bookkeeping using figure from cost approach multiplied by rate of return (market rental value = cost approach outcome x desired yield).</p> <p>The Audit Committee considered and had the opinion that it is possible for such transaction to cause conflict of interests with the Company. However, the land rent is appropriate rent and the value of land and assets in such piece of land has been appraised by American Appraisal Company Limited which is the independent land and asset valuer consented</p>

Person/Juristic Person that may have conflict of interests / Relationship	Type of Transactions	Transaction Value (Baht)		Necessity/Reasonability/Opinion of the Audit Committee
		2014	2015	
	<p>However, it has been necessary for Lucky Duck to build additional new cold storage and warehouse for business engagement support and Mr. Gertjan Tomassen settled the said construction cost in 2014. The construction cost was included in land rent as specified by the Lease between Mr. Gertjan Tomassen and Lucky Duck at 10% of total construction cost.</p>			<p>from the Office of SEC (whereas the valuer of American Appraisal Company Limited has been licensed in the Netherlands) using Cost approach for appraisal. The estimation of rent which is market rent identified that the current rent is in proper level.</p> <p>The valuer commented about the collection of rent for the structures at 10% of total construction cost that it is acceptable rate.</p> <p>In the event that the subsidiary will request the lessor to pay construction cost of asset for building and structure on the land, and the subsidiary will pay rental rate for 10 % of the said construction cost in each year, the Company shall in such event comply with the criteria of connected transaction doing in accordance with the Announcement of the Capital Market Supervisory Board No. ThorJor. 21/2551 including measurement of the transaction size for further consideration on approval request step by step.</p> <p>However, the Audit Committee proposed the Board of Directors to consider the appropriateness of such transaction.</p> <p>In the Meeting No. 6/2014 on 7 October 2014, the Board of Directors recognized the condition and existence of the additional Land Lease from such opinion without any additional opinions of the Audit Committee as aforesaid.</p>

Person/Juristic Person that may have conflict of interests / Relationship	Type of Transactions	Transaction Value (Baht)		Necessity/Reasonability/Opinion of the Audit Committee
		2014	2015	
G.J. Tomassen Holding B.V. ("G.J. Tomassen Holding"), the Netherlands <u>Nature of Business</u> To engage in the business as the Holding Company.	<u>Remuneration of the Executive</u> Tomassen Duck-To B.V. has paid remuneration to the executive in term of salary to Mr. Gertjan Tomassen through G.J. Tomassen Holding as well as annual bonus. Such contract is the employment of Mr. Gertjan Tomassen as the executive of DTH Group for 3 years term from 28 December 2012. The Company's obligation of compensation payment for Mr. Gertjan Tomassen's retirement without reasonable grounds. This compensation payment has been the general norm of employment. Apart from this aforesaid, the Company has had none of any obligation with G.J. Tomassen Holding anymore.	14,258,612	13,815,883	As the executive remuneration in this transaction is the transaction of normal salary paid to Mr. Gertjan Tomassen but it is the payment in the name of juristic person instead of direct payment to the person. The internal auditor of DTH (Deloitte Netherlands) Group commented that the nature of remuneration payment transaction through juristic person is deemed as normal transaction and is the nature of transaction permitted for doing under the law of the Netherlands. The Audit Committee has realized on different salary payment structure from the nature of normal payment in Thailand. Thus, in creating good norm for corporate governance, the Audit Committee has proposed the Board of Directors to consider appointing work team for study on finding the way of salary payment in any other term in the future to be in line with the principle of good corporate governance.

Measure or Procedure in Approval or Entry to do Inter-Transaction

The Board of Directors' Meeting No. 4 on 9 September 2014 resolved to determine the policy and procedure of inter-transaction doing for transparency of the inter-transaction of person or juristic person that may have conflict of interests and for retention of the Company's benefit. The Company shall comply with Securities and Exchange Law and Regulation, Announcement and Directive or Requirement of the Capital Market Supervisory Board and the Stock Exchange of Thailand related to inter-transaction doing. However, according to the executive or the stakeholder who cannot enter to participate in approval of the said inter-transaction and shall be approved from the Board of Directors in the event of the law requirement, the Company shall purvey the Audit Committee to attend the meeting for consideration and expression of opinion on the necessity of transaction doing and reasonability of that transaction. However, the following is the principle for the doing transaction which is the trade agreement with general trade condition and doing transaction which is the trade agreement without general trade condition.

Doing transaction which is the trade agreement with general trade condition

Doing the inter-transaction which is the trade agreement with general trade condition among the Company and its subsidiaries with their directors, executives or related parties has been approved as the criteria from the Board of Directors to the management to enable to approve the said transaction doing if the said transaction has the same nature of trade agreement as the reasonable person should act with the general contractual party in the same situation under trade bargaining power without influence of their status as the directors, executives or the related parties.

Doing transaction which is the trade agreement without general trade condition

Doing the transaction which is the trade agreement without general trade condition shall be considered and remarked by the Board of Directors prior-presenting to the Board of Directors and/or the Meeting of Shareholders for further consideration and approval so as to comply with the Law of Securities and Exchange, and Regulation, Announcement, Directive or Requirement of the Capital Market Supervisory Board and the Stock Exchange of Thailand as well as compliance with the requirement related to disclosure of the information for doing the connected transaction.

In the event that the Audit Committee is inexperienced in consideration on inter-transactions that may occur, the Company shall appoint the independent expert or the auditor of the Company to remark about the said inter-transaction for use as support of the decision of the Audit Committee or the Board of Directors and/or the shareholders as the case may be to ensure that the entry to the said transaction is necessary and reasonable under consideration on the Company's benefit. However, the Company shall disclose the inter-transactions in Annual Registration Statement and Notes of Financial Statements audited by the Company's auditor.

Policy or Trend of Future Inter-Transaction Doing

In the event that the Company does the transaction with the connected party that has conflict of interests with the Company, the Audit Committee shall express the opinion about the Company's

necessity in entry to do the said transaction. The Audit Committee shall audit to ensure that the terms and conditions of the said transaction are consistent with the existing regulation in the market under valuation and comparison of the price and expense for doing the said transaction with market price. In the event of no market price, the Audit Committee shall execute to ensure that the price which is entered by the Company to do the transaction is reasonable and is the execution for maximum benefit of the Company and its shareholders. If the Audit Committee cannot value such connected transaction due to inadequacy of expertise in the said issue, the Company shall procure the expert for valuation of the said transaction and expression of opinion about the entry to do the transaction. In this case, the Board of Directors or the Audit Committee shall consider the opinion of the expert to support the decision in entry to do transaction as the case may be. The director who has gain and loss related to the entry to do transaction has no right to vote in consideration and approval on the entry to do the transaction. Moreover, the Company shall disclose the information of entry to do the connected transaction in notes to the Company's financial statements which have already been audited or verified, Annual Report or Annual Registration Statement (Form 56-1).

Report of the Nomination and Remuneration Committee

As at 31 December 2015, the Nomination and Remuneration Committee consists of six directors whereas 2/6 of them are independent directors and Miss. Kannikar Boonyarak is the Secretary of the Nomination and Remuneration Committee from 9 September 2014.

In 2015, the Nomination and Remuneration Committee held total of 4 meetings to perform their duties in the scope of authority and responsibility as follows:

1. Considered and advised the overall policy for nomination of the Company's directors, subcommittee members and staffs, and benefit of the Company's directors, subcommittee members and staffs.
2. Determined the employment policy for executive directors under consideration on the individual competence and employment of the Executive Board; and also determined the scope of wage payment in the event of dismissal and pension management.
3. Approved total remuneration for the Chairman of the Board, and remuneration and benefit for Chief Executive Office and other executive directors through consideration on individual competence under requirement of consented policy.
4. In considering special remuneration from the Company's turnover, the Nomination and Remuneration Committee had to consider determining yearly turnover target and predictive factor (Indicator) of the significant operations and verification of yielded turnover when compared with significant operating target and indicator of (i) the Company, and (ii) individual executive director under consideration on individual competence.
5. Approved long-term benefit such as Share Appropriation Rights, and Receipt of Performance Shares, and audit work criteria under consideration on long-term benefit of the staffs that will be received under different forms used by the Company.
6. Verified the format of benefit provision in term of Share Incentive Scheme and determined working criteria to be presented to the Board and the Meeting of Shareholders for further consideration and approval.
7. Consented the policy for approval on claim of expenses from Chief Executive Officer and Chairman of the Board.
8. Executed to ensure that the benefit in different natures is given in consistency with the policy and system of the Company's risk.

9. Verified to be satisfactory that the guideline and policy for determination of remuneration in the report of director remuneration specified in Annual Report of the Company are fairly taken place.

10. Considered function and membership in the Nomination and Remuneration Committee's Meeting and their own Terms of Reference to ensure of maximum benefit from their function; and advised to have change in such issue based on necessity for consideration and approval by the Board of Directors.

11. The Chairman of the Nomination and Remuneration Committee had to report the Board of Directors for acknowledgement about the operation after each Nomination and Remuneration Committee's Meeting.

12. Prohibited any director not to enter to participate in consideration of self-remuneration.

13. Advised the Board as deemed as proper in the part related to Terms of Reference that should be executed or improved.

14. Considered other issues as assigned by the Board of Directors on budget of wage increase and payment of annual staff reward for 2015.



(Mrs. Rosanna Suchaovanich)
Chairman of the Nomination and Remuneration Committee

The Board of Directors responsibility for the Company's financial statements

The Company's Board of Directors is aware of its duties and responsibilities as Members of the Board of Directors of a publicly listed company on the Stock Exchange of Thailand in preparing the Company's 2015 financial statements and additional financial information presented in this annual report. The aforementioned financial statements have been prepared in accordance with generally accepted accounting principles, with appropriate accounting policies applied on a consistent basis. Where judgment and estimates were required, these were made with careful and reasonable consideration, and adequate disclosures have been made in the notes to the financial statements. These financial statements have been audited by an independent certified auditor who has given an unqualified opinion. The auditor's opinion is presented in the independent auditor's report as part of this annual report.

To support the practice of good corporate governance, risk management system and appropriate and efficient internal controls and promote transparent and reliable business operation, the Board appointed an Audit Committee comprising 3 Independent Directors with qualifications as stipulated in the guidelines of the Stock Exchange of Thailand. The main responsibility of the Audit Committee is to ensure that the Company provides sufficient, transparent, correct and appropriate financial disclosure together with information regarding related party transactions. The Audit Committee is also responsible for reviewing the accounting policy, financial reports, internal controls, internal audit and risk management system. All comments of the Audit Committee on these issues have been included in the Report of the Audit Committee, which is presented in this annual report.

The Board of Directors believes the Company's separate and consolidated 2015 financial statements ending December 31, 2015, reviewed by the Audit Committee together with management and the Company's auditor to be correct, complete, appropriate, in compliance with Generally Accepted Accounting Standards and with appropriate accounting policies on a consistent basis. The financial information disclosure is deemed to be transparent, appropriate and is in compliance with all relevant laws and regulations.



(Mr. Joti Bhokavanij)
Chairman of the Board

The Report of Audit Committee of the year 2015

Dear Shareholders

The Audit Committee of Bangkok Ranch Public Company Limited consists of three independent directors: Mr. Vudhiphol Suriyabhivadh as the chairman, Dr. Poranee Pataranawat and Mr. Yeo Kok Tong as committee members.

For the year 2015, the Audit Committee held four meetings to discuss with the management, the internal audit teams and the Company's auditor in related matters. The attendance of meetings by each committee member was presented in Corporate Governance section. The committee's significant activities in 2015 are summarized as below:

1. Financial reports review

The Audit Committee reviewed the quarterly and annually financial statements for year 2015 of the Company, both on a separated and consolidated basis, together with management and external auditor prior to proposing them to the Board for approval. The Audit Committee is of the opinion that the financial statements reported are recorded in accordance with generally accepted accounting principles of Thailand with accuracy, completeness and sufficient disclosure of information.

2. Internal control effectiveness review

The Audit Committee evaluated sufficiency and appropriateness of the Company's internal control system, through the supervision and review of the internal audit and auditor; supporting and encouraging their independent operation; introducing to apply risk assessment as guideline for examining in order to mitigate from potential risk causing damage to business operation of the Company; and discussing with internal audit team and external auditor to consider material suggestions for enhancing efficiency of their operation and internal control, presenting to the executives and the Board of Director of the Company including following up the adjustment and development of the work. The Audit Committee is of the opinion that the internal control system and risk management of the Company are sufficient and appropriate.

3. Connected transactions or potential conflicts of interests

The Audit Committee considered connected transactions or potential conflicts of interests by adhering to principles of rationality, transparency, sufficient information disclosure and benefit maximization for the Company. The Audit Committee is of the opinion that the aforesaid transactions are reasonable, represented normal business and disclosed sufficient, accurate and complete information under the terms assigned by Stock Exchange of Thailand.

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

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

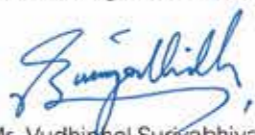
5. Suitability of the external auditor

The Audit Committee evaluated the performance of the Company's auditor and the applicable audit fee based on the auditor's knowledge, expertise and engagement. Consequently, the Audit Committee recommended that the Board of Directors seeks the approval of the shareholders' meeting to appoint Mr. Termphong Opanaphan, from EY Office Limited, as the Company's auditor, and determined the auditor's remuneration for 2015.

6. Self-assessment of the Audit Committee

The Audit Committee performed self-assessment according to the charter of Audit Committee and we are of the opinion that we have fully complied with the aforesaid. The Audit Committee report and advice have been presented to the Board of Director for their acknowledgement regularly in every Board of Director meeting.

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


(Mr. Vudhiphol Suriyabhivadh)

Chairman of the Audit Committee

Management Discussion & Analysis & Performance

The following analysis of the financial status and performance is the financial data analysis according to the consolidated financial statement of Bangkok Ranch Public Company Limited and its subsidiary. The consolidated financial statements of the year ended on 31 December 2015 includes the accounts Bangkok Ranch Public Company Limited and its subsidiary (called the "Company") as specified in the financial statement remark no. 2 regarding the criteria of arranging financial statements.

In 2015, there is a major incident which impacted arrangement and presentation of the consolidated financial statements of the year ended on 31 December 2015 as follows:

During 3 - 8 July 2015, the company offered to sell new ordinary shares in the part to be offered in public for a total of 228 million shares and Baht 8.80 per share or total amount is Million Baht 2,006.4. The company had been received a whole share payment with capital increase on 9 July 2015 and registered the capital increase with the Ministry of Commerce on 10 July 2015. The expenditure which directly relates to such share offering will be shown and deducted from the surplus of share value. The company's share will be started trading in the Stock Exchange of Thailand on 15 July 2015.

1. Performance

1.1 Overall performance

In 2015, the company group had a net profit of Million Baht 550 and reduced Million Baht 111 or 17 per cent from the same installment of the previous year. The main reason derives from reduction of sales revenue for 9 per cent resulted from the domestic and global economic slowdown continuously with continuity of price competition in the domestic and overseas market.

In addition, the appreciation of Thai baht compared with Euro, the average exchange rate of Thai baht which reduced more than 12 per cent was another factor that impacted conversion of company's financial statement of the subsidiary in overseas.

Profit per share for 2015 was Baht 0.69 per share (calculated by dividing with the weighted average number of ordinary shares of 794.14 million shares).

1.2 Revenue from selling each business line according to the consolidated financial statement

	2015		2014	
	MB	%	MB	%
1. Domestic Business				
1.1 Revenue from manufacturing feed, commercial farm, and hatchery	2,255	27	2,177	26
1.2 Revenue from slaughtering duck and by-products including manufacturing and distributing processed food products	2,213	26	2,521	30
Total revenue from domestic business	4,468	53	4,698	55
2. Overseas Business				
1.1 Revenue from manufacturing feed, commercial farm, and hatchery	590	7	653	8
1.2 Revenue from slaughtering duck and by-products including manufacturing and distributing processed food products	2,671	31	3,133	37
Total revenue from overseas business	3,261	38	3,786	45
Total net sales volume	7,729	100	8,484	100

1.2.1 Domestic Business

Revenue from domestic sales in 2015 was Million Baht 4,468 and reduced for 5 per cent from the previous year, which was Million Baht 4,698. Details of revenue are classified as follows.

1.2.1.1 Revenue from manufacturing feed, commercial farm and hatchery

Revenue from manufacturing feed, commercial farm and in 2015 was Million Baht 2,255 million baht, which increased for 4 per cent from the previous year, which was Million Baht 2,217 resulting from selling feed to independent farmers and export ducklings to abroad.

1.2.1.2 Revenue from slaughtering duck and by-products including manufacturing and distribution of processed food products

Revenue from slaughtering duck and by-products including manufacturing and distribution of processed food products in 2015 was Million Baht 2,213, which reduced for 12 per cent from the previous year, which was Million Baht 2,521 due to the economic slowdown and impacted domestic consumption and price competition.

1.2.2 Overseas Business

Revenue from overseas sales in 2015 was Million Baht 3,261, which reduced for 14 per cent from the previous year, which was Million Baht 3,786 with the same reasons of domestic market; global economic slowdown in China, Japan and the European market and impacted the price competition, especially Japan, which had impact Yen currency resulting in import slowdown.

2. Financial Status

2.1 Asset

On 31 December 2015, total asset according to the consolidated financial statement was Million Baht 7,213. It consisted of asset turnover for Million Baht 2,665, property, building, and equipment for Million Baht 1,664, goodwill from business consolidation for Million Baht 1,954, intangible assets for Million Baht 742, and long term investment and other non-current assets for Million Baht 188.

Total assets on dated 31 December 2015 increased from 31 December 2014 for Million Baht 831 or 13 per cent. Most incurred changes resulted from an increase of inventory and land, building, and equipment for Million Baht 672 and Million Baht 338 respectively including reduction of cash flow and equivalent cash flow, account receivables and other debtors, parent stock, and other long-term investments for Million Baht 65, 56, 28, and 18 respectively.

2.2 Debt

As at December 31, 2558, total debt according to the consolidated financial statement was Million Baht 2,511. It consisted of debt turnover for Million Baht 2,205, long term loan for Million Baht 98 million baht and non-current turnover for Million Baht 209.

Total debt on 31 December 2015 reduced from 31 December 2014 for Million Baht 1,694 or 40 per cent. Most of them resulted from reduction of long term loan for Million Baht 2,631 and increase of bank overdraft and short term loan from financial institute for Million Baht 976.

2.3 Liquidity

2.3.1 Cash Flow

For the year ended on 31 December 2015, the company group had the net cash flow derived from operating activities for Million Baht 161 million baht and Million Baht 549 for investment activities. Most cash flow were used to purchase fixed assets for Million Baht 504, and cash flow from financing activities for Million Baht 318. It was divided into cash flows derived from short and long term loan for Million Baht 1,073, from capital increase for Million Baht 1,970, and for payback of long-term loan from financial institute and finance lease debt for Million Baht 2,729 million. The Company had cash and equivalent cash on 31 December 2015 for Million Baht 193.

2.3.2 Key Liquidity Ratio

Liquidity ratio according to the consolidated financial statement on 31 December 2015 was 1.21 times and reduced from 31 December 2014 for 1.29 times resulted from the short-term loans from financial institute which increased for Million Baht 976.

2.3.3 Short Term Debt Obligation

On 31 December 2015, the company group has debt turnover for Million Baht 2,205 million. The bank overdraft and short-term loan from financial institute was Million Baht 1,698, account payable

and other creditors for Million Baht 459, and debt turnover for Million Baht 47. However, the company group has not experienced problems of settlement as the specified period.

3. Investment Expenditure

3.1 Previous Investment Expenditure

For the late installment at the end of year dated 31 December 2015, the company had expenditure from investment activities for Million Baht 549, which increased for Million Baht 195 from the same period of the previous year. For the year ended on 31 December 2015, it was the investment to purchase fixed assets for Million Baht 504. Most of them were improving the duck meat slaughterhouse, building new warehouse for storing feed raw materials, and building parent stock and duck farms of the subsidiary and investing parent stock for Million Baht 76.

3.2 Investment payment plan

The investment payment plan will focus on increasing efficiency and capacity expansion continuously in order to reduce production cost, develop quality of product, and reduce expenditure to increase capacity of competitiveness including expand the business and build the market. However, such investment payment plan may be adjusted according to changes of situations.

4. Capital Structure

According to the consolidated financial statement on 31 December 2015, the ratio of debt per shareholders' proportion was 0.53 times. It was debt for Million Baht 2,511 million. It consisted of debt without interest and debt with interest for Million Baht 715 and 1,796 respectively. With regard to debt with interest, it consisted of the short-term loan for Million Baht 1,698 million and long-term loan for Million Baht 98.

On 31 December 2015, the shareholders' proportion according to the consolidated financial statements of the company group was Million Baht 4,702 and increased for 116 per cent from 31 December 2014, which was Million Baht 2,177. Most of them are the increase of ordinary share with capital increase and profit from the annual performance.

5. Key Factors and Influences which may impact the future performance or financial status

The company anticipates the overall economic situation of the industry in the year of 2016 that it will be better than the previous year throughout the tendency of price competition will be improved. Moreover, the company focuses on improving efficiency of working, developing products and marketing for both domestic and overseas continuously. It is expected that the company's performance will be continuously developed in 2016.



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**Bangkok Ranch Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2015**

Independent Auditor's Report To the Shareholders of Bangkok Ranch Public Company Limited

I have audited the accompanying consolidated financial statements of Bangkok Ranch Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Bangkok Ranch Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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



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

Opinion

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

Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 26 February 2016

Bangkok Ranch Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2015

(Unit: Baht)

Assets	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Current assets					
Cash and cash equivalents	7	192,851,772	257,522,617	98,389,229	138,950,781
Current investments		233,337	230,446	111,169	109,792
Trade and other receivables	8	612,873,726	668,441,931	462,448,461	561,137,992
Inventories	9	1,830,964,850	1,159,036,828	1,529,899,166	908,403,425
Other current assets		28,319,163	29,207,579	16,281,817	13,003,802
Total current assets		2,665,242,848	2,114,439,401	2,107,129,842	1,621,605,792
Non-current assets					
Parent ducks	10	56,701,515	84,776,430	49,224,897	83,908,536
Investment in subsidiaries	11	-	-	994,788,530	954,488,730
Investment in associate		1,798,653	1,346,021	-	-
Other long-term investments		8,990,969	26,625,087	1,414	2,245
Investment properties	12	32,300,000	39,200,000	63,972,106	50,544,681
Property, plant and equipment	13	1,663,509,264	1,325,347,376	1,436,427,152	1,200,139,129
Goodwill	14	1,954,461,557	1,954,461,557	1,910,483,342	1,910,483,342
Intangible assets	15	741,552,171	754,169,827	637,596,712	649,763,922
Deferred tax assets	24	72,690,508	78,515,012	73,656,345	78,311,987
Other non-current assets		16,028,614	3,136,263	4,885,669	3,136,263
Total non-current assets		4,548,033,251	4,267,577,573	5,171,036,167	4,930,778,835
Total assets		7,213,276,099	6,382,016,974	7,278,166,009	6,552,384,627

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

Bangkok Ranch Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2015

(Unit: Baht)

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	16	1,697,962,534	721,986,030	1,508,459,879	558,770,858
Trade and other payables	17	459,447,764	406,669,540	568,298,501	453,435,055
Current portion of liabilities under					
finance lease agreements		-	655,032	-	-
Current portion of long-term loans	18	-	379,888,892	-	379,888,892
Income tax payable		25,632,455	120,953,553	17,048,960	101,995,348
Other current liabilities		21,741,841	13,361,874	21,638,028	15,367,708
Total current liabilities		2,204,784,594	1,643,514,921	2,115,445,368	1,509,457,861
Non-current liabilities					
Long-term loans, net of current portion	18	98,000,000	2,348,111,108	98,000,000	2,348,111,108
Provision for long-term employee benefits	19	24,041,312	23,525,728	12,579,444	11,563,725
Deposit for agro credit sales		23,993,358	21,022,975	23,993,358	21,022,975
Deferred tax liabilities	24	160,496,429	168,109,407	131,955,550	138,232,876
Other non-current liabilities		36,483	702,008	1,000	1,000
Total non-current liabilities		306,567,582	2,561,471,226	266,529,352	2,518,931,684
Total liabilities		2,511,352,176	4,204,986,147	2,381,974,720	4,028,389,545

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

Bangkok Ranch Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2015

(Unit: Baht)

Shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Share capital					
Registered					
913,928,744 ordinary shares of					
Baht 5 each	20	4,569,643,720	4,569,643,720	4,569,643,720	4,569,643,720
Issued and fully paid					
913,446,558 ordinary shares of					
Baht 5 each					
(2014: 685,446,558 ordinary shares					
of Baht 5 each)	20	4,567,232,790	3,427,232,790	4,567,232,790	3,427,232,790
Share premium	20	4,233,961,292	3,403,438,266	4,233,961,292	3,403,438,266
Share discount		(400,000,000)	(400,000,000)	(400,000,000)	(400,000,000)
Deficit on amalgamation	21	(7,427,912,112)	(7,427,912,112)	(6,557,910,481)	(6,557,910,481)
Retained earnings					
Appropriated - statutory reserve	22	205,720,800	184,720,800	205,720,800	184,720,800
Unappropriated		3,497,409,628	2,968,258,016	2,847,187,839	2,466,513,827
Other components of shareholders' equity		20,154,791	18,826,294	(951)	(120)
Equity attributable to owners of the Company		4,696,567,189	2,174,564,054	4,896,191,289	2,523,995,082
Non-controlling interests of the					
subsidiaries		5,356,734	2,466,773	-	-
Total shareholders' equity		4,701,923,923	2,177,030,827	4,896,191,289	2,523,995,082
Total liabilities and shareholders' equity		7,213,276,099	6,382,016,974	7,278,166,009	6,552,384,627

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

Bangkok Ranch Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Revenues					
Sales	11	7,728,711,906	8,483,775,277	5,844,029,828	6,271,984,452
Dividend income		-	-	99,999,998	179,999,996
Gain on sale of other long-term investment		13,895,445	-	-	-
Other income		15,891,329	25,352,363	23,770,940	22,072,472
Total revenues		7,758,498,680	8,509,127,640	5,967,800,766	6,474,056,920
Expenses					
Cost of sales		6,280,355,767	6,778,560,122	4,784,478,959	4,962,832,693
Selling expenses		357,534,371	331,347,564	327,620,877	314,124,357
Administrative expenses		319,194,682	359,864,356	242,484,924	265,056,398
Exchange losses		25,683,019	20,756,586	12,823,862	2,671,480
Total expenses		6,982,767,839	7,490,528,628	5,367,408,622	5,544,684,928
Profit before share of income from investment in associate, finance costs and income tax expenses		775,730,841	1,018,599,012	600,392,144	929,371,992
Share of income from investment in associate		455,996	266,056	-	-
Profit before finance costs and income tax expenses		776,186,837	1,018,865,068	600,392,144	929,371,992
Finance costs		(126,866,759)	(218,774,796)	(122,350,046)	(210,531,826)
Profit before income tax expenses		649,320,078	800,090,272	478,042,098	718,840,166
Income tax expenses	24	(98,978,505)	(138,991,207)	(76,368,086)	(112,201,785)
Profit for the year		550,341,573	661,099,065	401,674,012	606,638,381
Profit attributable to:					
Equity holders of the Company	26	550,151,612	660,864,152	401,674,012	606,638,381
Non-controlling interests of the subsidiary		189,961	234,913		
		550,341,573	661,099,065		
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.69	0.96	0.51	0.89

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

Bangkok Ranch Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit for the year	550,341,573	661,099,065	401,674,012	606,638,381
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currency	4,600,962	(26,006,728)	-	-
Gain (loss) on change in value of available-for-sale investments, net of income tax	(3,272,465)	2,946,167	(831)	(133)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	1,328,497	(23,060,561)	(831)	(133)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Actuarial gains, net of income tax	-	3,190,298	-	2,398,941
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	-	3,190,298	-	2,398,941
Other comprehensive income for the year	1,328,497	(19,870,263)	(831)	2,398,808
Total comprehensive income for the year	551,670,070	641,228,802	401,673,181	609,037,189
Total comprehensive income attributable to:				
Equity holders of the Company	551,480,109	640,993,889	401,673,181	609,037,189
Non-controlling interests of the subsidiary	189,961	234,913		
	551,670,070	641,228,802		

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

Bangkok Ranch Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before tax	649,320,078	800,090,272	478,042,098	718,840,166
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	173,060,073	255,090,799	138,835,009	223,155,136
Other amortisations	12,617,656	12,617,655	12,167,210	12,167,210
Amortisation of parent ducks	103,864,871	97,324,814	94,920,594	97,324,814
Allowance for doubtful debts (reversal)/bad debts	18,710	25,874,364	(292,277)	27,358,137
Reduction of inventory to net realisable value	6,458,241	13,788,740	12,875,210	13,788,740
Gain on change in value of current investments	(2,891)	(3,998)	(1,377)	(1,905)
Share of income from investment in associate	(455,996)	(266,056)	-	-
Income from other long-term investments	(2,951,754)	(2,761,390)	-	-
Provision for long-term employee benefits	18,545,206	15,872,706	3,775,079	1,193,660
Gain on sale of other long-term investment	(13,895,445)	-	-	-
(Gain) loss on sales of equipment	(506,064)	1,992,432	(260,737)	2,121,272
Unrealised exchange losses	2,567,600	12,897,448	24,181,598	19,196,049
Interest expenses	126,866,759	218,774,796	122,350,046	210,531,826
Dividend income from subsidiary	-	-	(99,999,998)	(179,999,996)
Profit from operating activities before changes in operating assets and liabilities	1,075,507,044	1,451,292,582	786,592,455	1,145,675,109
Operating assets (increase) decrease				
Trade and other receivables	55,549,078	80,453,549	100,028,704	(131,090,337)
Inventories	(678,386,263)	(2,870,220)	(634,370,951)	(43,385,488)
Other current assets	673,756	(9,823,407)	(3,278,015)	(4,235,387)
Other non-current assets	(12,892,349)	(2,467,920)	(1,749,406)	(2,467,920)
Operating liabilities increase (decrease)				
Trade and other payables	52,509,905	88,698,567	95,034,213	187,851,152
Other current liabilities	6,538,358	(29,497,333)	4,428,711	(20,964,644)
Provision for long-term employee benefits	(17,840,790)	(15,711,365)	(2,759,360)	-
Other non-current liabilities	2,304,858	2,856,833	2,970,383	3,063,794
Cash from operating activities	483,963,597	1,562,931,286	346,896,734	1,134,446,279
Cash paid for interest expenses	(126,692,564)	(221,578,477)	(125,276,246)	(212,923,176)
Cash paid for corporate income tax and withholding tax deducted at source	(195,819,001)	(90,453,766)	(162,936,158)	(67,818,582)
Net cash from operating activities	161,452,032	1,250,899,043	58,684,330	853,704,521

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

Bangkok Ranch Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Decrease in restricted bank deposits	-	60,000,000	-	60,000,000
Increase in parent ducks	(75,789,956)	(105,733,689)	(60,236,955)	(104,865,795)
Cash paid for investment in subsidiaries	-	-	(40,299,800)	(49,999,500)
Cash paid for investment in other long-term investments	-	(1,640,586)	-	-
Acquisitions of property, plant and equipment	(503,913,589)	(331,504,932)	(388,693,643)	(262,878,407)
Proceeds from sale of other long-term investment	30,172,122	-	-	-
Proceeds from sales of equipment	885,302	1,451,208	403,923	678,163
Dividend received from subsidiary	-	-	99,999,998	179,999,996
Dividend received from associate	-	429,469	-	-
Net cash used in investing activities	(548,646,121)	(376,998,530)	(388,826,477)	(177,065,543)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	975,345,052	(563,760,735)	949,057,569	(467,437,062)
Repayment of liabilities under finance lease agreements	(655,032)	(4,009,695)	-	(238,440)
Cash receipt from long-term loan	98,000,000	200,000,000	98,000,000	200,000,000
Repayment of long-term loan	(2,728,000,000)	(448,000,000)	(2,728,000,000)	(448,000,000)
Cash receipt from increase in share capital	1,970,523,026	-	1,970,523,026	-
Cash receipt from non-controlling interests of the subsidiary	2,700,000	-	-	-
Net cash from (used in) financing activities	317,913,046	(815,770,430)	289,580,595	(715,675,502)
Increase (decrease) in translation adjustments	4,610,198	(16,109,212)	-	-
Net increase (decrease) in cash and cash equivalents	(64,670,845)	42,020,871	(40,561,552)	(39,036,524)
Cash and cash equivalents at beginning of year	257,522,617	215,501,746	138,950,781	177,987,305
Cash and cash equivalents at end of year	192,851,772	257,522,617	98,389,229	138,950,781
Supplemental cash flow information :				
Non-cash transaction				
Transfer land and building for rent to investment properties	-	-	27,465,095	11,344,681
Transfer investment property to operating land	6,900,000	-	6,900,000	-

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

Bangkok Ranch Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2015

(Unit: Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
	Note	Issued and paid-up share capital	Share premium	Share discount	Deficit on amalgamation	Retained earnings		Other components of equity			Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
						Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Other comprehensive income					Total other components of shareholders' equity
									Surplus (deficit) on changes in value of available-for-sale investments					
Balance as at 1 January 2014		3,427,232,790	3,403,438,266	(400,000,000)	(7,427,912,112)	153,720,800	2,335,203,566	41,886,842	13	41,886,855	1,533,570,165	2,231,860	1,535,802,025	
Profit for the year		-	-	-	-	-	660,864,152	-	-	-	660,864,152	234,913	661,099,065	
Other comprehensive income for the year		-	-	-	-	-	3,190,298	(26,006,728)	2,946,167	(23,060,561)	(19,870,263)	-	(19,870,263)	
Total comprehensive income for the year		-	-	-	-	-	664,054,450	(26,006,728)	2,946,167	(23,060,561)	640,993,889	234,913	641,228,802	
Unappropriate retained earnings transferred to statutory reserve	22	-	-	-	-	31,000,000	(31,000,000)	-	-	-	-	-	-	
Balance as at 31 December 2014		3,427,232,790	3,403,438,266	(400,000,000)	(7,427,912,112)	184,720,800	2,968,258,016	15,880,114	2,946,180	18,826,294	2,174,564,054	2,466,773	2,177,030,827	
Balance as at 1 January 2015		3,427,232,790	3,403,438,266	(400,000,000)	(7,427,912,112)	184,720,800	2,968,258,016	15,880,114	2,946,180	18,826,294	2,174,564,054	2,466,773	2,177,030,827	
Profit for the year		-	-	-	-	-	550,151,612	-	-	-	550,151,612	189,961	550,341,573	
Other comprehensive income for the year		-	-	-	-	-	-	4,600,962	(3,272,465)	1,328,497	1,328,497	-	1,328,497	
Total comprehensive income for the year		-	-	-	-	-	550,151,612	4,600,962	(3,272,465)	1,328,497	551,480,109	189,961	551,670,070	
Increase in share capital	20	1,140,000,000	830,523,026	-	-	-	-	-	-	-	1,970,523,026	-	1,970,523,026	
Increase in non-controlling interest of the subsidiary	11	-	-	-	-	-	-	-	-	-	-	2,700,000	2,700,000	
Unappropriate retained earnings transferred to statutory reserve	22	-	-	-	-	21,000,000	(21,000,000)	-	-	-	-	-	-	
Balance as at 31 December 2015		4,567,232,790	4,233,961,292	(400,000,000)	(7,427,912,112)	205,720,800	3,497,409,628	20,481,076	(326,285)	20,154,791	4,696,567,189	5,356,734	4,701,923,923	

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

Bangkok Ranch Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2015

(Unit: Baht)

	Note	Separate financial statements							
		Issued and paid-up share capital	Share premium	Share discount	Deficit on amalgamation	Retained earnings		Other components of equity	Total shareholders' equity
						Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2014		3,427,232,790	3,403,438,266	(400,000,000)	(6,557,910,481)	153,720,800	1,888,476,505	13	1,914,957,893
Profit for the year		-	-	-	-	-	606,638,381	-	606,638,381
Other comprehensive income for the year		-	-	-	-	-	2,398,941	(133)	2,398,808
Total comprehensive income for the year		-	-	-	-	-	609,037,322	(133)	609,037,189
Unappropriate retained earnings transferred to statutory reserve	22	-	-	-	-	31,000,000	(31,000,000)	-	-
Balance as at 31 December 2014		3,427,232,790	3,403,438,266	(400,000,000)	(6,557,910,481)	184,720,800	2,466,513,827	(120)	2,523,995,082
Balance as at 1 January 2015		3,427,232,790	3,403,438,266	(400,000,000)	(6,557,910,481)	184,720,800	2,466,513,827	(120)	2,523,995,082
Profit for the year		-	-	-	-	-	401,674,012	-	401,674,012
Other comprehensive income for the year		-	-	-	-	-	-	(831)	(831)
Total comprehensive income for the year		-	-	-	-	-	401,674,012	(831)	401,673,181
Increase in share capital	20	1,140,000,000	830,523,026	-	-	-	-	-	1,970,523,026
Unappropriate retained earnings transferred to statutory reserve	22	-	-	-	-	21,000,000	(21,000,000)	-	-
Balance as at 31 December 2015		4,567,232,790	4,233,961,292	(400,000,000)	(6,557,910,481)	205,720,800	2,847,187,839	(951)	4,896,191,289

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

Notes to consolidated financial statements

Bangkok Ranch Public Company Limited and its subsidiaries

For the year ended 31 December 2015

1. General information

Bangkok Ranch Public Company Limited (“the Company”) is a public company which was established via an amalgamation under civil and commercial law between Bangkok Ranch Public Company Limited, Thongchai Asia Limited, Middle Village Limited and BT Partners Limited on 15 July 2013 and domiciled in Thailand. Its major shareholders are BR Partners Limited, which was incorporated in Hong Kong SAR, and JRGG Limited, which was incorporated in Thailand. The Company is principally engaged in the production of animal feed, farms for breeding and raising ducks for meat, duck slaughtering and the production of processed foods and by-products for distribution in local and overseas markets. The Company runs the duck farms, a hatchery, a feed mill and distribution centers located in Chonburi, Rayong, Singburi, Udonthani and Petchabun. Its registered address is at No. 18/1 Moo 12, Langwatbangpleeyainai Road, Bangpleeyai, Bangplee, Samutprakarn.

The first trading day of the Company’s shares on the Stock Exchange of Thailand was 15 July 2015.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Bangkok Ranch Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Percentage of shareholding		Country of incorporation
		2015	2014	
		%	%	
<u>Held by the Company</u>				
Anatis Foods Limited	Holding business and regional operating headquarter	100	100	Thailand
BR Agriculture Co., Ltd.	Duck farming business	100	100	Thailand
BM Agriculture Co., Ltd.	Raising Duck for meat business	48	-	Thailand
<u>Held by Anatis Foods Limited</u>				
Anatis Foods (Hong Kong) Limited	Duck meats trading	100	100	Hong Kong SAR
Anatis Foods (Singapore) Pte. Ltd.	Duck meats trading	100	100	Singapore
Duck-To Holding B.V.	Holding business	100	100	The Netherlands
<u>Held by Duck-To Holding B.V.</u>				
Tomassen Duck-To B.V.	Slaughterhouse and duck meats trading	100	100	The Netherlands
Duck-To Farm B.V.	Duck farming business	100	100	The Netherlands
Tomassen Transport B.V.	Transportation business	100	100	The Netherlands
Canature B.V.	Not yet operational	100	100	The Netherlands
<u>Held by Tomassen Duck-To B.V.</u>				
Lucky Duck International Food B.V.	Food Processing	90	90	The Netherlands

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the consolidated statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

3. New financial reporting standards

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

(a) Financial reporting standards that became effective in the current year

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

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss. This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

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

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

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This standard does not have any impact on the financial statements.

TFRS 12 Disclosure of Interests in Other Entities

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

TFRS 13 Fair Value Measurement

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

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

(b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company and its subsidiaries management believes that the revised financial reporting standards will not have any significant impact on the financial statements when it is initially applied except for TAS 41 Agriculture and Accounting Treatment Guidance for Recognition and Measurement of Bearer Plant. The management of the Company and its subsidiaries is evaluating the first-year impact to the financial statements and has yet to reach a conclusion.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

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

Interest income

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

Dividends

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

4.2 Cash and cash equivalents

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

4.3 Trade and other receivables

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

4.4 Inventories

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

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.

c) Investment in subsidiary is accounted for in the separate financial statements using the cost method.

d) Investment in associate is accounted for in the consolidated financial statements using the equity method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of unit trusts is determined from their net asset value.

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

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

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

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less allowance for loss on impairment (if any).

Depreciation of investment properties, which is building for rent, is calculated by reference to their costs on the straight-line basis over estimated useful lives of 1-16 years. Depreciation of the investment properties is included in determining income.

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

4.7 Property, plant and equipment / Depreciation

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

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

	Estimated useful lives	
	The Company	The subsidiaries
Land improvements	20 years	20 years
Building and building improvements	20, 30 years	5 years
Machinery	10 years	3-10 years
Tools and equipment	3, 5 years	5 years
Furniture and fixtures and office equipment	5 years	5 years
Motor vehicles	5 years	5 years

Depreciation is included in profit or loss.

No depreciation is provided on land and assets under installation and under construction.

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

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.9 Parent ducks

Expenses incurred during the non egg-laying period of parent ducks are capitalised and amortised during the egg-laying period in proportion to the number of eggs produced.

4.10 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any impairment losses (if any).

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

A summary of the intangible assets with finite useful lives is as follows:

	Useful lives
Customer relationships	40 years
Computer software	5 years

Intangible assets with indefinite useful lives (trade name) are not amortised, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually.

4.11 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.12 Related party transactions

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

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

4.13 Long-term leases

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

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

4.14 Foreign currencies

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

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in profit or loss.

4.15 Impairment of assets

At each reporting date, the Company and its subsidiaries performs impairment reviews in respect of the property, plant and equipment and intangible assets with finite lives whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

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

4.16 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefit plan

Defined contribution plans

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

Defined Post-employment benefit plans and other long-term employee benefit plan

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

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

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

4.17 Provisions

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

4.18 Income tax

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

Current tax

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

Current income tax of overseas subsidiaries is calculated in accordance with the tax rates applicable under the tax legislation of those countries.

Deferred tax

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

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

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

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

4.19 Derivatives

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are included in profit or loss. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

Interest rate swap contracts

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

4.20 Fair value measurement

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

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgments and estimates

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

Consolidation of subsidiary that the Company holds less than half of shares

The management of the Company determined that the Company has control over BM Agriculture Company Limited, even though the Company holds 48 percent of shares that is less than half of shares. This is because the Company is a shareholder who has major voting rights in such company and has the ability to direct the significant activities. As a result, BM Agriculture Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control.

Leases

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

Allowance for doubtful accounts

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

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Allowance of diminution in value of inventory

In determining an allowance of diminution in value of inventory, the management makes judgment and estimates net realisable value of inventory based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of reporting period. Also, the management makes judgment and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

Amortisation of parent ducks

In determining amortisation of parent ducks, the management needs to exercise judgment, in terms of estimating the number of eggs from the time the duck begins laying until it is put out, based upon past egg-laying history information and current events.

Impairment of equity investments

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

Property, plant, equipment and building for rent / Depreciation

In determining depreciation of plant, equipment and building for rent, the management is required to make estimates of the useful lives and residual values of the plant and equipment of the Company and its subsidiaries and to review estimate useful lives and residual values when there are any changes.

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

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Post-employment benefits under defined benefit plans

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

6. Related party transactions

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

	Consolidated		Separate		(Unit: Million Baht)
	financial statements		financial statements		Pricing policy
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	
<u>Transaction with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of goods	-	-	1,384	1,574	Agree between parties
Purchase of goods	-	-	78	-	Agree between parties
Commission expenses	-	-	68	80	Per contract
Rental and service income	-	-	8	-	Per contract
Rental and service expenses	-	-	1	-	Per contract
<u>Transaction with associate</u>					
Labour income	2	2	-	-	Market price
Labour expenses	7	7	-	-	Market price
<u>Transaction with related parties</u>					
Sales of goods	-	2	-	2	Market price
Purchase of goods	1	2	1	2	Agree between parties
Management fee	12	13	-	-	Agree between parties
Rental expenses	29	30	-	-	Per contract
Other service fee	2	1	-	-	Agree between parties
Purchase of machine and equipment	12	2	12	2	Price that approximate cost

(Unit: Million Baht)

The balances of the accounts as at 31 December 2015 and 2014 between the Company and its subsidiaries and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Trade and other receivables - related parties				
(Note 8)				
Trade receivables				
Subsidiaries	-	-	204,698	268,263
Associate	139	139	-	-
Related companies	-	91	-	91
Total trade receivables - related parties	139	230	204,698	268,354
Other receivables				
Subsidiaries	-	-	497	312
Total other receivables - related parties	-	-	497	312
Total trade and other receivables - related parties	139	230	205,195	268,666
Trade and other payables - related parties				
(Note 17)				
Trade payables				
Subsidiaries	-	-	10,718	116
Associate	751	-	-	-
Related party	-	59	-	59
Total trade payables - related parties	751	59	10,718	175
Other payables				
Subsidiaries	-	-	234,295	147,820
Associate	-	665	-	-
Related parties	906	-	906	-
Total other payables - related parties	906	665	235,201	147,820
Accrued interest expenses				
Subsidiary	-	-	-	3,365
Total accrued interest expenses - related party	-	-	-	3,365
Total trade and other payables - related parties	1,657	724	245,919	151,360

Directors and management's benefits

The Company and its subsidiaries had employee benefit expenses of their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Short-term employee benefits	74,531	75,218	30,338	28,994
Post-employment benefits	1,932	2,053	621	560
Total	76,463	77,271	30,959	29,554

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Cash	428	4,279	249	725
Bank deposits	192,424	253,244	98,140	138,226
Total	192,852	257,523	98,389	138,951

As at 31 December 2015, bank deposits in saving accounts carried interests between 0.10 and 1.00 percent per annum (the Company only: between 0.10 and 1.00 percent per annum) (2014: between 0.13 and 1.75 percent per annum and the Company only: between 0.13 and 1.75 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	139	158	150,777	176,530
Past due				
Up to 3 months	-	72	53,921	91,824
Total trade receivables - related parties	139	230	204,698	268,354

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	470,553	557,025	218,830	236,582
Past due				
Up to 3 months	121,900	86,719	23,789	32,239
3 - 6 months	729	8,172	567	8,172
6 - 12 months	678	5,710	667	5,710
Over 12 months	18,300	15,977	18,200	15,876
Total	612,160	673,603	262,053	298,579
Less: Allowance for doubtful accounts	(11,581)	(20,243)	(11,059)	(20,032)
Trade receivables - unrelated parties, net	600,579	653,360	250,994	278,547
Total trade receivables - net	600,718	653,590	455,692	546,901
Other receivables				
Other receivables from related parties	-	-	497	312
Prepaid expenses	11,481	13,223	5,629	12,111
Advances	675	1,629	630	1,814
Total other receivables	12,156	14,852	6,756	14,237
Total trade and other receivables - net	612,874	668,442	462,448	561,138

Partial of trade receivables of overseas subsidiaries have been pledged as collateral to secure their bank overdrafts.

9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2015	2014	2015	2014	2015	2014
Raw materials	549,406	273,585	(2,324)	(1,890)	547,082	271,695
Frozen ducks and finished products	1,060,803	727,698	(42,857)	(36,768)	1,017,946	690,930
Feed products	15,129	16,994	-	-	15,129	16,994
Fresh eggs, eggs in hatchery and ducklings	32,214	26,862	-	-	32,214	26,862
Ducks	9,124	13,302	-	-	9,124	13,302
Duck cages, feathers and components	54,045	39,443	(295)	(360)	53,750	39,083
Goods in transit	155,720	100,171	-	-	155,720	100,171
Total	1,876,441	1,198,055	(45,476)	(39,018)	1,830,965	1,159,037

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2015	2014	2015	2014	2015	2014
Raw materials	548,025	273,424	(2,324)	(1,890)	545,701	271,534
Frozen ducks and finished products	828,600	541,670	(49,274)	(36,768)	779,326	504,902
Feed products	15,391	16,825	-	-	15,391	16,825
Fresh eggs, eggs in hatchery and ducklings	14,981	15,514	-	-	14,981	15,514
Ducks	-	3,027	-	-	-	3,027
Duck cages, feathers and components	37,003	26,646	(295)	(360)	36,708	26,286
Goods in transit	137,792	70,315	-	-	137,792	70,315
Total	1,581,792	947,421	(51,893)	(39,018)	1,529,899	908,403

During the current year, the Company and its subsidiaries reduced cost of inventories by Baht 11 million (2014: Baht 21 million) (The Company only: Baht 18 million and 2014: Baht 21 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Company and its subsidiaries reversed the write-down of cost of inventories by Baht 5 million (2014: Baht 7 million), (The Company only: Baht 5 million and 2014: Baht 7 million), and reduced the amount of inventories recognised as expenses during the year.

As at 31 December 2015, frozen ducks and finished products of Duck-To Holding B.V. and its subsidiaries of Euro 6 million or approximately Baht 231 million (2014: Euro 4 million or approximately Baht 157 million) were pledged as collateral to secure their bank overdrafts facilities.

10. Parent ducks

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Parent ducks	121,829	144,276	105,408	143,409
Less: Accumulated amortisation	(65,127)	(59,500)	(56,183)	(59,500)
Parent ducks - net	56,702	84,776	49,225	83,909
Amortisation expenses for the year	103,865	97,325	94,921	97,325

11. Investment in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2015	2014	2015	2014	2015	2014	2015	2014
	Million Baht	Million Baht	%	%				
Anatis Foods Limited	904	904	100	100	904,489	904,489	100,000	180,000
BR Agriculture Co., Ltd.	70	50	100	100	70,000	50,000	-	-
BM Agriculture Co., Ltd.	5	-	48	-	20,300	-	-	-
Total					<u>994,789</u>	<u>954,489</u>	<u>100,000</u>	<u>180,000</u>

BR Agriculture Co., Ltd.

On 26 February 2014, the Company's Board of Directors Meeting passed a resolution to approve the incorporation of BR Agriculture Company Limited, in which the Company's interest is 100 percent, with a registered capital of Baht 200 million (20 million ordinary shares of Baht 10 each) of which Baht 2.50 per share is to be initially called up, or a total of Baht 50 million.

Subsequently during the second quarter of 2015, BR Agriculture Company Limited additional called up Baht 1 per share. The Company already paid the called up capital totalling Baht 20 million during the second quarter of 2015.

BM Agriculture Co., Ltd.

On 7 October 2014, the Company's Board of Directors Meeting passed a resolution to approve the incorporation of BM Agriculture Company Limited, in which the Company's interest is 46 percent, with a registered capital of Baht 5 million (50,000 ordinary shares of Baht 100 each) of which Baht 100 per share is to be called up in full, or a total of Baht 5 million. The Company paid in share capital in proportion to the Company's interest, amounting to Baht 2.3 million, on 28 January 2015.

Subsequently, on 25 February 2015, the Company's Board of Directors Meeting approved an increase in the registered, issued and paid-up capital of BM Agriculture Company Limited from Baht 5 million (50,000 ordinary shares with par value of Baht 100 each) to Baht 5.2 million (50,000 ordinary shares with par value of Baht 100 each and 1,800 preference shares with par value of Baht 100 each), through the issuance of 1,800 additional preference shares with a par value of Baht 100 each, to be offered to the Company at Baht 10,000 per share, generating share premium amounting to Baht 17.8 million. The increasing such share capital cause the Company's interest is 48 percent.

12. Investment properties

The investment properties are non-operating land and land and building rented to the subsidiaries.

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

	(Unit: Thousand Baht)				
			Consolidated	Separate	
			financial statements	financial statements	
	Non-operating			Non-operating	Land and
	land	Total		land	building for rent
					Total
31 December 2015:					
Cost	32,300	32,300	32,300	226,983	259,283
Less Accumulated depreciation	-	-	-	(195,311)	(195,311)
Net book value	<u>32,300</u>	<u>32,300</u>	<u>32,300</u>	<u>31,672</u>	<u>63,972</u>
31 December 2014:					
Cost	39,200	39,200	39,200	54,238	93,438
Less Accumulated depreciation	-	-	-	(42,893)	(42,893)
Net book value	<u>39,200</u>	<u>39,200</u>	<u>39,200</u>	<u>11,345</u>	<u>50,545</u>

A reconciliation of the net book values of investment properties for the years 2015 and 2014 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Net book value at beginning of year	39,200	39,200	50,545	39,200
Transfer from property, plant and equipment				
(Note 13)	-	-	27,464	11,345
Transfer to operating land				
(Note 13)	(6,900)	-	(6,900)	-
Depreciation for the year	-	-	(7,137)	-
Net book value at end of year	<u>32,300</u>	<u>39,200</u>	<u>63,972</u>	<u>50,545</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Non-operating land	36,510	40,210	36,510	40,210
Land and building for rent	-	-	56,344	13,467

The fair value of non-operating land has been determined based on market prices assessed by an accredited independent value. The fair value of the land and building held for rent has been determined by management using the income approach. Key assumptions used in the valuation include yield rate, inflation rate and long-term growth in real rental rates.

As at 31 December 2014, the Company and its subsidiaries have pledged investment properties amounting to approximately Baht 39 million (The Company only: Baht 51 million) as collateral against credit facilities received from financial institutions.

13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land	Land improvements	Building and building improvements	Machinery	Tools and equipment	Furniture, fixtures and office equipment	Assets under installation and under construction
Cost:							
1 January 2014	337,800	277,024	1,508,821	1,046,813	480,529	62,377	71,034
Additions	-	999	3,547	21,635	19,389	1,113	270,477
Disposals/write-offs	-	-	(318)	(9,523)	(3,991)	(3,336)	-
Transfer between classes of accounts	-	929	115,125	82,706	7,296	121	(206,177)
Adjustment	-	-	939	-	-	-	939
Translation adjustments	-	-	(7,317)	(19,252)	-	(3,534)	(11,821)
31 December 2014	337,800	278,952	1,620,797	1,122,379	503,223	56,741	135,334
Additions	90,000	1,500	44,456	29,090	13,595	3,939	22,241
Disposals/write-offs	-	-	-	(139)	(4,107)	(446)	-
Transfer between classes of accounts	34,621	11,950	99,182	73,759	10,887	2,178	(234,797)
Transfer from investment property	-	-	-	-	-	-	-
(Note 12)	6,900	-	-	-	-	-	-
Translation adjustments	-	-	638	(1,947)	-	(392)	(743)
31 December 2015	469,321	292,402	1,765,073	1,223,142	523,598	62,020	199,630
							4,675,203

(Unit: Thousand Baht)

Consolidated financial statements (continued)

	Land improvements		Building and building improvements	Machinery	Tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Accumulated depreciation:	Land	improvements							
1 January 2014	-	217,433	1,046,004	786,740	433,539	56,638	103,823	-	2,644,177
Depreciation for the year	-	6,533	75,785	138,979	23,959	1,682	8,153	-	255,091
Depreciation on disposals/write-offs	-	-	(318)	(6,877)	(3,847)	(3,327)	(4,037)	-	(18,406)
Adjustment	-	-	939	-	-	-	-	-	939
Translation adjustments	-	-	(6,621)	(13,746)	-	(3,236)	(9,615)	-	(33,218)
31 December 2014	-	223,966	1,115,789	905,096	453,651	51,757	98,324	-	2,848,583
Depreciation for the year	-	6,660	81,234	55,734	19,122	2,060	8,250	-	173,060
Depreciation on disposals/write-offs	-	-	-	(139)	(3,978)	(432)	(2,169)	-	(6,718)
Translation adjustments	-	-	(715)	(1,187)	-	(364)	(965)	-	(3,231)
31 December 2015	-	230,626	1,196,308	959,504	468,795	53,021	103,440	-	3,011,694
Net book value:									
31 December 2014	337,800	54,986	505,008	217,283	49,572	4,984	20,380	135,334	1,325,347
31 December 2015	469,321	61,776	568,765	263,638	54,803	8,999	36,577	199,630	1,663,509

Depreciation for the year

2014 (Baht 239 million included in manufacturing cost, and the balance in selling and administrative expenses)

2015 (Baht 153 million included in manufacturing cost, and the balance in selling and administrative expenses)

255,091

173,060

(Unit: Thousand Baht)

Separate financial statements

	Land improvements		Building and building improvements	Machinery	Tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:	Land	improvements							
1 January 2014	337,800	277,024	1,414,194	817,271	479,938	28,741	14,735	71,034	3,440,737
Additions	-	999	1,678	6,763	19,389	474	-	233,575	262,878
Disposals/write-offs	-	-	(318)	(8,980)	(3,991)	(235)	-	-	(13,524)
Transfer between classes of accounts	-	929	115,125	82,706	7,296	121	-	(206,177)	-
Adjustment	-	-	939	-	-	-	-	-	939
Transfer to investment properties									
(Note 12)	(6,700)	(3,399)	(37,609)	(2,314)	(3,545)	(300)	(371)	-	(54,238)
31 December 2014	331,100	275,553	1,494,009	895,446	499,087	28,801	14,364	98,432	3,636,792
Additions	90,000	1,407	3,090	15,355	13,201	3,109	-	262,531	388,693
Disposals/write-offs	-	-	-	(139)	(4,098)	(446)	(642)	-	(5,325)
Transfer between classes of accounts	34,621	9,369	55,379	66,206	2,218	2,030	2,220	(172,043)	-
Transfer from investment property									
(Note 12)	6,900	-	-	-	-	-	-	-	6,900
Transfer to investment properties									
(Note 12)	(20,000)	(26,991)	(80,691)	(20,475)	(23,140)	(603)	(853)	-	(172,753)
31 December 2015	442,621	259,338	1,471,787	956,393	487,268	32,891	15,089	188,920	3,854,307

(Unit: Thousand Baht)

Separate financial statements (continued)

	Land	Land improvements	Building and building improvements	Machinery	Tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Accumulated depreciation:									
1 January 2014	-	217,433	958,477	616,912	433,186	25,696	14,473	-	2,266,177
Depreciation for the year	-	6,533	72,856	118,571	23,876	1,068	251	-	223,155
Depreciation on disposals/write-offs	-	-	(318)	(6,334)	(3,847)	(226)	-	-	(10,725)
Adjustment	-	-	939	-	-	-	-	-	939
Transfer to investment properties	-	-	-	-	-	-	-	-	-
(Note 12)	-	(2,107)	(34,305)	(2,314)	(3,499)	(297)	(371)	-	(42,893)
31 December 2014	-	221,859	997,649	726,835	449,716	26,241	14,353	-	2,436,653
Depreciation for the year	-	6,463	69,915	36,066	17,438	1,469	347	-	131,698
Depreciation on disposals/write-offs	-	-	-	(139)	(3,969)	(432)	(642)	-	(5,182)
Transfer to investment properties	-	-	-	-	-	-	-	-	-
(Note 12)	-	(22,947)	(78,682)	(20,475)	(21,755)	(577)	(853)	-	(145,289)
31 December 2015	-	205,375	988,882	742,287	441,430	26,701	13,205	-	2,417,880
Net book value:									
31 December 2014	331,100	53,694	496,360	168,611	49,371	2,560	11	98,432	1,200,139
31 December 2015	442,621	53,963	482,905	214,106	45,838	6,190	1,884	188,920	1,436,427
Depreciation for the year									
2014 (Baht 212 million included in manufacturing cost, and the balance in selling and administrative expenses)									223,155
2015 (Baht 116 million included in manufacturing cost, and the balance in selling and administrative expenses)									131,698

As at 31 December 2014, the Company and its subsidiaries had vehicles and equipment with net book values of Baht 3 million (The Company only: Baht 1 million) which was acquired under finance lease agreements.

As at 31 December 2014, the Company and its subsidiaries have pledged their property, plant and equipment amounting to approximately Baht 871 million (The Company only: Baht 854 million), as collateral against credit facilities received from commercial banks.

As at 31 December 2015, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 1,290 million (The Company only: Baht 1,075 million) (2014: Baht 1,203 million, The Company only: Baht 1,005 million).

14. Goodwill

Goodwill in the separate statement of financial position, amounting to Baht 1,910 million, arose from BT Partners Limited's purchase of shares of Middle Village Limited and Bangkok Ranch Public Company Limited on 28 December 2012 (before amalgamation as described in Note 1 to financial statements). As a result of this acquisition, BT Partners Limited directly and indirectly held 96 percent of the paid up share capital of Bangkok Ranch Public Company, with costs of investment directly attributable to the acquisition amounting to Baht 4,228 million, while the net fair value of the identifiable assets, liabilities and contingent liabilities on the acquisition date, in proportion to its shareholding, amounted to Baht 2,318 million.

In addition, Tomassen Duck-To B.V. (a subsidiary) acquired an interest in Lucky Duck International Food B.V., representing 90 percent of its registered share capital, for a price of EUR 1.5 million or approximately Baht 58 million. The acquisition cost was approximately EUR 1 million, or approximately Baht 41 million, in excess of the net fair value of the identifiable assets, liabilities and contingent liabilities of that company, in proportion to its shareholding, and this amount was recorded as goodwill in the consolidated statement of financial position.

15. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements			
	Computer software	Customer relationships	Trade name	Total
Cost:				
1 January 2014	18,232	504,706	274,699	797,637
31 December 2014	18,232	504,706	274,699	797,637
31 December 2015	18,232	504,706	274,699	797,637
Accumulated amortisation:				
1 January 2014	18,232	12,617	-	30,849
Amortisation for the year	-	12,618	-	12,618
31 December 2014	18,232	25,235	-	43,467
Amortisation for the year	-	12,618	-	12,618
31 December 2015	18,232	37,853	-	56,085
Net book value:				
31 December 2014	-	479,471	274,699	754,170
31 December 2015	-	466,853	274,699	741,552

(Unit: Thousand Baht)

	Separate financial statements			
	Computer software	Customer relationships	Trade name	Total
Cost:				
1 January 2014	18,232	486,688	187,410	692,330
31 December 2014	18,232	486,688	187,410	692,330
31 December 2015	18,232	486,688	187,410	692,330
Accumulated amortisation:				
1 January 2014	18,232	12,167	-	30,399
Amortisation for the year	-	12,167	-	12,167
31 December 2014	18,232	24,334	-	42,566
Amortisation for the year	-	12,167	-	12,167
31 December 2015	18,232	36,501	-	54,733
Net book value:				
31 December 2014	-	462,354	187,410	649,764
31 December 2015	-	450,187	187,410	637,597

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

(Unit: Thousand Baht)

	Interest rate		Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014	2015	2014
	(% per annum)	(% per annum)				
Trust receipts	1.30 - 4.53	3.23 - 4.75	273,460	178,771	273,460	178,771
Promissory notes	2.67 - 5.01	5.25	1,237,000	380,000	1,235,000	380,000
Bank overdrafts	1.76	2.38 - 3.75	187,503	163,215	-	-
Total bank overdrafts and short-term loans from financial institutions			<u>1,697,963</u>	<u>721,986</u>	<u>1,508,460</u>	<u>558,771</u>

The Company can renew the promissory notes until it decides to repay these loans.

The overseas subsidiaries have a cap interest rate agreement to manage the risk associated with bank overdrafts carrying interest at a floating rate. The agreement relates to interest on principal amounts of EUR 2 million (2014: EUR 2 million), which mature in June 2015. Under the agreement, from June 2012, the overseas subsidiaries are required to pay interest to the financial institution, at a rate of the 1-month Euribor + 2.25% but not exceed 3.75% per annum, while the financial institution is required to pay interest to the overseas subsidiaries at a rate of the 1-month Euribor+ 2.25% per annum.

As at 31 December 2014, short-term loans from financial institutions of the Company were secured by the mortgage of land with structures thereon, machinery, equipment, investment properties, some of the Company's shares, a subsidiary's shares, a guarantee provided by the Company's director and a guarantee provided by a subsidiary. Subsequently, in October 2015, the Company made full payment of its long-term loans from the financial institutions that provided short-term loans to the Company and withdrew the collateral placed with those financial institutions (as described in Note to financial statements 18).

Bank overdrafts of Duck-To Holding B.V. and its subsidiaries are guaranteed by their trade receivables and inventories.

Bank overdrafts agreement of subsidiaries contains several covenants relating to, among other things, the maintenance of certain financial ratios in accordance with rates prescribed in the agreement.

17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Trade payables - related parties	751	59	10,718	175
Trade payables - unrelated parties	269,870	194,288	171,867	118,908
Other payables - related parties	906	665	235,201	147,820
Other payables - unrelated parties	76,504	76,085	65,300	72,079
Accrued interest expenses - related party	-	-	-	3,365
Accrued interest expenses - unrelated parties	2,738	2,564	1,570	1,131
Accrued expenses	<u>108,679</u>	<u>133,009</u>	<u>83,643</u>	<u>109,957</u>
Total trade and other payables	<u>459,448</u>	<u>406,670</u>	<u>568,299</u>	<u>453,435</u>

18. Long-term loans

The Company has long-term loan agreements with domestic lenders as follows:

Loan	Interest rate (% per annum)	Repayment schedule	(Unit: Thousand Baht)	
			Consolidated financial statements/ Separate financial statements	
			<u>2015</u>	<u>2014</u>
1.	Closed to MLR	Repayment in monthly installments commencing January 2013, with the final installment due in December 2020	-	2,528,000
2.	Closed to MLR	Repayment in monthly installments commencing June 2015, with the final installment due in December 2018	-	200,000
3.	Closed to MLR	Repayment in quarterly installments commencing March 2018, with the final installment due in November 2020	98,000	-
Total			<u>98,000</u>	<u>2,728,000</u>
Less: Portion due within one year			<u>-</u>	<u>(379,889)</u>
Long-term loans - net of current portion			<u>98,000</u>	<u>2,348,111</u>

As at 31 December 2014, the Loan 1 and Loan 2 loans were secured by the mortgage of land with structures thereon, machinery, equipment, investment properties, some of the Company's shares, the subsidiary's shares, a guarantee provided by the Company's director and a guarantee provided by a subsidiary. Subsequently, in October 2015, the Company made full payment of the balances of the loans and withdraw all collateral.

On 9 November 2015, the Company entered into a loan agreement (Loan 3) with another commercial bank to obtain unsecured loan to be used in expanding its operations. The loan carries interest at a rate close to MLR per annum and principal is to be paid in quarterly installments commencing March 2018, with the final installment due in November 2020. The Company drew down the loan in December 2015.

The loan agreement contains several covenants relating to, among other things and the maintenance of certain financial ratios in accordance with rates prescribed in the agreements.

19. Provision for long-term employee benefits

Provision for long-term employee benefits were as follows:

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Other long-term					
	Compensations	employee benefits		Paid annual leave		Total
	2015	2014	2015	2014	2015	2014
Defined benefit obligation at beginning of year	12,482	14,742	6,196	6,663	4,848	7,278
Included in profit or loss:						
Current service cost	3,443	1,108	-	288	14,567	13,967
Interest cost	535	510	-	-	-	-
Included in other comprehensive income:						
Actuarial gain arising from						
Demographic assumptions changes	-	(1,236)	-	-	-	-
Financial assumptions changes	-	(1,208)	-	-	-	-
Experience adjustments	-	(1,434)	-	-	-	-
Translation adjustments	-	-	(135)	(755)	(54)	(686)
Benefits paid during the year	(2,759)	-	(1,072)	-	(14,010)	(15,711)
Provisions for long-term employee benefits at end of year	13,701	12,482	4,989	6,196	5,351	4,848
					24,041	23,526

(Unit: Thousand Baht)

Separate financial statements

Compensations

	2015	2014
Defined benefit obligation at beginning of year	11,564	13,368
Included in profit or loss:		
Current service cost	3,284	760
Interest cost	491	434
Included in other comprehensive income:		
Actuarial gain arising from		
Demographic assumptions changes	-	(1,232)
Financial assumptions changes	-	(1,178)
Experience adjustments	-	(588)
Benefits paid during the year	(2,760)	-
Provisions for long-term employee benefits at end of year	12,579	11,564

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Cost of sales	12,651	11,759	482	-
Selling and administrative expenses	5,894	4,114	3,293	1,194
Total expenses recognised in profit or loss	18,545	15,873	3,775	1,194

As at 31 December 2014, the Company and its subsidiaries expect to pay Baht 4 million of long-term employee benefits during the next year. (The Company only: Baht 4 million)

As at 31 December 2015, the Company and its subsidiaries do not expect to pay long-term employee benefits during next year.

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 20-29 years. (The Company only: 27-29 years) (2014: 20-29 years, The Company only: 27-29 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Discount rate	4.02 - 4.19	4.02 - 4.19	4.06 - 4.19	4.06 - 4.19
Future salary increase rate	2.51 - 3.44	2.51 - 3.44	2.51 - 2.67	2.51 - 2.67
Turnover rate	0 - 84.00	0 - 84.00	0 - 84.00	0 - 84.00

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>
Discount rate	(437)	466	(415)	443
Salary increase rate	488	(460)	461	(434)
Turnover rate	(561)	600	(530)	568

20. Warrants/share capital

Before amalgamation, Bangkok Ranch Public Company Limited issued and allocated warrants to the employees and the arranger in accordance with the criteria prescribed by Bangkok Ranch Public Company Limited on 23 April 2009. The warrants have a life of up to 5 years from the issue date of warrants, with the following conditions, the annual targets and exercise period set by Bangkok Ranch Public Company Limited.

The warrants were transferred to Bangkok Ranch Public Company Limited after the amalgamation. However, the warrant holders have not been able to exercise the warrants because the annual targets or the level of achievement set by the Board of Directors have not been achieved and the warrants have expired in April 2014. The Company registered the reduction of its share capital with respect to the unissued shares to be allocated to support the exercise of the warrants on 28 November 2014. On 30 October 2014, the Extraordinary General Meeting of the Company's shareholders No.1/2014 passed the following significant resolutions.

- Approved a decrease its registered share capital from Baht 3,508,752,790 (350,875,279 ordinary shares of Baht 10 each) to Baht 3,427,232,790 (342,723,279 ordinary shares of Baht 10 each).
- Approved a change in the par value of the ordinary shares from Baht 10 each (342,723,279 ordinary shares of Baht 10 each) to Baht 5 each (685,446,558 ordinary shares of Baht 5 each).

- Approved an increase its registered share capital amounting to Baht 1,142,410,930 (228,482,186 ordinary shares of Baht 5 each) from Baht 3,427,232,790 (685,446,558 ordinary shares of Baht 5 each) to Baht 4,569,643,720 (913,928,744 ordinary shares of Baht 5 each) to support an initial public offering.

The Company registered the change in the par value and the decrease and increase of its capital with the Ministry of Commerce on 28 November 2014.

Subsequently, on 22 April 2015, the Annual General Meeting of the Company's shareholders passed the resolutions to approve the allocation of 228,482,186 increased ordinary shares as follow.

- The allocation of up to 219,732,186 increased ordinary shares for offering to the public.
- The allocation of up to 2,800,000 increased ordinary shares which are part of the increased ordinary shares mentioned in a) for offering to the existing minor shareholders of the Company together with offering to the public and at the same price as the IPO price.
- The allocation of up to 8,750,000 increased ordinary shares for offering to directors and/or management of the Company or its subsidiaries together with the offering to the public and at the same price as the IPO price.

During 3 - 8 July 2015, the Company made a public offering the above allocated additional shares at a price of Baht 8.80 per share, or for a total of Baht 2,006.4 million and received payment for the shares on 9 July 2015. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 10 July 2015. All direct expenses related to the share offering presented as a deduction from the share premium.

21. Deficit on amalgamation

As discussed in Note 1 to the financial statements, the Company was established via an amalgamation under civil and commercial law between Bangkok Ranch Public Company Limited, Thongchai Asia Limited, Middle Village Limited and BT Partners Limited on 15 July 2013. Prior to 15 July 2013, Thongchai Asia Limited, Middle Village Limited and BT Partners Limited had held the shares of Bangkok Ranch Public Company Limited and controlled its operations since acquisition date. This amalgamation was thus considered to be a business combination under common control. The investments in subsidiaries and associates recorded in the financial statements of Thongchai Asia Limited, Middle Village Limited and BT Partners Limited that represented cross holdings and holdings in Bangkok Ranch Public Company Limited therefore had to be eliminated from the financial statements of the new company after amalgamation. The difference between the cost of such investments and the addition adjustment of fair value of the identifiable assets, liabilities and contingent liabilities acquired, including goodwill, of Bangkok Ranch Public Company Limited, in proportion to the shareholding of BT Partner Limited at the acquisition date, amounting to Baht 7,428 million (the Company only: Baht 6,558 million), was recorded as "Deficit on amalgamation" and separately presented in the statements of changes in shareholders' equity.

22. Statutory reserve

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

23. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Salaries and wages and other employee benefits	709,440	706,377	468,133	451,564
Depreciation	173,060	255,091	138,835	223,155
Amortisation expenses	116,483	109,942	107,088	109,492
Electricity	161,789	162,766	139,894	141,669
Professional fee	42,336	58,981	29,382	21,708
Transportation and gasoline	126,156	129,411	84,948	91,763
Rental expenses from operating lease agreements	134,671	142,196	94,886	99,577
Raw materials and consumables used	4,925,669	5,543,127	3,791,666	4,041,557
Changes in inventories of finished goods and work in progress	347,016	14,584	292,293	48,550

24. Income tax

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

	(Unit: Thousand Baht)			
	Consolidated		Separate financial	
	financial statements		statements	
	2015	2014	2015	2014
Current income tax:				
Corporate income tax charge for the year	100,266	179,358	77,990	147,413
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,287)	(40,367)	(1,622)	(35,211)
Income tax expense reported in the income statement	98,979	138,991	76,368	112,202

The amounts of income tax relating to each component of other comprehensive income for the year ended 31 December 2015 is deferred tax relating to actuarial gains and gain on changes in value of available-for-sale investment which amounts are not material (Year 2014 was deferred tax relating to gain on changes in value of available-for-sale investments).

Reconciliation between accounting profit and income tax expenses is shown below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Accounting profit before tax	649,320	800,090	478,042	718,840
Applicable tax rate (percent)	0 - 25	0 - 25	20	20
Accounting profit before tax multiplied by income tax rate	134,182	172,367	95,608	143,768
Effects of:				
Non-deductible expenses	11,620	5,719	10,972	5,717
Exempt income	(36,611)	(37,812)	(20,000)	(36,000)
Additional expense deductions allowed	(10,212)	(1,283)	(10,212)	(1,283)
Total	(35,203)	(33,376)	(19,240)	(31,566)
Income tax expense reported in the income statement	98,979	138,991	76,368	112,202

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred tax assets				
Allowance for doubtful accounts	2,212	4,006	2,212	4,006
Allowance for diminution in value of inventories	9,095	7,804	10,379	7,804
Allowance for asset impairment	49,786	53,630	49,785	53,630
Provision for long-term employee benefits	2,631	2,406	2,516	2,313
Amortisation parent ducks	8,764	10,559	8,764	10,559
Unused tax loss	203	110	-	-
Total	72,691	78,515	73,656	78,312

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred tax liabilities				
Surplus on revaluation assets	6,988	12,055	4,436	8,280
Customer relationships	94,204	96,750	90,038	92,471
Trade name	59,304	59,304	37,482	37,482
Total	160,496	168,109	131,956	138,233

25. Promotional privileges

The Company has been granted promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions. Significant privileges of the Company are as follows

Details		
1. Certificate No.	2477(3)/2556 (Previous number as 1748(3)/2551)	1507(2)/2557
2. Promotional privileges for	Manufacturing or preserving foods	Raising duck
3. The significant privileges are		
3.1 Exemption from corporate income tax for profit from promoted operations and exemption from income tax on dividends paid from the profit of the operations throughout the period in which the corporate income tax is exempted. If losses are incurred during the corporate income tax exemption period, the Company is allowed to utilise the losses as a deduction against profit for up to five years after the expiry of the tax exemption period.	8 years	8 years (Exemption limited to investment excluding in land and working capital)
3.2 Exemption from import duty on machinery as approved by the Board of Investment.	Granted	Granted
4. Date of first earning operating income	1 June 2008	2 March 2015

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

	(Unit: Thousand Baht)					
	Promoted operations		Non-promoted operations		Total	
	2015	2014	2015	2014	2015	2014
Sales						
Domestic sales	84,789	17,423	4,424,781	4,620,425	4,509,570	4,637,848
Export sales	519,491	528,184	814,969	1,105,952	1,334,460	1,634,136
Total sales	604,280	545,607	5,239,750	5,726,377	5,844,030	6,271,984

26. Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued during the year, and after adjusting the number of shares for the year ended 31 December 2014 to reflect the impact of the change in par value described in Note 20 to the financial statements. In this respect, the number of ordinary shares was adjusted as if the share split had occurred at the beginning of the first reporting period.

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Profit for the year (Thousand Baht)				
Equity holders of the Company	550,152	660,864	401,674	606,638
Weighted average number of ordinary shares				
(Thousand shares)	794,137	685,447	794,137	685,447
Earnings per share (Baht)	0.69	0.96	0.51	0.89

For the years ended 31 December 2015 and 2014, the Company did not calculate the dilutive effect of the warrants because the warrant holders can no longer exercise the warrants as mentioned in Note 20 to the financial statements.

27. Segment information

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

For management purposes, the Company and its subsidiaries are organised into business units based on its entity group and there are the following four reportable segments:

Entity group 1: Animal feed, duck farm, hatchery, duck slaughterhouse & by-products and food products in Thailand.

Entity group 2: Regional operating headquarters business.

Entity group 3: Duck farm, duck slaughterhouse and duck meat trading in The Netherlands.

Entity group 4: Duck meat trading in Singapore and Hong Kong SAR.

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

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

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

The following tables present revenue and profit information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2015 and 2014.

	Thailand				Overseas				Total		Adjustments and		Consolidated	
	Entity group 1		Entity group 2		Entity group 3		Entity group 4		reportable segments	eliminations	2015	2014	2015	2014
	2015	2014	2015	2014	2015	2014	2015	2014						
Revenue from external customers	4,468	4,698	-	-	2,180	2,435	1,081	1,351	7,729	8,484	-	-	7,729	8,484
Inter-segment income	1,462	1,574	112	111	-	3	399	389	1,973	2,077	(1,973)	(2,077)	-	-
Gain on sale of other long-term investment	-	-	-	-	14	-	-	-	14	-	-	-	14	-
Interest income	1	2	-	-	-	-	-	-	1	2	-	-	1	2
Other income	124	200	100	70	-	7	67	76	291	353	(276)	(330)	15	23
Total revenues	6,055	6,474	212	181	2,194	2,445	1,547	1,816	10,008	10,916	(2,249)	(2,407)	7,759	8,509
Cost of sales	(4,621)	(4,653)	-	-	(1,945)	(2,180)	(1,347)	(1,584)	(7,913)	(8,417)	1,889	1,976	(6,024)	(6,441)
Selling expenses	(329)	(314)	-	-	(94)	(96)	(100)	(98)	(523)	(508)	166	176	(357)	(332)
Administrative expenses	(228)	(245)	(16)	(15)	(40)	(50)	(26)	(47)	(310)	(357)	(2)	5	(312)	(352)
Depreciation and amortisation	(259)	(333)	-	-	(31)	(32)	-	-	(290)	(365)	-	-	(290)	(365)
Total expenses	(5,437)	(5,545)	(16)	(15)	(2,110)	(2,358)	(1,473)	(1,729)	(9,036)	(9,647)	2,053	2,157	(6,983)	(7,490)
Profit before share of income from investment in associate, finance costs and income tax expenses	618	929	196	166	84	87	74	87	972	1,269	(196)	(250)	776	1,019
Finance costs	(122)	(210)	-	-	(5)	(9)	-	-	(127)	(219)	-	-	(127)	(219)
Income tax expenses	(76)	(112)	(10)	(10)	(12)	(17)	-	-	(98)	(139)	(1)	-	(99)	(139)
Profit for the year	420	607	186	156	67	61	74	87	747	911	(197)	(250)	550	661

(Unit: Million Baht)

Revenues of the Company and its subsidiaries are separated in two principal types: (1) upstream revenues and (2) downstream revenues.

Upstream revenues consist of revenues from animal feed, duck farms and hatcheries.

Downstream revenues consist of revenues from the duck slaughterhouse and by-products and food products.

Below is the consolidated financial information of the Company and its subsidiaries for the years ended 31 December 2015 and 2014 separately by revenue.

(Unit: Million Baht)

	Thailand				Overseas							
	Up-stream revenues		Down-stream revenues		Regional operating headquarter revenues		Up-stream revenues		Down-stream revenues		Adjustments and eliminations	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenue from external customers	2,255	2,177	2,213	2,521	-	-	590	653	2,671	3,133	-	-
Inter-segment revenue	130	-	1,332	1,574	112	111	-	3	399	389	(1,973)	(2,077)
Total revenues	2,385	2,177	3,545	4,095	112	111	590	656	3,070	3,522	(1,973)	(2,077)
											7,729	8,484
											-	-
											7,729	8,484

For the years ended 31 December 2015 and 2014, the Company and its subsidiaries have no major customers with revenues that account for 10 percent or more of any entity's revenue.

28. Provident fund

The Company, its subsidiaries and employees have participated in Thaipanich Master Fund Registered Provident Fund as approved by Ministry of Finance in accordance with the Provident Fund Act B.E. 2530. Employees, the Company and its subsidiaries contributed to the fund monthly at the rates of 3 percent of basic salary. The fund, which is managed by SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 amounting to approximately Baht 4 million (the Company only: Baht 4 million) (2014: Baht 3 million, the Company only: Baht 3 million) were recognised as expenses.

29. Commitments and contingent liabilities

29.1 Capital commitments

As at 31 December 2015, the Company and its subsidiary have capital commitments of approximately Baht 37 million (The Company only: Baht 36 million), relating to purchase duck grading automatic hatcher and air cooled screw chiller (2014: Baht 138 million, the Company only: Baht 137 million), relating to renovate cold storage and purchase machine.

29.2 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, machinery, equipment, car rental and services. The terms of the agreements are generally between 1 and 13 years. Operating lease agreements are non-cancellable.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Payable:				
In up to 1 year	25	40	18	38
In over 1 and up to 5 years	23	15	10	13
In over 5 years	-	5	-	5

29.3 Commitment of agreements with farmers

The Company has entered into agreements with farmers whereby it is committed to buy ducks from the farmers at a unit price stipulated in the agreements. As at 31 December 2015, the Company's commitment to buy ducks in the first quarter of 2016 total approximately Baht 390 million (2014: the Company's commitment to buy ducks in the first quarter of 2015 total approximately Baht 384 million).

Duck-To Holding B.V. and its subsidiaries have entered into agreements with farmers whereby the subsidiaries are committed to buy commercial ducks from the farmers at unit price stipulated in the agreements. As at 31 December 2015, the subsidiaries' commitment to buy commercial ducks in the first quarter of 2016 amounted to approximately Euro 3 million (2014: the subsidiaries' commitment to buy commercial ducks in the first quarter of 2015 amounted to approximately Euro 2 million).

Duck-To Holding B.V. and its subsidiaries have entered into agreements with farmers whereby they are committed to buy parent ducks and eggs from the farmers at market price. As at 31 December 2015, the subsidiaries' commitments to buy parent ducks and eggs amounted to approximately Euro 2 million, covering the year 2016 (2014: the subsidiaries' commitments to buy parent ducks and eggs amounted to approximately Euro 2 million, covering the year 2015)

29.4 Guarantees

There were the following outstanding bank guarantees issued by banks on behalf of the Company and its subsidiaries.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Bank guarantees for:				
Electricity use guarantees	22	18	22	18
Poultry quota application guarantees	27	18	-	-
Other guarantees	1	-	1	-

The guarantees in respect of certain performance bonds as required in the normal course of business.

29.5 Letter of Credit

As at 31 December 2015, the Company has outstanding commitments of approximately USD 2 million (2014: USD 3 million and Euro 1 million) under letter of credit, relating to purchasing raw material.

30. Fair value hierarchy

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

(Unit: Million Baht)			
Consolidated financial statements			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Assets measured at fair value			
Held for trade investments			
Equity instruments	9	-	9
Assets for which fair value are disclosed			
Investment properties	-	37	37

(Unit: Million Baht)				
Separate financial statements				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets for which fair value are disclosed				
Investment properties	-	37	56	93

31. Financial instruments

31.1 Financial risk management

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

Credit risk

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

Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relates primarily to cash at banks, bank overdrafts and short-term and long-term borrowings.

Significant financial assets and liabilities as at 31 December 2015 and 2014 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements									
	Fixed interest rates		Floating		Non-interest					
	with 1 year		interest rate		bearing		Total		Effective interest rate	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
									(% per annum)	
Financial assets										
Cash and cash equivalents	-	-	191	253	2	5	193	258	0.10-1.00	0.13-1.75
Trade and other receivables	-	-	-	-	613	668	613	668	-	-
	-	-	191	253	615	673	806	926		
Financial liabilities										
Bank overdrafts and short-term										
loans from financial institutions	1,510	559	188	163	-	-	1,698	722	1.30-5.01	2.38-5.25
Trade and other payables	-	-	-	-	459	407	459	407	-	-
Liabilities under finance lease	-	1	-	-	-	-	-	1	-	5.85-6.30
agreements	-	-	98	2,728	-	-	98	2,728	3.90	6.75
Long-term loans	-	-	-	-	24	21	24	21	-	-
Deposit for agro credit sales	1,510	560	286	2,891	483	428	2,279	3,879		

(Unit: Million Baht)

	Separate financial statements									
	Fixed interest rates		Floating		Non-interest					
	with 1 year		interest rate		bearing		Total		Effective interest rate	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	(% per annum)									
Financial assets										
Cash and cash equivalents	-	-	97	138	1	1	98	139	0.10-1.00	0.13-1.75
Trade and other receivables	-	-	-	-	462	561	462	561	-	-
Investment in subsidiaries	-	-	-	-	995	954	995	954	-	-
	-	-	97	138	1,458	1,516	1,555	1,654		
Financial liabilities										
Bank overdrafts and short-term										
loans from financial institutions	1,508	559	-	-	-	-	1,508	559	1.30-5.01	3.23-5.25
Trade and other payables	-	-	-	-	568	453	568	453	-	-
Long-term loans	-	-	98	2,728	-	-	98	2,728	3.90	6.75
Deposit for agro credit sales	-	-	-	-	24	21	24	21	-	-
	1,508	559	98	2,728	592	474	2,198	3,761		

The overseas subsidiaries entered into the cap interest rate agreement to manage risk associated with their bank overdrafts which are financial liabilities carrying floating interest rates. The details of bank overdrafts are set out in Note 16 to the financial statements.

Foreign currency risk

The Company and its subsidiaries are exposed to foreign currency risk arise mainly from purchase/sales transactions that are denominated in foreign currencies. The Company seek to reduce the risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2015	2014	2015	2014	2015	2014
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
The Company						
USD	-	4	1	3	36.09	32.96
EUR	-	2	7	-	39.44	40.05
The subsidiaries						
(major balance is of Anatis						
Foods (Hong Kong) Limited)						
GBP	1	4	-	-	53.50	51.15
EUR	1	2	-	-	39.44	40.05

The Company manages its exposure to foreign currency risk by using derivatives considered appropriate (except for the foreign currency risk from investment in foreign countries, which the Company believes insignificantly affects to the financial statements).

Foreign exchange contracts outstanding are as summarised below.

As at 31 December 2015					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual Maturity date
			Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
GBP	-	1	-	53.86 - 54.73	March - April 2016
EUR	1	2	39.44 - 39.69	38.14 - 39.61	March - April 2016
USD	7	2	35.61 - 36.31	35.44 - 36.37	January - May 2016

As at 31 December 2014					
Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate		Contractual Maturity date
			Bought (Baht per 1 foreign currency unit)	Sold	
GBP	-	1	-	51.11 - 52.00	March - May 2015
EUR	-	2	-	40.15 - 41.20	January - May 2015
USD	3	4	32.49 - 33.07	32.34 - 33.11	January - May 2015

31.2 Fair values of financial statements

Since the majority of the financial instruments of the Company and its subsidiaries are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

During the current year, there were no transfers within the fair value hierarchy.

32. Capital management

The primary objective of the capital management of the Company and its subsidiaries is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2015, the Group's debt-to-equity ratio was 0.5:1 (2014: 1.9:1) and the Company's was 0.5:1 (2014: 1.6:1)

33. Events after the reporting period

On 26 January 2016, the Company entered into a loan agreement with a commercial bank with credit facilities amounted to Baht 1,000 million to obtain unsecured loan to be used in investment in the Company's projects. The loan carries interest at a fixed rate during first year and third year and a rate close to MLR per annum in forth year and thereafter and principal is to be paid in monthly installments commencing February 2018.

34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors 26 February 2016.



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