

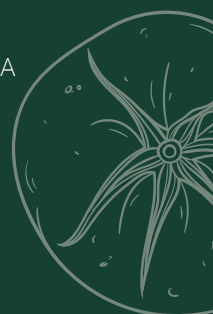
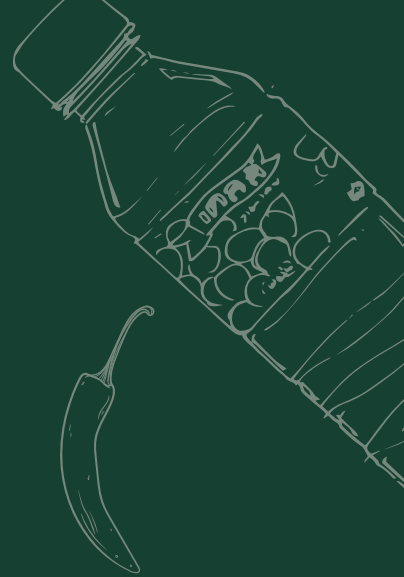


Thai President Foods Public Company Limited



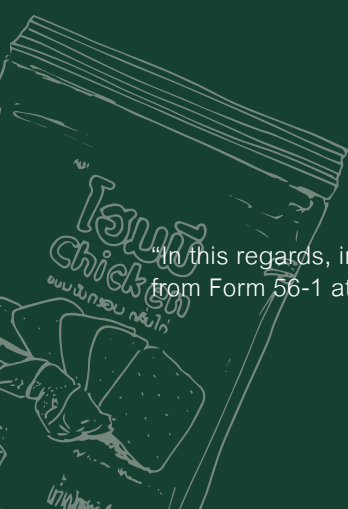
Annual Report 2018





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"In this regards, investors may obtain further information from Form 56-1 at www.sec.or.th or www.mama.co.th"

VISION

" To be a world leading food producer and brand name that are well-accepted and recognized by consumers of all household for our safe and international standard products under creative and innovative management with responsibilities to social and environment for the long-term sustainability. "

MISSION

1. Maximize the consumer's benefit with safe, quality and nutritious convenient food products at reasonable price.
2. Develop capabilities of our human resources leading the company to be learning organization for everyone.
3. To enhance production efficiency with modern technology, and support research and development to initiate foods innovation as well as effective management system based on the Big Data information.
4. Search for marketing opportunity and channel for continuously growth of our business around the world.
5. Build trust among stakeholders with emphasis on social responsibility as well as protections of natural resource and environment using good governance for sustainable development.

CORE VALUES

P O W E R S



PARTICIPATION

ORGANIZATION
THAT LEARNS

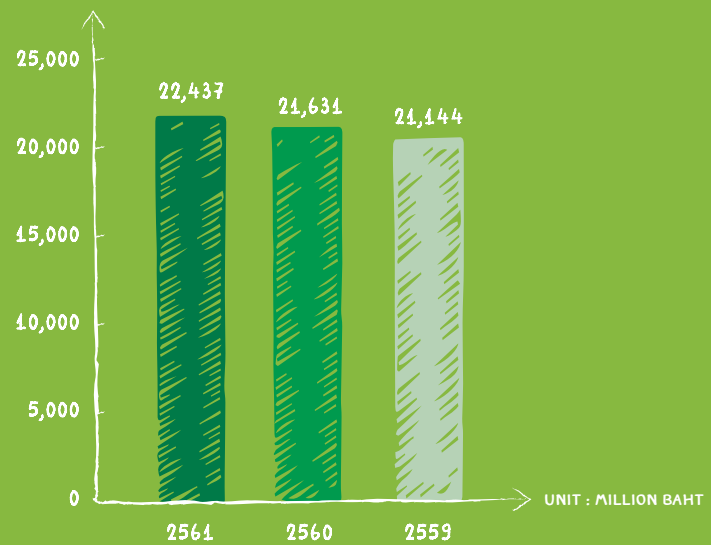
WORLD CLASS

ETHICS

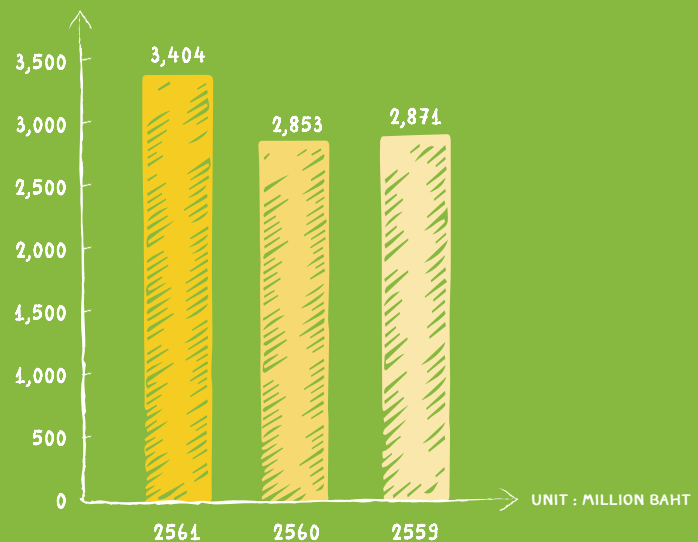
RESPONSIBILITY

SUSTAINABILITY

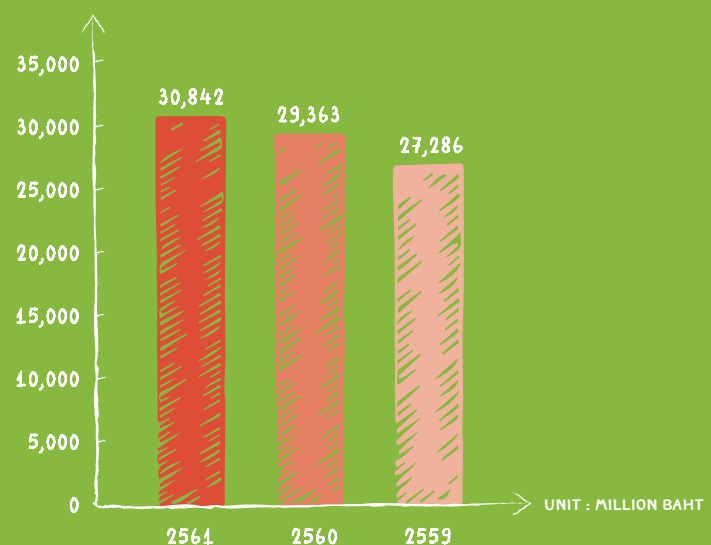
22,437
SALES REVENUE



3,404
NET PROFIT OF
EQUITY HOLDERS
OF THE COMPANY



30,842
TOTAL ASSETS



Highlights of the year

Consolidated	2018	Change (%)	2017	Change (%)	2016	Change (%)
Performance (Million Baht)						
Sales	22,437	3.73	21,631	2.30	21,144	5.98
Total Revenues*	23,096	3.95	22,218	2.29	21,721	6.17
Net Profit of Equity Holders of the Company	3,404	19.31	2,853	-0.63	2,871	12.24
Total Assets	30,842	5.04	29,363	7.61	27,286	10.51
Total Liabilities	4,019	8.45	3,706	-6.77	3,975	6.17
Total Shareholders' Equity	26,823	4.54	25,657	10.06	23,311	11.29
Per Share Data (Baht)						
Earnings per Share	10.33	19.42	8.65	-0.69	8.71	12.24
Dividend Per Share**	3.92	8.59	3.61	-0.39	3.63	14.95
Book Value per Share	81.35	4.54	77.82	10.06	70.70	11.29
Financial Ratio						
Current Ratio	4.46	-12.12	5.07	25.56	4.04	-1.16
Average Collection Period (Days)	60	-1.78	61	9.06	56	-0.34
Return on Assets	16.03	10.72	14.48	-8.52	15.83	1.67
Debt to Equity	0.15	3.73	0.14	-15.29	0.17	-4.60
Times Interest Earned	380.38	52.08	250.12	10.03	227.32	41.92
Rate of Return (%)						
Gross Profit Margin	35.25	1.61	33.64	-0.30	33.93	0.58
Net Profit Margin	18.97	1.68	17.29	-0.80	18.09	1.12
Return on Equity	20.78	1.63	19.14	-2.50	21.65	0.38

*Included the Share of profit from investments in associates

**Adjusted to be the same base at 329,704,014 shares





Message from the Board

The past year of 2018 is another year of highest performance of the Company since ever establishment in terms of sales volume and profit, supporting by positive overall market environment, slow increasing raw material cost, and particularly from cooperation and effort of all staffs in order to perform effective policy, management strategy, and action plan to cope with the operation at each unit as well as to initiate several projects to save operational cost and raise production efficiency. The Company put effort to produce high quality products to satisfy customers and consumers as well as to serve needs and expectation of all stakeholders, thus being the key drive to our sustainable growth.

For the whole year of 2018, the Company performs business with responsibility and value-added principles in order to provide sustainability for all stakeholders under the concept of “Mama nearby You for over 47 years”. The Company is determined to encourage sustainable growth in several areas, such as product development to serve various customers’ choices, continuous production development in couple with the international standard as being certified by BRC, GMP, HACCP, and ISO 14001 of environmental standard. The Company has encouraged Research & Development to adopt robotic technology. In addition, the Company continues organizational development to perform business in a transparent and

effective manner, has reviewed the corporate governance policy every year, and established the manual of CG Code according to the notification of the Securities and Exchange Commission and our current business practice.

The Company has committed to anti-corruption policy to strengthen our supply chain system under honesty and good governance principles. The Company extends anti-corruption policy to our Subsidiaries and Associated Companies, and Trading Partners to join the declaration of anti-corruption with TFMAMA in the past year.

Due to the determination of “sustainable development” on the basis of balancing economic, social, and environmental growth, the Company was granted “ESG 100” reward for the year 2018 from Thaipat Institute, thus reflecting our recognition of environmental and social development for all stakeholders.

Lastly, on behalf of the Board of Directors, Management Team, and all staffs, the Company would like to appreciate the shareholders, business partners, and stakeholders for continuous support. The Company shall be determined to perform business with the responsibility to the economy, society, and environment to grow together with all stakeholders in a sustainable manner.





Mr. Boonsithi Chokwatana
Chairman of the Board

Mr. Pipat Paniangvatt
Vice Chairman of the Board / Chief Executive Officer





Organization Chart



NOMINATION AND REMUNERATION COMMITTEE



AUDIT COMMITTEE



CEO'S OFFICE



INTERNAL AUDIT DEPT.



VICE PRESIDENT



ASSISTANT VICE PRESIDENT



ASSISTANT VICE PRESIDENT



RESEARCH
DEVELOPMENT



QUALITY ASSURANCE



PLANT
SRIRACHA



PLANT
LUMPHUN



PLANT
RAYONG

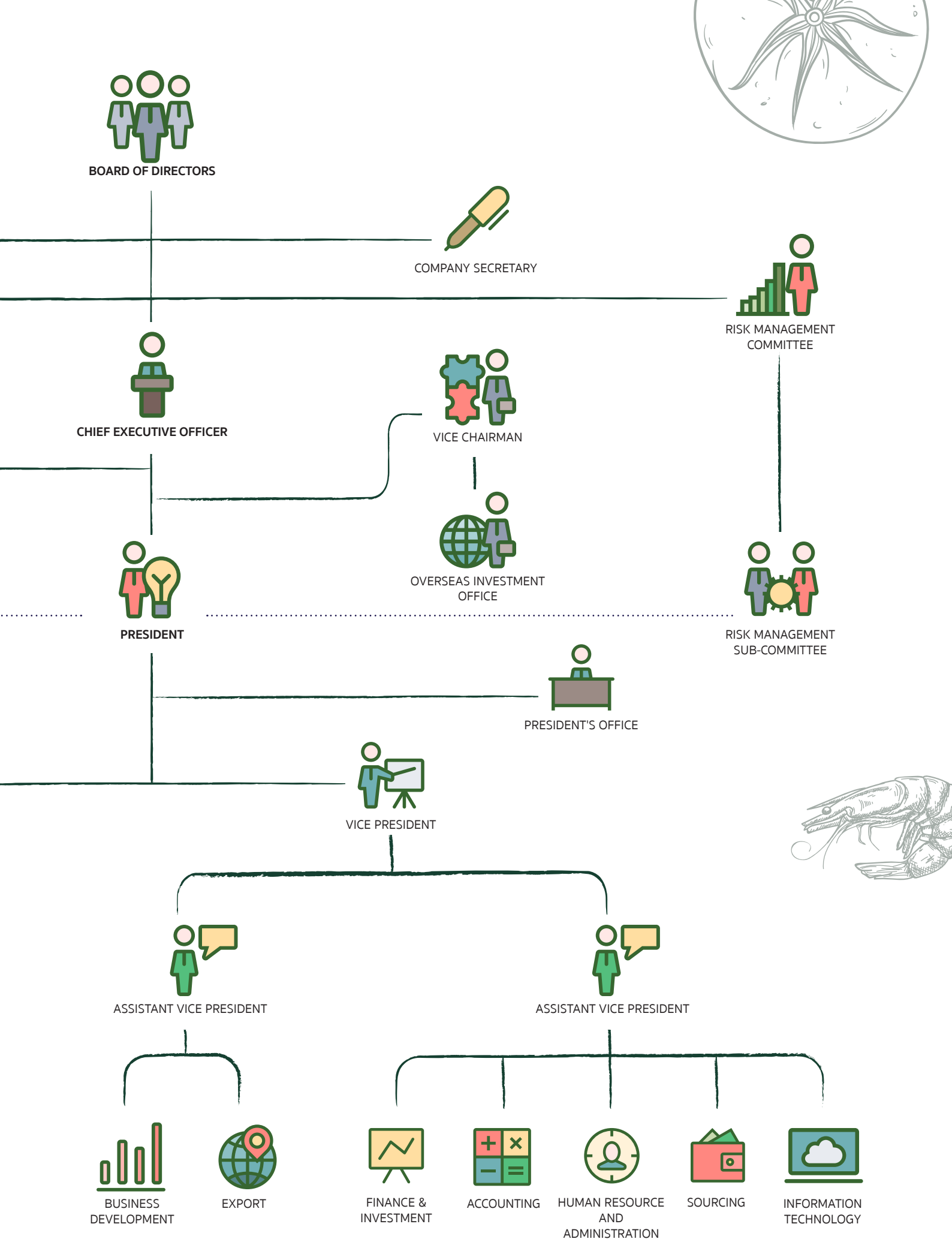


PLANT
BANPONG 1



PLANT
BANPONG 2







Board of Directors

Mr. Boonsithi Chokwatana

Chairman of the Board/
Chairman of the Nomination
and Remuneration Committee



Mr. Karmthon Punsak-Udomsin

Vice Chairman of the Board



Mr. Pipat Paniangvait

Vice Chairman of the Board/
Nomination and Remuneration
Committee



Mr. Suchai Ratanajajaroen

Vice Chairman of the Board/
Risk Management Committee



Dr. Poj Paniangvait

Director/
Risk Management Committee



Mr. Kamthorn Tatiyakavee

Director



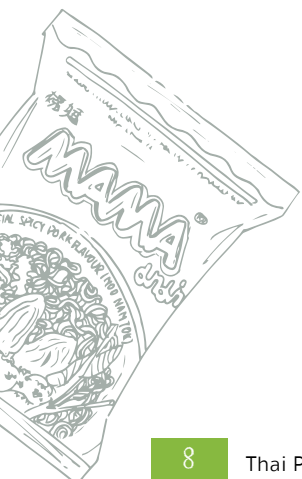
Mr. Apichart Thammanomai

Director



Mr. Boonchai Chokwatana

Director



Board of Directors



Mr. Vathit Chokwatana
Director



Miss Pojjana Paniangvait
Director/
Risk Management Committee



Dr. Kulpatra Sirodom
Independent Director/
Chairman of Audit Committee



Thanpuying Angkab Punyashthiti
Independent Director/
Audit Committee



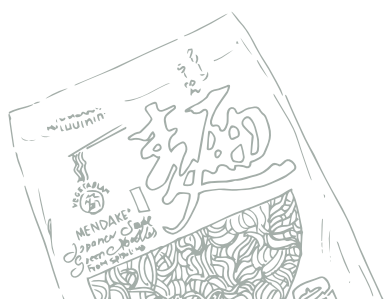
Mr. Chaiwat Maraprygsavan
Independent Director/
Audit Committee/
Nomination and Remuneration
Committee



Prof. Dr. Visith Chavasit
Independent Director/
Chairman of Risk Management
Committee



Mr. Saroch Chayavivatkul
Independent Director





Audit Committee

Dr. Kulpatra Sirodorn
Chairman of Audit Committee



Thanpuying Angkab Punyashtiti
Audit Committee



Mr. Chaiwat Maraprygsavan
Audit Committee

Nomination and Remuneration Committee

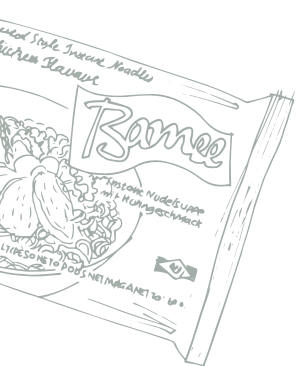
Mr. Boonsithi Chokwatana
Chairman of the Nomination
and Remuneration Committee



Mr. Pipat Paniangvait
Nomination and Remuneration
Committee



Mr. Chaiwat Maraprygsavan
Nomination and Remuneration
Committee





Risk Management Committee



Prof. Dr. Visith Chavasit
Chairman of Risk Management
Committee



Mr. Suchai Ratanajajaroen
Risk Management Committee



Dr. Poj Paniangvait
Risk Management Committee



Miss Pojjana Paniangvait
Risk Management Committee





Management Team

Mr. Pipat Paniangvait
Chief Executive Officer



Mr. Suchai Ratanajiaroen
Vice Chairman



Dr. Poj Paniangvait
President



Dr. Pojjanee Paniangvait
Vice President



Miss Pojjana Paniangvait
Assistant Vice President



Miss Hatairat Kwangchit-Aree
Assistant Vice President



Mrs. Sodsai Hanchana
Assistant Vice President



Mr. Petch Paniangvait
Manager, Foreign Investments Office



Mr. Pun Paniangvait
Manager, Presidents Office



Miss Sararath Tangsirimongkol
Manager, Accounting Dept. &
Company Secretary





Mr. Wasan Boonsampankit
Manager, Finance &
Investment Dept. (CFO)



Mr. Ittiphon Khouharat
Manager, Business Development Dept.



Miss Prapin Lawanprasert
Manager, Sourcing Dept



Mr. Sorayut Raksasri
Manager, Human Resource &
Administration Dept.



Miss Ariya Tangcheevinsirikul
Manager, Internal Audit Dept.



Mr. Chumpol Temiyasathit
Manager, Research Development Dept.



Miss Sawita Sakulthanasombat
Manager, Quality Assurance Dept.



Miss Nimol Kijkhan
Manager, Sriracha Factory



Mrs. Suchada Paniangvait
Manager, Lamphun Factory



Mr. Nirun Poonthong
Manager, Rayong Factor



Management

Management Structure

The Board of Directors

The Directors of the Company shall perform the duties of the Board of Directors and 3 Committee, including Audit Committee, Nominating and Remuneration Committee, Risk Management Committee.

The Board of directors meeting has approved the appointment of 15 Directors of the Company, 5 of those are Independent Directors, and approved the Executive Position of the Company as per following details,

Board of Director		Position	Type of Director
1. Mr. Boonsithi	Chokwatana	Chairman of the Board Chairman of the Nomination and Remuneration Committee	Non-Executive Director
2. Mr. Karmthon	Punsak-Udomsin	Vice Chairman of the Board	Non-Executive Director
3. Mr. Pipat	Paniangvait	Vice Chairman of the Board Member of Nomination and Remuneration Committee Chief Executive Officer	Executive Director
4. Mr. Suchai	Ratanajiaroen	Vice Chairman of the Board Member of Risk Management Committee Vice Chairman	Executive Director
5. Dr. Poj	Paniangvait	President Member of Risk Management Committee	Executive Director
6. Mr. Kamthorn	Tatayakavee	Director	Non-Executive Director
7. Mr. Apichart	Thammanomai	Director	Non-Executive Director
8. Mr. Boonchai	Chokwatana	Director	Non-Executive Director
9. Mr. Vathit	Chokwatana	Director	Non-Executive Director
10. Miss Pojjana	Paniangvait	Director Member of Risk Management Committee	Executive Director



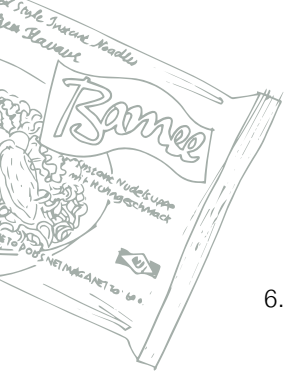
Board of Director		Position	Type of Director
11. Dr. Kulpatra	Sirodom	Director Chairman of Audit Committee	Independent Director
12. Thanpuying Angkab	Punyashthiti	Director Member of Audit Committee	Independent Director
13. Mr. Chaiwat	Maraprygsavan	Director Member of Audit Committee Member of Nomination and Remuneration Committee	Independent Director
14. Professor Dr. Visith	Chavasit	Director Chairman of Risk Management Committee	Independent Director
15. Mr. Saroj	Chayaviwatkul	Director	Independent Director

Authorized Signatory of the Company : Two Directors, other than Independent Director namely Thanpuying Angkab Punyashthiti, Dr. Kulpatra Sirodom, Mr. Chaiwat Maraprygsavan, Mr. Saroj Chayaviwatkul, and Professor Dr. Visith Chavasit, shall jointly sign his/her name with the Company's seal affixed to bind the Company.

Scope of Duties and Responsibilities

1. To determine the business directions, goals and policies of the Company.
2. To approve the annual business plan and budget and to oversee the management to operate in accordance with the laws or the predetermined policy and plan in an efficient and effective way.
3. To encourage to establish the Corporate Governance Policy and the Code of Conduct in writing to be the guideline for the Directors, executives, employees, and to follow up their operations to be in strict compliance with these standards.
4. To establish an adequate and suitable internal control system to ensure that all relevant transactions are approved by the authorized persons and are recorded accurately, and that the relevant systems to prevent improper use of Company's asset are operating.
5. To consider with due care the participation of the transactions with conflict of interest. In this regard, the best benefit of the Company and the shareholders must be taken into account. Additionally, the decision making on these transactions shall not be done by the interested persons and shall follow the regulations relating to the connected transactions and the disclosure of information.





6. To give opinion on the financial statements which have been audited and/or certified by the auditors and been considered by the Audit Committee.
7. To be responsible to the shareholders with the equitable treatments and to disclose the accurate, standardized, and transparent information to the shareholders and investors.
8. To acknowledge the operational report of the Executive Committee.
9. To call for the shareholders' meeting by specifying the date, time, place, meeting agenda, dividend payment (if any), and opinion of the Board of Directors on the proposed matters. In this regard, the registration of the share transfer may be closed between 21 days before the meeting and the Company must notify to the shareholders at the Head and Branch Office not less than 14 days prior to the deadline of the share transfer. The company will fix the Record Date(RD) to ascertain the list of shareholders and fix the closing date of share register book on next working day after the Record Date to list the shareholders to be entitled to have the right to attend the meeting and to receive the dividend.
10. To produce "the report of the Board of Directors' Responsibilities for the Financial Statements" to be disclosed in the Annual Report of the Company (Form 56-2) and the Annual Registration Statements (Form 56-1)
11. To follow up the document submitted to the related regulators to ensure that the reported details are accurate and similar to the information shown in the accounting book, registration, or other documents of the Company.
12. To approve the Charter of Board of Directors and/or the Charter of the other Committee
13. To perform other tasks exceeding the authority of the Executive Board or any other tasks as deemed appropriate by the Board.

Authority

1. To appoint, dismiss, empower the advisor of the Board and/or the other Committee to perform their duty
2. To approve the lending to the other company which has the business relationship as the shareholder of the Company, or to the other company which is the trading partner of the Company, or to the other company when the amount of money exceeding the financial limit to be approved by the Executive Committee.
3. To approve to guarantee the credit line of the other company which has the business relationship as the shareholder of the Company, or of the other company which is the trading partner of the Company, or of the other company when the amount of money exceeding the financial limit to be approved by the Executive Committee.
4. To approve to enter in the legal act which is non-financial transaction when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
5. To approve to agree or cancel the credit line when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
6. To approve to invest in or unwind the purchase of common stock and/or other securities when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
7. To approve to invest in or procure the fixed asset when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
8. To approve to sell or transfer the fixed asset when the related amount of money exceeding the financial limit to be approved by the Executive Committee.

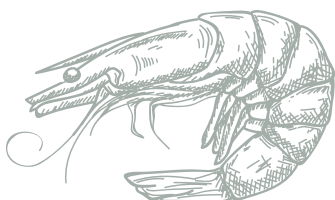


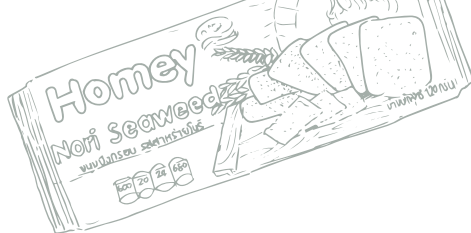


9. To approve to recondition, destroy, liquidate the fixed asset or intangible asset which has been out of service, lost, damaging, obsolete, or in unusable conditions when the collective book value exceeding the financial limit to be approved by the Executive Committee.
10. To approve to reappraise, destroy the raw material and/or inventory which has been damaging or obsolete when the depreciation in book value of such matter exceeding the financial limit to be approved by the Executive Committee.
11. To approve to compromise or to solve the dispute by the arbitrator panel, to handle complaint, legal action and/or to follow up the prosecution on behalf of the Company for an unordinary and/or ordinary business matter when the value of the case exceeding the financial limit to be approved by the Executive Committee.

When necessary to perform urgent operation, the Managing Director is empowered to approve such operation, and propose to Board of Director for acknowledgement.

12. The authority of the Board of Directors with regard to the acquisition or disposal of assets, and to the report of connected transaction shall comply with the Notification of the Capital Market Supervisory Board
13. To propose to the shareholders the capital increase or decrease, the change in share value, the amendment of the Memorandum of Association, Articles of Association, and/or objectives of the Company.
14. To approve the setting up, merger, dissolution of the subsidiary.
15. To empower the Chairman of the Board or the Management to determine the guideline of authority.
16. To empower the management, executive or any person to perform duty on behalf of the Board in the case prescribed by the regulation of the Company.
17. To be authorized to invite the management, executive and involved staff to clarify, give opinion, attend the meeting or submit the documents as deemed necessary.
18. To consult the expert or the advisor of the Company (if any) or to hire the external expert or advisor at the cost of the Company's expense when necessary.
19. To appoint and dismiss the Secretary of the Company.





Meeting of the Board of Directors

The Board of Directors shall conduct the meeting on regular basis, at least once a month. The Board of Directors has held the meeting on every third Wednesday of the month, and may call for the additional meeting as deemed necessary. In every meeting, the meeting's agenda will be determined in advance, and the Company Secretary shall send the invitation notice of the Board's meeting together with supporting documents no less than 7 days prior to the meeting date. The meeting of the Board of Directors normally takes around 1.30-2 hours

Participation to the Meeting

The Board of Directors held 12 meetings in 2018. The participation of the meeting of the Board of directors and Sub-committee are summarized on the Directors' Meeting allowance and remuneration table.

Name of Directors		Meeting Attended / Total Meetings (Times)			
		Board of Directors meeting	Audit committee meeting	Nomination and Remuneration committee meeting	Risk Management committee meeting
		12 Times/Year	7 Times/Year	2 Times/Year	4 Times/Year
1. Mr. Boonsithi	Chokwatana	12/12	-	2/2	-
2. Mr. Karmthon	Punsak-Udomsin	12/12	-	-	-
3. Mr. Pipat	Paniangvait	12/12	-	2/2	-
4. Mr. Suchai	Ratanajajaroen	12/12	-	-	4/4
5. Dr. Poj	Paniangvait	12/12	-	-	4/4
6. Mr. Kamthorn	Tatayakavee	11/12	-	-	-
7. Mr. Apichart	Thammanomai	12/12	-	-	-
8. Mr. Boonchai	Chokwatana	9/12	-	-	-
9. Mr. Vathit	Chokwatana	12/12	-	-	-
10. Miss Pojjana	Paniangvait	10/12	-	-	3/4
11. Dr. Kulpatra	Sirodom	12/12	7/7	-	-
12. Thanpuying Angkab	Punyashthiti	11/12	7/7	-	-
13. Mr. Chaiwat	Maraprygsavan	12/12	7/7	2/2	-
14. Prof Dr.visith	Chavasit	11/12	-	-	4/4
15. Mr. Saroj	Chayavivatkul	8/12	-	-	-



Audit Committee

The Audit Committee of the Company consists of no less than 3 Independent Directors and at least one of those shall have sufficient knowledge, understanding, and experience in finance and accounting to audit the reliability of financial statement. The Board of Directors has appointed 3 Independent Directors having the qualification as required by the notification of the Capital Markets Supervisory Board and 1 Secretary of the Committee. The Audit Committee and the Secretary of the Committee, having the service term of 1 year, are named as following,

Dr. Kulpatra	Sirodom	Chairman of Audit Committee (Independent Director) (with experience in Accounting and Finance)
Thanpuying Angkab	Bunyashtiti	Member of Audit Committee (Independent Director)
Mr. Chaiwat	Maraprygsavan	Member of Audit Committee (Independent Director)
Miss Ariya	Tangcheevinsirikul	Secretary of Audit Committee

Duties and Responsibilities

1. Review the accuracy of the Financial Statements and the adequacy of information disclosure.
2. Review the adequacy, effectiveness, and efficiency of Internal Control and Internal Audit, and review sufficiency to Risk management procedure, and monitor to ascertain effective Risk Management of the Company.
3. Review the business operation of the Company to ascertain compliance with the law pertaining to securities and the stock exchange, and the regulations of the stock exchange, or any law governing business of the Company.
4. Select and nominate the Auditor of the Company, and determine the remuneration of the Auditor, and consider to dismiss the Auditor, as well as conduct at least 1 meeting with the External Auditor without presence of the Executives.
5. Review correct and adequate information disclosure on connected transactions, and conflict of interest as required by the relevant laws and the regulations of the Stock Exchange of Thailand.
6. Prepare the report of the Audit Committee to be disclosed in the Annual Report.
7. Review the independence of Internal Audit Unit, and propose the opinion to appoint, remove, promote, dismiss, evaluate Head of Internal Audit.
8. When performing duty of the Audit Committee and finding the possible transactions or actions that may materially affect the financial status or operating performance of the Company, the Audit Committee must report the said event to the Board of Directors to conduct corrective actions within a period as deemed appropriate by the Audit Committee. In the case that the Board of Directors or the Management fails to make corrections within the specified period, one of the Audit Committee may report such transactions or actions to the Securities and Exchange Commission or to the Stock Exchange of Thailand.
9. Review and amend the Charter of the Audit Committee and propose to the Board of Directors for approval
10. Perform any other tasks as assigned by the Board of Directors, and as deemed appropriate by the Audit Committee in compliance with the authority prescribed in the regulation of the Company and the relevant laws.



11. Consider the Anti-Corruption Policy, and review the suitability of any changes in such policy to be proper with the business operation and propose to the Board of Directors for approval.
12. Evaluate the risk of potential corruption within the Company to minimize any events of corruption which may impact financial status and operating performance of the Company.
13. Review and validate the information of suspected conduct of any fraud or corruption associated with the employees of the Company, and propose to the Board of Directors for mutual consideration.

Nominating and Remuneration Committee

The Nominating and Remuneration Committee consists of 3 Directors, one of which shall be Independent Director. The Nominating and Remuneration Committee, having the service term of 1 year, are named as following,

Mr. Boonsithi	Chokwatana	Chairman of Nominating and Remuneration Committee
Mr. Pipat	Paniangvait	Member of Nominating and Remuneration Committee
Mr. Chaiwat	Maraprygsavan	Member of Nominating and Remuneration Committee (Independent Director)

Duties and Responsibilities :

The Nomination

1. To select and nominate the qualified persons to be the Director of the Company.
2. To verify the profile of the nominated person to ensure that the Director of the Company is proven with knowledge, ability, experience, expertise from various backgrounds, and qualifications pursuant to the Articles of Association of the Company and the other relevant laws.
3. To provide the opinions or suggestions to be used for the consideration.
4. To propose the nominated persons to the Board of Directors for approval.
5. To review and amend the Charter of the Nomination and Remuneration Committee and propose for approval to the Board of Directors.
6. To perform any other tasks as assigned by the Board of Directors.

The Remuneration

1. To evaluate the performance of the Board of Directors annually.
2. To consider and determine the amount of the remuneration for the Board of Directors by taking into account the performance results of the Company, the amount approved by the shareholders' meeting, and the amount actually paid to the Board in the past year and to propose the remuneration to the Board of Directors and the shareholders' meeting for approval respectively.
3. To consider and allocate the remuneration for the Directors in proportion to the performance, duty, responsibility, and the amount of the remuneration approved by the shareholders, and to propose the suitable remuneration to the Board of Directors for approval.
4. To consider and allocate the remuneration for the Member of the Nomination and Remuneration Committee (who is not the Director of the Company) in proportion to the performance, duty, and responsibility, and to propose the suitable remuneration to the Board of Directors for approval.



5. To review and amend the Charter of the Nomination and Remuneration Committee and propose for approval to the Board of Directors.
6. To perform any other tasks as assigned by the Board of Directors.

The Nominating and Remuneration Committee held 2 meetings in 2018, as per details in the Report of the Nomination and Remuneration Committee 2018

Risk Management Committee

The Risk Management Committee consists of 4 Directors, 1 executive, and 1 Secretary of the Committee. The Risk Management Committee and the Secretary of the Committee, having the service term of 1 year, are named as following,

Prof. Dr. Visith	Chavasit	Chairman of Risk Management Committee (Independent Director)
Mr. Suchai	Ratanajajaroen	Member of Risk Management Committee
Dr. Poj	Paniangvait	Member of Risk Management Committee
Miss. Pojjana	Paniangvait	Member of Risk Management Committee
Miss. Hatairat	Kwangchit-Aree	Member of Risk Management Committee
Mr.Arthorn	Suanpo	Secretary of Risk Management Committee

Duties and Responsibilities :

1. To review and propose Risk Management Policy and Framework to the Board of Directors for approval.
2. To formulate Risk Appetite Limit and propose to the Board of Directors for acknowledge, and report risk status and risk management on significant matters to the Board on regular basis.
3. To oversee overall risk management to be in line with Risk Management Policy and Framework continuously to ensure effective and constant risk management for the whole organization.
4. To review risk management report and monitor significant risks to be handled in an adequate and appropriate manner.
5. To cooperate with the Audit Committee on significant risks and oversee Internal Audit Department to ensure that internal control system is adequate and risk management is implemented properly and constantly for the whole organization.
6. To provide advice and recommendation to Risk Management Team on risk management issues that needed to be improved, and to appoint Sub-committee to be able to conduct risk management in an effective manner.
7. To perform the other duties as assigned by the Board of Directors.

The Risk Management Committee held 4 meeting in 2018, as per details in the Report from Risk Management Committee.





Company Secretary

According to the Board's meeting No. 4/2018, held on Apr25, 2018, the Board resolved to appoint Miss Sararath Tangsirimongkol, Manager of Accounting Department who has passed "Company Secretary Program (CSP) No. 42/2011" arranged by Thai Institute of Directors, to be the Company Secretary with the service term of 1 year (the qualification of Company Secretary as detailed in the Attachment 1). In addition, the Board of Directors has approved the Charter of Company Secretary to determine the scope of duties and responsibilities of Company Secretary as following,

Duties and Responsibilities :

Duties

1. Prepare and keep the documents as following,
 - (a) Register of Directors
 - (b) Invitation Notice of the Board's meeting, minute of the Board's meeting, and annual report of the Company
 - (c) Invitation Notice of the shareholders' meeting, and minute of the shareholders' meeting
2. Maintain the Report of Stake Holding of the Directors and Executives of the Company
3. Submit the Report of Stake Holding as required by Section 89/14 to the Chairman of the Board and Chairman of Audit Committee within 7 working days from the date receiving such report.
4. Provide preliminary suggestion with regard to the relevant laws, rules, and Company's regulations.
5. Communicate with the shareholders to inform the rights of shareholders and Company's information.
6. Facilitate the administration of the Company to be complied with Good Corporate Governance Principles
7. Perform any other duties as specified by the Capital Market Supervisory Board

Responsibilities

The Company Secretary shall perform duties with responsibility, prudence, and integrity to support business operation of the Company to be complied with by the relevant laws, objectives, regulations, resolutions of the shareholders' meeting as prescribed by Section 89/23 of the Securities and Exchange Commission Act (No. 4) 2008.

In the event that the Company Secretary has vacated from position or has been incapable to perform duty, the Board of Directors shall appoint new Company Secretary within 90 days from the date of such vacancy or incapability. In this regards, the Board of Director shall be empowered to assign any one Director to perform substituting duties during such period.

The Company Secretary has prepared the minute of the meeting in written document and already kept the minute which had been certified by the Board. In this regard, each Director had received the minute of the meeting no less than 7 days prior to being certified.





Monetary Remuneration 2018

Name Of Directors	Position	Remuneration				Total
		Board Of Directors	Audit Committee	Nomination And Remuneration Committee	Risk Management Committee	
1. Mr. Boonsithi Chokwatana	- Chairman Of The Board - Chairman Of The Nomination And Remuneration Committee	2,544,000		24,000		2,568,000
2. Mr. Karmthon Punsak-Udomsir	- Vice Chairman Of The Board	720,000				720,000
3. Mr. Pipat Paniangvait	- Vice Chairman Of The Board - Chief Executive Officer - Nomination And Remuneration Committee	720,000		20,000		740,000
4. Mr. Suchai Ratanajijaroen	- Vice Chairman Of The Board - Risk Management Committee	720,000			40,000	760,000
5. Dr. Poj Paniangvait	- President - Risk Management Committee	720,000			40,000	760,000
6. Mr. Kamthorn Tatiyakavee	- Director	710,000				710,000
7. Mr. Apichart Thammanomai	- Director	720,000				720,000
8. Mr. Boonchai Chokwatana	- Director	690,000				690,000
9. Mr. Vathit Chokwatana	- Director	720,000				720,000
10. Miss Pojjana Paniangvait	- Director - Risk Management Committee	700,000			30,000	730,000
11. Dr. Kulpatra Sirodom	- Independent Director - Chairman Of Audit Committee	720,000	160,000			880,000
12. Thanpuying Angkab Punyashtithi	- Independent Director - Audit Committee	710,000	80,000			790,000
13. Mr. Chaiwat Maraprygsavan	- Independent Director - Audit Committee - Nomination And Remuneration Committee	720,000	80,000	20,000		820,000
14. Prof Dr.visith Chavasit	- Independent Director - Chairman Of Risk Management Committee	710,000			48,000	758,000
15. Mr. Saroj Chayavivatkul	- Independent Director	680,000				680,000
						13,046,000

Management executive's remuneration

Remuneration	No.	Amount
Total Salaries	20	77,077,404
Total Bonus	20	11,689,233
Total		88,766,637

Other Remuneration

Remuneration	No.	Amount
Provident Fund	20	2,163,285
Total		2,163,285

Dividend policy

Dividend Payment Policy of the Company

The Company stipulated the dividend payment policy to pay the dividend of no less than 50% of its net profit according to the separate financial statement

Dividend Payment Policy of Subsidiary which has been the Listed Company (President Bakery PCL)

The Company stipulated the dividend payment policy to pay the dividend of no less than 50% of its net profit after tax and reserve requirement (including additional conditions)

Historical Dividend Payment

The Company is the new company from the amalgamation procedure between Thai President Foods Plc. (TF) and President Rice Products Plc. (PR) on October 16, 2017 and the Company has registered as new juristic person in the name of Thai President Foods Public Company Limited with the security symbol “TFMAMA” which has made the dividend payment record shown in the table below.

TFMAMA Historical Dividend Payment

Year	Interim Dividend (Baht/Share)	Final Dividend (Baht/Share)	Payment Date
2017		1.63	May 23, 2018
2018	1.91		Oct 25, 2018

The dividend record for TF and PR, before the amalgamation, was shown in the table below.

TF Historical Dividend Payment

Year	Interim Dividend (Baht/Share)	Final Dividend (Baht/Share)	Total (Baht/Share)	Payment Date Interim/Final
2014	2.09	1.68	3.77	15 Oct 2014 / 27 May 2015
2015	2.07	2.09	4.16	21 Oct 2015/25 May 2016
2016	2.65	2.20	4.85	19 Oct 2016/24 May 2017
2017	2.82			15 Sep 2017

PR Historical Dividend Payment

Year	Interim Dividend (Baht/Share)	Final Dividend (Baht/Share)	Total (Baht/Share)	Payment Date Interim/Final
2014	0.81	1.07	1.88	15 Oct 2014 / 28 May 2015
2015	0.85	1.10	1.95	22 Oct 2015/26 May 2016
2016	0.94	1.22	2.16	14 Oct 2016/26 May 2017
2017	0.98			15 Sep 2017



รสกุ้งผัดซอสต้มยำ
เผ็ดแบบเจ๊มเคี้ยวหึ่มจ๊ว

รสซอสดิเรกเกาหลี
เผ็ดร้อนแรง อร่อยครบรส



Nature of Business

Thai President Foods PLC is the Company from the amalgamation between TF and PR in compliance with Public Limited Company Act, whereas both merging company still operate their original business after the amalgamation. The equivalent consolidated revenue structure of the Company is summarized as following,

Product Line	Business Group	Operated by	% Share-holding	Sales Revenue					
				Year ended on Dec31, 2018		Year ended on Dec31, 2017		Year ended on Dec31, 2016	
				Million Baht	%	Million Baht	%	Million Baht	%
Instant Noodles and Semi-finished Food	Food	Thai President Foods Plc (TFMAMA)	-						
		Kallol Thai President Foods (BD) Ltd.	55.00						
		Thai President Foods (Hungary) Kft. (Hungary)	65.00	11,961	53.31	11,273	52.11	10,839	51.26
		President Kourakuen Co., Ltd.	70.00						
Bakery	Food	President BakeryPlc	51.99	7,495	33.40	7,449	34.44	7,569	35.80
Biscuit	Food	Thai President Foods Plc (TFMAMA)	-	852	3.80	873	4.04	857	4.06
Fruit Juice	Food	Taisun Foods Co., Ltd.	52.08	975	4.35	890	4.11	857	4.05
Packaging	Packaging	Thai Anbao Paper Products Co., Ltd.	51.00	983	4.38	1,023	4.73	895	4.23
		Dai-Ichi Packaging Co.,Ltd.	50.10						
Other	Raw material	President Flour Mill Co.,Ltd.	60.00	171	0.76	123	0.57	127	0.60
	Investment	President D Venture Co.,Ltd.	70.00						
Total				22,437	100	21,631	100	21,144	100

Note: (1) Pro forma Consolidated Financial Statement for the year ended on Dec 31, 2016 as audited in compliance with ISAE 3420: Assurance Engagements to Report on the Compilation of pro Forma Information Included in a Prospectus was prepared from financial information of TF and PR to represent financial position as assumed to perform the amalgamation procedure between TF and PR since January 1, 2016



Products and Services

1. Instant Noodles and Semi-finished Food

The Company manufactures and distributes instant noodles and semi-finished food product to domestic and foreign market, and shall classify into product groups as following,

- 1.1 Semi-finished products manufactured from wheat flour as major raw material

For example, Instant Noodles under “Mama” brand which has been well-known and accepted among consumers for over 40 years and gained over 50% of market shares in domestic market. The Company has also been hired to produce instant noodle for several leading manufacturers in Europe, the United States and Australia for exporting. The Company operates with the production capacity of around 6,000,000 pack/day.

- 1.2 Semi-finished products manufactured from rice as major raw material

- 1.2.1 Ready-to-eat Products

For example, Instant Rice Vermicelli, Instant Rice Noodle, Instant Flat Noodle, Instant Rice Porridge, Pre-cooked Rice which are the products of noodle and rice with flavor under “Mama” brand and the international brand, such as MAMY, PAPA, PAMA, HANDI RICE, and PRESIDENT RICE, etc.

- 1.2.2 Noodle Products

For example, Rice Vermicelli, Rice Noodle, to be used for cooking for consumers with several package sizes to serve small or large family, restaurant, school, under the brand of MAMA MAMY, PAPA, PAMA, HANDI RICE and PRESIDENT RICE, etc.

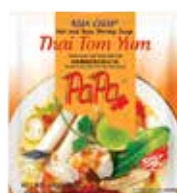
- 1.3 Semi-finished products manufactured from other raw materials

For example, Instant Bean Vermicelli, etc.



HAS BEEN ACCEPTED
AMONG CONSUMERS FOR
OVER

40
Years





2. Bakery

President Bakery PCL., which is the Subsidiary of TFMAMA, manufactures and distributes bread and bakery products under its own brand, mostly being sold in domestic market, shall classify into product groups as following,

2.1 Wholesale Bakery Products

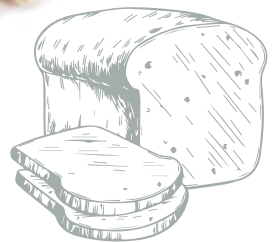
For example, Sliced Bread, Burger Buns & Hot Dog Buns, Snack Bread such as Filled Bread, Sandwich, Cake, and so on, which are distributed through modern trade retail shop and traditional trade retail shop under the brand of “Farmhouse”.

2.2 Retail Bakery Products

For example, Bakery Products, which are distributed through retail shop of the Company such as Deliya, Madame Marco, and Franchise Bakery Business of “Good Morning Farmhouse”, and Vending Machine of bread and bakery

2.3 Fast Food & Catering Products

For example, Burger Bun, Hot Dog Bun, Sliced Bread, French Bread, Croissant, Crouton, and Par-Baked Pizza which are sold to fast food shops, such as McDonald’s, KFC, Pizza Hut, Burger King, etc., and Fried Products such as Bread Crumbs



3. Biscuit

Biscuit products under the brand of “Bissin”, and “Homey”, including biscuit, cracker and wafers of several flavor, such as Butter Coconuts, Butter Coconuts Orange Flavoured Cream, Butter Coconuts Cocoa Topped, Whole Wheat Crackers, Lemonia Cookies, and Wafer of Cocoa, Coffee, Coconut, Strawberry, Blueberry, Blackcurrant Flavour, and Cracker of Sesame, Chicken, Cheese, Coconut Flavour



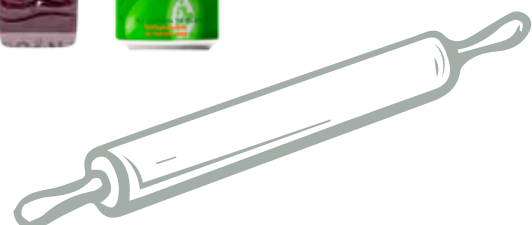
4. Fruit Juice

Fruit Juice products under the brand of “Green Mate”, “Kelly”, “Thai Sun” in can or PET bottle of several flavors such as orange, lychee, grass jelly, and tamarind which are well responded in the Southern Region



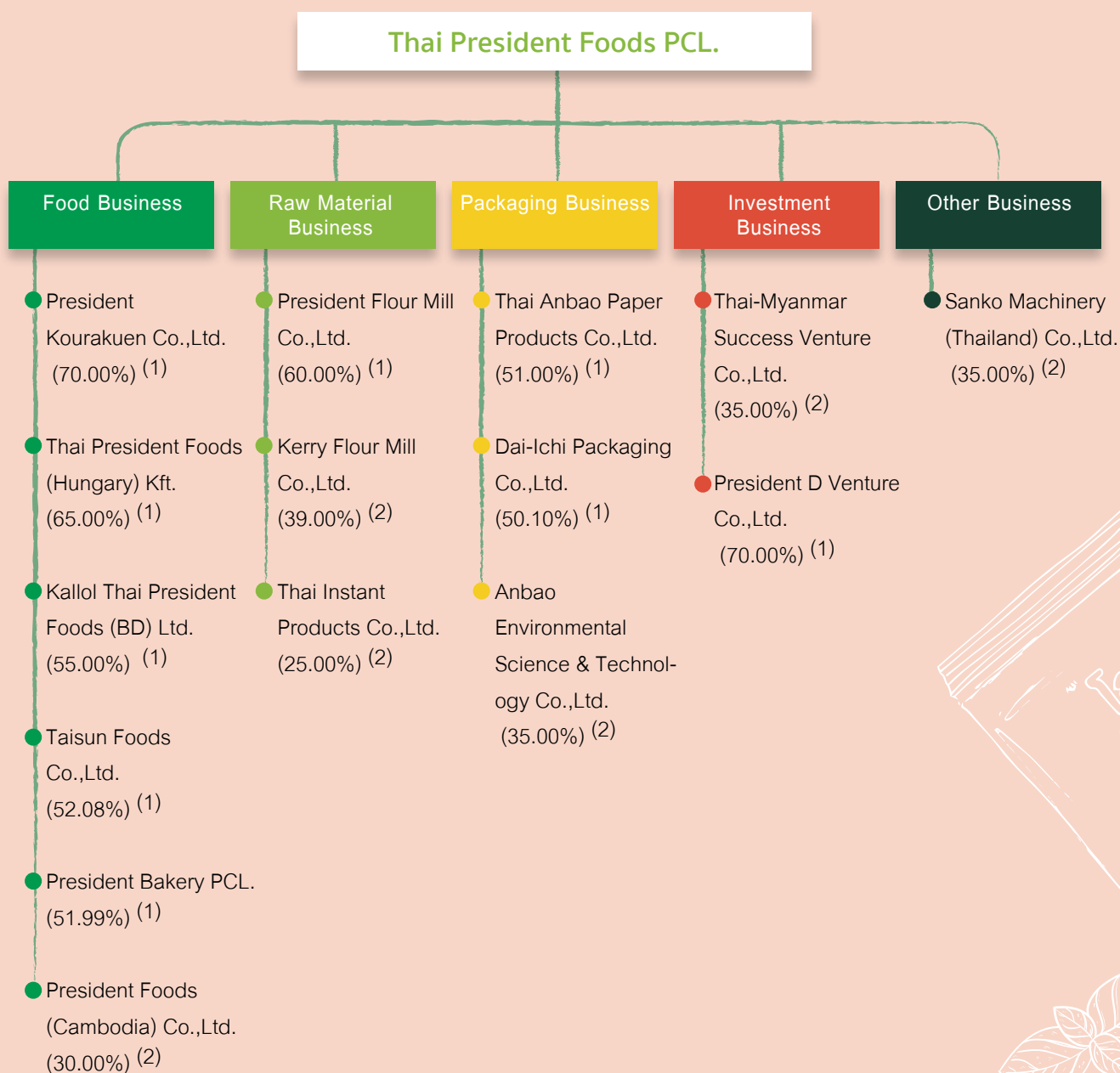
5. Packaging

Packaging Material for foods, and Paper Cups



Shareholding structure of the company

The Company consists of 9 Subsidiary and 6 Associated Companies, operating the business of Food, Raw Material, Packaging, Investment, and Other as per the Company Structure as of Dec 31, 2018 as below,



Remark : (1) Subsidiaries (2) Associated companies



Domestic and Foreign market breakdown

Product Line	Business	Market	Sales Revenue					
			As of 31-Dec-18		As of 31-Dec-17		As of 31-Dec-16	
			Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Instant food Product	Food	Domestic	8,350	37.22	8,090	37.40	7,896	37.35
		Foreign	3,611	16.09	3,184	14.72	2,943	13.92
Bakery	Food	Domestic	7,495	33.40	7,449	34.44	7,569	35.80
		Foreign	-	-	-	-	-	-
Confectionery	Food	Domestic	796	3.55	808	3.73	778	3.68
		Foreign	56	0.25	65	0.30	80	0.38
Fruit Juice	Food	Domestic	296	1.32	386	1.79	432	2.04
		Foreign	679	3.03	503	2.33	425	2.01
Packaging	Package	Domestic	981	4.37	1,020	4.71	892	4.22
		Foreign	2	0.01	3	0.01	3	0.02
Others	Raw Material, Investment	Domestic	171	0.76	123	0.57	127	0.60
		Foreign	-	-	-	-	-	-
Total		Domestic	18,089	80.62	17,876	82.64	17,693	83.68
		Foreign	4,348	19.38	3,755	17.36	3,450	16.32
Total			22,437	100.00	21,631	100.00	21,144	100.00





Export Market*

Market	2018	2017	2016
Asia	46 %	46 %	43 %
Australia	4 %	4 %	4 %
Europe	30 %	29 %	28 %
Canada	3 %	4 %	4 %
America	16 %	17 %	20 %
Africa	1 %	-	1 %

* From the Separate financial statements only

Production Capacity

Factory	Instant food Products (Ton/Day)			Biscuits (Ton/Day)		
	Full Capacity ⁽¹⁾	Actual	(%)	Full Capacity ⁽¹⁾	Actual	(%)
Sriracha						
Year 2018	230.25	260.14	112.98	-	-	-
Year 2017	230.25	248.69	108.01	-	-	-
Lumpoon						
Year 2018	84.24	81.88	97.20	-	-	-
Year 2017	84.24	74.79	88.78	-	-	-
Rayong						
Year 2018	63.00	70.90	112.54	45.00	32.25	71.67
Year 2017	63.00	64.00	101.59	45.00	32.33	71.84
Banpong 1 and Banpong 2						
Year 2018	53.77	45.59	84.79	-	-	-
Year 2017	48.67	43.96	90.32	-	-	-
Total						
Year 2018	431.26	458.51	106.32	45.00	32.25	71.67
Year 2017	426.16	431.44	101.24	45.00	32.33	71.84

Note : (1) Calculate at 2 Shifts per day less 10 % machine maintenance period and running 300 days per year





Instant Noodles Market in Overview

Domestic Market

In 2018, the overview growth of noodles and rice noodles market was at 3.4% (Source: Nielsen (Thailand): November 2018), with a total market value of approximately THB 16,136 million. Upon consideration based on the sales distribution channels, convenient stores have a growth rate of 8.5%, the Modern Trade channel has a growth rate of 0.6%, while the traditional trade channel's growth rate decreased by 0.2 % as compared to the previous year.

Detailed breakdown by types of products are as follows;

1. Instant noodles market

For the overall situation, the domestic instant noodles market in 2018 had the growth rate of 4.3% compared to last year, with a total market value of approximately THB 14,836 million. Factors that make competition in the instant noodle market higher were due to the stagnant state of average consumption of noodles per person, combined with inexpensive pricing of Ready-to-Eat Meals that are sold in convenient stores. In addition, in the past several years, the Korean instant noodles market has grown rapidly, while taking the share of instant noodles produced in the country.

As a result of instant noodles market consumption and situation, with the growth rate slowing down due to the market having other replacement products and changes in consumer behavior, the Thai President Foods Public Company Limited therefore requires new strategies to create competitive differentiation and to maintain the market share as the Number 1 leader. The Mama brand has maintained its top rank with the total market share of 47.2%, comprised of 45.6% market share of satcheled noodle and 52% market share of cup noodle, with the highest value in the instant noodles market.

To boost sales, the Company's brand and marketing strategy includes all forms of Public Relations, namely the media and various events around the country with the focus on communication via Above the Line advertising via television, radio, billboards, complete online media communications, as well as Point-of-Sale activities. By the 3rd and 4th Quarters, the Company focused on the online channel with continuous activities that tie-in Mama products with various television programs, including the organizing of promotional channels with Modern Trade, equipped with aggressive discount promotions. For example, buying 2 cups of products at a price of THB 20, and a promotion of purchasing products at a specified amount to receive free premium gifts at the Point of Sale.

In addition, the Company has introduced new flavor products as alternative to customers whom prefer the spicy taste, in order to stimulate growth and to create diversity for instant noodle market. In 2018, the Company launched a total of 3 new products, namely, the dried semi-instant noodle under the Oriental Kitchen's Hot Korean flavor, Fried-Shrimp in Tom Yum Sauce flavor, and the Stir-Fried Salted Egg flavor.



In 2019, the Company plans to continuously develop new flavors to the market, with the focus on the premium instant-noodle market, to stimulate sales and as alternative options for consumers, including the increase of marketing activities to serve the needs of each Customer Group accordingly.

2. Instant Rice Noodles Market

In 2018, the market for Instant rice noodles in Thailand has a total value of THB 960 million, with the growth rate decreasing at 0.6%. The Mama brand is able to maintain the number one market share at 68.4%.

The Company's 2018 distribution of instant rice noodles had the sales volume of THB 656 million, which decreased from the previous year by approximately 2.2% as a result of the Modern Trade Policy, during which some locations have canceled the sales of some miscellaneous-product items due to limited displayed shelves.

3. Instant Porridge and Rice Soup Market

In 2018, the market of instant porridge and rice soup in the country totaled THB 2,109 million, with the 3.1% growth rate. As for the Company's 2018 sales distribution, Mama's instant porridge and rice soup sold a total of THB 173.8 million, up 5.8% from previous year due to the launch of 2 new products, namely, the Garlic-Pork Rice-Soup in cups and the Tom Yum Shrimp Porridge in cups, that received overwhelmingly positive responses from the consumers. In addition, the Company had conducted continuous advertising activities and promotional campaigns throughout the year, with the Above-the-Line and the Below-the-Line strategies.

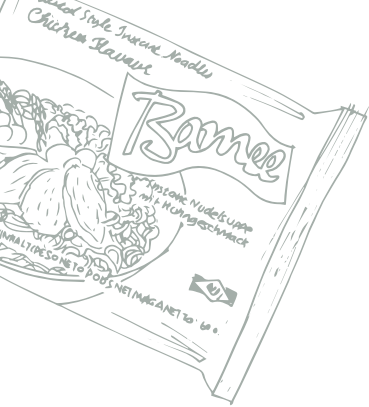
4. The Biscuit Market

The market value of biscuit products in 2018 was at THB 10,503 million, comprised of biscuits and cracker at THB 4,380 million, wafer at THB 3,077 million, and cookies at THB 3,046 million, a 1.50% growth from 2017.

The biscuit-product sales-distribution growth of Thai President Foods Public Company Limited decreased at 1.21%, comprised of biscuit and cracker with of 2.62% decrease. Wafers grew at 2.13%, while growth of cookies decreased by 13.78%. Another two brands of the Company's, Bissin had a growth of 4.88%, while Homey grew by 4.37%.

In 2018, products under Bissin brand have organized promotional campaigns and marketing activities continuously via Modern Trade (MT) and Traditional Trade (TT) channels. However, due to intense pricing competition in the biscuit market, the Bissin brand was affected in terms of product sales reduction, as well as department stores being selective in choosing only aggressive items for sales, resulting in the Bissin brand not being able to maintain its sales target.





The Homey products also have promotional campaigns and ongoing marketing activities, with more sales growth in the Modern Trade (MT) market, especially in 7/11 convenient stores. In the Traditional Trade (TT) market, there has been a slight growth, while the overall image of the Homey brand has grown as well.

The International Market

In 2018, the Company conducted continuous marketing activities and allocated sales promotional campaigns, including the updated packaging to suit product distribution in each region and to increase sales channels, especially the online market. In addition, the Company has marketed via social media to reach new-generation customers and to promote the product image, including stimulating brand awareness and introducing new products, as well as increasing communication channels between consumers and the Company via Facebook, Instagram, Twitter, and YouTube, which results in the growth of Company's export sales at a satisfactory level.

As for 2019, the Company will proceed to implement the 2018 Business Plan, in terms of developing new products to the market to increase competitiveness, restructuring distributors, as well as creating sales in potential markets with the workplan as follows;

- Focusing on the development of health-conscious category products, such as rice products, which has high pricing as customers are health-conscious, and are more interested in healthy consumption.
- Increasing new products to the market and driving sales of convenient-product category in cups and bowls, to support the market of new generations whom prefer fast-paced lifestyle.
- Developing high-quality products by adding nutritional value, such as mixing various vegetables to create added-value for the products.



สายแห้งมาทางนี้..ปะหมี่เกาหลี
"มามาโอเค" ของจริงขง



ซารังเฮ

อร่อยจัง
อุ๊อ๊ะ



Related Transactions

The related transactions between the company and the associated and related companies were the normal business activities. The price of products and services as well as the terms and conditions under these transactions were conducted at fair value and were disclosed in Notes 9 to the financial statements. All of the related transactions were summarized as follows:

Related Parties	Relationship	Transaction Details	Consolidated : Transaction Value (Mil. Baht)		Policy and Necessity Of the Transactions
			As of 31 Dec. 2018	As of 31 Dec. 2017	
1. Kerry Flour Mills Co., Ltd.	Associated Company Through common shareholdings 39%	Commercial Trade	108	638	Market Price
2. Sanko Machinery (Thailand) Co., Ltd.	Associated Company Through common shareholdings 35%	Commercial Trade Purchase of Machinery and Equipment	0.7 6	0.5 0.3	Market Price Upon Agreement
3. President Foods (Cambodia) Co., Ltd.	Associated Company Through common shareholdings 30%	Commercial Trade Other Income	98 9	106 14	Cost Plus Upon Contract
4. Thai Instant Product Co., Ltd.	Associated Company Through common shareholdings 25%	Commercial Trade Interest Income	21 0.1	17 0.1	Market Price Upon Contract
5. Kewpie (Thailand) Co., Ltd.	Other Company Through common shareholdings 10% and directorships	Commercial Trade Dividend	1 6	32 5	Market Price As Announce
6. President Interfood Co., Ltd.	Other Company Through common shareholdings 8.67% and directorships	Exporting expenses Rental fee Dividend	69 1 3	61 1 0.4	Upon Contract Upon Contract As Announce
7. Sahapattana Interholding Public Co., Ltd.	Through common shareholdings and directorships	Production charge Dividend Interest Income	199 5 0.2	173 3 0.2	Market Price As Announce As Announce
8. Sahapattanapibul Public Co., Ltd. ("SPC")	Through common shareholdings and directorships	Commercial Trade Administrative expenses	8,498 3	8,213 10	Cost Plus Upon Contract
9. Jims Group Co., Ltd.	Through common shareholdings and directorships	Commercial Trade Raw material trade	14 115	13 196	Cost Plus Market Price



Related Parties	Relationship	Transaction Details	Consolidated : Transaction Value (Mil. Baht)		Policy and Necessity Of the Transactions
			As of 31 Dec. 2018	As of 31 Dec. 2017	
10. Northern Technology Co., Ltd.	Through common shareholdings and directorships	Purchase of Machinery and Equipment	19	3	Upon Agreement
		Commercial Trade	2	2	Cost Plus
11. Sun 108 Co., Ltd.	Directorships	Commercial Trade	0.4	0.4	Market Price
12. Far East DDB Public Co., Ltd.	Through common shareholdings and directorships	Commercial Advertising expenses	0.2	71	Upon Contract
13. Sriracha Transportation Co., Ltd.	Directorships	Transportation expenses	1	0.5	Upon Contract

The Necessity and Rationality of the Transactions

The auditor has examined the related transactions and gave the opinion that the related transactions as aforementioned were mainly about the trading of products which was conducted under the terms and conditions upon the jointly agreement of the two parties and was the normal business activities. Moreover, such transactions were reported to the Audit Committee regularly on a quarterly basis.

The Board of Directors resolved to give approval in principle according to the Securities and Stock Exchange Act (No. 4) 2008 (B.E. 2551), Section 89/12 (1), enabling the management department to approve such transactions if those transactions include trade agreements in the same manner that an ordinary person should do with a general contract party in the same situation by the trade bargaining power without the influence of a status as a director, executive or related party.

In 2018, the Audit Committee reported business transactions with related parties that occurred during the period to the Board of Directors for acknowledgement, together with the quarterly financial statements as well as the annual financial statements.

The Process of Related Transactions

In the conduct of the related transactions, the price of products and services charged in the transactions shall reflect the normal market rate. In the case of no such market rate, the other market price under the comparable terms and conditions shall be applied or the price in the transactions shall be considered on the basis of the report of the independent appraisers appointed by the company or the associated. This is to ensure that the price of products and services charged in such transactions is reasonable and is for the maximum benefits to the company. In addition, the company's audit committee will examine the related transactions and disclose the relevant details of such transactions on quarterly basis in order to avoid any conflicts of interests.

The Policies of Related Transactions in the Future

The future related transactions, upon the jointly examination of the audit committee and the company, will be conducted with the rationality and with the fair returns. However because the related transactions are mainly on the basis of the normal business activities and because the company retains a policy to support the operations of each other in the Group, the related party transactions will continue in the future but with the framework of the rationality together with the appropriate conditions and the fair price





Risk Factors

1. Risk of Price and Sufficiency of Raw Material

Major raw materials of the Company are wheat flour, rice, and palm oil, all of which are agricultural products and would be affected by global supply and demand and climate situation, thus incurring the risk of both sufficiency of supply quantity and fluctuation of raw material price. Although the cost of our products will be affected by such raw material risk, the Company is unable to increase the price of product without prior approval from Department of Internal Trade because the instant noodle is in the list of monitoring consumer goods and services.

However the Company handled the fluctuation of raw material price by closely monitoring market movement and purchasing forward contract when the price of wheat flour and palm oil was decreasing. In a meantime, the Company purchased raw material in a high volume with multiple suppliers to avoid the risk of raw material shortfall as well as to gain negotiation power to deal with individual supplier.

2. Risk of Distribution Channel

2.1 Risk of Dependency to Major Distributor of Instant Noodles, Semi-finished Foods, and Biscuit Product

Domestic Sales of Instant Noodles and Biscuit Product of the Company, both of which was accounted to be the major proportion of total Sales, was sold to SPC, which was the large distributors of consumer products in the country, as high as more than half of total domestic sales of the Company. However, SPC is major shareholder of the Company and has established business relationship with the Company for a long time, thus ensuring to carry on business volume with the Company. However in order to reduce the risk of dependency to major domestic distributor, the Company has put effort to increase exporting proportion, and established the working panel to expand the other distribution through our Subsidiaries.

2.2 Risk of Dependency to Major Distributor of Bakery Product

The Company sold high volume of bakery product to CP All PLC., which was the large operator of convenience store in the country, inclusively accounting for 40% of total income from bakery product of the Company. As a result, the sales revenue of the Company shall be affected if losing business volume with this major distributor. Moreover, this distributor has also been the manufacturer of bakery product to distribute through its own convenience store. However the bakery product of Company, compared with bakery product of its own or the other brand, is higher quality product and gains preference from general consumers, thus currently making high income to the convenience store. As a result, the Company has been confident to maintain business with this major distributor because of mutual benefit at both parties.





3. Risk of Exchange Rate

Because the Company exported the products to the foreign countries, and received revenue in foreign currency, thus incurring the risk of exchange rate fluctuation. However the Company had no liability of foreign loan and participated in foreign exchange forward contract for hedging exchange rate risk, but not for speculation. In addition, the Company managed foreign exchange by balancing foreign income of exporting and expenditure of importing raw material, machine, and equipment from foreign countries.

4. Risk of Major Shareholder holding more than 25% of total shares

The major shareholder of the Company was Saha Pathana Inter-Holding PCL., holding total of 83,089,502 shares or 25.20% of paid-up capital, thus being dominating factor to make decision in the shareholders' meeting and incurring the risk to the other shareholders to accumulate shareholders to oppose to the opinion proposed by such major shareholder.

The Company recognized the importance of checking and balance principle, and established the corporate governance policy to protect the right of shareholders and perform equitable treatment to the shareholders, such as "One or several shareholders holding shares amounting to not less than 5 % of total number of issued shares of the Company may, by subscribing their names, propose the agenda to be discussed in the shareholders' meeting or nominate the person to be selected to be the Director of the Company prior to the annual shareholders' meeting."

In addition, the Board of Directors has approved the regulation to monitor trading agreement between the Company and Directors, Executives, or connected persons in compliance with the rules and regulations of Securities and Exchange Commission and Stock Exchange of Thailand. The Company has also appointed the Audit Committee to perform duty with independence in common with the Board of Directors to ascertain the transparency and encourage trust from the shareholders in the internal control and checking and balance procedure in the Company to support best benefit for the Company and every shareholder.





Internal Control and Risk Management

The opinion of the Board of Directors on Internal control of the Company

The Board of Directors has evaluated the adequacy and suitability of Internal Control, and summarized as following,

1. Financial Statement of the Company complies with the policy of the Company and generally accepted accounting standards including any amendments or changes is accounting standard and has been conducted with faithful discretion to record necessary accounting estimate to represent accurate operating performance.
2. The Company has clearly defined the scope of duties in written for all staff level, has separated responsibilities among the persons to approve payment, post account, maintain information system, and handle property to encourage verifiability according to the effective internal control.
3. The Company establishes the procedures to protect classified information to prevent any use of information for personal benefits, intention may causing damages to the Company, disclosure of information to customers/selling agents/suppliers/competitors/or external parties, excepting for the use of information in normal business operation or general publicized information.
4. The Company establishes the operation procedure for all staffs to prevent any actions which may cause conflict of interest with business of the Company.
5. The Company monitors and evaluates up-to-date news or information which may cause risk factors to conduct appropriate risk mitigation measures.

The Company has established the Internal Audit Department as an independent unit to directly report to the Audit Committee of the Company. The Audit Committee shall submit the internal audit report to the Board of Directors on regular basis. At present, the Audit Committee and Internal Audit of the Company have committed to the auditing framework according to the International Standard of the Committee of Sponsoring Organization of the Treadway Commission (COSO) in 5 key areas following,

1. On Organization and Environment

The Company clearly defines the organization structure, and emphasizes on good corporate governance practice. All staffs will be informed their duties and responsibilities and recognize the conduct of their duties. To comply with good corporate governance, the Company intends to establish proper internal control environment because internal environment will be the ground of risk management framework of the Company; for example, having positive attitude and adhering to integrity and high ethical standard can be the role model and encourage all staffs to perform their duties with best effort and support cooperation between departments in order to meet common objective of the organization with limited resource.

Thai President Foods PLC signed the Declaration of Intention to join with Private Sector Collective Action Coalition against Corruption, which is the official panel initiated by the Government and Official of the National Anti-Corruption Commission. The Company continuously participated in several social





activities with Private Sector Collective Action Coalition against Corruption Committee (CAC). In 2018, the Company has published and communicated "Anti-corruption measures" for partners or those who want to become partners with the Company in various forms by showing the Company's intention in anti-corruption and invited lecturers to educate partners on such matters as well as preparing the communication media of "Gift Receiving Policy" for the executives at all levels and employees including all new employees to understand the objectives and essence of the measures in order to encourage everyone in the organization to be aware of and follow.

2. On Risk Assessment

The Board of the Company is responsible to establish risk management to handle any potential risks which may disrupt our strategic objectives. The Board shall assign Risk Management Committee to formulate risk management policy and frameworks to effectively oversee risk management practices, and to continuously monitor any significant risks to the organization. On this regards, all internal units shall be responsible to handle and control all potential risks at the acceptable level, and report their risk management performance to the Board of Directors on regular basis.

In addition, the Company has implemented operational risk management as been certified by several international operational standards and foods safety standards, namely ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO/TEC 17025 (General Requirements for the Competence of Testing and Calibration Laboratories), GMP (Good Manufacturing Practices), HACCP (Hazard Analysis and Critical Control Points), BRC (Global Standard for Food Safety), Kosher (Kosher Foods Manufacturing Standard), Halal(Halal Foods Manufacturing Standard), AEOs (Authorized Economic Operator Standard of Customs Department for Exporters)

Corruption risk is considered one of the major risks of the organization. The Company has evaluated and identified such risk management measures including monitoring and reporting the risk status continuously in order to ensure that the Company is able to manage risks promptly and supervise risk management to be at an acceptable level.





3. On Management Control

In general, the Company conducts Control Activities on regular basis to ascertain that all working operations shall be in compliance with Rules, Regulations, and Operational Manual. The Company shall evaluate operational performance for staff at all levels to ensure the achievement of business's objective. The scope of duties and limit of financial approval is clearly defined in written. In addition, the Company established protection of asset practice to prevent the loss of asset or improper use of asset for personal benefit. The Company also assigned the staff to be responsible for internal control in each operational procedure. The Company strictly complied with the regulation on information disclosure of connected transaction as required by the Securities Exchange Commission, and monitored all operations to ensure compliance with Company's rules and related laws.

4. On Information and Communication System

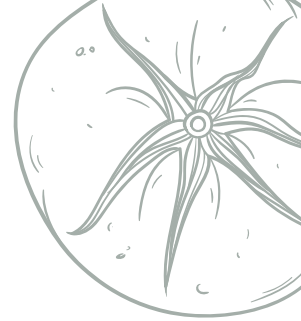
The Company shall prepare supporting documents for the Board's meeting to provide necessary and sufficient information. Such meeting document has been submitted to the Board's Member in advance as required by the laws. The Company has evaluated efficiency of every Board's meeting. The Company compiles the minute of the Board's meeting which is open for the shareholders to monitor performance of Directors of the Company. The accounting documents are kept by category as required by the laws, and back-up information system has been implemented. The Audit Committee will hold the meeting with external auditor and the Management to discuss about the auditor's report, operational result of the Company, accounting policy, internal control system, and the disclosure of related party transaction, etc.

The Company recognizes the importance of information technology. The Company has continuously improved information system to ensure that effective and efficient information needed for decision making can be communicated throughout the organization. Such important information includes Management's policy, rules and regulations, order of the executive, and compliance information. The employee's information can be delivered from top Management to all staff levels. The effective information safety system has been implemented to safeguard communication channel of the Company. The contingent plan to protect important information when having severe disasters which disrupt our normal operation is also conducted. For external communication, the Company has set up Investor Relation Unit to be the communication channel to provide information and to receive complaint or suggestion from outside persons.

5. On Monitoring System

The Company has followed up the performance result of the Company on monthly basis. Year-on-year performance comparison will be analyzed and led to suitable change in our business strategy. In addition, to ensure adequate Internal Control, the Company assigns Internal Audit Department to execute annual auditing plan, to evaluate adequacy and suitability of Internal Control System, to follow up auditing result, and directly report to the Audit Committee. The Audit Committee is responsible to report any significant operational error to the Board to find out corrective measure in timely basis.





The opinion of the Audit Committee

The Board of Directors has reviewed and amended the Charter of the Audit Committee to be in compliance with the regulation related to the Independent Director and Audit Committee as prescribed by Stock Exchange Thailand and Securities and Exchange Commission, as well as included the responsibility of Audit Committee to formulate the anti-corruption policy to be suitable with nature, environment, and culture of the Company and to propose to the Board of Directors for approval. In addition, the Audit Committee has reviewed and evaluated the risk of potential fraud as proposed by Internal Audit Department to ascertain that such fraud risk shall incur minimum impact to the financial position and performance of the Company. The Audit Committee shall investigate the complaint from whistle-blower of any wrongdoing in the organization, and propose to the Board of Directors to determine punishment and corrective measure. The Audit Committee shall perform duties with independence to encourage effective internal audit procedure. On this regard, the Audit Committee may hold the meeting with the external auditor without presence of Executives of the Company.

According to the evaluation of internal control system of the Company in 5 abovementioned areas and quarterly internal audit report, the Audit Committee is of the opinion that the Company has established adequate Internal Control and performed appropriate risk management to support continuous business operation in order to achieve business objective. Although some particular operations required improvement as recommended by internal auditor, the related department has conducted corrective measure to lessen or prevent such potential risk, and such improvement has already been verified by follow-up procedures. Thus the concerning Department should be able to conduct operation to meet business target in a suitable manner. However the effectiveness of internal control of the Company is changeable according to various factors, thus may affecting business operation.

Head of Internal Audit and Internal Control

The Board of Directors has common opinion with the Independent Director and Audit Committee that: the Company has established appropriate Internal Control to be suitable with current nature of business, and recognized that no matter how much internal control to be performed, the Company is not protected from all sort of error, but having prevented such potential risk in a reasonable manner.

The Internal Audit Department is independent and direct to the Audit Committee. The internal management works directly to the Company's director. The Audit Committee is responsible for approving the appointment, transfer or termination of employment and assess the performance of the head of internal audit. Currently, Miss. Ariya Tangcheevinsirikul is the Internal Audit Manager. The Internal Audit Department is able to access the information needed to verify and assess the adequacy, appropriateness and efficiency of the internal control system of various processes and systems according to the internal audit plan approved by the Audit Committee by the annual internal audit plan prepared in accordance with the risk-based audit and report the audit and monitoring results directly to the Audit Committee regularly.



Major Shareholders

Top ten major shareholders of the Company, including the holding by related persons according to the Section 258 of the Securities and Exchange Act B.E. 2535 as registered on Book Closing of the Company as of December 2018, are summarized as following.

No	Major Shareholders ⁽¹⁾	Shares	% holding
1	Saha Pathana Inter-Holding PCL	83,089,502	25.20
2	NISSIN FOODS HOLDINGS CO., LTD.	55,534,253	16.84
3	Punsak-Udomsin Group ⁽²⁾	51,948,041	15.76
4	Paniangvait Group ⁽²⁾	47,660,905	14.46
5	Tat yakavee Group ⁽²⁾	28,638,988	8.69
6	Chokwatana Group ⁽²⁾	7,449,433	2.26
7	Sahapatanapibul Public Company Limited	6,431,151	1.95
8	I.C.C. International Public Company Limited	4,135,628	1.25
9	Osathanugrah Group ⁽²⁾	3,489,168	1.06
10	Thanayongpibul Group ⁽²⁾	2,230,233	0.68
11	Other	39,096,712	11.86
Total		329,704,014	100.00

Remark: (1) Excluding the shareholding of Thai NVDR Co.,Ltd.in amount of 377,239 shares, or 0.11% of paid-up capital.

(2) Grouping shareholders by the persons using the same family name and their close relatives, such as father, mother, spouse, and the juristic person to be held the shares of more than 50% by aforementioned persons.

Shareholding Structure

Shareholding Structure of the Company as of latest Book Closing on December 31,2018

Type of Shareholder	Number of Shareholders	Number of Shares	% of total shares
Juristic Person			
- Thai Nationality	40	126,840,940	38.47
- Non-Resident	21	68,787,841	20.86
Subtotal	61	195,628,781	59.33
Natural Person			
- Thai Nationality	2,210	133,843,230	40.60
- Non-Resident	8	232,003	0.07
Subtotal	2,218	134,075,233	40.67
Total	2,279	329,704,014	100.00

Report of directors' shareholding

No.	Name of Directors		Shares		
			Dec 31,2018	Dec 31,2017	Change
1	Mr. Boonsithi	Chokwatana	3,101,994	3,101,994	-
2	Mr. Karmthon	Punsak-Udomsin	2,668,946	2,668,946	-
3	Mr. Pipat	Paniangvait	23,838,360	23,789,660	48,700
4	Mr. Suchai	Ratanajiaroen	-	-	-
5	Dr. Poj	Paniangvait	3,058,552	3,058,552	-
6	Mr. Kamthorn	Tatayakavee	8,424,453	8,424,453	-
7	Mr. Apichart	Thammanomai	158,972	158,972	-
8	Mr. Boonchai	Chokwatana	73,964	73,964	-
9	Mr. Vathit	Chokwatana	888	888	-
10	Miss Pojjana	Paniangvait	3,066,189	3,063,413	2,776
11	Dr. Kulpatra	Sirodom	150,147	150,147	-
12	Thanpuying Angkab	Punyashtithi	155,873	155,873	-
13	Mr. Chaiwat	Maraprygsavan	-	-	-
14	Professor Dr.visith	Chavasit	-	-	-
15	Mr. Saroj	Chayavivatkul	-	-	-



Management Discussion and Analysis: MD&A

1. Operating Results

1.1 Sales Revenue

The company achieves total sales income for the year 2018 at the amount of 22,436.89 million baht, increasing by 805.94 million baht or 3.73% as compared to the same period of the year 2017. Such total sales income consists of the sales volume of PB at the amount of 7,495.49 million baht, equal to 33.40% of the total sales volume. The sales volume for the part of the business (TFMAMA) has an increasing growth from the same period of the previous year by 5.35%. The key reason is from the growth of foreign market and the addition of new products into the market continuously. At the same time, the sales volume of PB has increased by 0.63% due to the price increase of some products.

Sales Revenue Classified by Products

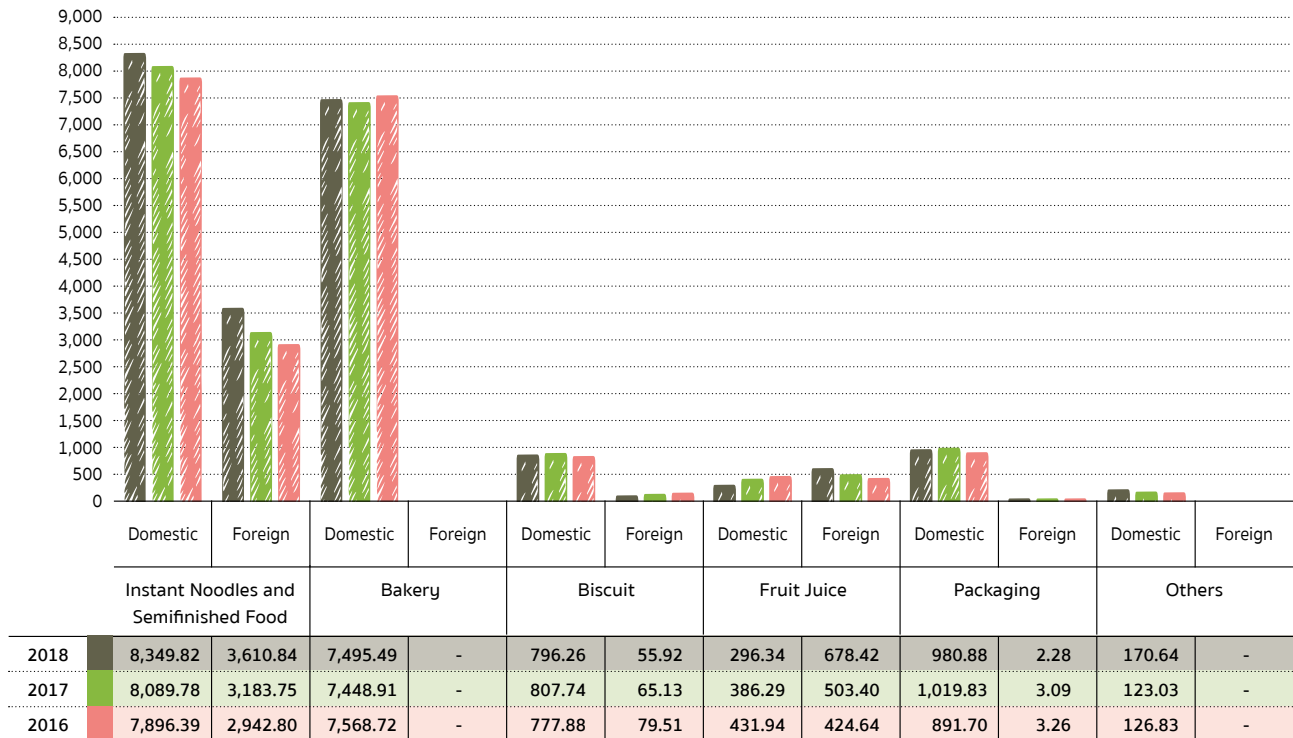
The revenue structure of the Company is summarized as following

Product Line	Business Group	Operated by	Sales Revenue							
			% Share	Year ended on Dec 31, 2018		Year ended on Dec 31, 2017		Year ended on Dec 31, 2016		
			holding	Million Baht	%	Million Baht	%	Million Baht	%	
Instant Noodles and Semi-finished Food	Food	Thai President Foods Plc (TFMAMA)	-	11,961	53.31	11,273	52.11	10,839	51.26	
		Kallol Thai President Foods (BD) Ltd.	55.00							
		Thai President Foods (Hungary) Kft. (Hungary)	65.00							
		President Kourakuen Co., Ltd.	70.00							
Bakery	Food	President BakeryPlc	51.99	7,495	33.40	7,449	34.44	7,569	35.80	
Biscuit	Food	Thai President Foods Plc (TFMAMA)	-	852	3.80	873	4.04	857	4.06	
Fruit Juice	Food	Taisun Foods Co., Ltd.	52.08	975	4.35	890	4.11	857	4.05	
Packaging	Packaging	Thai Anbao Paper Products Co., Ltd.	51.00	983	4.38	1,023	4.73	895	4.23	
		Dai-Ichi Packaging Co.,Ltd.	50.10							
Other	Raw material	President Flour Mill Co.,Ltd.	60.00	171	0.76	123	0.57	127	0.60	
	Investing	President D Venture Co.,Ltd.	70.00							
Total				22,437	100	21,631	100	21,144	100	



Sales Revenue Classified by Product type and Market location

(Unit : Million Baht)



■ Instant Noodles and Semi-finished Food

Domestic Market

The growth rate for the period ended 31 December 2018 is 3.21% as compared with the previous year. The instant noodles grew by 4.02% due to the development of products and continuous marketing activities. Apart from that, the company designed new products which receive responses from the consumer at a satisfied level, while the sales volume of the instant foods, which are white noodle, porridge and boiled rice decreased by 3.33% due to the effect from the reduction of goods display area in Modern Trade Mall.

Foreign Market

The growth rate for the period ended 31 December 2018 is 13.41% as compared with the previous year. The instant noodles and instant foods grew by 11.34% and the other instant foods has growth rate of 23.68 %. The sales volume for the market in Asia Region still have the highest ratio per sales volume, while the growth rate of European market is the best in the previous year due to the effect from the adjustment of marketing strategies and the arrangement of sales promotional activities with the sales representative in foreign countries, so the products of the company become well known and accepted in world market.

■ Bakery

The sales revenue of bakery products for the year ended on Dec 31, 2018 increased by 0.63% from the previous year, resulting from the company strategy that has introduced new products, and performed continuous advertising and sales promotion activities in order to encourage sales volume and to distribute our products to widen customers, together with adjusted price of some products.



■ Other Products

For the overall sales volume of other products which consists of the goods on biscuit category, packaging, fruit juice, etc. for the period ended 31 December 2018 has the growth rate at 2.48%. The sales volume of fruit juice in foreign county has expanded greatly, while the goods on biscuit category and packaging has a decreased sales volume due to the market condition that has harsh competition.

1.2 Cost of Sales

Cost of sales for the period of year 2018 is 14,528.33 million baht, increased by 173.78 million baht or 1.21% as compared to the same period of the previous year since the use of raw materials and packaging in production has increased as per the sales volume, plus the price of wheat flour which is the main raw materials of the production has increased from the previous year by approximately 10%. However, as comparing the ratio of cost of sales to the sales income, it is 64.75%, which is lower than the previous year by 1.61%.

1.3 Selling and Administrative Expenses

The selling and administrative expenses totaled to Baht 3,627.78 million, increasing by Baht 16.28 million or by 0.45% from the previous year. The higher expense was attributed to higher remuneration of the employees, such as salary, overtime, allowance according to increasing number of employee and salary base together with the higher marketing expense. However, the ratio of selling and administrative expenses to total sales revenue ratio was at 16.17%, slightly decreasing from the previous year.

1.4 Net Profit

The net profit, in the part of shareholders' equity of the company, for the year stood at Baht 3,404.40 million, increasing by Baht 550.91 million or by 19.31% from the previous year, mainly due to increasing sales volume, while the company could manage its cost to stay at low level. In a meantime, the company maintained the profit margin at 18.97% of total income.

2. Financial Position

2.1 Assets

Total assets of the company as of Dec 31, 2018 amounted to Baht 30,841.57 million, increasing by Baht 1,478.40 million or by 5.03% from the previous year. The main assets of the company consisted of the fixed assets of Baht 17,448.29 million, accounting for 56.57% of total assets, and the current assets of Baht 13,393.28 million, accounting for 43.43% of total assets. The increasing assets of the company was mainly attributed to increasing cash and cash equivalent item as a result of higher net profit, and increasing investments in associates item which was the investment in property business.

The trade account receivable of the Company in 2018 stood at Baht 3,693.64 million, accounting for 11.98% of total assets and increasing by 1.87% from the previous year in accordance with higher sales volume. The major trade account receivable from domestic market of the company was due from Sahapathanapibul PCL, whereas the average debt collection period was at 60 days, or decreasing by 1 day from the previous year. In addition, the company had set aside the allowance for doubtful accounts by Baht 16.27 million, which was sufficient to cover the account receivable due longer than 3 months. In overall, the trade account receivable of the company was mostly paid on schedule. Although a few foreign accounts were paid overdue, such delayed payment constituted an insignificant portion, when compared with total trade accounts.





The inventory of the company in 2018 amounted to Baht 1,375.93 million, accounting for 4.46% of total assets and increasing by 1.73% from a year earlier. In addition, the average shelf life of instant noodles products stood at 180 days, whereas the average days sales was at 34 days.

2.2 Liability

Total liability of the company as of Dec 31, 2018 amounted to Baht 4,018.62 million, increasing by Baht 312.66 million or by 8.44% from the end of 2017 as a result of increasing amount of outstanding liability and accrued expenses because of the higher sales volume and the accrued expense to be recorded for undue payment. However, most liability of the company was current liability, whereas the long-term liability was accounted for 25.26% of total liabilities. Meanwhile the debt to equity ratio of the company was at 0.18 time.

2.3 Shareholders' Equity

The shareholders' equity of the company as of Dec 31, 2018 amounted to Baht 26,822.96 million, increasing by Baht 1,165.75 million or by 4.54% from the end of 2017 because of net profit in the period. In 2018, the Company recorded the dividend payment for the second half-year of 2017 at Baht 537.42 million, and the interim dividend payment for the period ended on June 30, 2018 at Baht 629.73 million. In addition, the book value of the Company increased by 3.53 Baht per share from 77.82 Baht per share to 81.35 Baht per share, or rising by 4.54% from the preceding year.

3. Liquidity Position and Suitability of Capital Structure

3.1 Liquidity Position

The net cash from operating activities of the company in 2018 amounted to Baht 5,352.36 million, whereas the net cash used for investing and financing activities amounted to Baht 2,974.07 million and Baht 1,263.48 million respectively. The Company, as of Dec 31, 2018, recorded net cash and cash equivalent of Baht 3,876.09 million, increasing by Baht 1,098.71 million from 2017. The important details were summarized as follows,

The cash inflow from operating activities totaled to Baht 5,352.36 million, mainly due to the operating profit before tax of Baht 4,932.52 million which increased by 16.47% from the year 2017. The company used Baht 2,974.07 million for investing activities, mostly in investment in associated companies which was the exploring in property business and the Company also purchased additional machinery and equipment. In addition, the cash paid for financing activities was at Baht 1,263.48 million, mainly due to the dividend payment of Baht 1,166.96 million. However, the company was able to maintain strong liquidity ratio. The current ratio and the quick ratio of the Company in 2018 stood at 4.09 and 3.61 times respectively, increasing from the ratio in the previous year. Meanwhile, the cash cycle of the company was at 41 days.

3.2 Suitability of Capital Structure

The liability to shareholders' equity ratio of the company as of Dec 31, 2018 was low at 0.02 time, while the interest coverage ratio was high at 160.17 times, thus reflecting the stability of capital structure and strong capability of debt service of the company.

4. Remuneration to the Auditor (Separate financial statements)

The Company paid for the remuneration to the Auditor as following,

- The Auditing Fee amounted to 2,760,000 Baht
- The Other Fees consisted of
 - The auditing fee for specific requirement as prescribed by the investment promotion certificate of the Board of Investment amounted to 800,000 Baht





Corporate Governance

1. Corporate Governance Policy

The Board of Directors realizes the benefits and importance of good corporate governance in the company for creating the transparency, build the confidence for shareholders, investors, related parties, and stakeholders with the business as well as creating the value for the company sustainably. The good corporate governance principles of the Company consist of good corporate governance policies, good corporate governance principles, 8 business ethic codes of conduct for the Company's directors, executives and employees approved by the Board of Directors Meeting No. 3/2019 on March 13, 2019. The Company determines to review the appropriateness on a yearly basis. In order for all departments to participate in enhancing good governance in the operation of the Company in accordance with the principles of good corporate governance altogether, the Company has, therefore, published the principles of good corporate governance on the Company's website at www.mama.co.th (investor relations topic) and has prepared good corporate governance information to be publicized and communicates to the Company's directors, executives and employees so that all directors, executives and employees are informed and can be adhered as the principles for the same practice in business operation.

1.1 Good corporate governance policy

- (1) All directors, executives and employees are committed to implement the principles of corporate governance, business ethics and the code of conduct for directors, executives and employees for the Company's operations.
- (2) All directors, executives and employees must perform their duties responsibly, carefully, honestly by compliance with the laws, the Company's articles of association and relevant announcements.
- (3) Taking action so that the management structure of the Company clearly establishes the authority, duties and responsibilities of each committee and the executives.
- (4) Ensuring the available systems for internal control and risk management to be in appropriate level, including the available system for accounting and financial reporting that is accurate, reliable.
- (5) Arranging for sufficient, reliable and timely disclosure of important information as long as it does not affect the rightful interests of the Company.
- (6) Recognizing and respecting the rights of ownership of shareholders, equal treatment of shareholders.
- (7) Operations by taking into account responsibility to shareholders, stakeholders, communities, society and the environment.
- (8) Commitment to excellence in business operations with adherence to creating satisfaction for customers by hearing and reviewing oneself so as to increase the capabilities of managing and creating the best things always.
- (9) Cultivating morality, ethics, creating good consciousness, treating employees with fairness as well as striving for continuous development and enhancement of personnel's capabilities.





- (10) Anti-corruption, no violation of intellectual property, respect for the laws and human rights.
- (11) Dealing with conflicts of interests with prudence and rationality based on the Company's benefits primarily.

The Board of Directors has prepared the manual of "Good corporate governance principles, 2nd edition" in accordance with Corporate Governance Code for listed Companies 2017 defining the codes of practices for the Board of Directors to adhere appropriately as the leader of the organization and the highest responsible person of the organization. It consists of 8 main codes of conduct as follows:

- Code 1 Recognize the roles and responsibilities of the Board of Directors as the organization leader that creates value for the business sustainably.
- Code 2 Determine the objectives and main goals of the business for the benefits of sustainability.
- Code 3 Strengthen the efficient Board of Directors
- Code 4 Recruitment and development of senior management and personnel management
- Code 5 Promote responsible innovation and business operations
- Code 6 Ensure that there is a risk management system and suitable internal control
- Code 7 Maintain financial credibility and information disclosure
- Code 8 Encourage participation and communication with shareholders

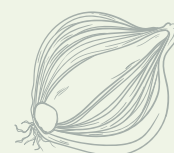
1.2 Ethics in business operations

The corporate governance in business ethics of the Company has been defined as a good business practice for all directors, executives and employees to observe as a guideline by focusing on treating stakeholders with equality and fairness including taking into account the responsibility to all stakeholders. The Board of Directors and executives realize the importance of performing duties with responsibility, carefulness, honesty, transparency and accountability.

The important element of business ethics is the compliance with anti-corruption laws. As the Board of Directors is aware of the importance of conducting business according to the good governance principles, the clear policies and practices are formulated by the Board of Directors Meeting No. 12/2561 on December 19, 2018. The anti-corruption policy and compliance with anti-corruption policies are established for all directors, executives and employees to adhere for common practicing. They are also disseminated to external parties such as subsidiaries, associates, partners and all related parties including communicating through the Company's website at www.mama.co.th.

1.3 Ethics of the Board of Directors, executives and employees

Regarding the corporate governance in the code of ethics for the Board of Directors, the executives, and the employees, the Company has set up the good business practices for all directors, executives and employees to adhere for practicing as the guideline by focusing on creating good consciousness in performing duties with honesty, prudence and carefulness for the best interest of the Company and all concerned parties. Moreover, the Company will always listen and act on all complaints equally, transparently, and fairly.





2. Sub-committees

The Board of Directors has appointed 3 sub-committees consisting of the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee so as to support and promote the management of each department of the organization for effective operations in consistency with the principles of good corporate governance.

2.1 Audit Committee

The Audit Committee of the Company consists of no less than 3 Independent Directors and at least one of those shall have sufficient knowledge, understanding, and experience in finance and accounting to audit the reliability of financial statement. The Board of Directors has appointed 3 Independent Directors having the qualification as required by the notification of the Capital Markets Supervisory Board and 1 Secretary of the Committee. The Audit Committee and the Secretary of the Committee, having the service term of 1 year, are named as following,

1. Dr. Kulpatra	Sirodom	Chairman of Audit Committee (Independent Director) (with experience in Accounting and Finance)
2. Thanpuying Angkab	Punyashtiti	Member of Audit Committee (Independent Director)
3. Mr. Chaiwat	Maraprygsavan	Member of Audit Committee (Independent Director)
4. Miss Ariya	Tangcheevinsirikul	Secretary of Audit Committee

Duties and Responsibilities:

1. Review the accuracy of the Financial Statements and the adequacy of information disclosure.
2. Review the adequacy, effectiveness, and efficiency of Internal Control and Internal Audit, and review sufficiency to Risk management procedure, and monitor to ascertain effective Risk Management of the Company.
3. Review the business operation of the Company to ascertain compliance with the law pertaining to securities and the stock exchange, and the regulations of the stock exchange, or any law governing business of the Company.
4. Select and nominate the Auditor of the Company, and determine the remuneration of the Auditor, and consider to dismiss the Auditor, as well as conduct at least 1 meeting with the External Auditor without presence of the Executives.
5. Review correct and adequate information disclosure on connected transactions, and conflict of interest as required by the relevant laws and the regulations of the Stock Exchange of Thailand.
6. Prepare the report of the Audit Committee to be disclosed in the Annual Report.
7. Review the independence of Internal Audit Unit, and propose the opinion to appoint, remove, promote, dismiss, evaluate Head of Internal Audit.
8. When performing duty of the Audit Committee and finding the possible transactions or actions that may materially affect the financial status or operating performance of the Company, the Audit Committee must report the said event to the Board of Directors to conduct corrective actions within a period as deemed appropriate by the Audit Committee. In the case that the Board of Directors or the Management fails to make corrections within the specified period, one of the Audit Committee may report such transactions or actions to the Securities and Exchange Commission or to the Stock Exchange of Thailand.
9. Review and amend the Charter of the Audit Committee and propose to the Board of Directors for approval





10. Perform any other tasks as assigned by the Board of Directors, and as deemed appropriate by the Audit Committee in compliance with the authority prescribed in the regulation of the Company and the relevant laws.
11. Consider the Anti-Corruption Policy, and review the suitability of any changes in such policy to be proper with the business operation and propose to the Board of Directors for approval.
12. Evaluate the risk of potential corruption within the Company to minimize any events of corruption which may impact financial status and operating performance of the Company.
13. Review and validate the information of suspected conduct of any fraud or corruption associated with the employees of the Company, and propose to the Board of Directors for mutual consideration.

In the year 2018 (Jan-Dec, 2018) Audit Committee arranged regular meetings and conducted the reports to the Board of Directors every 3 month and additionally according to special circumstances. There were total of 7 meetings and reported to the Board of Directors. Each time, there was the meeting agenda with the concerned persons as follows:

- Meeting agenda among certified auditor, accounting manager, and audit manager for 5 times to review the quarter financial statements and annual financial statements
- Meeting agenda with the authorized auditor without management for 1 time
- Meeting agenda with the internal audit department in the internal control system audit of the Company for 4 times
- Meeting agenda with the Risk Management Board on the risk management and anti-corruption measures for 1 time
- Meeting agenda with financial advisor on making a tender offer for all securities of subsidiary, President Bakery Public Company Limited ("PB"), as voluntary tender offer according to the objectives of increasing the shareholding proportion in PB to more than 50% in order to have status of subsidiary of the Company clearly and completely for 1 time.

2.2 Nominating and Remuneration Committee

The Nominating and Remuneration Committee consists of 3 Directors, one of which shall be Independent Director. The Nominating and Remuneration Committee, having the service term of 1 year, are named as following,

Mr. Boonsithi	Chokwatana	Chairman of Nominating and Remuneration Committee
Mr. Pipat	Paniangvait	Member of Nominating and Remuneration Committee
Mr. Chaiwat	Maraprygsavan	Member of Nominating and Remuneration Committee (Independent Director)

Duties and Responsibilities :

The Nomination

1. To select and nominate the qualified persons to be the Director of the Company.
2. To verify the profile of the nominated person to ensure that the Director of the Company is proven with knowledge, ability, experience, expertise from various backgrounds, and qualifications pursuant to the Articles of Association of the Company and the other relevant laws.
3. To provide the opinions or suggestions to be used for the consideration.
4. To propose the nominated persons to the Board of Directors for approval.
5. To review and amend the Charter of the Nomination and Remuneration Committee and propose for approval to the Board of Directors.
6. To perform any other tasks as assigned by the Board of Directors.





The Remuneration

1. To evaluate the performance of the Board of Directors annually.
2. To consider and determine the amount of the remuneration for the Board of Directors by taking into account the performance results of the Company, the amount approved by the shareholders' meeting, and the amount actually paid to the Board in the past year and to propose the remuneration to the Board of Directors and the shareholders' meeting for approval respectively.
3. To consider and allocate the remuneration for the Directors in proportion to the performance, duty, responsibility, and the amount of the remuneration approved by the shareholders, and to propose the suitable remuneration to the Board of Directors for approval.
4. To consider and allocate the remuneration for the Member of the Sub-Committees (who is not the Director of the Company) in proportion to the performance, duty, and responsibility, and to propose the suitable remuneration to the Board of Directors for approval.
5. To review and amend the Charter of the Nomination and Remuneration Committee and propose for approval to the Board of Directors.
6. To perform any other tasks as assigned by the Board of Directors.

The Nominating and Remuneration Committee held 2 meetings in 2018, as per details in the Report of the Nomination and Remuneration Committee 2018

2.3 Risk Management Committee

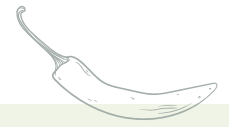
The Risk Management Committee consists of 4 Directors, 1 executive, and 1 Secretary of the Committee. The Risk Management Committee and the Secretary of the Committee, having the service term of 1 year, are named as following,

- | | | |
|----|-------------------------------|---|
| 1. | Prof. Dr. Visith Chavasit | Chairman of Risk Management Committee
(Independent Director) |
| 2. | Mr. Suchai Ratanajajaroen | Member of Risk Management Committee |
| 3. | Dr. Poj Paniangvait | Member of Risk Management Committee |
| 4. | Miss. Pojjana Paniangvait | Member of Risk Management Committee |
| 5. | Miss. Hatairat Kwangchit-Aree | Member of Risk Management Committee |
| 6. | Mr.Arthorn Suanpo | Secretary of Risk Management Committee |

Duties and Responsibilities :

1. To review and propose Risk Management Policy and Framework to the Board of Directors for approval.
2. To formulate Risk Appetite Limit and propose to the Board of Directors for acknowledge, and report risk status and risk management on significant matters to the Board on regular basis.
3. To oversee overall risk management to be in line with Risk Management Policy and Framework continuously to ensure effective and constant risk management for the whole organization.
4. To review risk management report and monitor significant risks to be handled in an adequate and appropriate manner.
5. To cooperate with the Audit Committee on significant risks and oversee Internal Audit Department to ensure that internal control system is adequate and risk management is implemented properly and constantly for the whole organization.





6. To provide advice and recommendation to Risk Management Team on risk management issues that needed to be improved, and to appoint Sub-committee to be able to conduct risk management in an effective manner.
7. To perform the other duties as assigned by the Board of Directors.

The Risk Management Committee held 4 meeting in 2018, as per details in the Report from Risk Management Committee.

3. Nomination and appointment of directors and senior executives

The Company has appointed sub-committee, the Recruitment and Remuneration Committee, to perform the duties in considering the selection of persons to be nominated for the position of directors and senior executive which the Recruitment and Remuneration Committee has set the criteria for consideration as follows:

Criteria for selecting the Company's directors

1. Be qualified according to the Public Company Act, Securities and Exchange Act, rules of the Securities and Exchange Commission, and rules of the Stock Exchange of Thailand
2. Be qualified and have skills of the Board of Directors according to the elements in creating the Board Skills Matrix to be in line with the business direction
3. Have knowledge, competence, and experience in various fields corresponding to the food industry business and related industries as well as supporting various investment business plans that increase growth opportunities for the Company in the future to enhance benefits and add value to the Company.
4. Possessing of leadership, vision, morality and ethics, having a transparent work history
5. Nomination of independent directors with qualifications according to the rules of the Capital Market Supervisory Board.

Process for nomination of the directors

1. The Nomination and Remuneration Committee is responsible for nominating suitably qualified experts to be the directors by proposing to the Board of Directors meeting for consideration before presentation to the annual general meeting of shareholders for election with a majority vote of the shareholders attending the meeting and voting except the case of not leaving at the end of the term and the remaining term of not less than 2 months. The Board of Directors meeting shall select the person nominated by the Nomination and Remuneration Committee for the post of director with a vote of not less than three-fourths of the number of remaining directors. Such person who is appointed as director will have a term of office equal to the remaining term of the director replaced. This is in accordance with the Company's articles of association.
2. The Nomination and Remuneration Committee takes action according to the Company's articles of association, Article 17 ". At every annual general meeting of shareholders, the ratio of 1 in 3 directors must vacate office. If the number of directors to leave cannot be divided into exactly 3 parts, the number closest to 1 in 3 parts must leave.





The outgoing directors under paragraph one can be rightfully reappointed as directors if having been selected by the meeting to hold the position again." Therefore, in the annual general meeting of shareholders, the Nomination and Remuneration Committee will take action based on the nomination process for the directors having completed their term according to the above rules of the Company's articles of association so as to nominate such directors to the Board of Directors' meeting for consideration before presentation to the annual general meeting of shareholders for election.

3. About nominating the persons for the post of independent director, the Nomination and Remuneration Committee will consider the independent director's qualifications determined by the Company, which conform to the rules of the Capital Market Supervisory Board as follows.

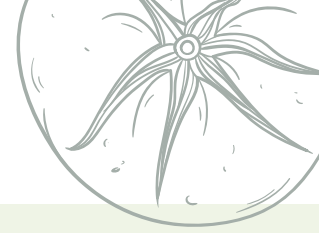
Qualifications of independent directors of the Company

The independent directors of the Company must have qualifications according to the rules of the Capital Market Supervisory Board as follows:

- 1) Holding shares not more than 1% of the total number of shares with voting rights of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company, including shareholding of related party of that independent director.
- 2) Neither being nor having formerly been a director involved in work management, employee, consultant receiving a regular salary or control authority of the Company, parent company, subsidiary, associate company, same-level subsidiary, major shareholder or of control authority of the Company except having been excluded from such characteristics for not less than 2 years before the date of appointment as independent director. Such prohibited characteristics do not include the case that an independent director used to be a government official or a consultant of government agencies which are major shareholders or the control authorities of the Company.
- 3) Not being a person with blood relationship or by legal registration in the forms of being father, mother, spouse, sibling and child, including spouse of the child of another director, executive, major shareholder, control authority or the person to be nominated as director, executive or control authority of the Company or subsidiaries.
- 4) Neither having nor having formerly had business relationship with the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company in a manner that may hinder the use of independent judgment, including neither being nor having formerly been a significant shareholder or control authority of the person having business relationship with the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company except having been excluded from such characteristics for not less than 2 years before the date of appointment as independent director.

Business relations under paragraph one include normal commercial transactions for business operations, renting or renting real estate out, transactions related to assets or services or giving or receiving financial assistance by accepting or giving loans, guaranteeing, providing assets as collateral for debts, including other similar circumstances, resulting in the Company or the contract party's debt obligation to pay to the other party from 3% of net tangible assets of the Company or from 20 million baht or more, whichever amount will be lower. Calculation of such debt burden shall be based on the method of calculating the value of connected transactions according to the





announcement of the Capital Market Supervisory Board on the rules for connected transactions mutatis mutandis. However, consideration of such debt burden must include the debt burden incurred during 1 year before the date of business relationship with the same person.

- 5) Neither being nor having formerly been an auditor of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company and not being a significant shareholder, control authority or a partner of the audit office having the auditor of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company being affiliated with, except having been excluded from such characteristics for not less than 2 years before the date of appointment as independent director.
- 6) Neither being nor having formerly been any professional service provider, including serving as a legal advisor or financial advisor receiving service fee of more than 2 million baht per year from the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company and not being a significant shareholder, control authority or a partner of that professional service provider, except having been excluded from such characteristics for not less than 2 years before the date of appointment as independent director.
- 7) Not being a director appointed to be a representative of the director of the Company, major shareholder or shareholder related to major shareholder.
- 8) Neither operating a business having the same conditions and significantly competing with the business of the Company or subsidiary nor being a significant partner in the partnership nor being a director involved in work management, employee, consultant receiving a regular salary or holding more than 1% of the total number of shares with voting rights of another company running business with the same conditions and significantly competing with the business of the Company or subsidiaries.
- 9) Not having any other characteristics that cause the inability to give independent opinions on the operations of the Company.

In case of the Capital Market Supervisory Board's announcement on changes in qualifications of independent directors, the Company's independent directors must have qualifications according to the announcement on changes in all respects.

After having been appointed as independent directors with characteristics according to (1) to (9), the independent directors may be assigned by the Board of Directors to decide on business operations of the Company, parent company, subsidiaries, associate company, same-level subsidiary, major shareholder or control authority of the Company by decision-making in the form of Collective decision.

In 2018, the Company's independent directors neither had business relationship nor provided professional service, or were the persons appointed as independent directors without business relationship or providing professional service in value exceeding the criteria according to the announcement of the Capital Market Supervisory Board and the Company's above rules.

Entitling minor shareholders to nominate the persons to be elected as directors

The Company recognizes the rights and equality of shareholders according to the principles of good corporate governance. Therefore, the Company allows shareholders to nominate the persons to be elected as directors of the Company in advance of the annual general meeting of shareholders pursuant to the Company's rules. More details can be viewed from the Company's website www.mama.co.th under the topic: "Investor Relations / Annual Shareholders Meeting".





In 2018, the Company granted the opportunity for the shareholders to nominate the persons to be elected as the Company's directors in advance prior to the Annual General Meeting of Shareholders for the year 2018 from December 1 - December 30, 2017, with the following consideration criteria:

- (1) The Company secretary will initially consider and screen. The complete information and documents will be presented to the Nomination and Remuneration Committee to consider qualifications of the persons, which will also be presented to the Board of Directors for consideration. The decision of the Board of Directors is final.
- (2) The persons approved by the Board of Directors will be named at the annual general meeting of shareholders for the year 2018 in written notice of the scheduled meeting, together with opinions of the Board of Directors.
- (3) For the persons not approved by the Board of Directors, the Company will give notification in the general meeting of shareholders with specified reasons.

At the end of the specified period, the Company informed the result of the opportunity for shareholders to nominate persons to be elected as directors at the annual general meeting of shareholders by disseminating news via the Stock Exchange of Thailand for the year 2018. On February 21, 2018, the Company published the news of result concluding that no shareholder proposed the agenda for the general meeting of shareholders and nominated the persons to be considered for being the Company's directors at the Annual General Meeting of Shareholders No. 1/2018 and reporting to the shareholders again on the date of the Annual General Meeting of Shareholders on 25 April 2018.

Rules for electing the Company's directors at the annual general meeting of shareholders

The Company has determined the voting for electing the directors at the annual general meeting of shareholders according to the Company's articles of association, Article 16, requiring the shareholders' meeting to elect the directors pursuant to the following criteria and methods.

- (1) One shareholder has a vote equal to 1 share.
- (2) Each shareholder can use all available votes under (1) to elect one person or several persons as directors, but cannot divide the votes for any person in any number.
- (3) The persons receiving the highest votes in descending order are elected as directors equaling the required number of directors at that time. If the persons elected in the next descending order have equal votes more than the number of directors required at that time, the Chairman must have the deciding vote.

In 2018, the Company held the Annual General Meeting of Shareholders No. 1/2018 for the first year after the registration of the company and according to the Articles of Association of the Company No. 17, the election of directors to replace the directors who are retired from office. In the first and second years after the registration, the lots would be drawn for selection. For the following years, the directors who are in the position for the longest time will leave the position and the retiring directors may choose to take office again. In this first year, there are 5 directors who must retire the office by drawing lots as follows:

1.	Dr. Poj	Paniangvait	President / Risk Management Committee
2.	Mr. Vathit	Chokwatana	Director
3.	Miss Pojjana	Paniangvait	Director / Risk Management Committee
4.	Dr. Kulpatra	Sirodom	Independent Director / President of Audit Committee
5.	Thanpuying Angkarb	Punyashthiti	Independent Director / Audit Committee





The Annual General Meeting of Shareholders No. 1/2018 had the majority vote from the total number of votes of shareholders attending the meeting and having voting rights.

Nomination of the top management

The Company nominates the top management of the Company from current executives or other people with appropriate qualifications, knowledge, capability, experience and good understanding of the Company's business and ability to manage the organization in order to achieve the objectives and goals as specified by the Board of Directors.

The top executives of the Company are the directors of the Company, who have been selected by the Nomination and Remuneration Committee and the Board of Directors meeting will continue to consider suitability for appointment of the executive positions.

4. Supervising the operations of subsidiaries and associate company

The Board of Directors is responsible for managing the business and the operations of the Company as well as supervising work management of subsidiaries and associate company according to the goals, operational plan and strategies of the Company under the laws, objectives and articles of association of the Company. Additionally, the Board of Directors has considered the organizational structure and the management of subsidiaries and associate company to be effective and favorable to business conditions.

The purposes are to focus on developing the management of subsidiaries and associate company to have corporate governance system, good risk management and participation in signing the declaration of the intent of Private Sector Collective Action Coalition Against Corruption with the Company and to have the ability to compete in the industry for future growth. The Company will receive the reports on operational results from the subsidiaries and associate company regularly. Also, the operating results are always examined so as to plan the works and the targets for further operations.

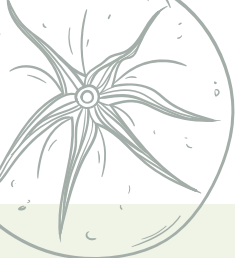
The Company receives financial statements from subsidiaries and associates on a monthly basis so that the company can track and acknowledge the operating performance of the subsidiaries and associates and can present the operating performance to the Board of Directors for acknowledgment every month as same as the report of the Company's performance. In addition, there are 3 important subsidiaries with a total asset value of more than 35% of the total assets in 2018 using the same audit office as the company in order to build confidence in the preparation of financial reports in a timely manner.

5. To Control the Use of Inside Information

The policy to prevent the use of inside information for personal interests is included in the business ethics of the Company as follows,

- The Directors, Executives, and staffs who can access significant inside information which is still not disclosed to public must not use such information for their own or any other's interests. In addition, the documents having the confidential business information shall be deemed as controlling document, being accessible by only involving persons, being not allowed to make any copy, and should be kept by authorized persons.





- Although the Directors, Executives, and staffs are allowed to hold the securities of the Company and Subsidiaries, the Company instructs Management and staffs to avoid purchasing / selling our securities within 30 days before the disclosure of financial statements to the public in order to prevent conflicts of interest. On this regard, the Company Secretary shall circulate the notification to the Directors and Executives to inform the period upon which purchasing / selling securities is prohibited prior to the disclosure of quarterly or yearly financial statement via the information channel of the Stock Exchange of Thailand

In 2018, the Company's secretary reported to the Board of Directors meeting to know the schedule of period for prohibiting the trading of the Company's securities before publishing the financial statements of each quarter for 3 quarters, 3 times and 1 annual financial statement. The formal notification letter were sent to the directors and all executives for a total of 4 times.

6. Auditor remuneration

6.1 Audit fee

In 2018, the Company and the subsidiaries paid the audit fee to EY Office Co., Ltd. which was the auditor office including persons or enterprise relevant to the auditor and the auditor office for the accounting year of 2018 with the details as follows:

Audit fee	2018
Audit fee particularly for the Company	2,760,000 baht
Audit fee for 3 subsidiaries	2,068,301 baht
Total	4,828,301 baht

6.2 Non-audit fee

The Company and the subsidiaries paid the remuneration for the audit on compliance with the conditions of BOI in the amount of 1,085,000 baht and other service fee for 60,000 baht for the accounting year of 2018 to EY Office Co., Ltd. which was the auditor office including persons or enterprise relevant to the auditor and the auditor office.

For the remuneration to be paid in the future due to an agreement that has not yet been completed in the accounting year of 2018, the Company does not have such expenses.

7. Compliance with the principles of good corporate governance in other matters

The Board of Directors has realized the importance and the benefits of good corporate governance. The purpose is to allow the Company to have an effective, transparent, auditable management system that helps build confidence of shareholders, investors, stakeholders and all related parties for leading the organization to sustainable growth.

The good corporate governance policy has promoted the systems of work administration, internal control and risk management for better and continuous efficiency as follows.

- Administration system : Commitment to creating added value for the Company with prudence and caution, management with adequate competence and efficiency in order to maximize the benefits for shareholders, the formulated appropriate management guidelines, the regulations that determine the separation of powers of the Board of Directors and the management department clearly in writing. Also, action must be taken to ensure that the accounting system, financial reports and auditing are reliable.



- Internal control and risk management by maintaining the internal audit and risk assessment control system with neither specificity nor focus on specific internal control, but being comprehensive for correctness, integrity, fairness and safety of business confidential information for maximum benefit of the Company, monitoring and supervising the management of resolving conflicts of interests and connected transactions.

- Operations with transparency and clarity without discrimination by specifying good practices whereby the executives and staff at all levels should have a good spirit toward shareholders, customers, partner companies and society with ethics, anti- corruption , no violation of intellectual property, respect for the laws and human rights

In 2018, the Company received the results of corporate governance evaluation as follows.

- The Company received a full score of 100 in excellent level from assessment of quality of organizing the annual general meeting of shareholders for 2018 by the Thai Investors Association.

- The Company received the result of evaluating Corporate Governance Report of Thai Listed Companies for the year 2018 at very good level by the Thai Institute of Directors (IOD).

- The Company was selected to be in ESG 100 group of the year 2018 (Environmental, Social and Governance) from Thaipat Institute as a listed company in the Stock Exchange of Thailand with outstanding performance related to society, environment and good governance in 100 companies from evaluating business sustainability data of listed companies in the Stock Exchange of Thailand.

This report on compliance with good corporate governance principles of the Company was presented and reviewed by the Board of Directors meeting No. 3/2019 on 13 March 2019.

For the principles of good corporate governance (CG Code) of the year 2018, the Company handled each matter as follows.

1. Rights of shareholders

The Company recognizes the legitimate rights of shareholders, encourages their right execution, and prevents any acts that may infringe or curtail their rights, especially with respect to the primary rights of shareholders; namely the right of purchasing and transferring shares, profit sharing, receiving sufficient information, attending shareholders' meeting to express their opinions or to make voting on such important issues as election to the Board, determination of the remuneration for the Board, approval for important matters, appointment of external auditors, etc.

In addition to aforementioned primary right of the shareholders, the Company has supported and facilitated the use of right for the shareholders as below,

1.1 Right to receive information

The shareholders shall be provided with equitable information. To this end, apart from the communication on SET's public news board, the Company discloses information on official website of the Company <http://www.mama.co.th> in Thai and English version to provide sufficient information to the shareholders, particular to the information that may affect their decision making; e.g. quarterly and annually result of performance, information of connected transaction, acquisition and disposition of asset, top ten major shareholders of the Company on latest book closing (latest information as of Dec 31, 2018), shareholding of Non-Controlling Interest, the annual report within 14 days after the meeting date, and any other important information that may affect decision making of the shareholders.





1.2 Right to attend shareholders' meeting

The Company shall hold the shareholders' meeting on annual basis within 4 months after the date of Company's book closing. (Accounting cycle of the Company is Jan 1 to Dec 31, 2018). The Company selects to hold the shareholders' meeting at Grand Fourwings Convention Hotel (Srinagarindra), 333 Srinagarindra Rd, Hua Mak, Bang Kapi, Bangkok 10240, because this place is close to the Company, Airport Link terminal, and express way, thus convenient for travelling. The Company has improved information system of registration procedure and of vote counting to disclose the result transparently, such as previous counting can be updated to handle disagreement opinion from the shareholders, or previous counting of the past agenda can be displayed upon shareholders' request. In addition, the Company shall conduct the meeting on each individual agenda separately in order to open for the shareholders not attending the meeting since beginning to be able to cast the vote.

Treatment of shareholders before the shareholders' meeting date: The Company notified a resolution on the scheduled meeting of shareholders at least 5 weeks in advance of the meeting date, i.e. on 21 March 2018 so that the shareholders could arrange time to attend the meeting and schedule the dissemination of written notice of scheduled meeting, along with all documents for the meeting with the same information as information sent by the Company to shareholders in the form of document via the Company's website 32 days in advance for the shareholders to study beforehand. The Company assigned Thailand Securities Depository Co., Ltd. for Depositors as the Company's share registrar to deliver such documentation to the shareholders 16 days in advance of the meeting. The announcement was also put in the newspaper advertisement for 3 consecutive days and 7 days before the meeting date, i.e. on 18-20 April 2018. Each agenda included the facts and reasons, including the opinions of the Board of Directors, together with the meeting documents such as annual report, power of attorney Form B, history of nominated persons to be elected as directors, map of the meeting venue, explanations of documents and evidence to be presented by the shareholders for attending the meeting, the Company's articles of association relating to the shareholders' meeting and the procedure for attending the meeting. In addition, the shareholders could download the power of attorney prepared in compliance with the announcement of the Commerce Ministry, which includes 3 types, viz. Form A, Form B and Form C. Any one of the power of attorney forms could be chosen at the Company's website www.mama.co.th

The Company has given the right of the shareholders to propose agenda and/to nominate candidates to be elected as Director in the General Meeting of Shareholder 1/2018 by sending the letter to the Company Secretary during Dec 1 – Dec 30, 2017 and the Company has disclosed the Principle as aforementioned in Thai and English version in SET's public news board and on the Company's website (<http://www.mama.co.th>) on November 21, 2018. After the giving period, the Company has not received any agenda nor a name/person to consider for representation on the board of director in the Company's General Meeting of Shareholders 1/2018, and the Company will inform the result on invitation notice to attend the shareholders' meeting and the Company's website afterward.

With regard to the right of the shareholders to propose agenda and/to nominate candidates to be elected as Director in the shareholders' meeting, the qualified shareholder entitled to have the said right must possess the qualifications in compliance with the law which is shareholders or group of shareholders holding Company shares collectively at the minimum of 5 percent of total voting rights.

Additionally, the Company allowed the shareholders to send questions in advance relating to the agendas of the general meeting of shareholders No. 1/2018 on 25 April 2018 via E-mail: sararath@mama.co.th or by registered mail to Miss Sararat Tangsirirongkol (Company secretary), Thai President Foods Public Company Limited, No. 304 Srinakarin Road, Hua Mak Sub-district, Bang Kapi District, Bangkok 10240 or Fax 0-2374-7743 before the meeting date as notified by the Company in written notice of the scheduled general meeting of shareholders. It appeared that no



shareholder sent the questions in advance to the Company. The Company notified such information to the general meeting of shareholders for acknowledgment before proceeding with the meeting according to the agendas.

Practice to the Shareholders on the meeting date: The Company shall fully provide convenience for the shareholders to attend the meeting and to exercise their voting. The shareholders are facilitated to raise the query on the operation results without any obstacle may causing by day, time, and place of the meeting. The shareholders are open to register to attend the meeting not less-than 2 hour before the meeting started. However, the shareholders still reserved their right to attend the meeting after the meeting started and were eligible to do voting on the remaining agenda and would be deemed as a quorum of the meeting since they exercised their voting right. The Company shall prepare adequate staff to perform registration procedure, provide the Stamp Duty to be posted on the proxy form, and distribute the voting card. The Company will improve barcode system in registration procedure and to count the vote in a timely and transparent manner. Additionally, the voting result will be verifiable after the meeting in case of any doubt or objection of the shareholders.

In the event that the shareholders could not attend the meeting in person, any person or any audit committee member that was an independent director appointed by the Board of Directors with no interest in the agendas for electing the directors could be authorized to act as proxy and attend the meeting instead for preserving their rights. In the general meeting of shareholders No. 1/2018 on 25 April 2018, two independent directors of the Company as proxies were namely:

1. Mr. Chaiwat Maraprygsavan, independent director / Audit Committee member/ Nomination and Remuneration Committee member
2. Prof. Dr. Visit Chavasit, Independent director / Chairman of the Risk Management Committee

The Board of Directors has recognized the importance of the general meeting of shareholders, which is considered a duty to attend the meeting except for sickness or being busy with important mission. In the general meeting of shareholders No. 1/2018 on 25 April 2018, 14 directors attended the meeting out of 15 persons, representing 93.33 percent. The Chairman of the Board of Directors, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee and Chairman of the Risk Management Committee attended the meeting. Moreover, there were accounting manager, financial and investment manager (CFO), certified public accountant from EY Office Co., Ltd. for enabling the shareholders to ask questions about financial statements. Also, arrangements were made for the votes-counting Inspector that was an external legal consultant from Chompoo and Associates Co., Ltd. to act in order to ensure that the shareholders' meeting went transparently , correctly according to the laws and the Company's articles of association.

The Company has realized the importance of organizing the annual general meeting of shareholders for allowing the shareholders to exercise their right to know the operating results, along with analysis results and explanations of the management department (MD&A), the implementation of anti-corruption measures, dividend payment rate, consideration and voting on various matters as required by law and Company's articles of association. When the scheduled time came at 9.00 hrs., the meeting was opened by the Chairman of the Board of Directors who chaired the shareholders' meeting. The President announced the number / proportion of shareholders attending the meeting, introduced the directors, executives, auditor and vote-counting Inspector. The Company secretary notified various rules used in the meeting, voting procedure and vote -counting rules, including votes for, against, abstentions and voided ballot (if any). The meeting was conducted according to the order of the agendas. No agenda was added or no important information was changed without prior notice to the shareholders. Time allocation was appropriate and adequate for presenting various issues of each agenda. Also, the shareholders were allowed to ask questions and



express their opinions fully on each agenda. In this meeting, many shareholders asked questions and expressed opinions that were beneficial to the Company. The Board of Directors and the executives of the Company acted to clearly answer the questions of shareholders pertinently for the shareholders to understand well. Also, the voting results were concluded from the use of Barcode system to count the votes of each agenda and the voting results were displayed via Projector for the shareholders' acknowledgement of each resolution. The important agendas of the general meeting of shareholders were as follows.

(1) Appointment of the Board of Directors: The Company allowed the shareholders to exercise their right to elect the directors individually. Detailed information of the persons nominated to be elected was available, consisting of [name, surname, age, nationality, type of director proposed for appointment, education, director training course, current position, term of directorship, holding the position of director or executive in other listed companies / other parties / business that is competitive or related to the Company business, 5 years past experience, prohibited qualifications, shareholding in the Company and attendance at the meeting in 2017] as shown by written notice of the scheduled general meeting of shareholders sent by the Company to the shareholders in advance of the meeting. Besides, in the shareholders' meeting, the Company announced the positions held in the companies running business with the same condition and competing with the Company's business again for the shareholders' acknowledgement and compliance with the Company's articles of association. Each director had passed the screening process by the Nomination Committee that considered the appropriateness in terms of qualifications, experience and expertise from various professions, including the performance as director in the past period. Examination of the directors having completed the term each year will be presented to the Board of Directors meeting. The Board of Directors has the authority to consider the selection of qualified persons from the list presented by the Nomination and Remuneration Committee according to the number required so as to propose the appointment of directors to the general meeting of shareholders No. 1/2018 on 25 April 2018.

In addition, at the general meeting of shareholders No. 1/2018 on 25 April 2018, the Company increased the right for shareholders to propose the persons to be elected as the Company's directors in advance of the general meeting of shareholders No. 1/2018 by making the letter of specified form sent to the Company secretary from 1 December to 30 December 2017 for presentation to the Nomination and Remuneration Committee, publishing in both Thai and English through the channels of the Stock Exchange of Thailand and the Company's website www.mama.co.th to consider proceeding with the next steps. In this shareholders' meeting, before considering electing the Company directors, the Company informed again that the Company gave such right to the shareholders, it appeared that no shareholder nominated the person to be elected as the Company director by the specified period.

(2) Remuneration for the Board of Directors: The Company proposed remuneration for the Company directors to the general meeting of shareholders to request approval at the general meeting of shareholders No. 1/2561 on 25 April 2018 in the total amount not exceeding 15 million baht as the same, which was considered by the Nomination and Remuneration Committee according to the policy and rules for determined remuneration of directors. Additionally, the Company announced the approved amount of remuneration for the Board of Directors and the amount actually paid in the past year, consisting of pension, meeting allowance, remuneration for the Audit Committee, remuneration for the Nomination and Remuneration Committee, remuneration for the Risk Management Committee (not including remuneration or welfare benefits received by the directors as the Company's staff or employees). In the annual report and Form 56-1, there are explanations of additional details for other remunerations, including an explanation of detailed remuneration and amounts paid to the directors and the sub-committees individually, including remuneration specifically for executive directors and executives.



(3) **Appointment of auditor and determination of the audit fee:** The Company provided information of the certified public accountant as follows: name of certified public accountant, audit office, independence, number of years of acting as auditor for the Company, the audit fee during the current year and other charges for services received from the audit office of the auditor's affiliation. Such information was considered by the Audit Committee of the Company. Remuneration for the audit and other service fees of the Company and the subsidiaries, which were paid to EY Office Co., Ltd. as the same audit office with the Company can be summarized as follows.

Information on the auditor's remuneration				
Details	Year 2018		Year 2017*	
1. Specific remuneration of the Company*				
- Remuneration for the audit	2,760,000	Baht	1,400,000	Baht
- Other service fees	800,000	Baht	600,000	Baht
Total amount	3,560,000	Baht	2,000,000	Baht
2. Remuneration of 3 subsidiaries				
- Remuneration for the audit	2,068,301	Baht	2,020,309	Baht
- Other service fees	345,000	Baht	437,500	Baht
Total amount	2,413,301	Baht	2,457,809	Baht
Total	5,973,301	Baht	4,457,809	Baht

* Year 2017, specific remuneration of the Company for the period from 16 October 2017 (registered merger) to 31 December 2017

(4) **Dividend payment:** The Company has established a dividend payment policy "allocation from annual net profit on separate financial statement of not less than 50 percent ". The year 2017 was the beginning year of the Company (" TFMAMA ") with proposed dividend payment at the rate of 1.63 baht per share, number of 329,704,014 shares, totaling 537.42 million baht according to the determined list of shareholders entitled to receive dividends (RD) on 7 May 2018 and the dividend payment was scheduled for 23 May 2018.

Treatment of shareholders after the shareholders' meeting date: The Company prepared the detailed minutes of the general meeting of shareholders with the names of the Company's directors attending / not attending the meeting and the causes of leave, important explanations, questions and answers or summary comments. In 2018, the shareholders asked questions or expressed additional opinions. The Board of Directors answered the questions to the satisfaction of the shareholders. The details of each agenda were in accordance with the facts at the meeting. The voting results for each agenda were reported by separating the votes and proportion, percentage of votes in each resolution, viz. votes for, against, abstentions and voided ballot. The minutes of the meeting were signed by the Chairman of the Board of Directors and were delivered by the Company to the Stock Exchange of Thailand as well as the Securities and Exchange Commission. Moreover, information and photographing of the general meeting of shareholders throughout the meeting period were disseminated in the form of video media and published as clip file on the Company's website www.mama.co.th within 14 days from the date of the general meeting of shareholders in both Thai and English to be a channel for enabling the shareholders to check information with no need to wait for the next general meeting of shareholders. The Company also sent the minutes to the Ministry of Commerce within the time prescribed by law.





1.3 Distribution of ordinary shareholding of the Company The Company determined the list of shareholders (Record Date: RD) entitled to attend the general meeting of shareholders No. 1/2018 on 4 April 2018 with information in the form of shares distribution report consisting of directors, managers and executives as well as related parties and people having a relationship, holding a total of 21.11% ordinary shares of the Company of paid-up capital (with a proportion of not more than 25%). The shareholders who held more than 5% ordinary shares, accounted for 55.88% and small ordinary shareholders represented 23.01 percent (% free float).

2 Equitable treatment of shareholders

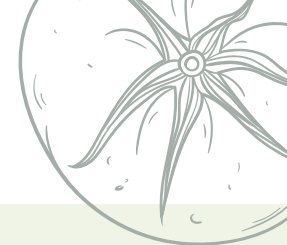
The Company recognizes the importance of rights and equitable treatment of shareholders with regard to shareholders' meeting, inside information, trading shares of the Company, and connected transaction. The Company has reviewed the equitable treatment to shareholders with the original principle of "TF" and "PR as per following details;

2.1 Shareholders' meeting : The Company opens for the shareholders, who cannot attend the meeting in person, to attend the meeting by proxy or by Independent Director. The Company provides the proxy form in the format that the shareholders can specify their voting objective and notifies the shareholders to submit the necessary evidence to appoint their proxy. In the Annual Shareholders' Meeting during April of the year, the Company shall propose 2 Independent Directors to be the proxy holders to cast the vote on behalf of the shareholders. With respect to the voting in the shareholders' meeting as prescribed in the Article 41 of the Article of Association, each shareholder shall have the number of votes equal to the number of shares held (one vote for one share). To ascertain transparency and accountability, the Company has introduced electronic ballot to facilitate vote counting by the computer system for every agenda; thus easier for the shareholders to verify the voting result in case of any future argument. And on the agenda to appoint the Directors, the Company opens for the shareholders to select the Director individually.

On 23 March 2018, the Company disseminated written notice of the scheduled general meeting of shareholders, along with all documents for the meeting with the same information to be sent by the Company to shareholders in the form of document on the Company's website 32 days in advance of the meeting date on 25 April 2018. Besides, Thailand Securities Depository Company Limited for Depositors as the Company's share registrar, was assigned to deliver to the shareholders at least 2 weeks in advance of the meeting date. The announcement was also put in the newspaper ads for 3 consecutive days on 18 - 20 April 2018, 7 days before the meeting.

■ For foreign shareholders, written notice of the scheduled general meeting of shareholders, including supporting documents for the meeting and the minutes of the meeting were translated by the Company into English and sent via Thailand Securities Depository Co., Ltd. for Depositors and delivered to the Stock Exchange of Thailand and the SEC. All information can be viewed from the Company's website www.mama.co.th of both Thai and English versions.

■ For the shareholders' inability to attend the meeting, any person who is an independent director or any audit committee member of the Company could be authorized to attend the meeting instead for preserving their right. The Company provided the names, type of director, age, nationality, addresses and interest in the meeting agendas of the 2 independent directors in written notice of the scheduled meeting. (However, for the independent director leaving according to the term in any year, that director will not be proposed to avoid interest). To choose the audit committee member or independent director as a proxy, the shareholders could view other information related to the Audit Committee or 2 independent directors in the annual report sent together with the scheduled meeting letter by using the power of attorney attached by the Company to the scheduled meeting letter, i.e. Form B to encourage the shareholders to use the power of attorney with possible determination of the voting direction. Or it was possible to



download the power of attorney prepared in compliance with the announcement of the Commerce Ministry from the Company's website, which includes 3 types, i.e. Form A, Form B and Form C. (Form C was used only in case of the shareholder being a foreign investor and appointing a custodian in Thailand to be a custodian and take care of shares). Any one of the power of attorney forms could be chosen. Besides, the Company provided stamp duty to accommodate the authorizing shareholders.

At the general meeting of shareholders No. 1/2018 on 25 April 2018, 9 shareholders holding a total of 67,821,817 shares authorized the independent directors proposed by the Company to be proxies and vote instead. Therefore, on the date of such general meeting of shareholders, 61 shareholders and proxies attended the meeting, 54 persons holding a total of 277,840,336 shares, representing 84.27% of the total shares.

- Determination of voting right in the meeting was in accordance with the number of shares held by the shareholders. One share was the right equal to one vote.

- The Company conducted the meeting according to the order of seven agendas without switching the agendas and no additional agenda or change of important information without informing the shareholders in advance.

- Voting for each agenda was done openly by Barcode system. The scoreboards and voting ballots were prepared for shareholders on every agenda. For the counting of votes, only people who did not agree and / or abstained would be counted, which would be deducted from the total votes attending the meeting. The rest would be considered as the votes for. Therefore, if any shareholder was against or abstained from voting on each agenda, the scoreboards received upon registration would be lifted up. Such scoreboards had the names of the attendees at the meeting, the number of shares held or authorized. For Barcode, the Company's staff would scan Barcode from the scoreboards. The voting results would be displayed on the screen in the meeting room immediately for transparency and verification. Thus, all shareholders could know the votes on each agenda as to the number of votes for, against and abstentions at the same time immediately. The shareholders must sign the ballots for keeping as evidence. In addition, the program has supported the back vote recording for greater flexibility in case of the shareholders' request or to look at past votes on the previous agendas.

2.2 Supervision of the use of internal information: The Company has measures to supervise the use of internal information, which are prescribed in the business ethics to be followed for the Company and shareholders and are stated in the code of conduct for directors, executives and employees to perform the duties with integrity, responsibility, discipline and good conscience toward the public and oneself without using the positions to seek benefits for oneself and / or others wrongfully, to protect the Company's interests and property by not using the Company's information or property for the benefit of oneself and / or others. Also, any action in support of any other person to do business competing with the Company is prohibited. This document was distributed by the Company to the directors, executives and employees and was published on the Company's website www.mama.co.th to be guidelines for conducting business and principles for working. Additionally, the Company's work regulations also stipulate such matter by imposing the maximum disciplinary punishment, i.e. termination of employment. The directors, executives and employees have practiced according to requirements.

Moreover, business confidential information is considered as control document, which is accessible to really relevant people only. It is not permissible to make a copy of such information. The persons responsible for storing such information have been assigned.





2.3 Determination of the trade in securities of the Company :

The Directors, Executives, and staffs who can access significant inside information are prohibited to purchase/sell the shares of the Company during the period of 1 month prior to the disclosure of financial statements to the public. In addition, the Company has notified the Board of Directors and Managements to report any changes in their shareholding status to the SEC, as specified in Section 59 of Securities and Exchange Act B.E. 2535, and send the copy to the Secretary of the Company to report to the Board's meeting on the agenda of the shareholding of Directors and Managements. The Board's meeting found none of prohibitive transactions from our Executives in 2018.

In the year 2018, two directors and 2 executives sent information on the change in the holding of the Company's securities to the Securities and Exchange Commission (SEC) by the specified period in order to notify the acquisition/disposal of the Company's securities. Apart from the directors and executives according to the SEC's rules, the Company added information on the changes in the holding of the Company's securities of the executives from department manager level up too. Besides, in the Board of Directors meeting every month, the Company secretary is responsible for reporting the holding of securities of all directors and executives mentioned to the Board of Directors for acknowledgment and recording in the minutes of the meeting.

2.4 Dealing with connected transactions or transactions that may have conflicts of interest

The Company conducts business with prudence and rationality for maximum benefits to the Company. Any connected transactions shall be undertaken with identical conditions as applied to the transactions with any other counterparties, and must represent or support normal business undertaking. To this end, the Director assumed to have related interests shall not participate in the approval of such transactions in order to encourage the other Directors to fully express their opinions and independently make decision. Furthermore, the Company has obligation to disclose name, detail of relationship to the related person, price setting policy, amount of transaction, and opinion of the Board on the news board of SET in both Thai and English version, and on the Company's website "<http://www.mama.co.th>".

In 2018, the Company had a related transaction of providing financial assistance by lending money to 1 associate company in the amount of 1 million baht, which was approved by the Executive Committee meeting.

In addition, the directors and executives are responsible for reporting changes in interests of the directors and executives to the Company secretary within 1 month from the change date. The Company secretary is also charged with sending such report to the Chairman of the Board and Chairman of the Audit Committee within 7 working days from the date of receiving this report under Section 89/14 of the Securities and Stock Exchange Act (No. 4) 2008.

In 2018, the Company secretary was informed about changes in interests from 2 directors and 4 executives.

3. Taking into account the roles of stakeholders

The Board of Directors has recognized and attached importance to the rights and benefits of various groups of stakeholders inside, outside the organization, government sector and related agencies as well as responsibility to the community, society and environment in conformity with social responsibility standards, including the commitment to develop the Company for stable and sustainable growth with the ability to generate returns for shareholders appropriately. Therefore, the Company has established the business ethics and code of conduct for directors, executives and employees in writing through dissemination by training all employees and organizing an orientation session for new employees and communication via the INTRANET system and the Company's website at www.mama.co.th. The purpose is to be guidelines for the conduct of directors, executives and employees at all levels in performing the duties based on the Company's missions with good consciousness, adherence to as practices of responsibility to various groups of



stakeholders, viz. shareholders, customers, employees, business partners, creditors, competitors, government sector and environment.

As a result, in 2018, the Company was selected to be in ESG 100 group (Environmental, Social and Governance) from Thaipat Institute as a listed company in the Stock Exchange of Thailand with outstanding performance in terms of environment, society and governance in 100 companies from evaluating business sustainability information of listed companies in the Stock Exchange of Thailand. It also received a standard certificate: Sedex Members Ethical Trade Audit / Ethical Trading Initiative (SMETA-4 Pillars)) from SGS (Thailand) Limited. Furthermore, the Company was accredited "Thai labor standards (TLS 8001-2553) basic level from a delegation of the Provincial Office of Labor Protection and Welfare at the Provincial Office of Labor Protection and Welfare, i.e. Provinces of Rayong, Chonburi and Lamphun. According to this certificate, the Department of Labor Protection and Welfare, Ministry of Labor certified that the Company is an organization of business operations with social responsibility related to labor, compliance with the legal standards on the basic rights of workers. This certificate is valid from February 2018 until February 2020.

Toward shareholders: The Company is determined to achieve business growth with sustainable competitiveness as well as to create ongoing return to shareholders by setting the dividend payment policy The Company opens for the shareholders and outside interested persons to visit our factory. Additionally, the Company has supported social activities to promote business relationship with the institutional investors.

The Company has approved the dividend payment policy on Board's meeting No. 1/2017 on Oct 16, 2017 to allocate no less than 50% of annual net profit from Separate Financial Statements, thus historical data of dividend payment of "TFMAMA" is not available yet.

In 2018, the general meeting of shareholders No. 1/2018 on 25 April 2018 resolved to approve the dividend payment at the rate of 1.63 baht per share, amounting to 537.42 million baht, accounting for 50.04% dividend payment ratio according to the Company's stipulated dividend payment policy.

■ The Company organized activities together with listed companies in Sahapat Group and the Stock Exchange of Thailand in the event "Analysts, Investors Meeting with Sahapat Group "No. 10 at the BITEC Exhibition and Convention Center, Bangna on 29 June 2018. Dr. Poj Paniangvait, the Company's President joined in this discussion so as to allow the shareholders and investors interested in the Company ("TFMAMA") to receive news and information and be able to inquire directly about the Company's business progress. Many analysts, investors and members of mass media were interested to attend the event.

Towards customers: The Company runs business based on integrity, fairness, providing accurate information to customers and free competition according to market mechanisms by taking into account the needs and maximum satisfaction of the customers mainly, responsibility to customers and protection of trade secrets of customers, including new innovations and increasing production efficiency so as to control the costs for competitiveness. The focus is on producing goods of quality standards according to international standards.





So, the Company has strived to develop its food factories to be accredited by food standard agencies and received the international standard certificates as follows.

- o BRC Global Standard for Food Safety
- o GMP good hygiene management in production standards
- o HACCP food safety management standards
- o HALAL Halal product standards
- o KOSHER Kosher product standards
- o TISI - TIS 271 Industrial product standards
- o Fair Trade product standards
- o Organic product or organic agricultural product standards

The Company provides various channels to listen to opinions, feedback and complaints from customers or consumers and respond to complaints quickly and efficiently for further improving and developing the system by providing customer relations service through the Company's website www.mama.co.th and Call Center system, telephone 02-3747955.

In 2018, the Company organized activities to take care of customers and consumers as follows.

■ The Company allowed the outsiders interested to visit the Company's factories, namely production plants in Sriracha and Lamphun to watch the processes of producing instant noodles from the first step until the final process, that is to say packaging goods. The objectives were to promote knowledge and understanding about production processes in the factories and to create a good relationship between the manufacturer and consumers continuously. In 2018, 162 groups visited the factories, totaling more than 7,000 people.

■ The Company organized activities with foreign customers at the production plant in Lamphun Province for the year 2018 in the event: MAMA Global Agent Meeting between 25 - 28 May 2018 to strengthen a good relationship with foreign customers in all regions (Global).

■ The Company developed new products of many items to be marketed for meeting the needs of consumers, comprising 3 new flavors of dry instant noodle products, instant noodles of spiral pork bone cup type, rice porridge cup in pack of Tom Yum Shrimp flavor and bread of several flavors, which have received good feedback from customers.

■ The Company did not find significant complaints from customers. The Company analyzed other complaints to find the causes, defects, correct, prevent, monitor the whole system and apply to the entire organization so as to avoid recurrence of those defects.

Towards employees: The Company recognizes the importance of personnel, which is a key and valuable resource to lead the Company to achieve the set goals. Therefore, emphasis is put on employees at all levels, no matter which part of working, department is without discrimination. Care is equally provided, including compliance with the labor protection law as well as the requirements of occupational safety, health and working environment management standards. As a result, the Company has been accredited according to Thai labor standards TLS 8001 (Workplace Conditions Assessment (WCA)).

■ Providing fair compensation, namely salary, bonus, overtime and provident fund and providing other good welfare benefits to promote and pay attention to the good quality of life of employees apart from the usual compensation, including annual health checks, medical fees, employee uniform fee, diligence allowance, annual bonus, welfare payments based on the work duration for employees with 10 years, 20 years and 30 years of work duration, loan benefits for housing, gifts for employees' descendants, annual party, etc. as well as support for educational expenses for competent employees with regular support every year.



■ Focus on promoting the capabilities of employees by organizing training activities to match the lines of work that can be applied to the jobs and also considering the safety for life, employee health, e.g. training course for skills development for being a good supervisor, 5S course for increasing productivity, basic fire drill course, fire evacuation drills and the use of necessary equipment, including creating a working environment, encouraging employees to be aware of unity and loving each other by doing activities together to strengthen relationships and know to support each other like the same family.

In 2018, the Company recognized the importance of employee health care. Thus, guidelines were determined by starting from instilling knowledge and care about good health into employees first.

- o Putting up the posters to publicize knowledge about diseases of employees' frequent illness statistics
- o Making arrangements for doctors to explain so as to have knowledge and understanding of the diseases. On 22 May 2018, the doctors from the hospital were invited to provide knowledge on "Tips (not secret) to conquer the office syndrome". Moreover, on 17 July 2018, arrangements were made for providing the knowledge of "Knowing stroke and heart disease during the working age ", etc.
- o Organizing exercise activities after work, e.g. aerobics and table tennis

■ Personnel development and training in 2018: The Company has a policy to focus on promoting knowledge and understanding to enhance the capabilities of employees to be able to perform their duties of responsibility efficiently, to carry out the activities of the organization to achieve the goals in the specified direction for achieving success together and realize the performance of duties to maintain the international standard systems of the Company accredited for better development. Besides, preparations were also made for the rules and regulations relating to the export of goods to foreign markets, e.g. the United States Food Safety Modernization Act (FSMA) by managing the Company's Food Safety Plan system correctly, appropriately on the basis of assessment of various risks, including preparation for changes in various standards of each country that are likely to occur each year. Emphases are placed on analysis of the organization's context, understanding of the necessity and the expectations of stakeholders and application of the risk concept to work planning for continuous improvement. The Company has organized training sub-courses for employees to increase knowledge and capacity to learn, develop the works continuously, including sending employees to get trained in various courses related to the professional lines of each department, consisting of professional development courses, executive development course, capacity enhancement course, courses related to the environmental laws, standards, and requirements and courses on anti-corruption measures (according to the details of each staff training course under Clause Employee development policy).

For the year 2018, the Company promoted the development of all staff members to receive training, or representing 100%.

Towards Trading Partners : The Company commits to any trading agreements, and behaves to the trading partners with fairness. We have never received or asked for any asset outside trading agreement. The Company supports free and fair competition by mutually respect the right of trading partners, develops close relationship, and visit our partners occasionally to evaluate their operational performance. The Company has informed our partners about accepted practice to work together. The Company realizes the importance of procurement to improve the quality of raw material with controllable cost, thus focusing on transparent and accountable purchasing and hiring process for best benefit of the Company. The Company has never defaulted on terms and conditions agreed with the counterparties. In addition, the Company reviewed our working procedures to comply with the standards of sustainable supply of raw material, such as Unilever (Unilever Responsible Sourcing Audit - URSA) to evaluate the risk of human right violation arising in the countries of suppliers to serve our end customers who pay attention to Responsible Business Partner Policy, and so on.



Towards creditors: Most of the Company's payables are trade accounts payables with the clear conditions and arrangements for goods delivery and payment. The Company has complied with the conditions, agreements and made payments on schedule. Throughout the past period, the Company has never had any disputes with regard to the default on debt repayment. The Company has paid all creditors according to the conditions of payment agreed beforehand and has assisted the creditors by using the bank transfer method in Paylink system. For the year 2018, the Company did not have loan transactions with financial institutions.

Towards Competitors : The Company conducts business under the laws and fair competition, maintaining best practice to avoid any acts that may violate or access to confidential information of competitors by dishonest method. The Company has never encountered to any dispute with our trading competitors so far.

Towards Government : The Company pays all tax as required by the laws, i.e., withholding tax, income tax, VAT, specific tax, excise tax, signboard tax, property tax, and stamp duty, and all of tax payment has never been overdue. The Company commits to any regulations as required for the factory, such as laws governing food manufacturing, laws relevant to energy and environment, and labour laws on security and healthcare protection.

Towards Social and Community : The Company provides ongoing support to the community service, and promotes social contribution in the Company. We regularly provide assistance to the victims in many disaster incidents.

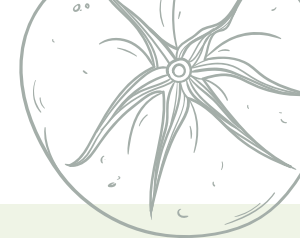
Toward the environment: The Company has taken responsibility and attached great importance to the environment by strictly complying with the laws and regulations of relevant agencies and emphasis on environmental protection in every operational step as well as adhering to ISO-14001 international standards of the environmental management system, including training employees at all levels to understand the importance of the environment correctly.

The Company is aware of the environmental impact arising from production processes, which may result in damage to the community and business. Consequently, various measures have been established to control waste from production before release to the environment by regularly preventing and monitoring potential risks such as wastewater treatment measures to be recycled for use in the factories, measures for treating air from combustion of fuel before release into the atmosphere, measures for preventing furnace oil chemical from leaking out into the environment, placing purchase orders for coal packed with Big Bag to reduce the spread of coal dust, etc.

Furthermore, the implementation of such measures, together with the commitment to develop the Company's food factories to meet international standards have resulted in accreditation from various international standards agencies by issuing international standard certificates for the Company, e.g. ISO 14001 Environmental Management System Standard and Carbon Footprint Label Standard.

Stakeholders' participation in whistleblowing: The Company has provided the channels for enabling the shareholders and stakeholders to communicate, express opinions about the Company, including employees or stakeholders that have seen or have evidence or have a doubt about involvement of the employees or the persons acting on behalf of the Company in giving bribes or corruption directly or indirectly, offenses, violation of the Company's rules, regulations and policies, non-compliance with the code of conduct for directors, executives and employees, not receiving fairness in working, whistle-blowing, notification of complaints about such acts can be done through the following channels.





- 1) Complaining directly verbally or making a letter to the complaint receiver
 - Complaint receiver: Head office Tel: 0-2374-4730
 - Chairman of the Audit Committee
 - President
 - Internal Audit Manager
 - Human Resources and Administration Manager
 - Finance and Investment Manager (Investor Relations)
 - Company Secretary
 - Complaint receiver: Factory branches (Provinces of Chonburi, Rayong, Lamphun and Ratchaburi)
Phone: (038) 480-502, (033) 101-500, (053) 584-088, (032) 719-599, respectively
 - Managers of 4 factories
 - Supervisor of Personnel Management Department at 4 factories
- 2) Via E-mail of the complaint receiver
- 3) Comment box
- 4) Via registered mail to the complaint receiver:
Thai President Foods Public Company Limited
No. 304 Srinakarin Road, Hua Mark Sub-district, Bang Kapi District, Bangkok 10240
- 5) In the event that the complainant chooses to remain anonymous, the details, facts or evidence must

be specified clearly enough to show a believable reason for involvement in giving bribes or corruption.

The Company will keep relevant information as confidential and take into account the safety of complainants except in cases where disclosure is required by law.

Processes of receiving complaints or whistle-blowing

The Company will investigate the complaints according to the rules carefully without affecting the complainants or whistle-blowers. The complaints already considered will be reported to the senior management so as to report to the Risk Management Committee, the Audit Committee and the Board of Directors.

The Company has established a policy to protect the complainants or whistle-blowers as well as related persons for the complainants to be confident that employees will receive fairness and safety in case of whistle-blowing, e.g. neither termination of employment nor transfer of job positions. As to information notified, including the names of informers and related persons, the Company will keep such information confidential and take into account the safety of whistle-blowers except for the cases where disclosure is required by law only.

In 2018, the Company had received neither complaints nor whistle-blowing about corruption of the Company.

Promotion of the efficient use of resources: The Company encourages employees to use resources efficiently by controlling the consumption of electric energy, water supply, fuel oil, supporting the use of documents and electronic forms to reduce the use of paper and having a monthly energy meeting to control the use of each energy type, including organizing environmental week activities within the factories relating to environmental conservation regularly, continuously every year. As a result, the Company received a certificate of energy conservation standard from the Ministry of Energy.

No violation of intellectual property : The Company commits to our business ethics to not violate any intellectual property, meanwhile the Company has determined to develop our own food innovations by utilizing modern technology together with enhancement of our staff's knowledge and skill in order to serve needs of our customers. For the time being, the Company has never been prosecuted against the violation of intellectual property.



No violation of Human Rights : The Company respects the rights of person, thus honoring and offering fair practices to all staff in an equitable manner. The Company encourages personal safety and suitable right in workplace, and prohibits any forms of harassment. For the time being, the Company has never found the case of prosecution against the violation of human rights. The Company has also reviewed internal regulation concerning safety in factory to avoid any potential violation of human rights, such as the use of CCTV, vehicle check before passing factory gate, etc.

Anti-Corruption

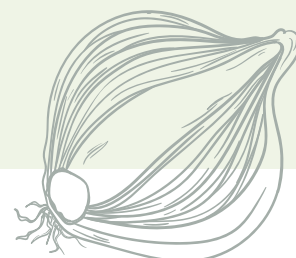
Thai President Foods (TFMAMA) with the Board of Directors realizes the importance of business operations under the principles of good corporate governance and operational ethics by striving to run business with fairness, integrity, transparency and verifiability in order to manage the organization effectively and create confidence of all stakeholders. Because the Company has considered that corruption will reduce competitiveness of the business and is a major obstacle to development of the organization and the nation, so anti-corruption has been stated in the good corporate governance policy. The Board of Directors meeting approved the "anti-corruption policy and compliance with the anti-corruption policy No. 1" on 16 October 2017. The 1st review was done on 19 December 2018. The policy states in writing that "the directors, executives and employees are prohibited from accepting or supporting all forms of corruption both directly and indirectly." This anti-corruption policy is reviewed annually.

Thai President Foods joined in signing the intention to be Private Sector Collective Action Coalition Against Corruption on 18 February 2014 and was certified as a member of Private Sector Collective Action Coalition Against Corruption on 22 July 2016.

Thai President Foods has implemented the policies, practices and measures related to anti-corruption concretely so as to promote business operations based on good governance, that is to say setting up a risk assessment unit, creation of a risk control system, having a process of auditing, monitoring from the internal audit department every year to ensure that the operations are in accordance with the operational procedures and internal control truly by reporting directly to the Audit Committee and the Board of Directors, respectively.

Thai President Foods has set the policy of focusing on promoting knowledge, understanding of compliance with the "anti-corruption policy and compliance with the anti-corruption policy No. 1" of the Company by requiring communicating the policy to the directors, executives and employees via many channels e.g. orientation program, training, seminars, posting the announcements, QR code and dissemination through internal information system, etc.

Moreover, in 2018, Thai President Foods still showed the Company's determination to implement the anti-corruption policy continuously and expanded the Company's anti-corruption policy to every subsidiary and associate company located in Thailand as well as major partner companies for participation in recognizing the importance of anti-corruption measures of the Company, which concurrently cooperated in joining the Company by signing the declaration of intention to be Private Sector Collective Action Coalition Against Corruption with TFMAMA. For the implementation of activities in 2018, the Company promoted knowledge about anti-corruption for the Board of Directors, executives and employees within the organization with expansion to the external trade partners as follows.





16 October 2018	Delivering the anti-corruption policy to subsidiaries and associate companies and partner companies
12 November 2018	Organizing a special lecture for the Company directors, executives, executives of subsidiaries and associate companies on the subject: "Cooperation in Anti-Corruption With Good Corporate Governance Principles for Sustainable Organizational Development "
14 November 2018	Organizing a special lecture for partner companies. "Expanding the Anti-Corruption Coalition Towards Sustainable Organizational Development

The Company has prepared guidelines for accepting the gifts / souvenirs and managing the gifts / souvenirs according to traditional practices during the festivals so that the executives and employees comply with the anti-corruption policy correctly by communication via circular letter and announcement for information throughout the organization.

However, the Company expressed its intention to conform with regulatory agencies and government organizations to announce a request for cooperation of the executives and employees in refraining from accepting the gifts. Written notice was also sent to partner companies and persons related to the Company to request cooperation in refraining from giving the gifts to the Company's executives and employees for all festivals as well. Besides, there was communication, publicity via information system inside and outside the organization. Announcement on the Company's website at www.mama.co.th was aimed at promoting awareness and creating a norm for good corporate governance.

For whistleblowing and notifying the complaints, the Company has provided the complaint receivers in all workplaces of the Company. Many channels for complaints are also available such as directly verbally, making a letter, notification via E-mail to the complaint receiver directly, comment box and registered mail as shown in detailed information disseminated by the Company throughout the organization and on the Company's website at www.mama.co.th. In this regard, the Company has clearly established measures to protect the informers or whistleblowers for allowing the informers or whistleblowers to be confident of receiving fairness and safety.

In 2018, the Company had neither complaints nor whistle-blowing about corruption and operations inconsistent with the relevant laws or regulations and violation of business ethics of the Company.

Safety and hygienic workplace : The Company recognizes to improve safety and hygienic working environment for our employees, thus establishing the rule, procedure, working standard, and safety evaluation process in order to protect any loss to life or property of our staff, partners, and any related parties.

The record of occupational accident being found in the Company in 2017 stood at 0.647 cases/100 employees/year according to TCIR Standard (Total Case Incident Rate or average number of accident in the workplace occurring to 100 employees in 1 year), hereby below the benchmark of 1.0 for the standard of safety organization.





4. Information Disclosures and Transparency

The Board of Directors establishes the policy to disclose accurate, complete and timely information of the Company, both financial and non-financial information, to ensure that the stakeholders and investors can easily obtain equitable information. The Company commits to provides any important information as required by the relevant laws and regulations as follows,

- (1) Information to be disclosed by book closing period, e.g., 3 Quarterly Financial Statements, Annual Financial Statement including Management Discussion and Analysis, Form to report annual registration statement(Form 56-1) and annual report(Form 56-2)
- (2) Information to be disclosed by occurrence of events, e.g. purchasing / selling of asset, related party transactions, investment plan, dividend payment, approval of granting financial assistance

The Company disseminates such information via SET community portal of the Stock Exchange of Thailand, and discloses information on the website <http://www.mama.co.th> in both Thai and English version.

To maintain reliability of financial information and information disclosure

- The Board of Directors performs systematic financial reporting and information disclosure by specifying authorized persons to handle important information related to financial statement and financial report, i.e. Accounting Manager(to control accounting information), Finance and Investment Manager(to be top supervisor on finance and accounting), Internal Audit Manager(to be responsible for information disclosure), and any other persons as assigned by the Board such as Managing Director, Investor Relation staff, and Company's Secretary(the aforesaid persons are qualified, knowledgeable, and suitable with the duties as per detail in the Section of Management Team Details)
- The Board of Director organizes the Board's meeting on monthly basis including the agenda of monthly operating performance to follow up and analyze continuous Company's performance, as well as to monitor financial and liquidity status of the Company. On this regards, the Company has maintained good liquidity ratio, strong debt service coverage ratio, and has no long-term debt obligation requiring early repayment.
- The Board of Directors discloses the report of responsibility of the Board concerning to the correct financial statements in the Opinion to the Financial Statement of the Company as of Dec 31, 2018 in compliance with the Code of Best Practices for Directors of listed companies as prescribed by the Stock Exchange of Thailand. Such management report on preparing financial statement is disclosed together with the report of external auditor in the annual report to express responsibility of the Company to provide accurate, complete and transparent financial information; thus enhancing the reliability of our financial reports for all stakeholders.
- In 2018, the Company has prepared the correct and transparent financial statement according to the financial reporting standard, as audited by the certified public accountant in the Unqualified Auditor' Report stating that the Company's financial statements present fairly, in all material respects, the financial position of the Company in accordance with the generally accepted accounting principles (GAAP). On this regards, the Company has never been accused by the Security and Exchange Commission of Thailand or the Stick Exchange of Thailand on the matter of information disclosure which does not comply with the regulatory requirement, or never been ordered to correct the financial statement. The Company has disclosed the Quarterly and Annually Financial Statement including Management Discussion and Analysis prior to the ordinary schedule, thus providing continuous information of operating performance for the shareholders and investors.



In addition, the Company, in 2018, has disclosed the other information to the shareholders to represent our transparency as following,

- (1) The structure of organization and Management to inform the organization structure, management policy, directory performance of the Board and Sub-committee in the past year, e.g., number of total meeting for the whole year and attendance record for each individual Director, and the guideline to determine remuneration for our Directors and top executives.
- (2) Nature of business to inform business operation of the Company and our subsidiaries
- (3) Connected transactions to inform the Code of Conduct to control the transaction which may cause conflict of interests in a scrutinizing manner for best benefit of the Company and the shareholders. The connected transaction is needed to be considered and approved by the Board of Directors. The normal business transactions between the Company or Subsidiaries with Executive Directors or their related persons are allowed to be conducted with prior approval of Management of the Company, and must have been reported to the Board of Directors on quarterly basis. On this regard, the Audit Committee has already reviewed the connected transaction of the Company. Additionally, the Company will disclose information via the communication channel of the SET for the additional connected transaction to be approved by the Board of Directors and having significant amount.
- (4) Significant transaction reflecting Company's business progress, the Company, in 2018, has reported the acquisition of asset by making tender offer the total securities of President Bakery Public Company Limited("PB") on voluntary basis, as well as the investment in one new company and joint-investment in one Subsidiary Company
- (5) Good Corporate Governance Report to inform business practice of the Company in compliance with the good corporate governance, business ethic, and code of conduct, as been disclosed in the Company's website www.mama.co.th. The Company, in 2018, has reported the Company's business operation according to the policy of good corporate governance in compliance with Corporate Governance Code for listed Companies 2017 specified by the Security and Exchange Commission and to be disclosed in the Form 56-1, annual report, and in the Company's website.
Corporate Social Responsibility to inform Community Service as prescribed in core business policy of the Company, the Company has also prepared the report of sustainable development in 2018 to be disclosed in the Form 56-1, annual report, and in the Company's website www.mama.co.th.
- (6) Risk factors to inform risk factors which may affect our performance. The Company establishes Risk Management Committee to monitor and handle such potential risk in a systematic and effective manner, and to formulate the appropriate risk management policy as the guideline to control such potential risks.
- (7) Major shareholders to inform Top Ten major shareholders as of the latest book's closing of the Company.
- (8) Directors' and Executive's shareholding to report the number of Company's shares held by each Director (including his/her spouse and child under legal age) as of the latest book's closing of the Company. The Board of Directors has established the policy, effective from 15 Aug 2018, to require the Directors or Executives to report his/her changing in security's holding or any forward transaction (Form 59) by submitting such report within 3 working days via the electronic information channel as specified by the Security and Exchange Commission. In addition, the Company has never received warning of any malpractice from the Security and Exchange Commission in 2018.



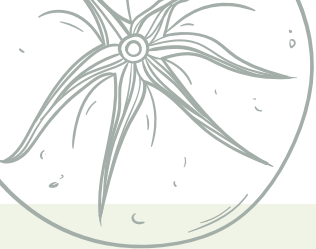


- (9) Report of Directors and Executives' conflict of interest: The Directors/Executives have to report potential conflict of interest for their own or related persons' benefits within 1 month after assuming the position of Director/Executive. When having any changes in information, the Directors/Executives have to submit the report of Directors and Executives' conflict of interest to the Company Secretary within 1 month after such change. The Company Secretary shall send the copy of such report to Chairman of the Board and Chairman of Audit Committee in no longer than 7 business days after receiving information.
- (10) Development of Directors, Executives, and Employees to represent the Company's intention to encourage personnel development in all internal units. The Company has developed both internal and external training program to be suitable with each individual unit continuously, as per details in the yearly training under the section of the development policy for Staffs, Directors, and Executives.
- (11) Whistle Blowing Policy to represent the policy to open for the shareholder or the other stakeholders to express their opinions or submit their claims against the actions of the Company or the action of our staff/ any persons acting on behalf of the Company that seemed to be illegal or related to paying or receiving any bribes either directly or indirectly, or related to any violation of the rule or business ethic of the Company by sending such complaint of unfair practice to the Company via multiple publicized communication channels. The Company shall keep aforementioned complaints as the confidential information, and take into account of the safety of the whistleblower, except to the disclosure as required by the law. On this regard, the Company performs business operation transparently, openly, and fairly in compliance with "Anti-corruption Policy" as disclosed in the Company's website (www.mama.co.th)
- (12) The result of open opportunity for the shareholders to propose agenda and/or candidates to be elected as directors in the Company's as been given in the General Shareholders' Meeting for the year 2018.
- (13) Communication with the shareholders and investors to represent the policy to open for the shareholders and investors to obtain important information for the clear understanding of business operation of the Company. The Company has appointed Investor Relation as the representative of the Company to communicate with the shareholders, and to facilitate the investors and security analyst to access information of the Company on fairly basis via the communication as below,

Investor Relation : Mr. Wasan Boonsampankit, Manager of Finance & Investment
Tel number : 02-3744730 ext 1125
E-mail : wasan.b@mama.co.th

The Company also disclosed the names of persons and his/her communication channel in the Investor Relations on the Company's website www.mama.co.th.





In 2018, the Company has coordinated with the other companies in the Group and with the Stock Exchange of Thailand to organize the event of “10th Annual 2018 Analyst and Investors Meeting with Saha Group” on June 29, 2018 at BITEC Bangna Exhibition Centre. Dr. Poj Paniangvait, the President, has joined the seminar in this event to open for the shareholders or investors to directly raise any query or to request any information concerning to business of the Company (“TFMAMA”). This event was participated by lots of interested analyst, investors, and reporters, as been disclosed communication channel of the Stock Exchange of Thailand and the Company’s website www.mama.co.th.

5. Responsibilities of the Board of Directors

The Board of Directors is responsible to supervise business operation of the Company to be in compliance with the relevant laws, business objectives, Articles of Association of the Company, resolution of shareholder’ meeting, and oversea Managements to perform their duties in an effective manner for best benefit of the Company

5.1 Composition of the Board of Directors

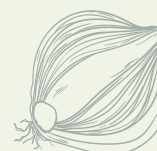
At present, the Board of Directors has 15 Directors, consisting of 1 Chairman who serves as Non-Executive Directors and the other 10 Non-Executive Directors, five of which equivalent to one-third of total Directors are Independent Directors. The 4 remaining Directors are Executive Directors, and their profiles are disclosed on Attachment No.1 The Company has specified stricter qualification of Independent Director than qualification as required by the Regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) to encourage true independence of such Independent Directors. In addition, the Company has clearly separated authorities and responsibilities between the Board of Directors and the Managements. The Company assigns Ms. Sararath Tangsirimongkol, Account Manager of the Company, to be the Secretary of the Company.

The directorship term of the Board of Directors has been definitely prescribed in the Article of Association of the Company, which stipulates that “At every annual ordinary shareholders’ meeting, one third of the Directors, who have remained in office for the longest time, shall retire by rotation. A retiring Director may be eligible for re-election.” In addition, the Company discloses information about Director Position in the other companies hold by each Director in Attachment No. 1 of Form 56-1 and in the annual report. At present, there is no Director of the Company who having Director Positions in more than 5 Listed Companies. The Company is confident in the directing performance of the Company because the Board of Directors has fully dedicated his/her time and efforts to the Company, regularly attended the meetings, and provided substantial contribution to the Company.

Balance of Power of Non-Executive Director

The Company determined the appropriate number of Directors to be no less than 5 persons with the qualifications as required by the Public Company Act as following,

1. Being natural parson
2. Being sui juris(full age)
3. Not being bankrupt, incompetent or quasi-incompetent
4. Never been sentenced by a final judgment to imprisonment for an offense pertaining to property committed in dishonesty
5. Never been dismissed from a government service or state organization or agency for dishonesty on duty
6. No restriction for being the shareholder of the Company





The Structure of 15 Directors of the Board

- Chairman of the Board (Non-Executive)	1 person
- Non-Executive Directors (the Directors from the other companies in the Group with working experience related to business of the Company)	5 person
- Independent Directors (one being Chairman of Audit Committee, one being Chairman of Risk Management Committee, one being Member of Audit Committee one being Member of Audit Committee/Member of Nomination and Remuneration Committee one being Director)	5 person
- Executive Directors (one being Chief Executive Officer, one being President, two being Executive Directors)	4 person

The Board of Directors consists of 5 Independent Directors, accounting for 33.33% of total Directors. Three of Independent Directors perform duty as Audit Committee as required by the Stock Exchange of Thailand. Non-Executive Directors total to 73.33% of total Directors.

The qualifications of Independent Director

All 5 Independent Directors of the Company are qualified to perform duty as the Independent Directors as required by the regulation of the Company. The Independent Director holds the share not exceeding 0.5% (under the criteria), and one Independent Director perform Director Position in the other listed companies (totaling to only 3 companies). The qualifications of Independent Director are disclosed under the Section 9.3 Nomination and Appointment of Director and Top Executive.

The Board of Director has clearly established the scope of duty and responsibility of each Committee, and has appointed the Executive Committee to direct business operation of the Company in order to meet business objectives in compliance with business policy of the Board of Directors.

The Executive Committee, as the Management of the Company, shall be responsible to manage business operation of the Company as assigned by the Board of Directors, and shall perform duty with prudence and integrity in the same business manner as normal reasonable person shall perform under the similar situation upon the ordinary negotiating power without taking any advantage of having Executive Position.

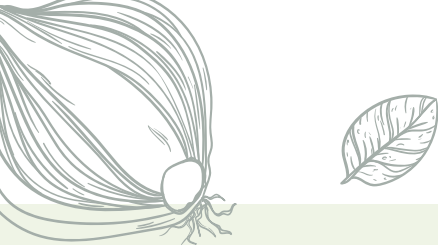




Authority of Executive Committee

1. To appoint, dismiss, rotate, evaluate performance, and determine the remuneration or other benefits for the employees of different levels.
2. To appoint and dismiss a working group to perform management function of the Company.
3. To issue the regulation and notification regarding to the operation and to empower a Member of the Executive Committee and/or an employee at the management level to be the authorized person to sign his/her name to grant the request to use the asset of the Company.
4. To approve the lending to the other company which has the business relationship as the shareholder of the Company, or to the other company which is the trading partner of the Company, or to the other company when the amount of money not exceeding Baht 50 million.
5. To approve to guarantee the credit line of the other company which has the business relationship as the shareholder of the Company, or of the other company which is the trading partner of the Company, or of the other company when the amount of money not exceeding Baht 50 million.
6. To approve to enter in the legal act which is non-financial transaction when the related amount of money not exceeding Baht 50 million.
7. To approve to agree or cancel the credit line when the related amount of money not exceeding Baht 50 million.
8. To approve to invest in or unwind the purchase of common stock and/or other securities when the related amount of money not exceeding Baht 50 million.
9. To approve to invest in or procure the fixed asset when the related amount of money not exceeding Baht 50 million.
10. To approve to sell or transfer the fixed asset when the related amount of money not exceeding Baht 50 million.
11. To approve to recondition, destroy, liquidate the fixed asset or intangible asset which has been out of service, lost, damaging, obsolete, or in unusable conditions when the collective book value not exceeding Baht 50 million.
12. To approve to reappraise, destroy the raw material and/or inventory which has been damaging or obsolete when the depreciation in book value of such matter not exceeding Baht 50 million.
13. To approve to compromise or to solve the dispute by the arbitrator panel, to handle complaint, legal action and/or to follow up the prosecution on behalf of the Company for an unordinary business matter when the value of the case not exceeding Baht 2 million and/or for an ordinary business matter when the value of the case not exceeding Baht 50 million.
When necessary to perform urgent operation, the Managing Director is empowered to approve such operation, and propose to Board of Director for acknowledgement.
14. The authority of the Executive Committee with regard to the acquisition or disposal of assets, and to the report of connected transaction shall comply with the Notification of the Capital Market Supervisory Board
15. To empower the executive or any person to perform duty on behalf of the Committee.
16. To be authorized to invite the management, executive and involved staff to clarify, give opinion, attend the meeting or submit the documents as deemed necessary.
17. To consult the expert or the advisor of the Company (if any) or to hire the external expert or advisor at the cost of the Company's expense when necessary.
18. To issue any other regulations regarding to the operation as deemed appropriate.





Duties and Responsibilities of Executive Committee

1. To propose the annual business goals, policies, plans, and budget to the Board of Directors.
2. To be responsible to manage the business operation in accordance with the directions, goals, and policies of the Company.
3. To be responsible to strengthen the competitiveness of the Company, and to support ongoing innovation development.
4. To be responsible to conduct the operation of the Company in compliance with the laws, objectives, Articles of Association, resolutions of the Board and the shareholders' meeting, and any other related regulations.
5. The Executive Committee may allocate the whole responsibilities to each individual Member. In this regard, each Member must report his/her own operational result to the meeting of the Executive Committee for acknowledgement.
6. To follow up the preparation of the financial statements of the Company to be audited and/or certified by the auditor and to propose the financial statements to the Audit Committee and the Board of Directors subsequently.
7. To consider the specific matters before submission to the Board of Directors for their consideration or approval.
8. To review and amend the Charter of the Executive Committee and propose for approval to the Board of Directors.
9. To perform any other tasks as assigned by the Board of Directors.

The Executive Committee shall hold the meeting in every week, and the meeting schedule for the year will be send to the Executive in advance to be able to monitor operation performance in compliance with the business objective of the Company. The Executive Committee has conducted 49 meeting in 2018 (January- December 2018)

Nomination Procedure of Director and Top Executive

The Nomination and Remuneration Committee shall select and nominate the qualified persons to be the Director and Top Executive of the Company, taking into account of knowledge, ability, experience, expertise from various backgrounds, leadership, vision, ethic, transparent working, and without prohibited qualifications as per Public Company Act. The Nomination and Remuneration Committee will propose the nominated person to the shareholders' meeting for approval. In case of vacating Director during the year, the Nomination and Remuneration Committee shall select appropriate person to propose to the Board of Directors, and the substituting Director will hold office only for the remaining term of the vacating Member.

For Independent Director, the Nomination and Remuneration Committee shall select the qualified persons to be suitable with knowledge, not being a staff or employee receiving regular salaries from the Company or any other companies in the Group, not involving in regular management, being independent from major shareholders, holding shares of the Company not exceeding 1% of total voting shares, capability to protect benefit of shareholders, qualifications as required by the Securities and Exchange Commission to propose to the Board of Directors and shareholders' meeting (as per detail in the Section 9.3 Nomination and Appointment of Director and Top Executive)





The number of listed companies on which the Director having director position, Age of Director, Number of terms of being Director

The Board of directors has considered the suitability of number of listed companies on which the Director having director position and number of consecutive terms of being Director. Each individual Director recognizes his/her responsibility upon business operation of the Company, appropriate time allocation of being Director in the other listed companies, and compliance with Good Corporate Governance Practice, thus the Director of the Company shall have Director Position in the listed companies totaling not more than 5 listed companies. The information of having Director position in the listed companies of the Directors as of Dec 31, 2018 is detailed as following,

No.	Board of Directors		Number of listed companies having Director Position
1	Mr. Boonsithi	Chokwatana	2 companies
2	Mr. Karmthorn	Punsak-Udomsin	-
3	Mr. Pipat	Paniangvait	2 companies
4	Mr. Suchai	Ratanajiaroen	-
5	Dr. Poj	Paniangvait	-
6	Mr. Kamthorn	Tatiyakavee	-
7	Mr. Apichart	Thammanomai	1 company
8	Mr. Boonchai	Chokwatana	3 companies
9	Mr. Vathit	Chokwatana	1 company
10	Miss Pojjana	Paniangvait	-
11	Dr. Kulpatra	Sirodom	2 companies
12	Thanpuying Angkab	Punyashthiti	-
13	Mr. Chaiwat	Maraprygsavan	-
14	Professor Dr. Visith	Chavasit	-
15	Mr. Saroj	Chayaviwatkul	-

The Company discloses information about Director Position in the other listed companies hold by each Director in Attachment No. 1 of Form 56-1. According to information of 15 Directors in 2018, 1 Directors have Director Positions in maximum number of 3 listed companies, and the President of the Company do not have Director Position in the other listed companies. Therefore, the Company is confident in the directing performance of the Company because each individual Director has fully dedicated his/her time and efforts to the Company, regularly attended the meetings, and provided substantial contribution to the Company for the time being.

Having Director Position in the other companies of the Directors and Executives

The Board of Directors shall consider the business type of the company on which the Director having director position, and the necessity of having representative of the Company to involve in management. If necessary, the Company will send the person with suitable knowledge, ability, expertise in such business operation to be the Director in such company.

Merging or separation of the positions

The Company has a policy to separate the duties and responsibilities of the Chairman of the Board of Directors, the Chief Executive Officer and the President that must be people with appropriate knowledge, capabilities, experience and qualifications and must not be the same persons for a balance of power. The regulations stipulate and separate



the authority of the Board of Directors and the management department. There is written Charter for each committee to clearly separate the duties of supervision and work management from each other for verifiability and transparent management.

The Chairman of the Board is not an executive and is not the same person as the Chief Executive Officer. The Chairman is independent from the management department with divided duties to set the policies of supervision and routine management clearly separated from each other. The Chairman of the Board of Directors acts to chair the Board of Directors meeting, takes responsibility as leader of the Board of Directors for supervising and monitoring the works of the Board of Directors and Sub-committees. As for voting in the case of equal votes, the Chairman of the Board of Directors must have an additional vote as the deciding vote. The responsibilities include convening the meeting of the Board of Directors or probably assigning another person to act instead, chairing the shareholders' meeting and performing any other acts according to the resolutions of the Board of Directors meeting.

The Chief Executive Officer is the supreme executive in the management department to oversee the administration of the Company in accordance with the vision, mission, corporate values and policies of the Board of Directors with the monitoring of the operations of the management department. The Executive Committee meeting must be held every week to report progress of each department's operating results and the monthly business profits of the Company every month. There is the decentralization of power to the management group in each job position by stipulating the roles, responsibilities and financial amounts approved.

President is not the same person as the Chief Executive Officer, which is considered as the senior executive in the management department and is charged with formulating the strategies for managing the works and determining business investment policies systematically, including formulating the strategies to manage and control the overall risks of the Company, analyzing, making decisions and presenting the policies, business plans to the Board of Directors for approval, laying down the marketing strategies and creating business opportunities as well as customer management and long-term engagement with customers, formulating the personnel strategies and supporting personnel development in a systematic manner, monitoring, controlling work management in various departments and formulating the policy to create a sustainable corporate culture for the Company, supporting and promoting new innovations for organizational management.

Company Secretary

The Company has appointed Miss Sararath Tangsirimongkol, Manager of Accounting Dept and having suitable knowledge and experience, to be the Company Secretary of the Company to support business operation in an effective manner and in compliance with Good Corporate Governance (as per details in Section Company Secretary)

5.2 Sub-committees

For shareholders to be confident in the Company's operations with transparency, the persons to screen, review and provide advice carefully, the Board of Directors has appointed various Sub-committees so as to perform the duties of responsibility and report the results to the Board of Directors. At present, the Sub-committees consist of the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee.

(1) The Audit Committee is composed of 3 independent directors with each tenure of 1 year. The authority and responsibilities are based on the scope of authority and duties pursuant to the Audit Committee Charter. Moreover, a meeting must be held at least 3 months per time and additional meetings may be convened as necessary.





The Company has not specified the number of longest consecutive terms in office of the Audit Committee, depending on consideration of the Nomination and Remuneration Committee and the Board of Directors by looking at the working history and the works in the previous year. In 2018 (January - December 2018), there were 7 meetings.

(2) The Nomination and Remuneration Committee consists of 3 members. There are 1 independent director, 1 director who is the highest level executive (Chief Executive Officer) and 1 non-executive director acting as the Chairman of the Nomination and Remuneration Committee with each tenure of office for 1 year. The authority and responsibilities are based on the scope of authority and duties pursuant to the Nomination and Remuneration Committee Charter. The meetings must be held at least 2 times a year and additional meetings may be convened as necessary. In 2018 (January-December 2018), there were 2 meetings.

(3) The Risk Management Committee consists of 5 directors. One independent director acts as the Chairman of the Risk Management Committee. One President, 3 executive directors have knowledge and understanding of the Company's business with each tenure of 1 year. The authority and responsibilities are based on the scope of authority, duties pursuant to the Risk Management Committee Charter. Furthermore, additional meetings may be convened as necessary. In 2018 (January - December 2018), there were 4 meetings.

5.3 Roles and responsibilities of the Board of Directors

The Board of Directors consists of the persons with diverse knowledge, abilities and experience, specific capabilities beneficial to the Company, understanding of the roles, responsibilities, leadership, determination of clear vision of the Company, freedom to express opinions and make decisions, supervision of the Company's business in accordance with the specified objectives and goals to ensure maximum benefits for the Company and shareholders.

The Board of Directors' duties and responsibilities include determining the direction, goals and business policies of the Company, approving the annual plans and budgets, including supervising the operations of the management department in compliance with the prescribed laws, policies and plans effectively and efficiently and encouraging the establishment of good corporate governance policy, written morality and business ethics to be used by the directors, executives and employees as practice guidelines for conducting business and monitoring to ensure strict compliance so as to add value to the business and shareholders sustainably.

The Board of Directors has appointed the Nomination and Remuneration Committee, deals with the process of selecting the persons to be directors transparently. The Company also allows the shareholders to have the right to appoint the directors. When there are the new directors, the Company has provided an orientation session for new directors with a briefing about the characteristics and guidelines for business operations of the Company. Also, the important and necessary information documents for the performance of duties of directors are given, including listed company director manual, roles of listed company directors and observations on the duties of listed company directors by the Thai Institute of Directors (IOD). For the roles, duties and responsibilities of the Board of Directors and the management department, the Company has clearly separated the structure and the performance of duties. The power of attorney has been created, which specifies the clear scope for executives. Also, the operational power level in each field has been clearly specified, including regularly communicating such roles, duties and responsibilities to relevant persons.

5.3.1 Leadership and vision

The Board of Directors focuses on recognizing the roles and responsibilities as organizational leader in order to safeguard the interests of shareholders and stakeholders by setting the strategies and business directions both at present and in the long term, determining the audit process and supervising the business operations of the Company to be transparent so as to create added value for the organization toward sustainability.



The meeting of the Board of Directors No. 1/2017 on 16 October 2017 resolved to approve the vision, mission and values and require the annual review, which were reviewed and approved by the Board of Directors meeting No. 3/2019 on 13 March 2019 as follows.

Vision	“To be a world leading food producer and brand name that are well-accepted and recognized by consumers of all household for our safe and international standard products under creative and innovative management with responsibilities to social and environment for the long-term sustainability
Mission	<ol style="list-style-type: none"> 1. Maximize the consumer’s benefit with safe, quality and nutritious convenient food products at reasonable price. 2. Develop capabilities of our human resources leading the company to be learning organization for everyone. 3. To enhance production efficiency with modern technology, and support research and development to initiate foods innovation as well as effective management system. 4. Search for marketing opportunity and channel for continuously growth of our business around the world. 5. Build trust among stakeholders with emphasis on social responsibility as well as protections of natural resource and environment using good governance for sustainable development.
Core Value	Powers of TF” Participation Organization that learns World class Ethics Responsibility Sustainability

■ The Company has a policy to organize an annual meeting for communicating the goals, strategies for business operations. The Chief Executive Officer of the Company informs the Executive Committee and the supervisors of all departments about the policies and guidelines for working to be in the same direction and be able to achieve the goals of the Company together. In 2018, the Company organized the Budget meeting for the year 2019 on 17 September 2018 and the Budget meeting of the year 2019 on 27 November 2018.

■ The Company has a policy to organize a staff meeting every month by arranging for high-level executives to meet and communicate with employees throughout the organization in order to notify the policies and various types of information on the Company’s business operations to know and put into practice in the same direction, including encouraging all employees to participate in driving the Company’s business operations for sustainable growth. For the year 2018, the Company held a total of 12 monthly staff meetings.





5.3.2 Good Corporate Governance

The Board of Directors recognizes the importance and benefit of good corporate governance, thus establishing Corporate Governance Policy, Business Ethic, Code of Conduct for Directors, Executives, and Staffs in written document. The Board of Directors has approved Good Corporate Governance Policy in the Board of Directors' meeting No. 3/2019 on Mar13, 2019 to be the operational guideline for the Directors, Executives, and all Staffs to perform duties with transparency, integrity, and ethic.

5.3.3 Conflict of Interest

The Board of Directors recognizes the importance of control system to handle conflict of interest and to perform connected transaction with prudent, fair, transparent treatment, thus including the procedure to handle conflict of interest in the Corporate Governance Policy. When performing connected transaction, the Director with related interest shall not take any part in voting procedure, and the Company shall disclose complete information as required by the Securities Exchange Commission and the Stock Exchange of Thailand. In this regard, the Company has disclosed the information in Thai and English via communication channel of SET and on the Company's website (www.mama.co.th) In addition, the information of connected transaction has been disclosed in the annual report under the Section of Connected Transaction as displayed in the Notes to Financial Statement and in annual registration statement(Form 56-1)

The Audit Committee is of the opinion in the Report of the Audit Committee in 2018 that the Company has disclosed adequate information of Connected Transactions which may cause conflict of interest.

5.3.4 Internal Control and Risk Management

The Board of Directors recognizes the importance of control system to monitor business operation, to prepare financial report, and to comply with relevant rules, regulation, and policy. To encourage effective control system, the Company set up Internal Audit Dept to be independent unit to monitor, evaluate, provide recommendation to improve effectiveness of risk management, internal control, internal audit according to International Standard for the Professional Process of Internal Auditing. In this regard, Internal Audit Dept shall report directly to Audit Committee.

In 2018, Miss Ariya Tangcheevinsirikul has been the manager of Internal Audit Dept. to perform internal audit duty, and conduct the meeting with related internal department to discuss the auditing result, search for practical solution, and report to the Audit Committee on regular basis. In addition, Internal Audit Dept has conducted meeting with the external auditor to review the quarterly, and annually financial statement. The Internal Audit has reported that the Company has prepared the financial statement correctly, and performed internal control to be suitable with the nature of business. In this regard, the Audit Committee has already submitted the report to the Board of Directors on the Board's meeting No. 3/2018 for acknowledgement (as per detail in the Section of Internal Control and Risk Management)

5.3.5 Risk Management

The Board of Directors shall establish Risk Management to avoid potential risk which may impede business objective, thus appointing Risk Management Committee to formulate Risk Management Policy and Framework to encourage effective risk management of the Company. The Risk Management Committee is responsible to monitor significant risk to the Company continuously to be handled in an effective manner. However, every internal unit of the





Company shall recognize their own responsibility to control internal risk within the acceptable level. In this regard, Risk Management Committee has submitted the Report of Risk Management Committee to the Board of Directors on regular basis in compliance with COSO Enterprise Risk Management: Integrating with Strategy and Performance 2017(as per detail in the Section of Internal Control and Risk Management)

In 2018, the Audit Committee has reviewed risk management procedure, and is of the opinion that the Company has performed appropriate internal control and risk management to be suitable with the nature of business.

5.4 Board of Directors meeting

The Board of Directors of the Company recognizes the importance of the Board's meeting and is responsible to attend the meeting to obtain information and participate in making decision about the operation of the Company. The Board of Directors' meeting is scheduled in advance throughout the year. The meeting is usually held on the third Wednesday of each month. The Secretary of the Company shall send the invitation letter along with the relevant documents including meeting agenda, minutes of the previous meeting, etc. to the Board's Member no less than 7 days prior to the meeting date.

The Board of Directors may propose the additional agenda to be discussed in the Board's Meeting in an open manner. The Company Secretary is responsible to prepare and keep the certified minute of the Board's meeting to be verifiable. In each agenda of the Board's meeting, the Chairman of the Board will open for all Directors to express their opinions freely. After the meeting, the Secretary of the Company shall prepare the minutes of the Board's meeting and send it to the President and Chief Executive Officer to sign his name to certify the document. Then, the minutes will be proposed to be certified by the Board at next meeting. However, all Directors are allowed to express opinions or correct any details to ascertain the accuracy and completeness of the minutes. The finalized minute of the Meeting will be presented to Chairman of the Board to be certified. The Secretary of the Company is responsible to collect the original document of the certified minutes of the Board's meeting together with the relevant documents at the office of the Company to be easily recalled for future verification.

The minutes of the meeting approved by the meeting will be systematically stored at the Company office and kept in the form of original document, together with attachments to various agendas of the meeting for easy reference search.

In addition, the Board of Directors also has a policy to allow non-executive directors to meet among themselves as necessary and report the meeting results to the Board of Directors meeting for acknowledgment. In 2018, on 19 December 2018, the Company arranged the meeting agenda without executive directors and reported the meeting results to the Board of Directors meeting on 16 January 2019 to enhance the efficiency of management and development of the Company to be able to grow sustainably.

In 2018 (January - December 2018), the Board of Directors held a total of 12 meetings. Out of 15 directors, 9 directors attended all 12 meetings (100%). Three directors attended 11 meetings (92%). Each of 3 directors attended 10 meetings (83%), 9 meetings (75%) and 8 meetings (67%), respectively, as shown by information 8.1: Number of attendances of each director.

5.5 Self-assessment of the Board of Directors and Sub-Committee

Each Direction shall evaluate performance of the Board as a whole in a scrutinizing and independent manner by filling out the assessment form as issued by the Stock Exchange of Thailand. Such assessment is aimed at,

- (1) Reviewing performance results and analyzing the problems and difficulty in the past year
- (2) Encouraging effective operation due to explicit acknowledgement of responsibility
- (3) Improving relationship between the Board of Directors and Managements



Process and criteria for assessment

- The Nomination and Remuneration Committee arranges a review of the performance evaluation form of the Board of Directors every year for consistency and appropriateness, being updated.
- The performance evaluation form of the Company includes a total of 4 copies, namely 1 copy of the performance evaluation form for the Board of Directors and 3 copies for 3 sub-committees (Audit Committee, Nomination and Remuneration Committee and Risk Management Committee).
- The timetable is scheduled for the end of the annual operations. The secretary of each group is responsible for submitting the performance evaluation form to all directors. After the directors have completed the evaluation form, it must be returned to the secretary to collect the scores.
- Report the average score in each subject of evaluation with a summary of the overall average score. The secretary of each group reports to the meeting of each committee for acknowledgement and records information in the minutes of the meeting.
- Performance evaluation criteria with the rules for calculating and measuring the scores of the performance evaluation form as follows

(1) Scoring criteria in the performance evaluation form of each group

Level of opinion	Score
- Agree in the highest level	Getting 5 points
- Agree in high level	Getting 4 points
- Agree in average level	Getting 3 points
- Agree in low level	Getting 2 points
- Agree in the lowest level	Getting 1 point

(2) Evaluation criteria summarizing the overall average scores of the performance assessment

Criteria	Average score (Percent)
- Excellent	More than 90 percent up
- Good	More than 70 percent up
- Fair	More than 50 percent up
- Improvement recommended	Equal to or less than 50 percent

5.5.1 The self-assessment result of the Board of Directors

In the Board's Meeting No. 12/2018 on Dec 19, 2018, the Directors has performed self-assessment in 3 areas as following,

1. Role, Duty, and Responsibility of the Board
2. Independence of the Director
3. Relationship with Management Team and Stakeholders

The assessment result of the Board of Directors as a whole is average at 86.32% or at "Good" level





5.5.2 The self-assessment result of the Sub-Committee

The Company has conducted self-assessment of the Sub-Committee in annual basis. In 2018, each Member performed self-assessment in 3 areas as following,

1. Role, Duty, and Responsibility of the Board
2. Performance of the Director
3. Self-development of the Director

The assessment result of Sub-Committee is summarized as following,

Sub-Committee	Avg Point	Level
Audit Committee	86.67	Good
Nomination and Remuneration Committee	85.83	Good
Risk Management Committee	84.36	Good

5.6 Remuneration for Directors and Executives

The Nominating and Remuneration Committee is responsible to consider the appropriate amount of remuneration of the Directors and proposes it to the shareholders' meeting for approval. The remuneration for the Directors of the Company is paid at the rate comparable to those paid in the same industry or by the same business-size organization, and shall be appealing enough to attract and retain the quality Directors to work for the Company.

In 2018, the shareholders meeting No. 1/2018 on Apr 25, 2018 has approved the Directors' remuneration at the amount not exceeding Baht 15 million per year, not including the remuneration and welfare to be paid as an ordinary staff of the Company (as per detail in the Section Remuneration of Director and Executives)

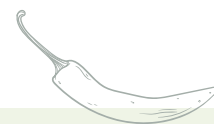
The remuneration for the Chief Executive Officer of the Company shall be approved by the Board of Directors. The annual review of the Managing Director's remuneration is considered by the Board of Directors as specified in the employment contract. The consideration of remuneration shall reflect overall performance of the Company and the efficiency of the strategic plan of the Company in aspect of finance, customers and stakeholders, internal process, learning and development, social and environment, etc.

The remuneration for the Managements is determined in accordance with the principles and the policy set by the Board of Directors, which shall correspond to the annual performances of the Company and the individual performance.

5.7 Development for Directors and Managements

The Company supports and facilitates training and educating for the Directors and the Managements. The Board recognizes the importance of attending the director courses for improving management competency. The Company supports the Directors and the Managements to attend the training course namely Director Accreditation Program(DAP), Director Certification Program(DCP), Audit Committee Program(ACP), Understanding the Fundamental of Financial Statements(UFS) and Finance for Non-Finance Director(FND), as arranged by Thai Institute of Directors(IOD) as well as the other short training courses as deemed appropriate to the operation of the Directors and any other courses which will be arranged by IOD in the future.





Training Record of 15 Directors is summarized as following,

Board of Directors		Program
1. Mr. Boonsithi	Chokwatana	- Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)
2. Mr. Karmthorn	Punsak-Udomsin	- Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)
3. Mr. Pipat	Paniangvait	- Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 39/2004 Thai Institute of Directors Association (IOD)
4. Mr. Suchai	Ratanajajaroen	- Director Certification Program (DCP) 45/2004 Thai Institute of Directors Association (IOD)
5. Dr. Poj	Paniangvait	- Directors Accreditation Program (DAP) 20/2004 - Director Certification Program (DCP) 72/2006 Thai Institute of Directors Association (IOD)
6. Mr. Kamthorn	Tatayakavee	- Audit Committee Program (ACP) 12/2006 - Directors Certification Program (DCP) 46/2004 - Directors Accreditation Program (DAP) 3/2003 - IT Governance and Cyber Resilience Program (ITG) 7/2018 Thai Institute of Directors Association (IOD)
7. Mr. Apichart	Thammanomai	- Director Certification Program (DCP) 68/2005 - Director Accreditation Program (DAP) 3/2003 Thai Institute of Directors Association (IOD)
8. Mr. Boonchai	Chokwatana	- Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)
9. Mr. Vathit	Chokwatana	- Director Accreditation Program (DAP) 75/2008 - Director Certification Program (DCP) 251/2018 Thai Institute of Directors Association (IOD) - Top Executive in Trading and Commercial 21/2558 Capital Market Academy
10. Miss Pojjana	Paniangvait	- Directors Certification Program (DCP) 212/2015) - Successful Formulation & Execution the Strategy (SFE 29/2017) - Risk Management Program for Corporation Leaders (RCL 8/2017) Thai Institute of Directors Association (IOD)
11. Dr. Kulpatra	Sirodom	- Director Certification Program (DCP) 1/2000 - Audit Committee Program Thai Institute of Directors Association (IOD)

Board of Directors	Program
12. Thanpuying Angkab Punyashthiti	- Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)
13. Mr. Chaiwat Maraprygsavan	- Director Certification Program (DCP) 105/2008 Thai Institute of Directors Association (IOD)
14. Professor Dr. Visith Chavasit	- Director Certification Program (DCP) 136/2010 - Risk Management Program for Corporation Leaders (RCL 8/2017) Thai Institute of Directors Association (IOD)
15. Mr. Saroj Chayaviwatkul	- Director Certification Program (DCP) Thai Institute of Directors Association (IOD)

In addition, The Company has supported each individual Director to improve knowledge continuously in order to encourage his/her directing performance to perform duty in the Sub-Committee for best benefit of the Company. In 2018, the Directors have participated in the program to enhance the capability and understanding to supervise business operation in an effective manner as per following details,

Program	Number of Directors and Management team (persons)
- MAMA : Crisis Management Session	5
- Corporate Finance Laws	12
- Talent & Succession Management	2
- TF Training on Leadership Competency and Bialogue Skill	11
- How to Develop a Risk Management Plan	1
- Lean Supply by TMB	2
- National Director Conference 2018	1
- Trend Talk#6 : Driving Businesses towards Endless Opportunities	1
- The Next Real	1
- Risk Management	7
- Baking Science & Technology Course	1
- Corporate Funding and liability Management	1
- Product Knowledge 2018 (Rice Noodle products)	1
- Anti-Corruption for sustainable growth	14

Orientation for New Director

The Company has a policy to organize an orientation session for new directors. When the new directors are appointed, the Nomination Committee assigns the management department to coordinate various fields in order to prepare for performing the duties of directors, who can also perform the duties immediately when assuming the position as follows.

1. Arrangements for an introduction to explain detailed information of the Company and the responsibilities of the directors of the Company to hold office and sub-committees (if any), including providing the documents relating to the Charter of directors related, the memorandum of association, the articles of association, good corporate governance manual, annual registration statement (Form 56-1) , annual report and answering the questions to create mutual understanding.
2. Arrangements for meeting the Chairman of the Board of Directors, Board of Directors, Sub-committees, Chief Executive Officer and the President to acknowledge the policies, corporate culture and information about the Company's business operations.
3. The opportunity is provided to visit the factories of the Company for the new directors to have better understanding of the Company's business operations as well as listening to suggestions from you.

In 2018, the general meeting of shareholders No. 1/2018 on 25 April 2018 resolved to elect all 5 directors who left according to the tenure to return to be the directors for another tenure. All directors have been knowledgeable and understood the Company's business and have received information documents related to the duties of directors from the Company already.

5.8 Succession Planning

The Board recognizes to establish succession planning, thus reviewing current working environment and improving for future operation continuously. The Company also considered the salary structure of the Company to be suitable with the comparable market rate. The Company will promote potential subordinated employee to receive progressive training to fill up higher-level position from generation to generation. The Company has performed succession planning as following,

- Distribute authority of making decision or ordering payment along with the organization level as per the limit approved by the Board of Directors
- Encourage Junior Executive to work closely with High-level Executives
- Develop suitable career path for potential Junior Executive
- Assign task or project requiring the use of knowledge and capability to develop management skill
- Determine clear level of organization





8. Compliance with good corporate governance principles on the matters not yet implemented

Concerning the part that the Company has not yet complied with the principles of good corporate governance for listed companies, the Company will use this as guidelines for further appropriate deployment.

Clause of not having been implemented yet	Reason
1. The Board of Directors has not determined a policy to limit the number of years in holding office of independent directors for up to 9 years.	The Company believes that the Company's independent directors are fully qualified persons according to the definition of independent directors and can perform their duties independently by using knowledge, abilities and experience accumulated to help develop the Company with a good understanding of the Company's business. In 2018, no independent director of the Company had held office for over 9 years.
2. The Board of Directors has not yet evaluated the performance of each individual director.	The evaluation of the works in the form of the entire Board of Directors and the evaluation of the sub-committees' performance can reflect the overall performance, which can be used by each director for self- development in each subject well.
3. The Chairman of the Board of Directors is not an independent director.	Because of being a knowledgeable, competent person with expertise in the Company's business, who has also performed the duties with independence, all directors are allowed to freely express opinions and present suggestions beneficial to the Company.
4. The Board of Directors consists of more than 5 -12 directors.	The Company's Board of Directors includes 15 members. The composition of the Board of Directors consists of 3 groups: independent directors, non-executive directors and executive directors to counterbalance the administration and conform to the Company's articles of association that require at least 5 directors. The Company has considered the number of directors by taking into account the suitability and consistency with the size of the business.







**GROW
SUSTAINABLY
TOGETHER**



Sustainability Report

Sustainable business growth with sustainable environment and society

The Thai President Foods Public Company Limited operates business with transparency and accountability, business ethics, respect for human rights, compliance and good corporate governance. It bears in mind the interests of shareholders, employees, trading partners, customers, communities and all other groups of stakeholders in order to join the efforts to achieve strong and sustainable growth of the business.

Vision, Mission and Core Values

Vision “ To be a world leading food producer and brand name that are well-accepted and recognized by consumers of all household for our safe and international standard products under creative and innovative management with responsibilities to social and environment for the long-term sustainability”

Missions

1. Maximize the consumer's benefit with safe, quality and nutritious convenient food products at reasonable price.
2. Develop capabilities of our human resources leading the company to be learning organization for everyone.
3. To enhance production efficiency with modern technology and support research and development to initiate food innovation as well as effective management systems based on the Big data information.
4. Search for marketing opportunity and channel for continuously growth of our business around the world.
5. Build trust among stakeholders with emphasis on social responsibility as well as protections of natural resource and environment using good governance for sustainable development.

Core Values: POWERS of TF

Participation
Organization that learns
World class
Ethics
Responsibility
Sustainability





Overall policy

The Board of Directors recognizes and respects the rights of all stakeholders based on legal obligations and agreements with the Company. To ensure that these rights are protected and for fair and equal treatment, a “Social Responsibility Policy” has been announced for use as guidelines for treatment of the stakeholders of each category. The policy also covers the communities, society and the environment for sustainability, anti-fraud and anti-corruption measures, non-infringement of intellectual property and respect for human rights.

Social Responsibility Policy

- Being determined to operate with responsibility for various impacts of the business, upholding transparency, accountability, ethics, respect for human rights and benefits of the stakeholders.
- Being determined to produce instant foods which are of good quality and safe for consumers, bearing in mind the impacts on the communities and the environment and complying to customers' requirements, laws and other relevant obligations, as well as continuing to improve social responsibility on a sustainable basis.

2018 Success Awards

1. **A Thai Labor Standard (TLS 8007-20100) Basic Level Certificate** was received from the Department of Labour Protection and Welfare, Ministry of Labour, as an organization conducting business with social responsibility (labor aspects), complying to standard laws governing fundamental labor rights. The certificate is valid from February 2018 to February 2020.
2. **Certification for “the Standard on Prevention and Solution to Drug Problems in an Establishment (SDE)”** was granted to the Company's Lamphun and Ratchaburi factories. The Company has an explicit policy to prevent and solve drug problems in every one of its factories.
3. **The Marketer No.1 Brand Thailand 2018** was awarded to MAMA products as Thailand's No.1 products in the category of instant noodles based on research conducted by the Video Research International - Thailand Ltd., its home office in Japan, in cooperation with Marketeer Research, which used standard research tools widely accepted in the marketing circle. MAMA has received the award for seven consecutive years since its inception.
4. **The Thailand's Most Admired Brand 18 Award** was presented to the Company for the instant noodles category. The award resulted from research conducted by the BrandAge magazine in cooperation with the country's leading educational institutes. MAMA products have won this award since the first year of the research and this was the 18th year the award was given to the Company. The award was presented by Mr.Sontirat Sontijirawong, Minister of Commerce, at a ceremony held at Sasin Graduate Institute of Business Administration.



Preparation of the Report

Approach taken for preparation of the Sustainability Report

The Thai President Foods Public Company Limited has prepared the 2018 Sustainability Report to disclose key points of its policy, operating results, management and the approach adopted for sustainable development covering corporate governance, economic, social and environmental aspects. The reporting period is from January 1 to December 31, 2018.

This report has been prepared based on the Global Reporting Initiatives (GRI) reporting guidelines and is made part of the Company's Annual Registration Statement and Annual Report. It is also publicized on the Company website www.mama.co.th

Scope of sustainability reporting

This report contains disclosures of 2018 operating results, covering the Company's operations at the head office in Bangkok and the five factories (in Chonburi, Rayong, Lamphun and Ratchaburi Provinces).

Inquiries

The Company is committed to developing its sustainability reporting and disclosures of management information and operating results for better future quality. Should you have inquiries and recommendations, please contact the head office of the Thai President Foods Public Company Limited, telephone number 662 374 4730 ext 1907.

Engaging the stakeholders

The Company has classified stakeholders related to it as a result of its internal and external activities into nine groups; namely, employees, communities, customers, government agencies, distributors, banks, raw material suppliers, contractors and shareholders. It attaches importance to stakeholder engagement through a variety of activities and channels (e.g. receiving of opinions and recommendations, meetings and conversations on various occasions) on a continuous basis. The objective is to acknowledge feedback and expectations for use in improving its operations for greater efficiency of the operations to serve sustainability purposes.





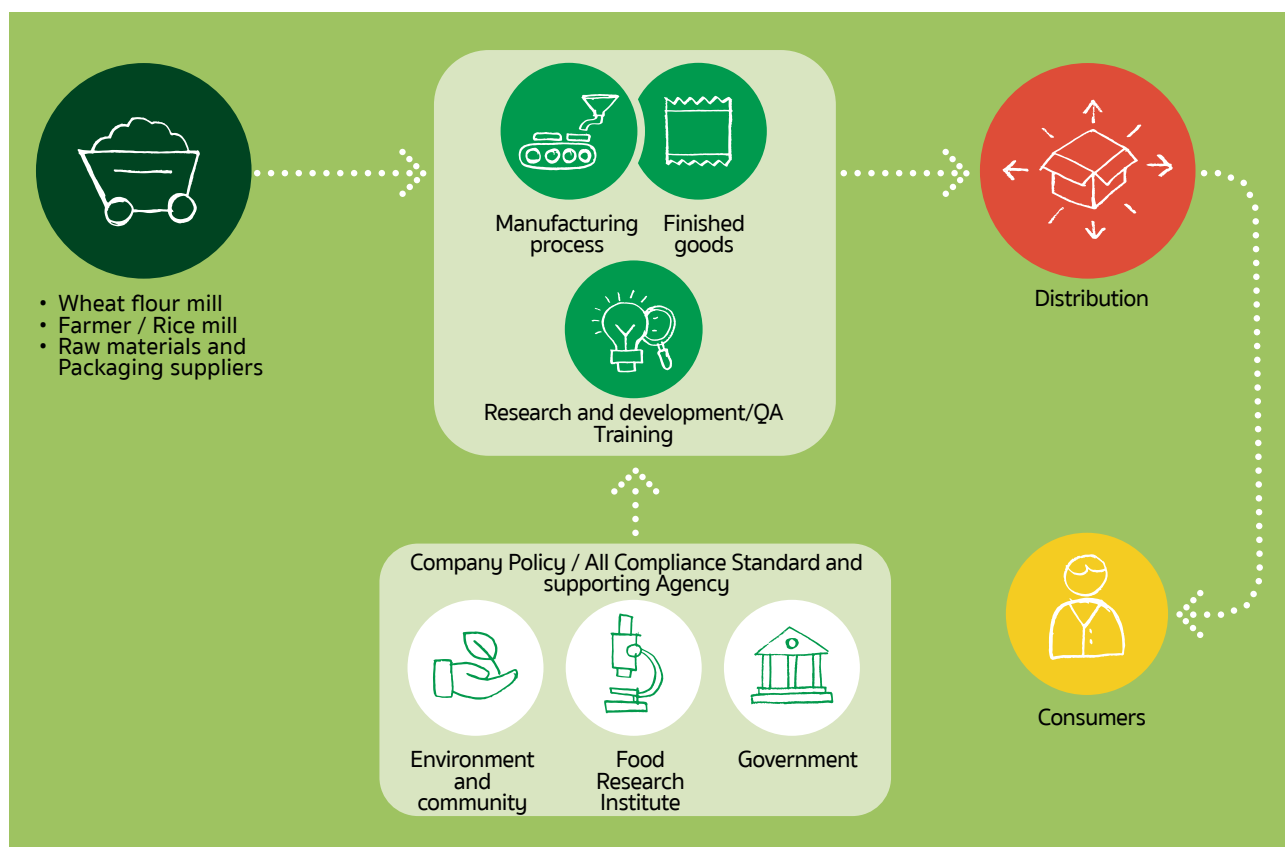
Stakeholder	Sustainability issues	Communication channels and engagement
1. Employees	<ul style="list-style-type: none"> Fair employment and treatment Fair remuneration and welfare, reflecting the cost of living Safe working condition in good and hygienic environment Knowledge development and career advancement Respect for human rights Encouragement of participation in determining the directions for Company operation and development 	<ul style="list-style-type: none"> Group discussions Monthly bulletins Announcement and information dissemination on the Company's Intranet Staff survey and channels for opinion reception Opportunities for employees to play a part in the provision of welfare and management of workplace safety, as well as other matters Company activities
2. Communities	<ul style="list-style-type: none"> Mutual support Joint community development efforts; vocation, health, knowledge and cultural promotion Waste and air pollution management Environmental care and protection 	<ul style="list-style-type: none"> Dialogues and meetings Company website Meeting community members on various occasions Maintaining communication and implementation of community development projects jointly by the Company and communities
3. Customers	<ul style="list-style-type: none"> Quality safe goods delivered timely Provision of accurate, truthful and useful information to customers Having in place a system and procedure for receiving and handling complaints 	<ul style="list-style-type: none"> Having in place a procedure for customers to lodge complaints regarding product quality and safety Group discussions Company website Occasional visits
4. Government agencies	<ul style="list-style-type: none"> Compliance to laws Fostering good relationships 	<ul style="list-style-type: none"> Strict compliance and reporting Company website Paying calls on public sector agencies on occasional basis
5. Distributors	<ul style="list-style-type: none"> Fair and equitable treatment Timely delivery of safe products with good quality as agreed 	<ul style="list-style-type: none"> Group discussions Company website
6. Banks	<ul style="list-style-type: none"> Conforming to agreements made in a transparent and accountable manner 	<ul style="list-style-type: none"> Group discussions Company website





Stakeholder	Sustainability issues	Communication channels and engagement
7. Raw material suppliers	<ul style="list-style-type: none"> Adhering to trading terms and conditions; honest and fair competition Exchanges of knowledge and joint development undertakings; conducting business fairly within the legal framework 	<ul style="list-style-type: none"> Group discussions Company website Annual Report
8. Contractors	<ul style="list-style-type: none"> Ensuring proper hiring Ensuring safe working condition Giving equal rights 	<ul style="list-style-type: none"> Having in place transparent and accountable processes of contractor selection and evaluation Group discussions Company website
9. Shareholders	<ul style="list-style-type: none"> Equitable treatment of shareholders Reporting operating results accurately, completely and regularly Ensuring ongoing returns and growth of the Company Having transparent management and offering opportunities for participation 	<ul style="list-style-type: none"> Convening Annual General Meetings of Shareholders to offer an opportunity for shareholders to express their views Company website Dissemination of Annual Reports and other reports

Supply Chain for manufacturing noodles and semi-finished food





Sustainable business operation

1. Operating business with fairness

The Company conducts business fairly, treating trading partners equitably in accordance with trading terms and conditions within the framework of honest and fair competition with mutual benefits in mind. It does not demand or agrees to accept any assets or benefits beyond the trading agreements. It has adopted an anti-corruption stance and non-infringement of intellectual property and promotes social responsibility.

2. Anti-corruption

The Company is managed according to good corporate governance principles with proper delegation of duties and responsibilities. It has prescribed regulations in support of implementation of good corporate governance policies. It follows the eight corporate governance principles, business ethics, and the Code of Conduct of the directors, executives and employees in order to bring about fair and transparent competition, compliance to laws and anti-corruption determination

3. Respect for human rights

The Company respects human dignity and human basic rights and provides equal treatment with no discrimination or support for any activities violating human rights. It imposes no restrictions on freedom or diversity of beliefs, gender, race, religion, politics, or any other matters and refrains from expressing opinions which might lead to conflicts or divisiveness.

4. Fair treatment of labor

The Company treats employees equitably and fairly with no discrimination. It promotes equal employment opportunities, with no discrimination based on gender, skin color, race, religion, age, disability or any other characteristics not related to work performance. It remunerates employees fairly, at levels commensurate with skills, competence, responsibility and performance. It provides welfare, facilities and workplace safety and hygiene. It encourages and supports training and knowledge development, offering careers advancement in accordance with individual employees' potential. It also encourages employees to play a part in determining the direction of Company operations and in its CSR endeavors.

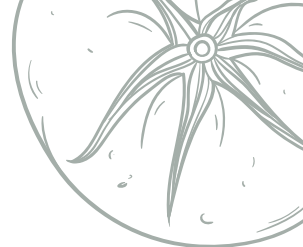
5. Responsibility for consumers

The Company is committed to producing quality goods which meet international standards, are safe for consumers and are environmentally friendly. It relentlessly looks for innovations to add value to its goods and services, adhering to honesty, integrity and non-infringement of customers' rights. It also provides information necessary for decision making without withholding or distortion. It keeps customers confidential information, not dishonestly using it for own benefits or for the benefits of related parties.

6. Care for the environment

The Company conducts business in compliance with laws, regulations and policies related to the environment, bearing in mind the impacts on natural resources and the environment. It reviews and assesses its operations periodically, utilizing resources economically. It takes treatment and rehabilitation





measures as well as replacement, monitors and prevents undesirable impacts on natural resources and the environment. It has fostered organizational culture and awareness among employees at all levels to instill a sense of cooperation and responsibility in managing the environment and economical utilization of resources. It also has in place a system to select trading partners in the supply chain based on their environmental friendly ways of doing business.

7. Development and sharing of innovations resulting from operations with responsibility for society, the environment and stakeholders

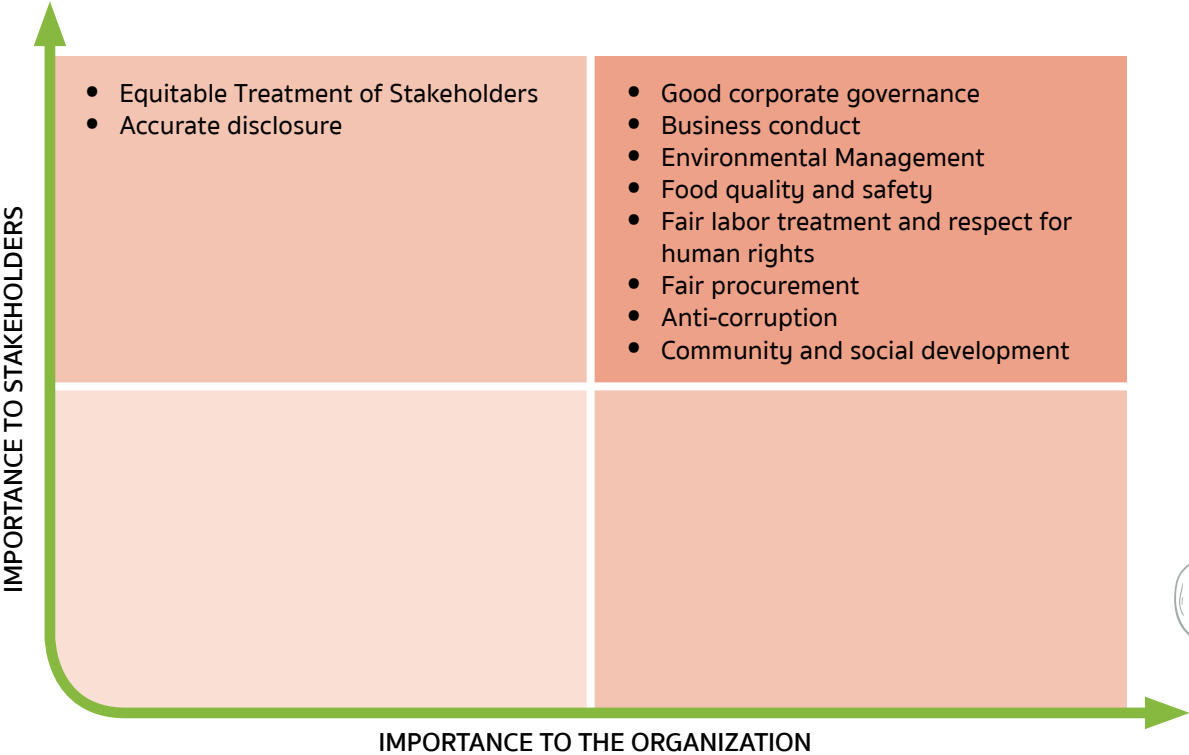
The Company encourages development of innovations in order to create value for goods and services and promotes participation in innovation development for balances and value of communities, society and the environment.

8. Participation in community and social development

In conducting business, the Company bears in mind its duties and responsibilities for communities and society. It instills awareness of responsibilities for communities and society within the Company and among all employees. It requires that measure be in place to prevent and mitigate impacts of Company operations on communities and society. Activities are also conducted for the benefit of communities and society at large.

Identification of material aspects

The Company made assessment of sustainability material I topics by applying principles of Global Reporting Initiative standards. Prioritization of topics is based on significance for the Company and for the stakeholders. Topics with considerable significance for the Company and the stakeholders are disclosed in this report.





Validation

Prioritization of the material topics has been validated by the Company for accuracy.

Sustainability framework

The Company has identified significant issues affecting the stakeholders and impacting the organization's success and sustainability in economic, environmental and social aspects as follows:

Aspect	Significant sustainability issues	Contents covered in the Report
Economic	1. Good corporate governance	<ul style="list-style-type: none"> • Good corporate governance • Risk management • Compliance to relevant laws and regulations
	2. Business conduct	<ul style="list-style-type: none"> • Economic aspects of operating results
Environmental	1. Environmental management	<ul style="list-style-type: none"> • Good factory management • Pollution prevention • Environmental management systems • Climate change
Social	1. Fair procurement	<ul style="list-style-type: none"> • Working with partners
	2. Anti-corruption	<ul style="list-style-type: none"> • Anti-corruption
	3. Fair labor treatment and respect for human rights	<ul style="list-style-type: none"> • Employee recruitment and selection • Taking good care of employees • Personnel development • Workplace safety, occupational health and condition • Respect for human rights
	4. Food quality and safety	<ul style="list-style-type: none"> • Responsibility for consumers • Company innovations
	5. Community and social development	<ul style="list-style-type: none"> • Participation in community and social development activities

Risk management

The Company manages assessed risks to keep them at acceptable levels. A unit specifically tasked with risk assessment is in charge of managing risk factors which may affect attainment of the Company objectives.

The factors which may affect the Company are, for examples, social, economic, political, technological and environmental ones. In certain circumstances, changes of such factors are inevitable. Measures have been taken to ensure that the Company is in a position to attain its objectives despite such changes, as follows:





1. Risks affecting the environment

As the Company attaches utmost importance to the environment, a unit has been specifically established and tasked with controlling, taking care of and assessing environmental impacts. Waste is segregated properly in accordance with the environmental management system. Standard waste water treatment systems are in place. The Company uses natural gas (NG) to generate steam in place of fuel oil to reduce environmental impacts; coal is used as fuel with an efficient air pollution control system; and air quality is constantly measured to ensure that legal standards are attained.

2. Risks from product quality and safety

The Company recognizes the importance of producing consistently good quality safe goods and has made this one of its primary missions. As a food producer, the Company bears in mind the extreme importance of cleanliness and safety in production processes which have been upgraded and granted international certifications such as GMP, HACCP and BRC. Care is taken at every step, from material sourcing to transportation of finished products for consumer safety. The Company also invests in research and development with regard to the production process and machinery to ensure consistency and precision. Channels have been put in place to receive customer complaints in order to acknowledge problems and to make clarifications. These measures are aimed at inducing customer confidence and satisfaction with the Company's products.

3. Risks from change in consumer behavior

Economic, social value, communication and technological changes cause rapid changes in demands for consumer goods that may affect the Company's growth. Consequently, the Company needs to develop products to match such changes. It conducts studies of consumer behavior and satisfaction, both domestically and abroad, in order to be able to develop and adapt products to suit market demands and to satisfy customers in order to mitigate these risks.

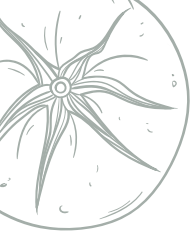
4. Risks from volatility of raw material prices

The Company's major raw materials are wheat flour, rice and palm oil, agricultural products which can be affected by numerous factors, such as global production quantities, demands and climatic conditions. These factors can impose risks in terms of procurement quantities and price fluctuation which in turn affect the Company's costs, particularly for instant noodles which are subject to price control by the Department of Internal Trade, and the Company cannot increase the prices to make an offset against the cost increase without prior approval from the Department.

However, the Company has adopted a strategy of making futures contracts for procurement of wheat flour and palm oil when their prices are relatively weak. Factors which can potentially affect the prices are also closely monitored. In terms of procurement quantities, the Company makes bulk purchases from many suppliers in order to mitigate raw material shortage risks and to have higher bargaining power in dealing with the suppliers.

Apart from the risks cited above, the Company may be exposed to other unidentified risks which may affect its operations due to changes in internal and external factors occurring after the Company's risk assessment.





Compliance to relevant laws and regulations

Importance has always been attached to conducting business in compliance to relevant laws and regulations. Processes have been adjusted to comply with legal requirements in the belief that proper and legal operations in compliance to domestic and foreign legal and regulatory requirements will lead to credibility and acceptance. All executives and employees have to strictly abide by laws, regulations and policies in their business operations to avoid repercussions on management and to earn credibility and acceptance. The specified work plan calls for periodic reviews of the compliance supervision.

Actions for compliance to laws and regulations

Assigned officials of the Company have a duty to collate and itemize laws and regulations relevant to Company operations in the Company Registration of Laws and Regulations so that details of the legal and regulatory requirements are summarized and provided to the various units to ensure strict compliance.

Updating of relevant laws and regulations is required to be executed on a periodic and regular basis. The Company has assigned officials in charge of verification with law-issuing bodies and monitor changes on websites of service providers. Old prescriptions will be replaced by new ones and the Registration is constantly updated.

Audit

To ensure that the Company operates business in compliance to relevant laws and regulations, it requires that the operation be subject to regular auditing by Internal and External Auditors in accordance with the Audit Plan.

Internal audit

Auditing is of utmost importance to the Company as it reveals whether the status and efficiency of Company operation are as specified. The Company has an internal audit function to monitor and assess its conformity with legal and regulatory requirements. In case discrepancies are detected, relevant departments will be notified for immediate correction.

Auditing by external agencies

The Company is audited for compliance to laws and regulations by relevant government agencies on a regular basis. In addition, auditing is constantly performed by various certification bodies, such as those for ISO 9000, ISO 14000, GMP, HACCP and BRC.

The Company's compliant operation

As a result of acting in conformity with relevant laws and requirements of the government sector and other agencies related to the Company business, the Company in 2018 was a compliant organization.





Economic aspects

Overview of the operation

Item	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017* (October 16 –December 31, 2017)
Total revenue (Million Baht)	22,884	22,006	13,252	2,790
Net profit (Million Baht)	3,404	2,853	2,582	481
Earnings per share (Baht)	10.33	8.65	7.83	1.46

Note : * the Thai President Foods Public Company Limited (“TFMAMA”) was incorporated as a result of the registration of the amalgamation on October 2017.

1. Operating business with fairness

The Company conducts business fairly, treating trading partners equitably within the framework of honest and fair competition with mutual interest in mind. It has adopted an anti-corruption stance and non-infringement of intellectual property.

Working with trading partners

The Company honors trading conditions and agreements. It does not demand or agrees to accept any assets or benefits beyond the trading agreements. It promotes free, honest and fair competition, treating trading partners equitably on the basis of fair competition with mutual respect and good relationships. The Company pays occasional visits to the partners’ premises in order to assess their operational potential. It also notifies trading partners of required behaviors in accordance with the rules for working together. Importance is attached to procurement procedures as they are vital to the control of the quality of raw materials and materials as well as costs. Emphasis is therefore placed on transparency and accountability and maximum Company benefits. Over the past period, there were no cases where the Company failed to honor its commitments with trading partners. Work procedures have also been adjusted to suit sustainable raw material sourcing standards; e.g., the Unilever Responsible Sourcing Audit (URSA) for integration of human right risks with the states supplying main commodities and raw materials, in order to pursue the Responsible Business Partner Policy.





Management of trading partners

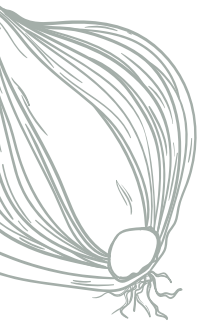
To ensure that the Company's trading partners operate in a way that meets the specified standards, and are capable of responding to greater demands for goods and attaining the objective of maintaining the quality of goods and good relationships with the trading partners as well as to instill awareness of the Company's sustainability standpoint, the Company has taken the following actions:

1. Establishment of criteria for recruiting and selecting new vendors based on food quality and safety, operating standards and responsibility for society and labor.
2. Assessment and review of vendors to encourage them to maintain or improve their quality, which will in turn contribute to their sustainable and solid growth.
3. Making fair sales and purchase agreements or hiring agreements with trading partners.

Supply chain management

In doing business, the Company adheres to good corporate governance principles, fairness, transparency and compliance, and recognizes every stakeholder group. Vendors and service providers are a stakeholder groups to whom the Company attaches importance. Hence:

1. The CSR policy is communicated to vendors/service providers and CSR information is disseminated to them in order to encourage them to join the CSR efforts which will lead to security and sustainability of their own businesses.
2. Equitable, accurate, clear and complete information is provided to vendors/service providers with no discrimination.
3. Partnership is based on good relationships, morality and ethics, transparency and mutual respect so that the same business direction is shared and both parties can grow together in a sustainable and secure way.
4. The Company promotes and encourages procurement of environmentally friendly goods and services.
5. Procedures have been established to assess and review trading partners for risk assessment. Remedial plans are mapped out, followed by post-remedy evaluation based on the quantity, quality and safety of production and delivery in accordance with Company requirements and in compliance to requirements of labor laws, environmental laws and relevant management standards, such as ISO 9001, ISO 1400, GMP, HACCP and BRC.
6. Anti-corruption intention and determination are expressed against all forms of corruption. The anti-corruption policy is communicated in writing to vendors/service providers along with anti-corruption guidelines, including giving and accepting gifts, assets or other benefits, giving tips or lodging complaints. The policy and guidelines are also publicized on the Company website.



2. Anti-corruption

The Board of Directors of the Company recognizes the importance of operating the business under the good corporate governance principles and business ethics. The Board is determined to run the business with fairness, integrity, transparency and accountability in order for the Company to be managed efficiently and earn trust from all stakeholders. The Company's view is that frauds will undermine business competitiveness and obstruct development of the organization and the country. An anti-corruption clause has therefore been included in the Corporate Governance Policy. The Board, on October 16, 2017, approved the Anti-Corruption Policy and Actions to Execute the Anti-Corruption Policy Number 1. A first review was made on December 19, 2018 and a written provision was included, saying "The



Directors, executives and employees are prohibited from accepting or supporting any form of corruption, either directly or indirectly". The Anti-Corruption Policy is subject to annual reviews.

On February 18, 2014, the Thai President Foods Public Company Limited joined the declaration of intent to be a member of the Private Sector Collective Action Coalition Against Corruption, and its membership was certified on July 22, 2016.

After making the Anti-Corruption Policy, the Company, in a move to promote understanding of how the policy is to be executed, made a requirement that the Policy be communicated to the Directors, executives and employees through various channels, including company induction programs, training and seminars, bulletin boards, a QR code and the Company Intranet.

2018 still saw the Company's firm commitment to executing the Anti-Corruption Policy, which has been cascaded down to its subsidiaries and associate companies in Thailand as well as publicized to major trading partners to encourage them to join the anti-corruption efforts. Cooperation has been well rendered as reflected by their declaration to join TFMAMA in the Private Sector Collective Action Coalition Against Corruption.

In 2018, the Company promoted understanding of anti-corruption measures among the Directors, executives and employees within the organization, with expansion to outside trading partners.

3. Respect for human rights

The Company respects the human rights of all employees. They are treated and honored equally in terms of personal safety and workplace rights, with no abuses or bullying in any form. Over the part period, there were no records or court cases in which the Company was involved in violation of human rights. A system is also in place for reviews of rules and regulations pertaining to workplace security which does not violate human rights of employees or other related individuals (e.g., installation of closed circuit TV's and vehicle search before factory exiting).

The company also offers opportunities for employees to make recommendations regarding welfare, workplace condition and occupational safety and health, though their representatives who are members of the Welfare Committee and the Occupational Safety and Health Committee.

Employment equality is also recognized. There is no discrimination, and handicapped 23 persons are employed. As a result of complying with the laws and observing business ethics as well as the Company's practice guidelines for human rights, there were no complaints or incidents related to human right violation or discrimination





Employee Data

Data	2018	
	Persons	Percentage (%)
Total Employees	5,379	100.00
Employee by Gender	5,379	100.00
• Male	2,063	38.35
• Female	3,316	61.65
Employee by Category	5,379	100.00
• Top Management	1	0.02
• High Level Managers	8	0.15
• Intermediate managers	16	0.30
• Supervisors	187	3.48
• Monthly Employees	810	15.06
• Daily Employees	4,357	81.00
Employee by Age Group	5,379	100.00
• 18-20 year	183	3.41
• 20-25 year	1,122	20.86
• 25-30 year	780	14.50
• 30-40 year	1,525	28.35
• More than 40 years	1,769	32.88
New Hires by gender	1,540	100.00
• 18-20 year	315	20.45
• 20-25 year	681	44.22
• 25-30 year	228	14.81
• 30-40 year	278	18.05
• More than 40 years	38	2.47
New Hires by gender	1,540	100.00
• Male	580	37.66
• Female	960	62.34
Turnover by Age Group	1,637	100.00
• 18-20 year	162	9.90
• 20-25 year	655	40.01
• 25-30 year	323	19.73
• 30-40 year	360	21.99
• More than 40 years	137	8.37
Turnover by Gender	1,637	100.00
• Male	590	36.04
• Female	1,047	63.96
Returning to work after maternity leave		
• Employees who take maternity leave	105	100.00
• Employees returning to work after maternity leave	84	80.00



4. Fair treatment of labor

Human resources are viewed by the Company as an important factor of the business which is instrumental in creating value added and increasing production. Importance is therefore attached to taking care of employees and treating them fairly, making them happy at work by maintaining a good work-life balance and creating good mutual understanding among them and between them and the Company – a foundation for good labor relations.

- **Employee recruitment and selection**

As recruitment and hiring employees are seen as very important, the Company adopts the basis of fairness and equality, with no discrimination against the gender, race or religion. Fair performance appraisals are practiced, applying Key Performance Indicators (KPI's). Salary adjustment and bonuses are used to boost morale and for career advancement.



- **Employee participation**

Employees are allowed to share their opinions through their representatives in the Welfare Committee and the Occupational Safety, Health and Environment Committee. They can also express their opinions and make recommendations through various channels such as opinion boxes and the complaint takers. Their opinions and recommendations are used in adjusting their welfare to appropriate levels.

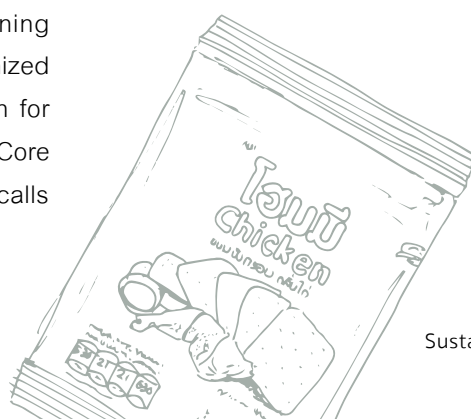
- **Care for employees**

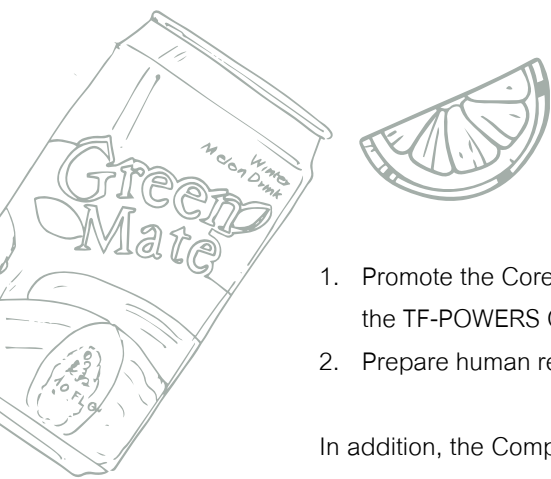
The Company takes good care of employees' health, providing welfare and organizing health-related activities for them in order to promote their physical, mental and emotional health. Examples are after-work exercising, annual check-ups, healthy canteen activities, training in drug and cigarette dangers and random drug testing.



- **Personnel development**

One of the missions of the Thai President Foods is to develop its personnel to make them knowledgeable and skillful in their operation in order to upgrade their efficiency and make the Company a learning organization for everyone. Employees are recognized as the Company's most valuable asset. The Plan for Development of Human Resources and Instilling Core Values in Harmony with the Business Strategies calls for the following personnel development strategies:





1. Promote the Core Values for attainment of the goal to become a world class food producer. Make the TF-POWERS Core Value understood and followed by employees at all levels.
2. Prepare human resources for future business expansion.

In addition, the Company has mapped out annual training plans for employees in all positions and for specific positions, for career path development and for refreshing knowledge and skills.



- **Workplace safety, occupational health and condition**

As employees are considered the Company's valuable asset, importance is attached to their workplace safety, occupational health and condition. The 18001 and OHSAS18001, which are standards for management of occupational health and safety, have been adopted and built on to accommodate the constant development of production processes. Relevant policies, standards, operating procedures and activities have been specified.

Safety

The Company attaches importance to workplace safety and condition, as well as impact on employees' health. It has specified regulations, work procedures and work standards to ensure safety, and safety is regularly monitored and assessed in order to prevent and minimize damage to life and property of the Company, employees, trading partners and all related parties.

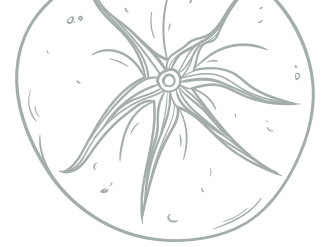
During 2018, the Company's injuries calculated based on total case incident rate (TCIR) was 0.99 injuries/100 employees/year, which was under the rate of 1.0 injuries/100 employees/year of organizations (or lower) with good safety standard.

Occupational health

As taking care of employees' health is deemed important, the Company has taken steps in this regard, starting from instilling knowledge and care for good health among them by:

- Posting on billboards information about illnesses from which employees frequently suffer.
- Inviting doctors to make presentations on diseases. On May 22, 2018, there was a presentation on "Tips on How to Overcome Office Syndrome", and on July 17, 2018, on "Stroke and Heart Diseases Among Working Age People".
- Organizing after-work exercising activities; e.g., aerobic dancing and ping pong games.





Workplace condition

Workplace conditions are subject to monitoring, consisting of measurement of heat, noise, lighting, air quality and chemicals, including dust generated from working activities. The purpose is to ensure that employees operate in a suitable environment, safe from impacts on their safety and health.



Safety promotion

The Company places emphasis on building on employees' potential through training activities organized to suit their job requirements and are applicable to their jobs. It also bears in mind their safety and good health. Examples are training courses in Supervising Skills, 5S for Productivity Improvement, Basic Fire Training, Fire Drilling and the Use of Necessary Equipment. A good working conditions are created. Love and a sense of unity are promoted among employees through joint relationship-strengthening activities as well as helpfulness among them like they are in the same family.

5. Responsibilities for consumers

The business of the Company is based on ethics and morality. With no infringement of intellectual property, the Company is determined to create food innovations through the use of technologies and modern machinery in the production processes. At the same time, human resources are developed for enhancement of knowledge and expertise to respond to market and customer requirements. The Company also strictly upholds business ethics concerning protecting privacy and confidential information of customers at all levels.

Responsibility for food quality and safety

Quality management starts from product R&D based on customer requirements and legal and regulatory requirements of the country in question, the results of which are used in product design. After completion of prototype development, every step of the production process is under meticulous care, from selection of quality raw materials, raw material cleaning, raw material contamination control, production, packaging, and transportation. Control of quality, cleanliness and safety is considered important to arriving at food products with best quality and maximum safety – which is the heart of the business. The company also maintains international standard certifications, such as:

1. Quality management system (ISO 9001 : 2008)
2. Good Manufacturing Practice : GMP





3. Hazard Analysis and Critical Control Point : HACCP)
4. British Retail Consortium (BRC) from which The Company received traceable certification and is regularly audited for food quality and safety.

In consideration of consumers' opportunities and physical protection, the Company has procured product liability insurance with domestic and international coverage on a continuous basis.

Responsibility for marketing communication/promotion of nutritional knowledge

- The focus of the Company's marketing communication, advertising and public relations is on provision of accurate, complete and truthful information.
- The Company's labelling is in accordance with international practice as required by the Office of the Consumer Protection Board (OCPB) and the requirements of the country to which the products are exported to ensure that consumers are provided with accurate information.
- Accurate information is displayed on the labels, such as nutrition fact or the guideline daily amount (GDA) or information specific to rice products (e.g., Gluten Free, Low Fat, Low Calories or No pre-servatives). Such displayed information resulted from scientific testing by standardized laboratories certified by the Food and Drug Administration of the Ministry of Public Health.
- Labels of products containing allergens, however small the amounts are, display accurate, clear and sufficient information to assist consumers in making comparisons and buying decisions.
- Measures are also in place to verify and prevent allergen contamination.
- The Company provides a space showing telephone numbers of the Customer Relation Department for domestic toll-free calls or regular calls from abroad for consumers to make inquiries regarding products and to facilitate their notification to the Company of product problems found. Officials of the Department have been trained in correct procedure for providing service with proper etiquette in a friendly manner.
- The labels also display manufacturer information and the company website as additional channels for contact and inquiries.

Complaint handling procedure and complaint logging systems

The Company provides various channels to receive comments, criticisms and complaints from customers or consumers and responds to complaints in a speedy and efficient manner. Customer relation services are provided through the Company website www.mama.co.th. and the Call Center: 662-374 7955.

In 2018, there were no records of significant customer complaints. General complaints were used for analyses to identify causes and deficiencies in order to take company-wide measures to resolve them and prevent them from recurring.

6. Care for the Environment

● Good factory management

The focus is on taking care and checking of the factory to ensure that it is in good order and well maintained.

- Regular checking and maintenance of machinery and equipment
- Prevention of accidents which may be caused by the equipment, ensuring appropriate conditions of the lighting systems.
- Cleaning service to get rid of dust and dirt, including cleaning of the ventilation system.





- Keeping materials, equipment and goods in good order for convenience.
- Proper segregation and collection of waste.

- **Pollution prevention**

Impact assessment covers the whole product life cycle, from acquisition of raw materials, the use of raw materials, waste generation, to finished products. Appropriate work procedures are put in place, measures taken and projects implemented to minimize or prevent impacts on the environment.

- **Environmental Management System**

The Company recognizes its responsibility for the environment and attaches importance to it, strictly complying with relevant laws and regulations issued by relevant agencies. Importance is also attached to conservation of the environment at every stage of its operation, adhering to ISO-14001. Employees at every level are trained in proper care of the environment.

Fully aware of the impacts on the environment of the production processes which may potentially cause damage to communities and the business, the Company has taken measures to treat waste before it is discharged to the environment. Risks associated are constantly prevented and monitored. Examples are recycling of waste water for use in the factory, treatment of exhaust air from fuel combustion before it is discharged to atmosphere, measures for prevention of leakages of chemicals and fuel oil, and ordering coals packaged in big bags to reduce floating of coal dust.

Such measures, coupled with the Company's determination to develop its factories to international standards, resulted in certifications by several international standard certification bodies, such as ISO 14001 and carbon footprint labelling certification.

Natural resources conservation

Conservation has been made part of the Company's natural resources utilization management policy, along with utilization for maximum benefits. Natural resources conservation is therefore part of the Company's operation in compliance with requirements of relevant laws and regulations. Actions will continue to be taken in an appropriate manner to improve efficiency in energy utilization. Appropriate technologies and good practices will be employed for this purpose. Energy conservation is considered a responsibility of the proprietor, executives and employees at all levels who are expected to render cooperation in execution of this policy.

During 2018, the Company set a target for energy utilization for each product for use as a guideline in controlling energy consumption. Energy conservation measures were prescribed for each unit, with emphasis placed



on achieving the energy consumption targets together, from the organization level, down to the production unit level. Projects were also launched to reduce energy consumption as follows:

- **Machinery Improvement Project**
 - Improvement of the solar collector for water heating
 - Constant monitoring and maintenance of the steam distribution system and steam trap insulation jackets
 - Constant monitoring and maintenance of air diffusion and compression systems
 - Monthly inspection and maintenance of water faucets and pipes
 - Controlling scheduled condensate recovery
- **Promotion and instilling energy conservation awareness**
 - Energy conservation campaigns; e.g., switching off air-conditioners 15 minutes before lunchtime and getting off work, and keeping the temperature around 25-26° C.
 - Training/campaigns for employees at all levels to recognize the significance of energy conservation
 - Organizing the SHEE Day activities to promote awareness of the importance of occupational health and safety and conservation of energy and the environment.

Management of water pollution

Importance is attached to control of water pollution. All wastewater generated in the production processes goes to the factory's wastewater treatment system. The Company uses the activated sludge process (AS) in treating all wastewater from the factories to standard quality as specified by the Ministry of Industry. Treated wastewater is randomly tested by privately run laboratories authorized by the Department of Industrial Works on a monthly basis.

The Company also promotes the use of treated water with plants in green areas of the factories and for cleaning roads/rainwater drainage in factory areas.

Unused treated water is pump into natural wastewater swamps with large capacity within the factory vicinity.

Management of industrial waste

Garbage and useless materials produced in the Company's operations are collected and disposed of properly to prevent contamination in the environment. They are sent to private companies authorized by the Department of Industrial Works for proper disposal.

- **Climate change**

The Company has in place systems to prevent and control gas emissions, including multi cyclone dust collectors and wet scrubbers, which are efficient systems capable of eliminating 90-95% of dust and pollution gases. Regular monitoring of the air quality reveals test results all meeting set standards.

7. Company innovations

The Company firmly believes that innovations will add value to products and services by meeting expectations of customers and consumers. They will also add to the Company's competitiveness and enhance its sustainability. The Company's revenue in 2018 rose from 2017 obviously as a result of innovative products which met consumers' expectations and the regular sales promotion campaigns for both old and new products, leading to satisfactory business growth.



- **Innovative products**

Noodles The Company in 2018 saw continuation of the trend for popularity of Korean foods, particularly among customers with strong purchasing power, who were looking for something new, delicious, with good quality and value for money albeit at higher prices. Noodle products in the OK Series (hot Korean and fried shrimps in tom yum sauce flavor) were therefore developed with good quality wheat flour to make bigger noodles which are soft and gentle to eat in Korean style, with spicy taste well-liked by teenagers and working age people.

Vermicelli and rice noodles The Company has developed instant rice noodles with "Cup instant rice noodles spicy Leng soup flavor". The product comes in a new modern package design attracting new generations. The noodles are soft yet glutinous. Fresh green chilies are used, giving consumers a feeling of eating newly cooked food like what is served at noodle shops. The product is good for people looking for delicious food that comes in the right portion, not too big.

Biscuits Several products in this category were developed such as Bissin Butter Coconut of which package was redesigned and which now comes in a flexible pack with gold as the background color to have a look of an attractive premium product.

Honey Snack Biscuit - Stick Type This salty snack is good for people who do not like sweet things, going very well with a variety of drinks. It comes in three flavors: oregano, butter garlic and shrimp tom yum.

Thai fruit flavor wafer This product is very successful and has reached the export market. The secret lies in the use of flakes of a variety of fruits popular among Chinese consumers, flavored with crème. Bissin brand wafer comes in six flavors: durian, mangosteen, longan, mango, banana and pineapple.

- **Green innovations**

The Company recognizes problems arising from climate changes, necessitating everyone in the country to join hands in taking care of the environment. As a result, the Company has been conducting carbon labelling for instant vermicelli and noodles every year. It has also adopted a policy to use more recycled packages and less plastic, to the maximum extent possible.

- **Production innovations**

Artificial intelligence (AI) is now a center of attention in today's world. The Thai government has announced a policy of Thailand 4.0. The Company is considering using AI, initially by trying to use robots in place of humans for repetitive jobs which take an extended period of time, in order to solve labor shortage problems, work-related sickness, errors caused by fatigue due to repetitive work over an extended period of time and for steadiness and precision. A production line in a factory in Lamphoon Province has been selected as a model line, a pilot project for employment of appropriate technologies for further development. Upon satisfactory evaluation, the project will be replicated in other factories.





8. Participation in community and social development activities

The Company has adopted a policy of running the business in parallel with working with communities and society, with emphasis placed on improving the quality of life of the less privileged, education, youths, environment conservation, the quality of life in communities, sustainable co-existing with communities, conservation of local traditions and culture, support for important religious events and participation in solving community problems. Employees are also encouraged to participate in social development activities on every possible occasion.

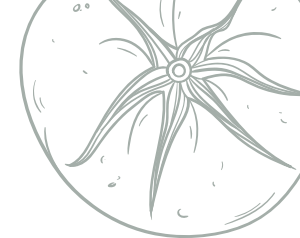
1. Improvement of the quality of life of the less privileged The Company recognizes the importance of improvement of the quality of life of the less privileged by assisting them in their pursuing independent careers to support themselves and their families as well as to make good use of their spare time, thus creating value for themselves.

• Activities in promoting and improving the quality of life of the handicapped

During 2018, the Company joined the efforts in promoting and improving the quality of life of the handicapped under the Empowerment Of Persons With Disabilities Act, B.E. 2550 (2007). The support was in the form of provisions of 23 entitlements for the handicapped as follows:

- Air-conditioner repairmen: 5 entitlements
- Painter: 2 entitlements
- Employment by the Foundation for the Welfare of the Mentally Retarded (7 entitlements)
 1. Panyawutikorn School (3 entitlements)
 2. Klongtoey Community Center For Pre-school Mentally Retarded (1 entitlement)
 3. Tung Song Hong Community Center For Pre-school Mentally Retarded (1 entitlement)
 4. The Light House Training Center for the Mentally Retarded (1 entitlement)
 5. Patanapunya (1 entitlement)
- The Social Innovation Foundation Project (9 entitlements):
 1. Nikhom Phatthana Handicapped Club, Lampang Province (Community Shop Group Year 2) 4 persons
 2. Lopburi Panaynukul School Network (Saori Weaving Project) 3 persons
 3. The Daughters of Charity Foundation Network (Organic farming and catfish raising) 2 persons





- **The 1st – 11th Voluntary Project for the Development of New Born Infants to Five-Year-Old Children Project**

The Voluntary Project for the Development of New Born Infants to Five-Year-Old Children Project was implemented for 50 children of the Foundation for Slum Child Care at Ban Hang Kwam Wang (Home of Hope) on Soi Onnut 88, Bangkok in 2018 and the project is executed on a continuous basis.

Date	Voluntary activities
January 25, 2018	Singing, dancing and paper bird making
March 22 , 2018	Creative stucco painting
April 26, 2018	Flowers and joy
May 24, 2018	Lovely kid cards
June 21, 2018	Little dinosaurs
July 26 , 2018	Fancy raincoats
August 23, 2018	DIY for kids, Snake game
September 25 , 2018	Bird of paradise
October 31 , 2018	Painting class
November 29 , 2018	Cartoon crowns
December 26, 2018	Mini New Year Party

One of the project's objectives is to enable the children to have social interaction with other children of their age, proper development - physically, emotionally, mentally and socially. Those with development delays are helped by development stimulation and those with severe abnormality are properly treated. This is to help these children grow up as quality adults. Another objective is to help them to have good health and active physical movement, to be able to help themselves, to be in a good mood, to know how to control their emotion, to be able to get along with others, to have self-confidence, to be assertive, to be able to concentrate, to have high IQ and EQ, to have good mental health and to be interested in learning from their environment.





2. Education and youth development Importance is attached to youth development for their growing up to be quality adults.

- **“Saturday School Season 7”**

MAMA instant noodles and Homey biscuits were provided as snacks for the learning activities under the “Saturday School Season 7” Project 2018, with duration from November 3, 2018 to February 9, 2019. Nine schools took part in the activities; namely, Kaenthong Upathum School, Pianpin Anusorn School, Chaeng Ron Withhaya School, Mathayam Wat Dusitaram School, Wat Pathum Wanaram School, Wat Koh Suwannaram School, Wat Angkaew School, Rajawinit Prathom Bangkae School, and Wat Duang Khae School,

The Saturday School Project was initiated by people of younger generations who established the Saturday School Foundation with the objective of promoting and developing Thailand’s education by supplementing the regular curriculum. This offers an opportunity for less privileged students in Bangkok to reach their highest potential, both physically and mentally, and to make their dreams come true by conducting learning activities in areas of their interest. Supporting youth educational activities is considered one way to contribute to social sustainability as it can help youths to develop themselves into good, competent adults with adequate potential to lead a good life in society.



- **The 21st Sahapat Admission” activity: Tutoring for University Entrance Examinations**

The Company, in cooperation with other companies in the Sahapat Group by the MAMA, Bissin, Mont Fleur and Richesse products, and led by Khun Vathit Chokwatana, a Company Director, launched the “21st Sahapat Admission Project” with duration from October 1 to 6, 2018 at the University of the Thai Chamber of Commerce (UTCC). The project featured techniques for sitting entrance examinations presented by famous tutors, idols and current students of leading universities sharing their knowledge and personal experience.





3. Conservation activities A variety of activities were conducted together with communities in recognition of the importance of environmental care, as follows:

- **Labor Day Reforestation Activity at Wat Khao Chamao, Rayong Province**

On April 28, 2018, the Company joined the Rayong Provincial Labour Protection and Welfare Office in conducting social contribution activities by repainting monk's living quarters and the old main hall, improving toilets and cleaning, as well as planting trees, at Wat Khao Chamao, Rayong Province. Several local companies also participated in this activity, which helped strengthen relationships among business operators in the province.



- **Reforestation activity at Ban Paplu School**

On June 8, 2018, the Company and the Suelamphun News and allies (the local Red Cross Chapter, Big C, the Sahacogen Green Co., Ltd., and the Provincial Electricity Authority) jointly conducted activities for children of Ban Paplu School, Lamphun Province. Apart from recreational activities for the 91 school boys and girls from the kindergarten level to Grade 6, homegrown vegetables were planted for their lunches.

- **Check dam construction**

On August 25, 2018, representatives of the TF Sriracha Factory participated in the check dam construction project in cooperation with the Eastern Industrial Pollutions Research and Warning Center and the IRPC Off Road Club. The activity was conducted in watershed forest areas near Samnak Chamot Mountain, which is located between the Research and Warning Center and Khao Khieo-Khao Chomphu Wildlife Sanctuary. The check dams were constructed at the foot of the mountain and at the waterfall up on the mountain. Such dams can increase the ground water level in the area, reduce aridity and reduce forest fire occurrence.



4. Improvement of the quality of life in communities





Importance is attached to improvement of the quality of life of community members, particularly those living in remote areas far from modern convenience. In order to enable communities to exist in society appropriately and peacefully without causing social burden or problems, the Company has been promoting and supporting communities in the form of basic necessities to help improve the quality of life for strength and sustainability.

- **Activities on the National Children's Day conducted with the Federation of Thai Industries Ratchaburi Chapter**

On January 13, 2018, the Company and the Federation of Thai Industries Ratchaburi Chapter joined the Children's Day activities held at the park beside the Gymnasium of Muang District, Ratchaburi Province. The Company provided lunch and drinks, such as brown rice vermicelli and pork balls in clear soup, DeeDo fruit juice, and ice cream. Employees of the Company also took part in the activities and organized various fun events for the children, including competition for prizes.



For the organization and the country to prosper on a sustainable basis, it is extremely necessary that the starting point be development of youths so that they can develop their learning potential and grow up to be individuals who are healthy physically, mentally and intellectually and then lead society to sustainable happiness. The Company organized the 10th "Sharing for the Young" Project on January 6, 2018 at Ban Nong Hang School in Nong Ya Sai District, Suphan Buri Province. The executives and employees donated sports equipment and school kits and hosted snacks for the school children. 150 sets of instant noodles and biscuits were also presented on the occasion of the 2018 National Children's Day, along with a cash donation of 45,000 Baht for the school's rain curtain construction.

- **"Huayphrab Games"**

The Company provided Bissin products for the annual sport event "Huayphrab Games" of Huayphrab School on February 2, 2018. Representatives of the Company had the honor to present the awards to the winners of the event.

- **"Sharing for the Young" Project**





- **“From the Elder to the Younger” Project**

The Company participated in the “From the Elder to the Younger” Project at Ban Tao Pun Hai School in Tambon Song Salung, Klaeng District, Rayong Province, during February 10-11, 2018. Arrangements were made for volunteers to conduct activities to improve the school, such as painting of sports equipment, procurement of exercise equipment and presentation of school kits and sports equipment to the school. The activity was part of building good relationship with communities.



- **Flea market for donations to local school**

The Company organized a flea market for 2018 on November 1, 2018 at the TF Sriracha Factory. Employees participated in the event by selling used items and making cash donations. A total of 16,588 Baht was raised and donated to Thungsuklapittaya Krungthai Anukroh School in Si Racha District, Chonburi Province on November 16, 2018, for use in renovating and remodeling the canteen.

5. Conservation of local traditions and culture The Company recognizes the importance of conservation of local traditions and culture and supported and conducted various community activities.

- **Thot Pha-pa activity to raise funds for construction of monk's living quarters roof at Wat Nong Hu Chang**

A Thot Pha-pa activity was conducted on February 3, 2018 to raise funds as a contribution to construction of monk's living quarters roof at Wat Nong Hu Chang, Ban Pong District, Ratchaburi Province. Donations from executives and employees totaled 7,760 Baht.



- **Alms canteen activity for group ordination (19th year)**

For preservation and promotion of Buddhism, the Company made contributions to the alms canteen activity for group ordination and presented scholarships to students of Wat Noen Dong in Tambon Nong Kham, Si Racha District, Chonburi Province, on June 24, 2018. Donations for the canteen totaled 4,153 Baht and another 5,000 Baht was donated for hosting the ordination of one person.



- **Buddhist lent candle offering at Wat San Luang**

On July 19, 2018, the Company organized an activity to offer Buddhist lent candles and basic necessities to Wat San Luang. Cleaning of the temple was also performed. Khun Suchada Paniangvait and Company employees had jointly cast the candles for the ceremony. A Pha-pa donation of 10,220 Baht was also presented to the temple for construction of the temple gate.

- **Buddhist lent candle offering activity**

On July 24, 2018, the TF Sriracha Factory held an activity to offer Buddhist lent candles to Wat Noen Bunyaram (Wat Ton Ma Muang) in Tambon Thung Sukla, Si Racha District, Chonburi Province. Donations from employees totaled 8,310 Baht.



- **Buddhist lent candle offering at Wat Noen Tong**

To preserve the Thai Buddhist lent tradition, the Company participated in the Buddhist lent candle offering at Wat Noen Tong. Also joining the activity were executives, supervisors and employees. Apart from candles, rains cloth and basic necessities were presented. The activity took place at Wat Noen Tong, Si Racha District, Chonburi Province, on July 26, 2018.

- **Kathin ceremony at Wat Phung Luang**

On November 10, 2018, the Company organized a kathin ceremony to make a contribution to the construction of a main hall of Wat Phung Luang, Tha Maka District, Kanchanaburi Province. Donations totaling 86,455 Baht were made by executives and employees of the Company.





6. Public charitable activities for society and communities The Company promotes voluntary activities for society and communities conducted by the employees and provides support for such activities as follows:

- **Organizing the “Mama Cup Go International Championship 2018”**

The Company and other companies in the Sahapat Group, Mr. Suwit Kingkaew, Secretary General of the Go Association of Thailand and Mr. Somkiat Witayasirikul, Director and General Manager of Central Plaza Rama 2, jointly organized the “Mama Cup Go International Championship 2018” for a trophy from Her Royal Highness Princess Maha Chakri Sirindhorn during August 18-19, 2018. The objectives of the competition were to offer an opportunity for Thai go players to compete with professional players from other countries in order to develop themselves and their IQ and EQ, to learn to think and solve problems systematically, and to learn to lose and forgive. Over 600 go players from 10 countries (Thailand, Japan, Germany, Spain, South Korea, China, Vietnam, Ireland and the United States) participated in the event, which was held at Central Plaza Rama 2.



- **“ MAMA RUN 2018”**

The Company and other companies in the Sahapat Group joined hands in organizing the “MAMA RUN 2018” Walkathon on Sunday October 7, 2018, at Suan Luang Rama IX (also referred to as Rama IX Park) with the objectives of encouraging everyone to run for health and raising funds for the Dr. Thiam Chokwatana Foundation for charitable educational and public interest use as well as for school lunch projects.





- **Quarterly blood donation activity**

The Company, in cooperation with Blood Donation Center 4, Ratchaburi Province, of the Thai Red Cross Society, conducts a quarterly blood donation during 09.00 – 12.00 hrs. at the Training Room of the Ban Pong Factory. Employees of the factory donate blood on a regular basis. Each time, the District Office and member of the Red Cross Chapter would visit the place to give morale support. In 2018, three activities were conducted (on February 6, June 13, and October 16). There were no fewer than 35 donors each time.



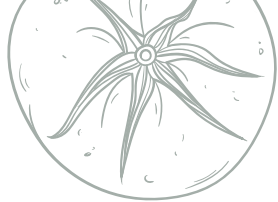
- **Donations for construction by the Foundation for the Welfare of the Mentally Retarded of Thailand**

On August 24, 2018, the Company's executives and employees presented donations for construction of a three-story building of Punyawuthikorn School of the Foundation for the Welfare of the Mentally Retarded of Thailand.

- **Non-winning lottery ticket activity**

Every month, many employees just throw away their non-winning lottery tickets. An activity has therefore been organized by the Company whereby non-winning lottery tickets are accepted and forwarded to the Wat Huay Mu Center for Special Needs Child Development. Donated non-winning lottery tickets are then made into "dok mai chans" (artificial flowers used for cremation) and wreaths to raise funds for the Center – a good way to reuse garbage to generate income for others).





- **Unused computer donation activity**

Company computers are subject to replacement on a periodic basis. As a result, there are a large number of useable computers left unused. Five were donated to Wat Pa Sak School in Tambon Pa Sak, Muang District, Lamphun Province for school children to gain additional knowledge through the use of the Internet.



- **Parachute rice transplanting activity**

The Company, in cooperation with other companies in the Sahapat Group, participated in a parachute rice transplanting activity held at the Learning Center of the Dr. Thiam Chokwatana Sufficiency Farming Project in Saha Group Industrial Park, as part of the Pracharath United Forces Fair. The opening of the event was presided over by Mr. Ansit Samphantharat, Lamphun Governor. Khun Suchada Paniangvait, Lamphun Factory Manager and employees jointly transplanted rice by parachute method, to promote the sufficiency economy way of life.

- **Donation of garbage bins to schools**

Recognizing the importance of garbage segregation and the need to make children understand this matter, the Company provided three types of garbage bins, 15 altogether, to Thungsuklapittaya Krungthai Anukroh School, Wat Phra Pratanporn School, Wat Pibul Sanhatam School, Wat Jukkachur School and Wat Nong Khla School (three bins each). Supplementary activities and garbage segregation games were also featured.



Report from the Audit Committee 2018



To Shareholders of Thai President Foods PCL.,

The Audit Committee of Thai President Foods PCL consists of 3 Independent Directors, who have the qualifications and the scope of responsibilities as required by the Regulations of Stock Exchange of Thailand (SET). The Audit Committee held 7 meetings in 2018, as detailed below.

Name	Position	Meeting Attendance / Total Meeting
1. Dr. Kulpatra Sirodom	Chairman of the Audit Committee	7/7
2. Thanpuying Angkab Punyashthiti	Member of the Audit Committee	7/7
3. Mr.Chaiwat Maraprygsavan	Member of the Audit Committee	7/7

The Audit Committee of the Company has service term of 1 year, and Ms. Ariya Tangcheevinsirikul has been the Secretary of the Committee. The Audit Committee held 7 meeting in 2018, and closely worked with the Executives, Internal Audit, and External Auditor on relevant matter. In a meantime as deemed appropriate, the Audit Committee discussed with the External Auditors without presence of the Executives in order to review the scope of duties and responsibilities as prescribed in the Charter of the Audit Committee, and to conduct Self Assessment. In addition the Audit Committee has performed duties as assigned by the Board of Directors, and submitted report of the Audit Committee to the Board on quarterly basis as summarized below;

- 1) Review quarterly and annual financial statements of the Company to ensure that these financial statements are accurate and comply with generally accepted accounting standards, and to ascertain that these financial statements disclose sufficient and faithful information. Additionally, the Audit Committee has reviewed Key Audit Matter(KAM) to be done in the Auditor Reporting in 2018 with the External Auditor.
- 2) Review risk management policy, and consider action plan for Corporate Risk Management. The Audit Committee has held the meetings with Risk Management Committee and Sub-Committee to ascertain the effectiveness and suitability of risk management of the Company, and has provided recommendation to improve our risk management.
- 3) Review effectiveness of Internal Control of the Company. The Audit Committee has worked with Head of Internal Audit Department to evaluate the sufficiency of Internal Control System on key operations, and resource utilization of the Company on annual basis. In addition, the Audit Committee has also reviewed Internal Control of the Company with regard to Accounting and Financial matters, protection of Company's asset, compliance with relevant laws and regulations according to the principle of Checking and Balance Principle to safeguard benefit of stakeholders efficiently to ensure our business achievement.
- 4) Supervise Internal Audit operation. The Audit Committee shall review annual internal audit plan, monitor actual operations to be in schedule, and follow up the auditing results every quarter. The Audit Committee has provided recommendation upon such Auditing Report, and followed up the corrective action plan on significant issues to ascertain good corporate governance and adequate internal control. In addition, the Audit Committee has reviewed the independence of the Internal Audit department, as well as the appointment, transfer, dismissal, and evaluation of Head of Internal Audit or other related Auditing Departments to be taken in an appropriate manner.



- 5) Review Connected Transactions. The Audit Committee has reviewed connected transactions of the Company to be taken in compliance with the Regulations of Stock Exchange Thailand and Securities and Exchange Commission, and these transactions are made for best benefits of the Company. The connected transactions must be conducted under normal commercial condition by considering the benefits of all related stakeholders to prevent the possible conflict of interest. The Audit Committee shall monitor the Company to disclose accurate and complete information of Connected Transactions. The Audit Committee is of the opinion that such transactions represent normal business undertaking, and comply with the relevant rules and regulations.
- 6) Appoint the External Auditors of the Company. The Audit Committee shall select the qualified External Auditors and consider their remuneration by taking into account of their knowledge, professional competency, independence, past auditing performance, and the suitable audit fee. The Audit Committee proposes to the Board of Directors to appoint the auditors from E Y Company Limited to be the External Auditor of the Company for the year 2018, and the appointment of External Auditors has been already approved by the General Shareholders' Meeting in 2018.
- 7) Review business operations to be in compliance with the Securities and Exchange Act, rules and regulations of Stock Exchange of Thailand and Securities and Exchange Commission, and other relevant laws. The Audit Committee is of the opinion that the Company undertakes business operation properly and complies with all relevant rules and regulations.
- 8) Encourage good corporate governance principles in the Company. The Audit Committee has reviewed the corporate governance policy of the Company to be in line with the guidelines given by the Stock Exchange of Thailand and Securities and Exchange Commission. In addition, The Audit Committee has performed their duties and responsibilities as prescribed in the Charter of the Company with carefulness and sufficient independence.
- 9) Supervision of anti-corruption measures by focusing on improving the Company's internal control system to ensure that the Company has an internal control system covering anti- corruption or has the risk of likely corruption with minimal impact on the financial position and the operating results. The Company has been certified as a member of Private Sector Collective Action Coalition Against Corruption, which demonstrates a commitment to anti-corruption in all forms. The Audit Committee acted to review the results of evaluation according to the self-assessment form relating to anti-corruption measures of the Company under the project of Private Sector Collective Action Coalition Against Corruption in accordance with the principles of good corporate governance for listed companies.

In summary, the Audit Committee has performed duties as prescribed in the scope of duties and responsibilities, and is of the opinion that financial statements of the Company in 2018 are accurate, reliable, and in compliance with generally accepted accounting standards. The Company has conducted appropriate Risk Management and efficient Internal Control to be suitable to nature of business, The Company has disclosed adequate information of Connected Transactions which may cause conflict of interest, and comply with the regulations of Stock Exchange of Thailand and any other relevant laws. The Audit Committee has fulfilled duties and responsibilities as prescribed in the Charter of the Audit Committee, and found no significant deficiency or any abnormal matters.



Dr. Kulpatra Sirodom
Chairman of Audit Committee

February 25, 2019

Report of the Nomination and Remuneration Committee 2018



To the Shareholders of Thai President Foods PCL.,

The Board of Directors of Thai President Foods PCL. has appointed the Nomination and Remuneration Committee consisting of 3 Directors and having service term of 1 year. The Nomination and Remuneration Committee held 2 meetings in 2018, and attended the meeting as per following details,

Name	Position	Number of Meeting Attendance/Total Meeting
1. Mr. Boonsithi Chokwatana	Chairman of the Nomination and Remuneration Committee	2/2
2. Mr. Pipat Paniangvait	Member of the Nomination and Remuneration Committee	2/2
3. Mr. Chaiwat Maraprygsavan	Member of the Nomination and Remuneration Committee	2/2

In 2018, the Nomination and Remuneration Committee performed duties as assigned by the Board of Directors as per following details,

Nomination

1. To select the Members of the Board of Directors by taking into the consideration of knowledge, abilities, skills, experience, and expertise in various professional areas in compliance with the regulations of the Company, and any other relevant rules and regulations.
2. To propose the qualified person to the Board of Directors for approval

Determination of the Remuneration

1. To determine the remuneration for the Members of the Board of Directors, and Sub-Committee by taking into the consideration that such remuneration shall be commensurate with the responsibilities to be assigned, overall performance of the Company, and the comparable remunerations of the other companies in the same business.
2. To propose the appropriate remuneration for the Members of the Board of Directors, and Sub-Committee to the Board of Directors for approval

In summary, the Nomination and Remuneration Committee has completely fulfilled duties and responsibilities as prescribed in the Charter of the Nomination and Remuneration Committee.

Mr. Boonsithi Chokwatana

Chairman of the Nomination and Remuneration Committee

January 16, 2019



Report of the Risk Management Committee 2018



To Shareholders

The Board of Directors of Thai President Foods Public Company Limited (the Company) resolved to appoint the Risk Management Committee (RMC) in the meeting No. 4/2018 on April 25 2018 and appointed 1 additional member of the Risk Management Committee. As a result, currently, the Risk Management Committee comprises 5 members with Prof. Dr. Visit Chavasit as chairman of the Risk Management Committee / independent director, Mr. Suchai Ratanajiaroen, Dr. Poj Paniangvait, Miss Pojjana Paniangvait and Ms. Hatairat Kwangchit-Aree as members of the Risk Management Committee, who are expert and experienced in various tasks related to the Company's business. Mr. Arthorn Suanpo serves as the secretary of the Risk Management Committee.

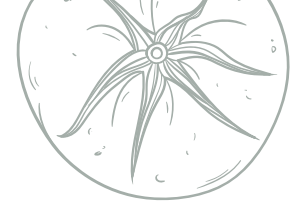
For the operational scope of the Risk Management Committee, the Board of Directors has determined that it shall conform to the Risk Management Committee Charter under the framework of Enterprise Risk Management (ERM) in consistency with the risk management approach according to international standards COSO ERM.

In 2018, the Risk Management Committee held a total of 4 meetings. The Risk Management Committee constituting a quorum attended all the meetings as follows.

Name	Position Meeting	Attendance / Total Meeting	
		2018 ⁽¹⁾	2017 ^(1,2)
1. Prof. Dr. Visith Chavasit	Chairman of Risk Management Committee	4/4	1/1
2. Mr. Suchai Ratanajiaroen	Member of Risk Management Committee	4/4	1/1
3. Mr. Poj Paniangvait	Member of Risk Management Committee	4/4	1/1
4. Ms. Pojjana Paniangvait	Member of Risk Management Committee	3/4	1/1
5. Ms. Hatairat Kwangchit-Aree ⁽³⁾	Member of Risk Management Committee	3/4	-

- Notes
- 1) The Risk Management Committee for the year 2017 included 4 members and 5 members for the year 2018.
 - 2) In 2017, there was a merger between the companies in October 2017. The number of attending the meetings was 1 time (from October - December 2017).
 - 3) Miss Hatairat Kwangjitaree was appointed as member of the Risk Management Committee in April 2018.





In 2018, the Risk Management Committee summarized the essence of duties as follows.

1. Determination and review of the enterprise risk management framework to be appropriate, consistent with the Company's strategic and operational plans in a state of changing economy
2. Review and appointment of the Risk Management Subcommittee comprising knowledgeable, competent personnel to represent various departments / factories as appropriate with Miss Potjana Phaniangwet as the Chairman of the Risk Management Subcommittee.
3. Review of the risk management policy to accord with the integrated corporate vision and mission (Corporate Risk) by stipulating the strategic goals and objectives of each strategy for work management to achieve the specified goals so as to ensure the management level's administration and measures to control or mitigate the risks concretely, which can be implemented actually in order for the risk factors to be in acceptable level.
4. Tracking and evaluation of management of each risk factor regularly. The Risk Management Sub-Committee of the Company has held the meetings to monitor and manage according to the risk management policy with Corporate Risk and Department Risk plans by presentation to the Risk Management Committee for the Risk Management Committee to consider and report to the Audit Committee.
5. Developing internal personnel to have knowledge and understanding on risk management to encourage Risk-Aware Culture in the organization

The Risk Management Committee has performed its duties and responsibilities stipulated in the Risk Management Committee Charter approved by the Board of Directors by deploying knowledge, capabilities and prudence for corporate governance, development and compliance with the policy under the risk management framework continuously and reporting the results of enterprise risk management to the Board of Directors for acknowledgment.



Prof. Dr. Visith Chavasit
Chairman of Risk Management Committee
January 22, 2019



Report of the Board of Director's responsibilities on the Financial Report



The company's Financial Statements have been compiled under the policies of the Board of Directors which are in compliance with the generally accepted accounting principles, and to be cautiously recorded. Due circumspection of estimation has also been given in the preparation of the financial statements to reflect truthfully the company's performance.

Recognizing the essential of the quality of the financial statements, the Board of Directors then managed to provide reviewing of the financial data and sufficient information in the Notes to the Financial Statements and the Explanation and Analysis Report for the benefits of the shareholders and investors who seek access into the financial statements.

For this respect, the Board has appointed an Audit Committee, consisting of independent and non-executive directors, to directly oversee the quality of the financial statements. The Audit Committee's comments have already been shown in the Report of the Audit Committee in this annual report.

According to the effective administrative structure and internal control systems as well as the audit results of the certified public accountant, the Board is reasonably confident that the Company's financial statements as of December 31, 2018 have shown as essentially accurate picture of its financial status, performance and cash flow statements according to the Financial Reporting Standards.

Mr. Boonsithi Chokwatana
Chairman of the board

Mr. Pipat Paniangvait
Vice Chairman and Chief executive officer



Independent Auditor's Report



To the Shareholders of Thai President Foods Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Thai President Foods Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2018, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thai President Foods Public Company Limited.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai President Foods Public Company Limited and its subsidiaries as at 31 December 2018, and their financial performance and cash flows for the year then ended and the separate of Thai President Foods Public Company Limited, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.





Revenue recognition

The Group disclosed accounting policies for revenue recognition in the Note 4.1 to the financial statements. The amounts of the group's revenue from sales represented significant amounts in the financial statements, and directly affect profit or loss of the Group. In addition, there are both domestic and export sales with a variety of conditions in the revenue recognition. As a result, there are risks with respect to the amount and timing of revenue recognition. I therefore gave significant attention to the revenue recognition of the Group.

I assessed and tested the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I applied a sampling method to select sales transactions to assess whether the recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy. On a sampling basis, I examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period. I also reviewed of credit notes that issued after the period-end. In addition, I performed analytical procedures of disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Information

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

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.



In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.

Sarinda Hirunprasurtwutti

Sarinda Hirunprasurtwutti

Certified Public Accountant (Thailand) No. 4799

EY Office Limited

Bangkok: 25 February 2019



Statement of financial position

Thai President Foods Public Company Limited and its subsidiaries
As at 31 December 2018



(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Assets					
Current assets					
Cash and cash equivalents	6	3,876,093,388	2,777,379,202	2,536,358,971	1,283,163,852
Current investments	7	4,111,480,853	5,515,714,068	1,983,525,555	4,521,982,325
Trade and other receivables	8, 9	3,693,643,388	3,625,820,272	2,227,966,641	2,261,712,812
Short-term loan to related parties	9	47,636,000	1,000,000	1,000,000	1,000,000
Short-term loan to unrelated parties	10	250,000,000	-	250,000,000	-
Inventories	11	1,375,926,001	1,352,540,987	577,417,518	481,497,275
Other current assets		38,498,758	61,118,628	817,835	671,891
Total current assets		13,393,278,388	13,333,573,157	7,577,086,520	8,550,028,155
Non-current assets					
Restricted bank deposit	35.2	53,399,370	36,348,041	-	-
Investments in subsidiaries	12	-	-	3,426,593,446	1,365,829,127
Investments in associates	13	2,669,540,735	1,533,501,523	252,095,575	255,273,469
Investments in joint ventures	14	29,356,950	28,831,792	-	-
Investments in other companies	15	194,445,503	206,777,254	78,945,503	91,277,254
Other long-term investments	16	5,601,376,714	5,133,555,544	4,045,394,365	3,330,686,940
Advance payment for investments					
in related parties	12	-	77,358,968	294,707	294,707
Investment properties	17	98,257,750	98,257,750	123,227,985	124,992,980
Property, plant and equipment	18	8,564,574,232	8,790,563,837	2,375,785,065	2,530,651,283
Downpayment for purchase of machinery		52,883,576	16,804,293	-	-
Other intangible assets	19	36,747,158	40,305,955	17,104,962	22,429,427
Leasehold rights		617,486	929,986	-	-
Goodwill	34	45,824,048	5,535,124	-	-
Deferred tax assets	28	63,876,966	31,199,817	33,641,081	15,391,377
Other non-current assets		37,395,246	29,625,307	10,954,007	3,159,158
Total non-current assets		17,448,295,734	16,029,595,191	10,364,036,696	7,739,985,722
Total assets		30,841,574,122	29,363,168,348	17,941,123,216	16,290,013,877

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



Statement of financial position (continued)

Thai President Foods Public Company Limited and its subsidiaries
As at 31 December 2018



(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	9, 20	1,933,284,482	1,787,564,304	1,213,637,460	1,080,584,347
Current portion of liabilities under					
finance lease agreements	9, 21	65,882,600	82,664,625	1,254,029	1,546,986
Income tax payable		306,751,078	242,659,374	170,834,458	131,741,364
Accrued bonus		312,920,052	159,252,086	169,286,224	31,205,220
Advance receipt from non-controlling interests					
for investments in a subsidiary		42,282	2,690	-	-
Other accrued expenses	9	332,579,448	285,022,734	137,421,735	98,037,805
Other current liabilities		52,012,021	70,376,800	22,749,568	45,166,005
Total current liabilities		3,003,471,963	2,627,542,613	1,715,183,474	1,388,281,727
Non-current liabilities					
Liabilities under finance lease agreements					
- net of current portion	9, 21	45,825,460	93,827,430	-	1,254,030
Long-term loans from director	9, 22	71,391,764	77,983,946	-	-
Long-term loans from employees	22	39,547,138	39,626,763	-	-
Provision for long-term employee benefits	23	797,541,413	806,610,129	558,967,449	564,144,601
Other non-current liabilities		60,838,018	60,369,697	57,340,835	57,340,835
Total non-current liabilities		1,015,143,793	1,078,417,965	616,308,284	622,739,466
Total liabilities		4,018,615,756	3,705,960,578	2,331,491,758	2,011,021,193

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



Statement of financial position (continued)

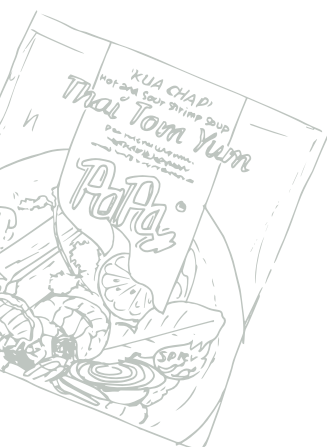
Thai President Foods Public Company Limited and its subsidiaries
As at 31 December 2018



(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital	24				
Registered share capital					
329,704,014 ordinary shares of					
Baht 1 each		329,704,014	329,704,014	329,704,014	329,704,014
Issued and fully paid-up share capital					
329,704,014 ordinary shares of					
Baht 1 each		329,704,014	329,704,014	329,704,014	329,704,014
Share premium		712,962,638	712,962,638	712,962,638	712,962,638
Surplus of investment over book value of subsidiary		(1,377,291,971)	-	-	-
Retained earnings					
Appropriated - statutory reserve	26	39,000,000	39,000,000	39,000,000	39,000,000
Unappropriated		20,995,297,855	18,459,462,598	14,265,217,854	12,849,640,150
Other components of shareholders' equity		200,129,400	336,109,880	262,746,952	347,685,882
Equity attributable to owners of the Company		20,899,801,936	19,877,239,130	15,609,631,458	14,278,992,684
Non-controlling interests of the subsidiaries		5,923,156,430	5,779,968,640	-	-
Total shareholders' equity		26,822,958,366	25,657,207,770	15,609,631,458	14,278,992,684
Total liabilities and shareholders' equity		30,841,574,122	29,363,168,348	17,941,123,216	16,290,013,877

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



Statement of comprehensive Income

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018



(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
		For the year ended	For the year ended	For the year ended	For the period as from
	Note	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Profit or loss:					
Revenues					
Sales	9, 29, 31	22,436,893,646	21,630,951,476	12,468,903,038	2,733,985,682
Other income					
Interest income		218,518,562	177,747,810	150,488,038	27,528,304
Rental income	9	2,740,223	1,748,034	11,754,018	2,429,775
Dividend income	9	56,595,294	35,215,803	535,984,717	2,681,494
Exchange gain		17,351,367	-	13,494,405	-
Others	9	152,007,742	160,497,098	71,746,941	24,154,755
Total other income		447,213,188	375,208,745	783,468,119	56,794,328
Total revenues		22,884,106,834	22,006,160,221	13,252,371,157	2,790,780,010
Expenses					
Cost of sales	9	14,528,325,434	14,354,551,571	9,014,983,146	1,988,575,391
Selling and distribution expenses	9	1,473,660,750	1,444,357,049	257,791,154	65,558,734
Administrative expenses	9	2,154,121,043	2,167,147,342	1,067,590,118	217,017,518
Total expenses		18,156,107,227	17,966,055,962	10,340,364,418	2,271,151,643
Profit before share of profit from investments in associates and joint venture, finance cost and income tax expenses					
		4,727,999,607	4,040,104,259	2,912,006,739	519,628,367
Share of profit from investments in associates and joint venture	13	217,364,126	212,014,950	-	-
Profit before finance cost and income tax expenses					
		4,945,363,733	4,252,119,209	2,912,006,739	519,628,367
Finance cost		(12,840,687)	(17,012,285)	(2,636,883)	(576,188)
Profit before income tax expenses		4,932,523,046	4,235,106,924	2,909,369,856	519,052,179
Income tax expenses	28	(590,005,745)	(430,425,546)	(327,274,742)	(38,120,502)
Profit for the year		4,342,517,301	3,804,681,378	2,582,095,114	480,931,677

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



Statement of comprehensive Income (continued)

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018



(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	For the	For the	For the	For the period
	year ended	year ended	year ended	as from
Note	31 December 2018	31 December 2017	31 December 2018	16 October 2017 to 31 December 2017
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	(38,530,948)	(24,021,453)	-	-
Gain (loss) on change in value of available-for-sale investments				
- net of income tax	28 (133,211,753)	295,680,084	(84,938,930)	46,897,114
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(171,742,701)	271,658,631	(84,938,930)	46,897,114
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss) - net of income tax	28 713,147	(11,558,134)	634,799	(15,031,992)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	713,147	(11,558,134)	634,799	(15,031,992)
Other comprehensive income for the year	(171,029,554)	260,100,497	(84,304,131)	31,865,122
Total comprehensive income for the year	4,171,487,747	4,064,781,875	2,497,790,983	512,796,799
Profit attributable to:				
Equity holders of the Company	3,404,402,103	2,853,491,087	2,582,095,114	480,931,677
Non-controlling interests of the subsidiaries	938,115,198	951,190,291		
	<u>4,342,517,301</u>	<u>3,804,681,378</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	3,269,095,674	3,111,383,541	2,497,790,983	512,796,799
Non-controlling interests of the subsidiaries	902,392,073	953,398,334		
	<u>4,171,487,747</u>	<u>4,064,781,875</u>		
Earnings per share				
30 Basic earnings per share				
Profit attributable to equity holders of the Company	10.33	8.65	7.83	1.46
Weighted average number of ordinary shares (shares)	329,704,014	329,704,014	329,704,014	329,704,014

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



Statement of changes in shareholders' equity

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018

Consolidated financial statements													(Unit: Baht)
Equity attributable to the parent's shareholders													
Other components of shareholders' equity													
Other comprehensive income													
Exchange													
differences on													
translation of													
financial													
statements in													
foreign currency													
investments													
in value of													
available-for-sale													
components of													
shareholders' equity													
Total other													
Total equity													
attributable to													
shareholders of													
the Company													
Equity attributable													
to non-controlling													
interests of													
the subsidiaries													
Total													
shareholders' equity													
Balance as at 1 January 2017													
Profit for the year													
Other comprehensive income for the year													
Total comprehensive income for the year													
Net increase (decrease) in the Company's equity from change in the Company's investment													
Net increase in non-controlling interests of the subsidiary from change in investments of subsidiary													
Decrease in share premium from amalgamation													
Dividend paid													
33													
Balance as at 31 December 2017													

Statement of changes in shareholders' equity (continued)

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018



(Unit: Baht)

Consolidated financial statements												
Equity attributable to the parent's shareholders												
Other components of shareholders' equity												
Other comprehensive income												
Exchange												
differences on												
translation of												
financial												
statements in												
available-for-sale												
investments												
foreign currency												
Unappropriated												
Retained earnings												
Appropriated -												
statutory reserve												
Surplus of												
investment over												
book value												
of subsidiary												
Share												
premium												
Issued and												
paid-up												
share capital												
Note												
Balance as at 1 January 2018		329,704,014	712,962,638	-	39,000,000	18,459,462,598	(31,965,771)	368,075,651	336,109,880	19,877,239,130	5,779,968,640	25,657,207,770
Profit for the year		-	-	-	-	3,404,402,103	-	-	-	3,404,402,103	938,115,198	4,342,517,301
Other comprehensive income for the year		-	-	-	-	674,051	(27,413,993)	(109,598,764)	(137,012,757)	(136,338,706)	(34,690,848)	(171,029,554)
Total comprehensive income for the year		-	-	-	-	3,405,076,154	(27,413,993)	(109,598,764)	(137,012,757)	3,268,063,397	903,424,350	4,171,487,747
Net increase (decrease) in the Company's equity from change in the Company's investment		-	-	(1,377,291,971)	-	297,911,312	-	1,032,277	1,032,277	(1,078,348,382)	(298,943,588)	(1,377,291,970)
Net increase in non-controlling interests of the subsidiary from change in investments of subsidiary		-	-	-	-	-	-	-	-	-	(12,789,394)	(12,789,394)
Dividend paid	33	-	-	-	-	(1,167,152,209)	-	-	-	(1,167,152,209)	(448,503,578)	(1,615,655,787)
Balance as at 31 December 2018		329,704,014	712,962,638	(1,377,291,971)	39,000,000	20,995,297,855	(59,379,764)	259,509,164	200,129,400	20,899,801,936	5,923,156,430	26,822,958,366

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

Statement of changes in shareholders' equity (continued)

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018



(Unit: Baht)

Separate financial statements									
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity			Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	Surplus on changes in value of available-for-sale investments	Total other components of shareholders' equity		
Balance as at 16 October 2017									
(Amalgamation date)									
Cumulative effect of changes in status of investments from amalgamation	25	-	-	-	-	2,383,856,093	2,383,856,093	15,849,315,565	
Balance as at 16 October 2017 - as restated		329,704,014	713,014,993	39,000,000	12,383,740,465	(2,083,067,325)	(2,083,067,325)	(2,083,067,325)	
Profit for the period		-	-	-	480,931,677	-	-	480,931,677	
Other comprehensive income for the period		-	-	-	(15,031,992)	46,897,114	46,897,114	31,865,122	
Total comprehensive income for the period		-	-	-	465,899,685	46,897,114	46,897,114	512,796,799	
Decrease in share premium from amalgamation		-	(52,355)	-	-	-	-	(52,355)	
Balance as at 31 December 2017		329,704,014	712,962,638	39,000,000	12,849,640,150	347,685,882	347,685,882	14,278,992,684	
Balance as at 1 January 2018									
Profit for the period		329,704,014	712,962,638	39,000,000	12,849,640,150	347,685,882	347,685,882	14,278,992,684	
Other comprehensive income for the period		-	-	-	2,582,095,114	-	-	2,582,095,114	
Total comprehensive income for the period		-	-	-	634,799	(84,938,930)	(84,938,930)	(84,304,131)	
Dividend paid	33	-	-	-	2,582,729,913	(84,938,930)	(84,938,930)	2,497,790,983	
		-	-	-	(1,167,152,209)	-	-	(1,167,152,209)	
Balance as at 31 December 2018		329,704,014	712,962,638	39,000,000	14,265,217,854	262,746,952	262,746,952	15,609,631,458	

Statement of cash flows

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018



(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the	For the	For the	For the period
	year ended	year ended	year ended	as from
	31 December 2018	31 December 2017	31 December 2018	16 October 2017 to
Note	31	31	31	31
	December 2018	December 2017	December 2018	December 2017
Cash flows from operating activities				
Profit before tax	4,932,523,046	4,235,106,924	2,909,369,856	519,052,179
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	17, 18 1,216,211,446	1,188,890,835	412,526,921	88,875,911
Amortisation	19 9,344,686	9,961,544	5,445,465	1,152,190
Gain on disposals of property plant and equipment	(10,605,736)	(2,124,956)	(166,508)	-
Gain on disposals of investment properties	-	(52,052,668)	-	-
Gain on disposals of intangible assets	(17,883)	-	-	-
Gain on disposals of other long-term investments	(36,505,118)	(65,957,330)	(18,206,522)	(14,698,284)
Loss from write-off of equipment and intangible assets	245,812	3,859,094	245,812	-
Allowance for deteriorated inventories	2,531,557	(77,146)	-	-
Allowance for impairment of investments in subsidiary company	12.1 -	-	46,421,467	-
Allowance for impairment of investments in associated company	3,177,894	6,500,000	3,177,894	-
Allowance for impairment loss on investments in other companies	12,331,751	15,609,176	12,331,751	-
Allowance for doubtful accounts	-	13,930,818	-	-
Share of profit from investments in associates	13.1 (212,158,968)	(207,306,948)	-	-
Share of profit from investments in joint venture	14 (5,205,158)	(4,708,002)	-	-
Dividend received from subsidiary companies	12.1 -	-	(425,600,079)	-
Dividend received from associated companies	13.1 -	-	(74,683,809)	-
Dividend received from other companies and other long-term investments	(56,595,294)	(35,215,803)	(35,700,829)	(2,681,494)
Interest income	(218,518,562)	(177,747,810)	(150,488,038)	(27,528,303)
Interest expenses	6,619,980	10,404,252	99,102	26,902
Provision for long-term employee benefits	79,144,916	122,685,648	44,809,716	27,261,028
Profit from operating activities before changes in operating assets and liabilities	5,722,524,369	5,061,757,628	2,729,582,199	591,460,129
Operating assets (increase) decrease				
Trade and other receivables	(42,311,158)	(394,372,045)	45,671,346	(136,584,151)
Inventories	(25,916,570)	(129,662,120)	(95,920,243)	75,754,500
Other current assets	28,384,614	8,636,307	(145,944)	959,266
Other non-current assets	(7,769,939)	(10,314,013)	(7,794,849)	(162,723)
Operating liabilities increase (decrease)				
Trade and other payables	308,011,486	(226,398,820)	289,815,570	(34,267,484)
Other current liabilities	(18,364,779)	(14,111,192)	(22,416,437)	40,151,358
Other non-current liabilities	468,321	198,911	-	-
Provision for long-term employee benefits	(88,213,632)	(137,218,425)	(49,986,868)	(97,338,090)
Cash flows from operating activities	5,876,812,712	4,158,516,231	2,888,804,774	439,972,805
Cash paid for income tax	(524,450,627)	(465,430,129)	(284,561,821)	(282,067)
Net cash flows from operating activities	5,352,362,085	3,693,086,102	2,604,242,953	439,690,738

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

Statement of cash flows (continued)

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018



(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended	For the year ended	For the year ended	For the period as from
		31 December 2018	31 December 2017	31 December 2018	16 October 2017 to 31 December 2017
Cash flows from investing activities					
Increase in current investments		(3,831,269,289)	(4,937,628,274)	(1,692,016,188)	(2,502,508,505)
Decrease in current investments		5,235,502,504	3,951,148,472	4,230,472,958	569,871,246
Increase in restricted bank deposit		(17,051,329)	-	-	-
Increase in short-term loan to related parties		(47,636,000)	-	(1,000,000)	-
Decrease in short-term loan to related parties		1,000,000	-	1,000,000	-
Increase in short-term loan to unrelated party		(250,000,000)	-	(250,000,000)	-
Increase in investments in subsidiaries companies	12.1	-	-	(2,107,185,786)	-
Increase in investments in associated companies	13.1	(1,009,444,100)	(13,906,619)	-	-
Increase in investments in other company	15	-	(138,012,500)	-	(12,600,000)
Decrease in investments in other company		-	400,000	-	-
Decrease in advance payment for investments in other company		76,907,298	11,875,000	-	-
Increase in other long-term investments		(6,256,793,635)	(4,354,720,801)	(4,080,708,159)	(412,913,625)
Decrease in other long-term investments		5,658,962,626	4,073,553,634	3,278,033,593	507,230,383
Dividend received from subsidiary companies	12.1	-	-	425,600,079	-
Dividend received from associated companies	13.1	74,683,809	76,732,447	74,683,809	-
Dividend received from joint venture	14	4,680,000	819,000	-	-
Dividend received from other companies and other long-term investments		40,398,640	34,890,128	27,957,348	2,392,238
Increase in goodwill		(41,272,175)	-	-	-
Dividend received by non-controlling interest of subsidiaries		(448,503,578)	(451,200,237)	-	-
Purchase of property, plant and equipment		(953,528,153)	(553,693,410)	(236,382,688)	(6,701,109)
Increase in downpayment for purchase of machinery		(36,079,283)	(1,271,711)	-	-
Proceeds from disposals of property, plant and equipment		10,957,509	8,543,589	917,119	-
Proceed from disposals of investment property		-	54,000,000	-	-
Proceed from disposals of intangible assets		56,000	-	-	-
Purchase of intangible assets		(5,509,712)	(5,702,152)	(121,000)	-
Net increase in non-controlling interests of the subsidiary from change in the Company's investment		(22,889,394)	-	-	-
Increase in advance receipt of non-controlling interests for investments in a subsidiary		-	20,677,547	-	-
Proceed received for non-controlling interest of the subsidiaries		10,100,000	-	-	-
Cash paid for share capital from amalgamation		-	(52,355)	-	(52,355)
Surplus of investment over book value of subsidiary		(1,377,291,971)	-	-	-
Interest income		209,950,922	182,564,837	146,306,346	30,432,405
Net cash flows used in investing activities		(2,974,069,311)	(2,040,983,405)	(182,442,569)	(1,824,849,322)

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

Statement of cash flows (continued)

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018



(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended	For the year ended	For the year ended	For the period as from
Note	31 December 2018	31 December 2017	31 December 2018	16 October 2017 to 31 December 2017
Cash flows from financing activities				
Increase in long-term loans from director	88,972,255	42,644,941	-	-
Decrease in long-term loans from director	(95,564,437)	(48,817,708)	-	-
Decrease in long-term loans from employees	(79,625)	(5,545,589)	-	-
Repayment of liabilities under finance lease agreements	(83,227,714)	(74,184,415)	(1,546,987)	(1,229,481)
Dividend paid	(1,166,959,176)	(1,228,066,134)	(1,166,959,176)	-
Cash paid for interest expenses	(6,619,980)	(10,404,252)	(99,102)	(26,902)
Net cash flows used in financing activities	(1,263,478,677)	(1,324,373,157)	(1,168,605,265)	(1,256,383)
Increase (decrease) in translation adjustments	(16,099,911)	4,686,494	-	-
Net increase (decrease) in cash and cash equivalents	1,098,714,186	332,416,034	1,253,195,119	(1,386,414,967)
Cash and cash equivalents at beginning of year	2,777,379,202	2,444,963,168	1,283,163,852	2,669,578,819
Cash and cash equivalents at end of year	6 3,876,093,388	2,777,379,202	2,536,358,971	1,283,163,852

Supplementary disclosures of cash flows information

Non-cash related transactions

Dividend receivable	16,196,654	325,674	7,743,481	289,257
Dividend payable	193,034	102,798	193,034	-
Other receivable from sale of property, plant and equipment	747,664	-	-	-
Other payable from purchase of property, plant and equipment	38,779,930	28,047,626	20,509,443	4,556,363
Liabilities under finance lease agreements - net of deferred interest	15,650,050	53,148,102	-	-

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



Notes to consolidated financial statements

Thai President Foods Public Company Limited and its subsidiaries
For the year ended 31 December 2018



1. General information

1.1 Corporate information

Thai President Foods Public Company Limited ("the Company") is a public company incorporated from an amalgamation on 16 October 2017 and domiciled in Thailand. Its major shareholder is Sahapatana Interholding Public Company Limited which is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of instant noodles, semi-instant foods and biscuit products. The registered office and head office of the Company is at No. 304, TF Group Building, Srinakarin Road, Huamark Sub-district, Bangkok District, Bangkok. There are five plants, located at Chonburi Province, Lamphoon Province, Rayong Province and another 2 plants at Ratchaburi Province.

1.2 Amalgamation

The Company was formed as a result of the amalgamation in accordance with the Public Limited Companies Act B.E. 2535 on 16 October 2017. The amalgamating companies were as follows:

- 1) Thai President Foods Public Company Limited
- 2) President Rice Products Public Company Limited

As a result of the amalgamation, the Company received the assets, liabilities, rights and obligations of these companies and therefore presented beginning account balances based on the total net book values presented in the financial statements as of 15 October 2017 of both companies. This amalgamation was thus considered to be a business combination under common control, and the Company presented information in the consolidated financial statements for the years ended 31 December 2017 to reflect the financial position, operating results, and cash flows of the group of companies under common control on the basis of economic substance, even though the legal form of the Company was established subsequent to 1 January 2017.

The Stock Exchange of Thailand had approved the listing shares of the Company which were traded on the Stock Exchange of Thailand commencing from 18 October 2017.





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 11 October 2016, issued under the Accounting Act B.E. 2543.

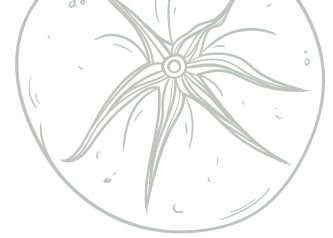
The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Thai President Foods Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”).

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2018</u> (Percent)	<u>2017</u> (Percent)
<u>Held by the Company</u>				
Taisun Foods Company Limited	Manufacture and distribution of fruit juice and distribution of biscuit products	Thailand	52.08	52.08
Thai Anbao Paper Products Company Limited	Manufacture and distribution of paper packaging	Thailand	51.00	51.00
Dai-Ichi Packaging Company Limited	Manufacture and distribution of packaging printing products and provide packaging service for consumable products	Thailand	50.10	50.10
Kallol Thai President Foods (BD) Limited	Manufacture and distribution of instant noodles	Bangladesh	55.00	55.00
President Flour Mills Company Limited	Manufacture and distribution of wheat flour-related products	Thailand	60.00	60.00
Thai President Foods (Hungary) Company Limited	Manufacture and distribution of instant noodles	Hungary	65.00	65.00
President Kourakuen Company Limited	Restaurant and drink	Thailand	70.00	70.00
President Bakery Public Company Limited	Manufacture and distribution of bakery products	Thailand	51.99	46.90
President D Venture Company Limited	Investing and/or lending in real estate business	Thailand	70.00	-



Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2018</u> (Percent)	<u>2017</u> (Percent)
<u>Held by subsidiaries</u>				
Siam Sincere Company Limited	Trading of rice bran	Thailand	99.97	99.97
Aksorn Art Paper Cup and Packaging Company Limited	Printing	Thailand	99.99	99.99
President D Venture Company Limited	Investing and/or lending in real estate business	Thailand	29.00	-
President Flour Mills Company Limited	Manufacture and distribution of wheat flour-related products	Thailand	10.00	10.00

- 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 and associated companies 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 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.
 - h) For the book of account, the acquisition of addition shares of subsidiaries (repurchase of share from non-controlling interests), the excess of the net asset value (at fair value) at the acquisition date over the cost of the investment has been presented in shareholders' equity under "Surplus of investment over book value of subsidiary".
- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.



3 New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company and its subsidiaries believe that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers



Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

(c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

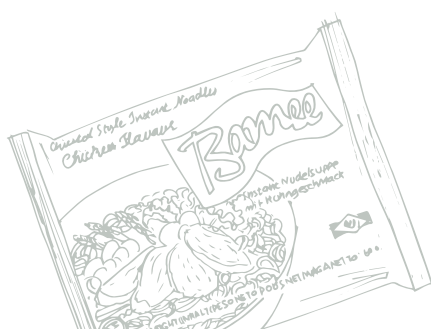
TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.





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 rate.

Rental income

Rental income is recognised on an accrual basis in accordance with the terms and conditions specified in the contracts.

Dividend income

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 bank and financial institutions, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable and allowance for doubtful accounts

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

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost, and includes costs of raw material, labour, and attributable factory overheads.

The net realisable value of inventory is estimated from the estimated selling price in the ordinary course of business, less the costs to complete the sale.

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

Allowance for deteriorated inventories will be set up for deteriorated inventories.



4.5 Investments

- a) Investments in available-for-sales 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.
- b) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The discount on debt securities is accreted by the effective rate method with the accreted amount presented as an adjustment to the interest income.
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- d) Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method.
- e) Investments in subsidiaries, associates and joint ventures are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year of The Stock Exchange of Thailand. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association or yield rate of government bond adjusted by an appropriate risk factor, as the case may be. 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.

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 accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 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 and depreciation

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

Depreciation of plant and equipment is calculated by reference to their costs over the following estimated useful lives as follows:

		The Company		The Subsidiaries
		Since 2004	Before 2004	
		<u>Method</u>	<u>Method</u>	<u>Method</u>
<u>Building and equipment</u>				
<u>acquired before 2001</u>				
Building	Straight-line 20 years	Declining 20 years	Straight-line 20 years	
Machinery	Straight-line 5 years	Straight-line 5 years	Straight-line 10 years	
Tools and equipment	Straight-line 5 years	Declining 5 years	Straight-line 5 years	
Furniture and fixtures	Straight-line 5 years	Declining 5 years	Straight-line 5 years	
Motor vehicles	Straight-line 5 years	Straight-line 5 years	Straight-line 5 years	
<u>Building and equipment</u>				
<u>acquired since 2001</u>				
Building	Straight-line 10, 20 years	Straight-line 20 years	Straight-line 20 years	
Machinery	Straight-line 5, 10, 15 years	Straight-line 5 years	Straight-line 10 years	
Tools and equipment	Straight-line 3, 5, 8, 10, 15 years	Straight-line 5 years	Straight-line 5, 7 years	
Furniture and fixtures	Straight-line 5 years	Straight-line 5 years	Straight-line 5, 7 years	
Motor vehicles	Straight-line 5 years	Straight-line 5 years	Straight-line 5 years	

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.



4.8 Intangible assets

Intangible assets are measured at cost on the date of acquisition. Following the initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

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

The intangible assets (i.e. computer software) have useful lives of 3 - 10 years.

4.9 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 accumulated 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 and its subsidiaries cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company and its subsidiaries estimate 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.

4.10 Related party transactions

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

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



4.11 Long-term leases

Leases of plant or 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 assets acquired under finance leases is depreciated over the useful life of the asset.

Leases of 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.

4.12 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.13 Impairment of assets

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





An impairment loss is recognised in profit or loss.

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

4.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

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





The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the Projected Unit Credit Method.

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

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

4.15 Provisions

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

4.16 Income tax

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

Current tax

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

Deferred tax

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

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





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

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

4.17 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

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





5.1 Consolidation of subsidiary is held less than half of shares

In the year 2017, the management of the Company determined that it had control over President Bakery Public Company Limited, even though it held 46.9% of shares and voting rights that was less than half of shares and voting rights. This is because it has the ability to direct the significant activities. As a result, President Bakery Public 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.

5.2 Impairment of investments

The Company treats available-for-sale equity 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.

5.3 Investment properties, property, plant and equipment/Depreciation

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

In addition, the management is required to review investment properties, and 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 judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

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

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



6. Cash and cash equivalents

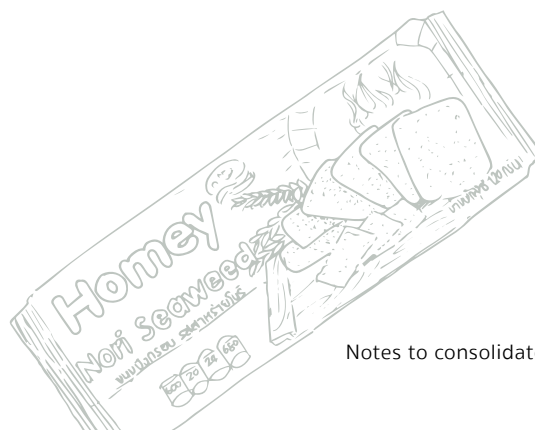
	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash in hand	6,830	5,287	2,049	1,589
Bank deposits	2,817,744	2,548,565	1,829,038	1,172,005
Promissory notes and bills of exchange	520,000	-	500,000	-
Cash and cash equivalents (in private fund)	531,519	223,527	205,272	109,570
Total	3,876,093	2,777,379	2,536,359	1,283,164

As at 31 December 2018, bank deposits in savings accounts, fixed accounts, promissory notes and bills of exchange carried interests at the rates between 0.1% and 4.3% per annum (2017: between 0.1% and 1.8% per annum).

7. Current investments

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Fixed deposits	2,424,116	4,006,833	1,850,964	3,971,384
Promissory note	1,170,000	-	-	-
Short-term fund	40,614	50,405	-	-
Current investments (in private fund)	476,751	1,458,476	132,562	550,598
Total	4,111,481	5,515,714	1,983,526	4,521,982

As at 31 December 2018, bank deposits in fixed account, promissory note, short-term fund and current investment (in private fund) carried interests at the rates between 0.6% and 4.8% per annum (2017: 0.6% and 5.0% per annum).





8. Trade and other receivables

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2018	2017	2018	2017
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,284,789	1,339,221	1,386,004	1,439,174
Past due				
Not over 3 months	198,763	148,841	200,268	162,951
3 - 6 months	-	889	-	889
6 - 12 months	-	1,039	-	1,039
Total trade receivables - related parties	1,483,552	1,489,990	1,586,272	1,604,053
<u>Other receivables - related parties</u>				
Accrued income and interest receivable	4,195	576	10,473	6,638
Total other receivables - related parties	4,195	576	10,473	6,638
Total trade and other receivables - related parties (Note 9)	1,487,747	1,490,566	1,596,745	1,610,691
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,312,956	1,182,935	451,298	407,994
Past due				
Not over 3 months	685,969	683,458	99,122	117,981
3 - 6 months	20,091	108,177	2	8,815
6 - 12 months	10,206	2,707	1,442	1,895
Over 12 months	15,221	13,096	14,610	13,082
Total	2,044,443	1,990,373	566,474	549,767
Less: Allowance for doubtful accounts	(16,272)	(16,379)	(14,287)	(14,287)
Total trade receivables - unrelated parties, net	2,028,171	1,973,994	552,187	535,480
<u>Other receivables - unrelated parties</u>				
Accrued income and interest receivable	136,014	56,074	69,191	31,245
Prepayments	30,183	20,708	5,526	6,739
Advances for goods	-	73,157	-	73,157
Advances	11,528	11,321	4,318	4,401
Total other receivables - unrelated parties	177,725	161,260	79,035	115,542
Total trade and other receivables - unrelated parties, net	2,205,896	2,135,254	631,222	651,022
Total trade and other receivables - net	3,693,643	3,625,820	2,227,967	2,261,713



9. Related party transactions

9.1 Transactions incurred during the year/period

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

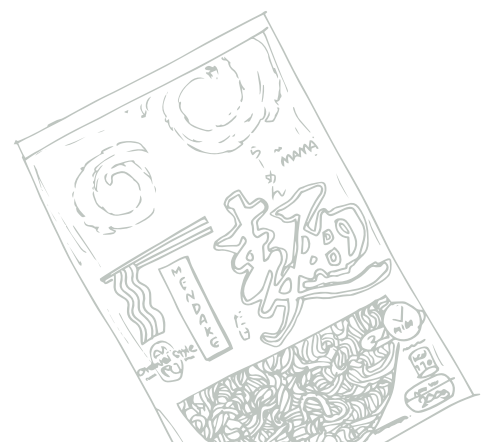
(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing Policy
	For the year ended 31 December 2018	For the year ended 31 December 2017	For the year ended 31 December 2018	For the period as from 16 October 2017 to 31 December 2017	
Transactions with subsidiary companies (eliminated from the consolidated financial statements)					
Sales	-	-	463,338	103,180	Cost plus margin
Dividend income	-	-	425,600	-	At the announced rate
Rental and other income	-	-	27,744	5,751	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	-	-	2,716,236	546,785	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	-	54,481	19,031	Agreed price
Transactions with associated companies					
Sales	97,876	108,540	97,876	26,009	Cost plus margin
Dividend income	-	-	74,684	-	At the announced rate
Rental and other income	9,058	16,579	9,048	2,120	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	620,890	655,871	129,265	24,063	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	435	-	-	Contract price
Purchase of machinery and equipment	5,968	338	5,968	59	Agreed price
Sale of equipment	3	-	-	-	Agreed price



(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing Policy
	For the year ended 31 December 2018	For the year ended 31 December 2017	For the year ended 31 December 2018	For the period as from 16 October 2017 to 31 December 2017	
Transactions with joint venture					
Sales	2,858	2,478	-	-	Agreed price which approximate the market price
Service income	2,644	2,709	-	-	Agreed price which approximate the market price
Dividend income	4,680	819	-	-	At the announced rate
Transactions with related companies					
Sales	8,543,713	8,238,824	8,497,680	1,918,016	Cost plus margin
Dividend income	17,475	8,263	13,769	594	At the announced rate
Rental and other income	25,568	24,435	15,149	3,511	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	442,838	504,410	318,328	95,197	Approximately market price with reference to purchase volume
Commission and other expenses (included in selling and administrative expenses)	118,180	150,605	76,642	19,800	Contract price
Purchase of machinery and equipment	19,494	3,410	19,244	437	Agreed price





9.2 Outstanding balance at end of year

As at 31 December 2018 and 2017, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Trade and other receivables - related parties (Note 8)				
Subsidiaries	-	-	118,064	128,376
Associated companies	41,567	33,793	41,169	33,457
Related companies (related by common shareholders)	1,446,180	1,456,773	1,437,512	1,448,858
Total trade and other receivables - related parties	1,487,747	1,490,566	1,596,745	1,610,691
Trade and other payables - related parties (Note 20)				
Subsidiaries	-	-	417,523	370,143
Associated companies	164,355	164,650	23,739	17,527
Related companies (related by common shareholders)	79,681	94,841	30,649	22,528
Total trade and other payables - related parties	244,036	259,491	471,911	410,198
Liabilities under finance lease agreements - related parties				
<i>Related companies</i>				
Liabilities under finance lease agreements	75,764	117,028	1,063	84
Less: Current portion	(42,986)	(53,181)	(1,063)	(84)
Liabilities under finance lease agreements - net of current portion	32,778	63,847	-	-
Other accrued expenses - related parties				
<i>Related companies</i>	19,596	18,235	19,596	18,235
Total other accrued expenses - related parties	19,596	18,235	19,596	18,235





Short-term loans to related parties

As at 31 December 2018 and 2017, the balance of short-term loans to related parties and the movement are as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements			
	Balance			Balance
	as at			as at
	31 December	During the year		31 December
	2017	Increase	Decrease	2018
<u>Associated companies</u>				
Thai Instant Products Company Limited	1,000	1,000	(1,000)	1,000
Anbao Environmental Science & Technology Company Limited (formerly known as "Chongqing Taibao Paper Products Company Limited")	-	46,636	-	46,636
Total	1,000	47,636	(1,000)	47,636

(Unit: Thousand Baht)

Company's name	Separate financial statements			Balance as at 31 December 2018
	Balance as at 31 December 2017	During the year		
		Increase	Decrease	
<u>Associated companies</u>				
Thai Instant Products Company Limited	1,000	1,000	(1,000)	1,000
Total	1,000	1,000	(1,000)	1,000

Long-term loans from directors

During the year, movements of long-term loans from directors (including interest payable) of a subsidiary are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at			Balance as at
	31 December	During the year		31 December
	2017	Increase	Decrease	2018
Long-term loans from directors	77,984	88,972	(95,564)	71,392

9.3 Directors and management's remuneration

The Company and its subsidiaries had employee benefit expenses payable to its directors and management as below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
	For the year ended 31 December 2018	For the period as from 16 October 2017 to 31 December 2017
Short-term employee benefits	187	16
Post-employment benefits and other long-term benefits	9	3
Total	196	19

10. Short-term loans to unrelated party

As at 31 December 2018, the Company had short-term loans in the form of loan agreement of Baht 250 million to a local unrelated party. The loan carries interest of 10 percent per annum and is due for repayment within one year from the contract date but not later than 22 May 2019. The loan was secured by mortgages of the borrower's land and construction thereon and guaranteed by the borrower's directors and the parent company of the borrower (2017: Nil).



11. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduced cost to net realisable value		Inventories-net	
	2018	2017	2018	2017	2018	2017
Finished goods	329,618	227,650	(3,087)	(556)	326,531	227,094
Work in process	49,629	50,602	-	-	49,629	50,602
Raw materials	657,786	755,888	-	-	657,786	755,888
Supplies	189,357	183,082	-	-	189,357	183,082
Goods in transit	56,864	36,788	-	-	56,864	36,788
Spare parts and consumables	95,759	99,087	-	-	95,759	99,087
Total	1,379,013	1,353,097	(3,087)	(556)	1,375,926	1,352,541

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduced cost to net realisable value		Inventories-net	
	2018	2017	2018	2017	2018	2017
Finished goods	180,195	123,796	-	-	180,195	123,796
Raw materials	207,589	187,567	-	-	207,589	187,567
Supplies	154,111	136,319	-	-	154,111	136,319
Goods in transit	7,615	5,784	-	-	7,615	5,784
Spare parts and consumables	27,907	28,031	-	-	27,907	28,031
Total	577,417	481,497	-	-	577,417	481,497





12. Investments in subsidiaries

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

Company's name (Nature of business)	Paid up capital		Shareholding percentage		Cost		(Unit: Million Baht) Dividend received during the year
	2018	2017	2018	2017	2018	2017	2018
			(Percent)	(Percent)			
Taisun Foods Company Limited (Manufacture and distribution of fruit juice and distribution of biscuit products)	Baht 50 million	Baht 50 million	52.08	52.08	26,038	26,038	781
Thai Anbao Paper Products Company Limited (Manufacture and distribution of paper packaging)	Baht 20 million	Baht 20 million	51.00	51.00	10,200	10,200	25,500
Dai-ichi Packaging Company Limited (Manufacture and distribution of packaging printing products and provide packaging service for consumable products)	Baht 150 million	Baht 150 million	50.10	50.10	75,721	75,721	31,187
Kallol Thai President Foods (BD) Limited (Manufacture and distribution of instant noodles)	Taka 630 million	Taka 630 million	55.00	55.00	142,150	142,150	-
President Flour Mills Company Limited (Manufacture and distribution of wheat flour-related products)	Baht 600 million	Baht 600 million	60.00	60.00	360,000	360,000	25,200
Thai President Foods (Hungary) Company Limited (Manufacture and distribution of instant noodles)	Forint 2,350 million	Forint 2,350 million	65.00	65.00	209,185	209,185	17,895
President Kourakuen Company Limited (Restaurant and drink)	Baht 25 million	Baht 25 million	70.00	70.00	17,500	17,500	-
President Bakery Public Company Limited (Manufacture and distribution of bakery products)	Baht 450 million	Baht 450 million	51.99	46.90	1,925,221	525,035	325,037
President D Venture Company Limited (Investing and/or lending in real estate business)	Baht 1,010 million	-	70.00	-	707,000	-	-
					3,473,015	1,365,829	425,600
Less: Allowance for loss on impairment of investments					(46,422)	-	
Total					3,426,593	1,365,829	

There was no dividend received for the period as from 16 October 2017 to 31 December 2017.

On 20 August 2018, the Company submitted the announcement of intention to make a tender offer to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, expressing its intention to increase its investment in President Bakery Public Company Limited to over 50 percent of the total issued and paid-up share capital of President Bakery Public Company Limited, which will result in President Bakery Public Company Limited becoming a clear and complete subsidiary of the Company. The Company therefore made a voluntary tender offer for all of the securities of President Bakery Public Company Limited. The voluntary tender offer was completed on 6 November 2018 in which the Company holds 51.99 percent interest in President Bakery Public Company Limited's ordinary shares.



On 21 September 2016, the meeting of the Company's Board of Directors No. 9/2016 passed a resolution approving the establishment of a new company in Myanmar, named Ayeyarwaddy Success Venture Foods Co., Ltd., to engage in manufacturing of instant noodles with a registered share capital of USD 10 million or equivalent to approximately Baht 350 million. The Company will hold 51 percent interest. As at 31 December 2018, this company is in the process of establishing.

On 23 July 2018, the meeting of the Company's Board of Directors No. 7/2018 passed a resolution approving the establishment of a new company in Thailand within August 2018, named President D Venture Co., Ltd., to engage in investing and/or lending in real estate business with a registered share capital of Baht 1,010 million. The Company and a subsidiary will hold 70 percent interest and 29 percent interest, respectively. This company was incorporated as a limited company with the Ministry of Commerce on 3 August 2018.

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

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	(Percent)	(Percent)						
President Bakery Public Company Limited	48.01	53.10	3,916	3,562	687	715	333	387
Dai-Ichi Packaging Company Limited	49.90	49.90	1,582	1,484	129	155	31	31

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

Summarised information about financial position

(Unit: Million Baht)

	President Bakery Public Company Limited		Dai-Ichi Packaging Company Limited	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current assets	3,562	2,620	1,065	1,192
Non-current assets	5,128	5,378	2,488	2,205
Current liabilities	1,058	1,032	311	320
Non-current liabilities	211	258	96	104



Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December			
	President Bakery Public Company Limited		Dai-Ichi Packaging Company Limited	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenue	7,575	7,519	2,102	2,094
Profit	1,431	1,336	257	310
Other comprehensive income	(25)	11	(23)	-
Total comprehensive income	1,406	1,347	234	310

Summarised information about cash flows

(Unit: Million Baht)

	For the year ended 31 December			
	President Bakery Public Company Limited		Dai-Ichi Packaging Company Limited	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from operating activities	1,953	1,781	342	324
Cash flows used in investing activities	(1,424)	(822)	(362)	(211)
Cash flows used in financing activities	(756)	(811)	(64)	(64)
Net increase (decrease) in cash and cash equivalents	(227)	148	(84)	49

12.4 Details of advance payment for investments

During the year 2011, Kallol Thai President Foods (BD) Limited has invested in a company in Bangladesh and paid share advance amounting to approximately Taka 197 million or equivalent to approximately Baht 77 million. Such advance payments are presented including as "Advance payment for investments in related parties" in the statement of financial position as at 31 December 2017.



13. Investments in associates companies

13.1 Details of investments in associated companies are as follows:

Company's name (Nature of business)	Country of incorporation	Paid up capital	Shareholding percentage	Consolidated financial statements						Separate financial statements				(Unit: Thousand Baht)
				Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the years		Cost		Dividend received during the year		
				2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
				(Percent)	(Percent)									
Kerry Flour Mills Company Limited (Manufacture of wheat flour)	Thailand	Baht 200 million	39.00	39.00	92,630	92,630	1,353,821	1,227,053	193,068	180,415	92,630	92,630	66,300	
Anbao Environmental Science & Technology Company Limited (formerly known as "Chongqing Taibao Paper Products Company Limited") (Manufacture of paper products)	China	RMB 50 million	35.00	35.00	87,324	87,324	173,276	162,496	19,164	23,336	87,324	87,324	8,384	
Thai-Myanmar Success Venture Company Limited (Investment holding)	Thailand	Baht 100 million	35.00	35.00	35,040	35,040	41,289	40,463	826	842	35,040	35,040	-	
Sanko Machinery (Thailand) Company Limited (Assembly of automatic packaging machines)	Thailand	Baht 15 million	35.00	35.00	5,587	5,587	62,249	56,888	5,361	2,506	5,587	5,587	-	
President Foods (Cambodia) Company Limited (Manufacture of instant noodles)	Cambodia	USD 1.5 million	30.00	30.00	19,692	19,692	55,988	51,584	4,404	2,030	19,692	19,692	-	



(Unit: Thousand Baht)													
Consolidated financial statements				Separate financial statements									
Company's name (Nature of business)	Country of incorporation	Paid up capital	Shareholding percentage	Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the years		Dividend received during the year			
				2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
				(Percent)	(Percent)								
Thai Instant Products Company Limited (Manufacturing and sales of products from tapioca, corn and other agriculture crops)	Thailand	Baht 240 million	25.00	25.00	21,500	21,500	11,365	13,487	(2,122)	(1,822)	21,500	21,500	-
Ideo Mobi Rangnam Company Limited (Real estate development and lending)	Thailand	Baht 795.99 million	49.00	-	390,035	-	385,710	-	(4,325)	-	-	-	-
Ideo Q Sukhumvit 36 Company Limited (Real estate development and lending)	Thailand	Baht 664.43 million	49.00	-	325,571	-	322,751	-	(2,820)	-	-	-	-
Ideo New Rama 9 Company Limited (Real estate development and lending)	Thailand	Baht 599.67 million	49.00	-	293,838	-	292,441	-	(1,397)	-	-	-	-
					1,271,217	261,773	2,698,890	1,551,971	212,159	207,307	261,773	261,773	74,684
Less: Allowance for loss on impairment of investments							(9,678)	(6,500)			(9,677)	(6,500)	
Translation adjustments							(19,671)	(11,969)					
Total investments in associates - net						2,669,541	1,533,502				252,096	255,273	



Share of profit from investments in two associated companies accounted for under the equity method for the year ended 31 December 2018, totalling approximately Baht 23.6 million or 0.5% of consolidated net profit for the year (2017: Baht 25.4 million or 0.7%) was calculated from financial statements which had not been audited by the auditor of these associated companies.

13.2 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)				
Anbao Environmental Science & Technology Company Limited (formerly known as "Chongqing Taibao Paper Products Company Limited")				
	Kerry Flour Mills Company Limited			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current assets	2,573	2,233	606	573
Non-current assets	1,029	1,031	160	182
Current liabilities	99	87	402	399
Non-current liabilities	13	12	19	14
Net assets	3,490	3,165	345	342
Shareholding percentage (%)	39	39	35	35
Share of net assets	1,361	1,234	121	120
Adjustment transactions in consolidated financial statements	(7)	(7)	52	42
Carrying amounts of associates based on equity method	1,354	1,227	173	162

Summarised information about comprehensive income

(Unit: Million Baht)				
Anbao Environmental Science & Technology Company Limited (formerly known as "Chongqing Taibao Paper Products Company Limited")				
	Kerry Flour Mills Company Limited			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenue	2,857	2,534	734	596
Profit	495	463	53	46
Total comprehensive income	495	463	53	46

14. Investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by a subsidiary company and other companies. Details of this investment are as follows:

		Consolidated financial statements						(Unit: Thousand Baht)	
Joint venture	Nature of business	Paid up capital	Shareholding percentage		Carrying amount	Share of profit from investment in joint venture		Dividend received during the year ended	
			2018	2017		2018	2017		
		(Million Baht)	Percent	Percent					
President Green House Foods Co., Ltd.	Operating the Japanese restaurant	15	39	39	29,357	5,205	4,708	4,680	819
Total investment in joint venture					<u>29,357</u>	<u>5,205</u>	<u>4,708</u>	<u>4,680</u>	<u>819</u>

In May 2008, a subsidiary company, together with a foreign company and a local company, jointly established President Green House Foods Company Limited to operate a Japanese restaurant. A subsidiary company had invested in 585,000 ordinary shares of this company at par value Baht 10 per share, amounting to Baht 5.85 million, or equivalent to 39% interest, and has treated this investment as investment in joint venture.



15. Investments in other companies

Company's name (Nature of business)	Paid up capital (Million Baht)	Consolidated financial statements						Separate financial statements					
		Shareholding percentage		Carrying amounts based on cost method		Dividend received during the year		Shareholding percentage		Carrying amounts based on cost method		Dividend received during the year	
		2018 (Percent)	2017 (Percent)	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Kewpie (Thailand) Company Limited (Manufacture of sauce and dried vegetables)	260.00	10.00	10.00	26,000	26,000	5,720	5,200	10.00	10.00	26,000	26,000	5,720	5,720
President Interfood Company Limited (Agency)	3.00	8.67	8.67	442	442	3,380	390	8.67	8.67	442	442	3,380	3,380
Treasure Hill Company Limited (Real estate development)	200.00	3.00	3.00	6,000	6,000	-	-	2.00	2.00	4,000	4,000	-	-
Winstore Retail Network Company Limited (Information technology management)	62.65	0.60	0.60	2,500	2,500	-	-	0.60	0.60	2,500	2,500	-	-
The Bangkok Club Company Limited (Club)	450.00	0.44	0.44	3,000	3,000	-	-	0.44	0.44	3,000	3,000	-	-
Noble Place Company Limited (Real estate development)	296.25	0.08	0.08	1,500	1,500	-	-	0.08	0.08	1,500	1,500	-	-
Saha Lawson Company Limited (Convenience store)	1,277.00	7.66	9.00	97,830	97,830	-	-	7.66	9.00	97,830	97,830	-	-

(Unit: Thousand Baht)

(Unit: Thousand Baht)

Company's name (Nature of business)	Consolidated financial statements						Separate financial statements					
	Paid up capital	Shareholding percentage		Carrying amounts based on cost method		Dividend received during the year	Shareholding percentage	Carrying amounts based on cost method		Dividend received during the year		
		2018 (Percent)	2017 (Percent)	2018	2017	2018		2017	2018	2017	2018	2017
(Million Baht)												
Sahachol Food Supplies Company Limited (Non-alcoholic beverage retailer)	325.00	6.62	6.62	28,775	28,775	-	-	4.42	4.42	21,875	21,875	-
American Food Company Limited (Manufacture of ice-cream)	140.00	18.00	18.00	25,200	25,200	-	-	9.00	9.00	12,600	12,600	-
Maruto (Thailand) Company Limited (Trading of packaging products)	10.00	10.00	10.00	1,000	1,000	-	-	-	-	-	-	-
Ashton Asoke Praram 9 Company Limited (Real estate development)	1,170.00	6.00	6.00	75,000	75,000	6,675	-	-	-	-	-	-
IDEO Q Victory Company Limited (Real estate development)	510.00	4.00	4.00	20,000	20,000	1,700	-	-	-	-	-	-
Total				287,247	287,247	17,475	5,590			169,747	169,747	9,100
Less: Allowance for loss on impairment of investments				(92,801)	(80,470)					(90,801)	(78,470)	
Total investments in other company - net				194,446	206,777					78,946	91,277	





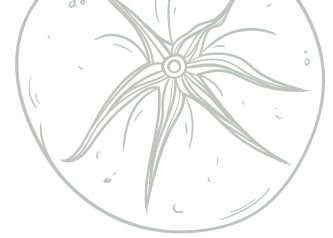
16. Other long-term investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	2018		2017	
	Cost	Fair value	Cost	Fair value
Available-for-sale investments				
Local marketable equity securities	190,353	554,668	142,257	481,340
Local quoted bonds	105,000	105,000	153,096	178,544
Government bonds	86,000	86,000	45,500	45,500
Long-term fund	103,450	101,212	105,280	110,479
Available-for-sale investments (in private fund)	4,436,006	4,394,497	4,165,340	4,282,693
	4,920,809	5,241,377	4,611,473	5,098,556
Add: Surplus on changes in value of available-for-sale investments	320,568		487,083	
Total investment in available-for-sale securities	5,241,377		5,098,556	
Others				
Subordinated bond	350,000	350,000	-	-
Fixed deposit (in private fund)	10,000	10,000	35,000	35,000
Total	360,000	360,000	35,000	35,000
Total other long-term investments in the consolidated financial statements	5,601,377	5,601,377	5,133,556	5,133,556

(Unit: Thousand Baht)

	Consolidated financial statements	
	2018	2017
Revaluation surplus in investments		
Portion of the Company	328,434	434,607
Portion of the Subsidiary	(7,866)	52,476
	320,568	487,083
Add (less): Portion of the subsidiary attributable to non-controlling of the subsidiary	3,818	(26,989)
Deferred tax effect	(64,877)	(92,019)
Total surplus on changes in value of available-for-sale investments in the consolidated financial statements	259,509	368,075



(Unit: Thousand Baht)				
Separate financial statements				
	2018		2017	
	Cost	Fair value	Cost	Fair value
Available-for-sale investments				
Local marketable equity securities	190,353	554,668	142,257	481,340
Local quoted bonds	-	-	48,096	73,543
Government bonds	80,000	80,000	40,000	40,000
Long-term fund	99,903	97,583	99,903	104,693
Available-for-sale investments (in private fund)	2,996,704	2,963,143	2,560,824	2,626,111
	3,366,960	3,695,394	2,891,080	3,325,687
Add: Surplus on changes in value of available-for-sale investments	328,434		434,607	
Total investment in available-for-sale securities	3,695,394		3,325,687	
Others				
Subordinated bond	350,000	350,000	-	-
Fixed deposit (in private fund)	-	-	5,000	5,000
Total	350,000	350,000	5,000	5,000
Total other long-term investments in the consolidated financial statements	4,045,394	4,045,394	3,330,687	3,330,687

(Unit: Thousand Baht)		
Separate financial statements		
	2018	2017
Surplus on changes in value of available-for-sale investments	328,434	434,607
Less: Deferred tax effect	(65,687)	(86,921)
Total surplus on changes in value of available-for-sale investments in the consolidated financial statements	262,747	347,686

As at 31 December 2018, the Company and its subsidiaries have pledged government bonds with maturity date over 1 year of approximately Baht 43 million (2017: Baht 84 million) and the Company only of Baht 37 million (2017: Baht 37 million) as a guarantee for electricity and steam use of the Company and its subsidiaries and guarantee for retroactive tax assessment of the Company.



17. Investment properties

The net book value of investment properties as at 31 December 2018 and 2017 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Land	Total	Land	Plant	Total
31 December 2018					
Cost	107,427	107,427	128,287	35,300	163,587
<u>Less</u> Accumulated depreciation	-	-	-	(31,190)	(31,190)
<u>Less</u> Allowance for impairment loss	(9,169)	(9,169)	(9,169)	-	(9,169)
Net book value	98,258	98,258	119,118	4,110	123,228
31 December 2017					
Cost	109,374	109,374	128,287	35,300	163,587
Disposal	(1,947)	(1,947)	-	-	-
<u>Less</u> Accumulated depreciation	-	-	-	(29,425)	(29,425)
<u>Less</u> Allowance for impairment loss	(9,169)	(9,169)	(9,169)	-	(9,169)
Net book value	98,258	98,258	119,118	5,875	124,993

A reconciliation of the net book value of investment properties for the years 2018 and 2017 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Net book value at beginning of year	98,258	100,205	124,993	116,165
Disposal - net book value	-	(1,947)	-	-
Depreciation charged	-	-	(1,765)	(372)
Transfer from amalgamation	-	-	-	9,200
Net book value at end of year	98,258	98,258	123,228	124,993

Based on the latest valuation performed by an independent valuer, using the market approach, the fair value of an investment properties in respect of land awaiting for sales amounted to approximately Baht 237 million. The Company believed that the fair value as at the end of reporting period did not materially differ from the latest valuation. The fair value of an investment property regarding plant held for rent did not materially differ from the book value.





18. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements								
	Land	Land improvement	Buildings	Machinery	Tool and plant and office equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:								
1 January 2017	1,169,597	22,690	3,718,222	8,675,176	2,815,730	1,372,458	2,257,334	20,031,207
Additions	196,117	-	2,925	18,526	64,161	36,214	285,013	602,956
Reclassification	-	-	-	-	(54)	-	-	(54)
Disposals and write-off	-	-	(19,180)	(94,381)	(76,338)	(28,126)	-	(218,025)
Transfer in (out)	-	-	749,413	1,438,171	206,220	51,654	(2,445,458)	-
Translation adjustment	(1,814)	-	(36)	(3,401)	(1,289)	(143)	-	(6,683)
31 December 2017	1,363,900	22,690	4,451,344	10,034,091	3,008,430	1,432,057	96,889	20,409,401
Additions	198,220	-	5,713	17,618	89,122	26,035	642,164	978,872
Reclassification	6,217	-	7,751	10,736	4,406	-	1,534	30,644
Transfer in (out)	-	-	113,392	172,458	101,083	835	(387,768)	-
Disposals and write-off	-	-	(10,216)	(29,908)	(40,287)	(47,555)	-	(127,966)
Transfers out to assets held for sales	-	-	(51,164)	(130,055)	(114,686)	-	-	(295,905)
Translation adjustment	(2,327)	-	(6,915)	(7,622)	(855)	(208)	(288)	(18,215)
31 December 2018	1,566,010	22,690	4,509,905	10,067,318	3,047,213	1,411,164	352,531	20,976,831
Accumulated depreciation:								
1 January 2017	-	5,780	1,660,674	5,794,886	2,159,751	1,021,545	-	10,642,636
Depreciation for the year	-	1,462	187,248	610,471	249,401	140,309	-	1,188,891
Accumulated depreciation on disposals and write-off	-	-	(14,642)	(92,238)	(75,188)	(27,623)	-	(209,691)
Reclassification	-	-	-	-	(6)	-	-	(6)
Translation adjustment	-	-	(268)	(1,721)	(931)	(73)	-	(2,993)
31 December 2017	-	7,242	1,833,012	6,311,398	2,333,027	1,134,158	-	11,618,837
Depreciation for the year	-	1,124	200,069	631,434	263,613	119,971	-	1,216,211
Accumulated depreciation on disposals and write-off	-	-	(10,216)	(29,629)	(39,452)	(47,324)	-	(126,621)
Transfers out to assets held for sales	-	-	(51,164)	(128,281)	(111,932)	-	-	(291,377)
Translation adjustment	-	-	(588)	(3,619)	(412)	(174)	-	(4,793)
31 December 2018	-	8,366	1,971,113	6,781,303	2,444,844	1,206,631	-	12,412,257
Net book value:								
31 December 2017	1,363,900	15,448	2,618,332	3,722,693	675,403	297,899	96,889	8,790,564
31 December 2018	1,566,010	14,324	2,538,792	3,286,015	602,369	204,533	352,531	8,564,574
Depreciation for the year								
2017 (Baht 977 million included in manufacturing cost, and the balance in administrative expenses)								1,188,891
2018 (Baht 1,017 million included in manufacturing cost, and the balance in administrative expenses)								1,216,211



(Unit: Thousand Baht)

Separate financial statements								
	Land		Buildings	Machinery	Tool and plant and office equipment	Motor vehicles	Assets under installation and under construction	Total
	Land	improvement						
Cost:								
16 October 2017	212,547	4,224	1,611,537	3,559,897	1,769,461	115,667	62,653	7,335,986
Additions	-	-	-	48	1,881	-	9,329	11,258
Transfer in (out)	-	-	-	438	25,718	-	(26,156)	-
31 December 2017	212,547	4,224	1,611,537	3,560,383	1,797,060	115,667	45,826	7,347,244
Additions	-	-	160	2,008	27,201	1,922	225,601	256,892
Disposals	-	-	-	(9,293)	(11,814)	(4,728)	-	(25,835)
Transfer in (out)	-	-	17,663	58,935	50,013	-	(126,611)	-
31 December 2018	212,547	4,224	1,629,360	3,612,033	1,862,460	112,861	144,816	7,578,301
Accumulated depreciation:								
16 October 2017	-	3,446	918,924	2,385,576	1,323,737	96,406	-	4,728,089
Depreciation for the period	-	178	13,443	42,758	30,577	1,548	-	88,504
31 December 2017	-	3,624	932,367	2,428,334	1,354,314	97,954	-	4,816,593
Depreciation for the period	-	506	63,696	196,572	143,383	6,605	-	410,762
Depreciation on disposals	-	-	-	(9,015)	(11,097)	(4,727)	-	(24,839)
31 December 2018	-	4,130	996,063	2,615,891	1,486,600	99,832	-	5,202,516
Net book value:								
31 December 2017	212,547	600	679,170	1,132,049	442,746	17,713	45,826	2,530,651
31 December 2018	212,547	94	633,297	996,142	375,860	13,029	144,816	2,375,785
Depreciation for the period as from 16 October 2017 to 31 December 2017								
(Baht 81 million included in manufacturing cost, and the balance in administrative expenses)								88,504
Depreciation for the year ended 31 December 2018								
(Baht 379 million included in manufacturing cost, and the balance in administrative expenses)								410,762

As at 31 December 2018, the Company and the subsidiary had vehicles under finance lease agreements with net book values amounting to approximately Baht 112 million (2017: Baht 176 million), and Separate financial statements of Baht 1 million (2017: Baht 2 million).

As at 31 December 2018 and 2017, certain machinery and equipment of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 6,548 million and Baht 6,394 million, respectively (Separate financial statements: Baht 3,106 million and Baht 3,015 million, respectively).



19. Intangible assets

Details of intangible assets which are computer software are as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
Cost:	
1 January 2017	109,742
Additions	5,702
Translation adjustments	(3)
Transfer from property, plant and equipment	54
Disposals and write-off	(3,237)
31 December 2017	112,258
Additions	5,510
Translation adjustments	(4)
Disposals and write-off	(56)
31 December 2018	117,708
Accumulated amortisation:	
1 January 2017	63,696
Disposals and write-off	8,256
31 December 2017	71,952
Disposals and write-off	9,009
31 December 2018	80,961
Net book value:	
31 December 2017	40,306
31 December 2018	36,747





(Unit: Thousand Baht)

	Separate financial statements
Cost:	
16 October 2017	60,861
31 December 2017	60,861
Additions	121
31 December 2018	60,982
Accumulated amortisation:	
16 October 2017	37,279
Disposals and write-off	1,152
31 December 2017	38,431
Disposals and write-off	5,446
31 December 2018	43,877
Net book value:	
31 December 2017	22,430
31 December 2018	17,105

A reconciliation of the net book value of intangible asset is presented below.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Net book value at the beginning of the year/period	40,306	46,047	22,430	25,095
Additions	5,510	5,702	121	466
Disposals/write-off	(9,032)	(9,545)	(5,446)	(3,131)
Amortisation for the year/period	(38)	(1,944)	-	-
Reclassification	-	48	-	-
Translation adjustments	1	(2)	-	-
Net book value at the end of the year/period	36,747	40,306	17,105	22,430



20. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Trade payables - related parties	220,905	246,844	444,537	390,241
Other payables - related parties	23,131	12,647	27,374	19,957
Total trade and other payables - related parties (Note 9)	244,036	259,491	471,911	410,198
Trade payables - unrelated parties	1,372,998	1,300,964	642,472	585,217
Other payables - unrelated parties	303,986	215,043	86,990	74,163
Unearned revenue	12,265	12,066	12,264	11,006
Total trade and other payables - unrelated parties	1,689,249	1,528,073	741,726	670,386
Total trade and other payables	1,933,285	1,787,564	1,213,637	1,080,584

21. Liabilities under finance lease agreements

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Liabilities under finance lease agreements	114,781	182,366	1,277	2,923
Less: Deferred interest expenses	(3,072)	(5,874)	(23)	(122)
Total	111,709	176,492	1,254	2,801
Less: Portion due within one year	(65,883)	(82,665)	(1,254)	(1,547)
Liabilities under finance lease agreements - net of current portion	45,826	93,827	-	1,254

The Company and its subsidiary has entered into the finance lease agreements for rental of motor vehicles and office equipment for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 1 and 5 years. The agreements are non-cancellable.



Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

As at 31 December 2018						
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	67,931	46,850	114,781	1,277	-	1,277
Deferred interest expenses	(2,048)	(1,024)	(3,072)	(23)	-	(23)
Present value of future minimum lease payments	65,883	45,826	111,709	1,254	-	1,254

(Unit: Thousand Baht)

As at 31 December 2017						
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	86,562	95,804	182,366	1,646	1,277	2,923
Deferred interest expenses	(3,897)	(1,977)	(5,874)	(99)	(23)	(122)
Present value of future minimum lease payments	82,665	93,827	176,492	1,547	1,254	2,801

22. Long-term loans from directors and employees

A subsidiary has received deposits from its directors and employees under its policy to promote staff deposits with the company, for saving and to derive better returns from deposits and withdrawals than deposits with banks. Each director and employee has a passbook for such deposits and withdrawals. As at 31 December 2018, deposits carried interest at a rate of 2.75 percent per annum (2017: 2.75 percent per annum).





23. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	2018			2017		
	Employee retirement benefits	Other long-term employee benefits	Total	Employee retirement benefits	Other long-term employee benefits	Total
Provision for long-term employee benefits beginning of year	721,542	85,068	806,610	732,949	79,162	812,111
Included in profit or loss:						
Current service cost	52,553	8,321	60,874	80,701	21,305	102,006
Interest cost	16,674	1,597	18,271	18,687	1,801	20,488
Past service cost	-	-	-	333	(141)	192
Benefits paid during the year	(76,038)	(12,176)	(88,214)	(120,160)	(17,058)	(137,218)
Actuarial (gain) loss arising from						
Demographic assumptions changes	-	-	-	-	4,297	4,297
Financial assumptions changes	-	-	-	-	1,455	1,455
Experience adjustments	-	-	-	-	(5,753)	(5,753)
Included in other comprehensive income:						
Actuarial (gain) loss arising from						
Demographic assumptions changes	-	-	-	7,537	-	7,537
Financial assumptions changes	-	-	-	23,971	-	23,971
Experience adjustments	-	-	-	(22,476)	-	(22,476)
Provision for long-term employee benefits at end of year	714,731	82,810	797,541	721,542	85,068	806,610



(Unit: Thousand Baht)

	Separate financial statements					
	2018			2017		
	Employee retirement benefits	Other long-term employee benefits	Total	Employee retirement benefits	Other long-term employee benefits	Total
Provision for long-term employee benefits beginning of year	503,810	60,335	564,145	549,843	70,014	619,857
Included in profit or loss:						
Current service cost	29,476	3,705	33,181	21,118	2,771	23,889
Interest cost	10,597	1,032	11,629	2,107	207	2,314
Benefits paid during the year	(41,672)	(8,315)	(49,987)	(83,623)	(13,715)	(97,338)
Actuarial loss arising from						
Experience adjustments	-	-	-	-	1,058	1,058
Included in other comprehensive income:						
Actuarial loss arising from						
Experience adjustments	-	-	-	14,365	-	14,365
Provision for long-term employee benefits at end of year	502,211	56,757	558,968	503,810	60,335	564,145

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2018	For the year ended 31 December 2017	For the year ended 31 December 2018	For the period as from 16 October 2017 to 31 December 2017
Current service cost	60,874	102,006	33,181	23,889
Interest cost	18,271	20,488	11,629	2,314
Past service costs and gains or losses on settlement	-	192	-	1,058
Total expense recognized in profit or loss	79,145	122,686	44,810	27,261



Such expenses are included in selling and administrative expenses in profit or loss

The Company and its subsidiaries expect to pay Baht 87 million of long-term employee benefits during the next year (Separate financial statements: Baht 70 million) (2017: Baht 77 million of long-term employee benefits during the next year (Separate financial statements: Baht 56 million)).

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefit is 4.81 - 22.11 years (Separate financial statements: 4.81 - 9.15 years) (2017: 4.81 - 22.11 years (Separate financial statements: 4.81 - 9.15 years)).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Discount rate	1.73 - 3.11	1.73 - 3.11	1.73 - 2.22	1.73 - 2.22
Salary increase rate	2.50 - 6.00	2.50 - 7.00	2.50 - 6.00	2.50 - 6.00
Turnover rate	0 - 61.00	0 - 57.30	0 - 57.30	0 - 57.30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2018 and 2017 are summarised below:

(Unit: Million Baht)

	As at 31 December 2018					
	Consolidated financial statements			Separate financial statements		
	Discount rate	Salary increase rate	Turnover rate	Discount rate	Salary increase rate	Turnover rate
Increase 0.5%	(3)	3	-	-	-	-
Increase 1%	(13)	7	(19)	(2)	(8)	-
Increase 20%	-	-	3	-	-	3
Decrease 0.5%	3	(3)	-	-	-	-
Decrease 1%	16	(6)	17	2	6	-
Decrease 20%	-	-	(3)	-	-	(4)



(Unit: Million Baht)

As at 31 December 2017						
	Consolidated financial statements			Separate financial statements		
	Discount	Salary	Turnover	Discount	Salary	Turnover
	rate	increase	rate	rate	increase	rate
Increase 0.5%	(3)	3	-	-	-	-
Increase 1%	(45)	42	(16)	(37)	36	-
Increase 20%	-	-	(22)	-	-	(25)
Decrease 0.5%	3	(3)	-	-	-	-
Decrease 1%	51	(38)	15	41	(33)	-
Decrease 20%	-	-	26	-	-	30

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits of Baht 63 million (The Company only: Baht 51 million). The Company and its subsidiaries will reflect the effect of the change by recognising past services costs as expenses in the income statement of the period in which the law is effective.

24. Share capital

24.1 Share capital before amalgamation

Share capital of Thai President Foods Public Company Limited before amalgamation

The issued and paid-up share capital of Thai President Foods Public Company Limited as at 31 December 2016 consisted of 180 million ordinary shares with a par value of Baht 1 each.

On 25 April 2017, the Annual General Meeting of Shareholders for the year 2017 No. 46/2017 of Thai President Foods Public Company Limited passed a resolution to approve a reduction of the Company's registered of 60 million ordinary shares of Baht 1 each and paid-up share capital from Baht 240 million (240 million ordinary shares of Baht 1 each) to Baht 180 million (180 million ordinary shares of Baht 1 each).





The issued and paid-up share capital of Thai President Foods Public Company Limited, after registering the decrease in its share capital with the Ministry of Commerce on 3 May 2017 consisted of 180 million ordinary shares with a par value of Baht 1 each.

Share capital of President Rice Products Public Company Limited before amalgamation

The issued and paid-up share capital of President Rice Products Public Company Limited before amalgamation consisted of 149.7 million ordinary shares with a par value of Baht 1 each.

24.2 The allocation of share capital to shareholders as at amalgamation date

As at 31 December 2017, the registered and paid-up share capital of Baht 329.7 million comprises 329.7 million ordinary shares with a par value of Baht 1 each, resulting from the combination of the issued and paid-up share capital of Thai President Foods Public Company Limited and President Rice Products Public Company Limited before amalgamation.

The basis of allocation of share capital to the shareholders of Thai President Foods Public Company Limited and President Rice Products Public Company Limited was as follows:

- 1.47927562 shares of the Company for every 1 existing share of Thai President Foods Public Company Limited
- 0.42373214 shares of the Company for every 1 existing share of President Rice Products Public Company Limited

25. Cumulative effect of changes in status of investments from amalgamation

Investment in the ordinary shares of President Bakery Public Company Limited held by Thai President Foods Public Company Limited before amalgamation have a cost of Baht 99.9 million (42.2 million ordinary shares, or a shareholding of 9.39 percent) which presented at fair value before amalgamation.

With reference to the amalgamation referred to in Note 1.2 to financial statements, the Company reversed the related surplus on change in value of available-for-sale investment and related deferred tax liabilities of Baht 2,603.8 million and Baht 520.8 million, respectively. This was presented under “Cumulative effect of changes in status of investments from amalgamation”.

26. Statutory reserve

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



27. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the	For the	For the period
	year ended	year ended	year ended	as from 16
	31 December	31 December	31 December	October 2017 to
	2018	2017	2018	31 December
Raw materials and consumables used	10,582,543	10,067,838	7,139,501	1,587,333
Changes in finished goods and work in process	(99,437)	(39,694)	-	-
Salary wages and other employee benefits	3,780,884	3,677,671	1,573,921	331,823
Depreciation	1,216,211	1,188,891	412,527	88,876
Advertising and promotion expenses	360,525	321,363	85,487	34,426
Transportation expenses	426,545	383,597	45,672	8,770
Export expenses	80,024	71,100	79,990	13,076
Commission expenses	230,462	66,274	72,734	14,295

28. Income tax

Income tax expenses are made up as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the	For the	For the period
	year ended	year ended	year ended	as from 16
	31 December	31 December	31 December	October 2017 to
	2018	2017	2018	31 December
Current income tax:				
Current income tax charge	588,667	472,224	323,655	57,687
Deferred tax:				
Relating to origination and reversal of temporary differences	1,339	(41,798)	3,620	(19,567)
Income tax expense reported in the statement of comprehensive income	590,006	430,426	327,275	38,120



The amounts of income tax relating to each component of other comprehensive income are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	For the year ended 31 December 2018	For the year ended 31 December 2017
		For the period as from 16 October 2017 to 31 December 2017
Deferred tax relating to gain on changes in value of available-for-sale investments	33,303	(77,853)
Deferred tax relating to actuarial gain (losses)	713	(2,584)
Total	34,016	(80,437)

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

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	For the year ended 31 December 2018	For the year ended 31 December 2017
		For the period as from 16 October 2017 to 31 December 2017
Accounting profit before tax	4,932,523	4,235,107
Applicable tax rate	0.60%, 10%, 20%, 35%	0.60%, 10%, 20%
Accounting profit before tax multiplied by applicable tax rate	1,034,395	935,796
Effects of:		
Promotional privileges (Note 29)	(358,895)	(368,037)
Non-deductible expenses	18,491	(18,017)
Additional expense deductions allowed	(1,146)	(13,746)
Dividend income not subject to tax	(104,222)	(103,584)
Other	1,383	(1,986)
Total	(444,389)	(505,370)
Income tax expenses reported in the statement of comprehensive income	590,006	430,426



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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Deferred tax assets				
Provision for long-term employee benefits	93,366	106,636	67,313	82,655
Allowance for loss on impairment of investments	29,380	16,994	29,380	16,994
Allowance for doubtful accounts	2,858	2,858	2,858	2,858
Allowance for asset impairment	459	459	459	459
Accumulated depreciation - plant and equipment	467	1,323	-	-
Assets under finance leases	727	1,014	-	-
Others	1,415	12	-	-
Total	128,672	129,296	100,010	102,966
Deferred tax liabilities				
Unrealised gain on change in value of investments	64,114	97,443	65,687	86,921
Unrealised rental income	681	653	682	653
Total	64,795	98,096	66,369	87,574
Deferred tax assets - net	63,877	31,200	33,641	15,392

Deferred tax assets and liabilities in statement of financial position were as follows:

	(Unit: Thousand Baht)			
	Statement of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Deferred tax assets	63,877	31,200	33,641	15,392





29. Promotional privileges

The Company and its subsidiaries have been granted promotional privileges under the Investment Promotion Act B.E. 2520 as approved by the Board of Investment under certain significant conditions. Significant tax privileges are as follows:

Details	The Company			
1. Certificate No.	60-1162-0-00-1-2	60-1163-0-00-1-2	60-1164-0-00-1-2	60-1165-0-00-1-2
Dated	16 October 2017	16 October 2017	16 October 2017	16 October 2017
Transferred from certificate No.	1388(2)/2552	2201(2)/2553	2535(2)/2554	1045(2)/2555
Dated	26 May 2009	9 November 2010	28 December 2011	19 January 2012
2. Promotional privileges for	Manufacturing of biscuits	Manufacturing of instant noodles	Manufacturing of instant noodles	Manufacturing of instant noodles
3. The significant conditions to follow are				
3.1 Plant to be located at	Rayong	Chonburi	Chonburi	Chonburi
4. The granted significant privileges are				
4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	Until 3 March 2018	Until 9 June 2019	Until 31 October 2020	Until 1 July 2021
4.2 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted
4.3 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	1 year	1 year	1 year
5. Date of first earning operating income	4 March 2010	10 June 2011	1 November 2012	2 July 2013



Details	The Company (continued)			
1. Certificate No.	60-1166-0-00-1-2	60-1169-0-00-1-2	60-1167-0-00-1-2	60-1168-0-00-1-2
Dated	16 October 2017	16 October 2017	16 October 2017	16 October 2017
Transferred from certificate No.	1161(2)/2555	1782(2)/2556	1780(2)/2556	1781(2)/2556
Dated	9 February 2012	6 June 2013	6 June 2013	6 June 2013
2. Promotional privileges for	Manufacturing of wafers with stuff	Manufacturing of instant noodles	Manufacturing of wafers with stuff	Manufacturing of instant noodles
3. The significant conditions to follow are				
3.1 Plant to be located at	Rayong	Rayong	Rayong	Chonburi
4. The granted significant privileges are				
4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	Until 4 November 2020	Until 30 June 2023	Until 30 September 2024	8 years
4.2 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted
4.3 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	1 year	1 year	1 year
5. Date of first earning operating income	5 November 2012	1 July 2015	1 October 2016	Not yet commenced





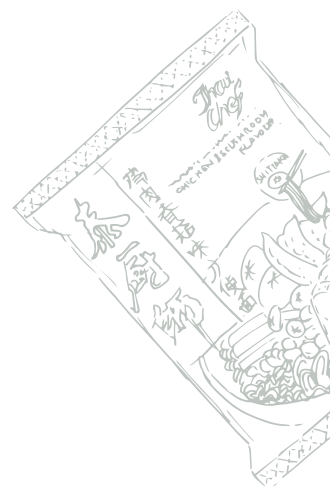
Details	The Company (continued)				
1. Certificate No.	60-1170-0-00-1-2	60-1171-0-00-1-2	60-1172-0-00-1-2	60-1173-0-00-1-2	61-0769-1-00-1-0
Dated	16 October 2017	16 October 2017	16 October 2017	16 October 2017	3 July 2018
Transferred from certificate No.	1783(2)/2556	1017(2)/2558	1018(2)/2558	58-2216-0-00-1-0	
Dated	6 June 2013	6 January 2015	6 January 2015	22 September 2015	
2. Promotional privileges for	Manufacturing of cake with stuff	Manufacturing of instant noodles	Manufacturing of instant noodles	Manufacturing of semi-instant noodles and dried noodles	Manufacturing of instant foods
3. The significant conditions to follow are					
3.1 Plant to be located at	Rayong	Rayong	Lampoon	Ratchaburi	Ratchaburi
4. The granted significant privileges are					
4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	8 years	Until 31 August 2024	Until 31 January 2024	Until 6 May 2024	5 years
4.2 Reduction of 50% of corporate income tax on net income, commencing from the date which the privilege in 4.1 expire.	-	5 years	5 years	-	-
4.3 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted
4.4 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	1 year	-	-	-
4.5 Reduction of 75% of import duty on raw materials and significant supplies used in domestic sales from the first import date	-	-	1 year	-	-
5. Date of first earning operating income	Not yet commenced	1 September 2016	1 February 2016	7 May 2016	Not yet commenced



Details	A subsidiary - Thai Anbao Paper Products Co., Ltd.				
1. Certificate No.	1611(2)/2552	1596(5)/2553	1461(2)/2554	1084(2)/2556	2438(2)/2556
Dated	14 August 2009	3 May 2010	27 April 2011	18 January 2013	15 October 2013
2. Promotional privileges for	Manufacturing of packaging and carton	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material
3. The significant conditions to follow are					
3.1 Plant to be located at	Lamphoon	Rayong	Chonburi	Chonburi	Rayong
4. The granted significant privileges are					
4.1 Exemption of corporate income tax for net income from promotional privileges and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	8 years (Expired in 5 January 2018) (not over 100 percent of investment excluding land and working capital)	8 years (Expired in 2 May 2018)	7 years (Expired in 8 September 2018) (not over 100 percent of investment excluding land and working capital)	7 years (not over 100 percent of investment excluding land and working capital)	3 years (not over 100 percent of investment excluding land and working capital)
4.2 Exemption of import duty on machinery as approved by the Board.	Granted	Granted	Granted	Granted	Granted
5. Date of first earning operating income	6 January 2010	3 May 2010	9 September 2011	6 September 2013	Not yet commenced



Details	A subsidiary - President Flour Mills Co., Ltd.	A subsidiary - Dai-ichi Packaging Co., Ltd.
1. Certificate No. Dated	1044(2)/2555 19 January 2012	1855(2)/2555 6 July 2012
2. Promotional privileges for	Manufacturing of flour-related products	Manufacturing of plastic product, or coated plastic
3. The significant conditions to follow are		
3.1 Plant to be located at	Rayong	Chachoengsao
4. The granted significant privileges are		
4.1 Exemption from corporate net income tax on income from the promoted operation, but not over 100 percent of investment excluding land and working capital.	3 years (Expired in 22 June 2017)	7 years
4.2 Exemption of import duty on machinery as approved by the Board.	-	Granted
4.3 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	-	1 year
5. Date of first earning operating income	23 June 2014	30 June 2014



Details	A subsidiary - President Bakery Public Co., Ltd.	
1. Certificate No.	1343(2)/2555	2218(2)/2557
Dated	22 March 2012	25 September 2014
2. Promotional privileges for	Manufacture of bakery products	Manufacture of whole grain products
3. Significant privileges		
3.1 Exemption from import duty on approved machinery	Granted	Granted
3.2 Exemption from corporate income tax on net income from promoted operation (commencing from the date of earning operating income) and exemption from income tax on dividend paid from the income of the operations on which the corporate income tax is exempted throughout the corporate income tax exemption period	8 years (not over 100 percent of investment excluding land and working capital)	8 years (not over 100 percent of investment excluding land and working capital)
3.3 Allowance to deduct operating loss incurred during the corporate income tax exemption period from net income incurred thereafter (after exemption period in 3.2)	5 years	5 years
4. Date of first earning operating income	1 June 2017	1 October 2014

The Company and its subsidiaries have to comply with certain conditions specified under the promotion certificates.





The Company's and its subsidiaries' operating revenues, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements								
	Promoted operations				Non-promoted operations		Total	
	Exemption of corporate income tax		Reduction of 50% of corporate income tax					
	2018	2017	2018	2017	2018	2017	2018	2017
Sales								
Export sales	1,351,919	1,024,857	-	-	2,995,547	2,730,508	4,347,466	3,755,365
Domestic sales	8,403,385	9,879,699	82,257	-	9,603,786	7,995,887	18,089,428	17,875,586
Total sales	9,755,304	10,904,556	82,257	-	12,599,333	10,726,395	22,436,894	21,630,951

(Unit: Thousand Baht)

Separate financial statements						
	Promoted operations		Non-promoted operations		Total	
	Exemption of corporate income tax					
	For the period as from	For the period as from	For the period as from	For the period as from	For the period as from	For the period as from
	For the year ended 31 December 2018	16 October 2017 to 31 December 2017	For the year ended 31 December 2018	16 October 2017 to 31 December 2017	For the year ended 31 December 2018	16 October 2017 to 31 December 2017
Sales						
Export sales	1,349,755	235,311	2,042,352	432,558	3,392,107	667,869
Domestic sales	3,971,353	982,593	5,105,443	1,083,524	9,076,796	2,066,117
Total sales	5,321,108	1,217,904	7,147,795	1,516,082	12,468,903	2,733,986

30. Earnings per share

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

31. Segment information

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

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

1. Instant noodles and semi-instant foods
2. Biscuits
3. Bakery
4. Packaging
5. Fruit Juice
6. Others

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 Company's and its subsidiaries' have applied the pricing policies described in Note 9 to set the transfer price. Inter-segment revenues are eliminated on consolidation.

The following table presents revenue and profit and total assets/ total liabilities information regarding the Company and its subsidiaries' operating segments for the years ended 31 December 2018 and 2017:



(Unit: Thousand Baht)

	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Total reportable segments	Adjustments and eliminations	Consolidated
For the year ended 31 December 2017									
Revenue from external customers	11,273,531	872,871	7,448,907	1,022,920	889,692	123,030	21,630,951	-	21,630,951
Inter-segment revenue	105,714	343,850	53	1,596,599	1,006	858,177	2,905,399	(2,905,399)	-
Interest revenue	117,302	8,604	30,635	20,620	187	400	177,748	-	177,748
Depreciation and amortization	421,642	33,746	534,636	144,501	33,472	30,439	1,198,436	(1,390)	1,197,046
Share of profit accounted for under the equity method	-	-	-	-	-	212,015	212,015	-	212,015
Income tax expense	231,260	2,979	143,334	29,183	6,793	16,877	430,426	-	430,426
Segment profit	2,198,797	57,175	1,330,828	347,571	103,297	316,402	4,354,070	(549,389)	3,804,681

(Unit: Thousand Baht)

	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Unallocated assets	Total reportable segments	Adjustments and eliminations	Consolidated
Investment in associates and joint venture accounted for under the equity method	-	-	-	-	-	-	1,562,333	1,562,333	-	1,562,333
Additions (decrease) to non-current assets other than deferred tax assets	(452,579)	(33,171)	61,409	136,420	(820)	(28,044)	(4,394,367)	(4,711,152)	5,065,323	354,171

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2018</u>	<u>2017</u>
Revenue from external customers		
Thailand	18,089,428	17,875,586
Others	<u>4,347,466</u>	<u>3,755,365</u>
Total	<u>22,436,894</u>	<u>21,630,951</u>
Non-current assets (other than deferred tax assets)		
Thailand	17,109,669	15,759,055
Others	<u>274,750</u>	<u>299,341</u>
Total	<u>17,384,419</u>	<u>16,058,396</u>

Major customers

For the year 2018, the Company and its subsidiaries have revenue from a major customer in amount of Baht 8,498 million, arising from sales by the Instant noodles, semi-instant foods and biscuits (2017: Baht 8,213 million).

32. Provident fund

The Company and its subsidiaries, and their employees jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is contributed by both employees and the Company or the subsidiary companies at the rates of 3 - 5 percent of their basic salaries and is managed by Tisco Asset Management Co., Ltd.

Total contributions of the Company and its subsidiaries for the year 2018 amounting to approximately Baht 63 million (2017: Baht 61 million) and separate financial statements: Baht 25 million (2017: Baht 5 million) were recognised as expenses.





33. Dividend

	Dividend for 2018		
	Per share (Baht)	Total (Thousand Baht)	Paid date
The second-half period of 2017			
(Approved by the Annual General Meeting of the Company's shareholders No. 1/2018 on 25 April 2018)			
BOI-promoted operation	1.25	412,130	
Non-BOI-promoted operation	0.38	125,288	
	1.63	537,418	23 May 2018
The first-half period of 2018			
(Approved by the Meeting of the Company's Board of Directors No. 9/2018 on 26 September 2018)			
BOI-promoted operation	1.60	527,526	
Non-BOI-promoted operation	0.31	102,208	
	1.91	629,734	25 October 2018
Total dividend declared in 2018	3.54	1,167,152	





Thai President Foods Public Company Limited

	Dividend for 2017		
	Per share	Total	Paid date
	(Baht)	(Thousand Baht)	
The second-half period of 2016			
(Approved by the Annual General Meeting of the Company's shareholders No. 46/2017 on 25 April 2017)			
BOI-promoted operation	2.00	360,000	
Non-BOI-promoted operation	0.20	36,000	
	2.20	396,000	24 May 2017
The first-half period of 2017			
(Approved by the Meeting of the Company's Board of Directors No. 8/2017 on 16 August 2017)			
BOI-promoted operation	1.80	324,000	
Non-BOI-promoted operation	1.02	183,600	
	2.82	507,600	15 September 2017
Total dividend declared in 2017	5.02	903,600	



President Rice Products Public Company Limited

		Dividend for 2017		
		Per share	Total	Paid date
		(Baht)	(Thousand Baht)	
The second-half period of 2016				
(Approved by the Annual General Meeting of the Company's shareholders No. 1/2017 on 25 April 2017)				
BOI-promoted operation	1.15	172,160		
Non-BOI-promoted operation	0.07	10,479		
	1.22	182,639		24 May 2017
The first-half period of 2017				
(Approved by the Meeting of the Company's Board of Directors No. 8/2017 on 16 August 2017)				
BOI-promoted operation	0.93	139,225		
Non-BOI-promoted operation	0.05	7,485		
	0.98	146,710		15 September 2017
Total dividend declared in 2017	2.20	329,349		

34. Goodwill

Goodwill mainly consists of goodwill due to Kallol Thai President Foods (BD) Limited, the subsidiary acquires China Bangla Packaging & Printing Industries Limited, resulting in goodwill of approximately Baht 45 million.





35. Commitments and contingent liabilities

35.1 Capital commitments

- a) As at 31 December 2018, a subsidiary had capital commitments in respect of procurement agreements for production machinery and equipment of approximately Baht 0.6 million and JPY 4.2 million and EUR 0.1 million, totaling approximately Baht 7.0 million (2017: Baht 20.8 million and JPY 320.0 million and AUD 0.2 million, totaling approximately Baht 119.6 million).
- b) As at 31 December 2018, the joint venture had capital commitments in shop decorating Bath 1.0 million (2017: Nil).

35.2 Operating lease commitments

The Company, its subsidiaries and the joint venture have entered into several lease agreements in respect of the lease of warehouse and other services. The terms of the agreements are generally 1 year to 5 years.

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Payable within:				
Less than 1 year	44	25	3	7
1 to 5 years	25	9	-	-
	<u>69</u>	<u>34</u>	<u>3</u>	<u>7</u>

35.3 Long-term service commitments

The joint venture entered into the license and technical assistance agreement with an overseas related company for the use of a trademark and the receipt of information related to operation and management of restaurants. Under the conditions of the agreement, the joint venture is to pay an annual license fee as stipulated in the agreement. The license fees for the year 2018 amounted to approximately Baht 2.4 million (2017: Baht 2.2 million).



35.4 Long-term purchase commitments

A subsidiary has commitments under natural gas purchase agreement for a period of 3 - 7 years. Under the agreement, a subsidiary is committed to purchase natural gas at a minimum quantity at the price stipulated in the agreement.

<u>No.</u>	<u>Period</u> (Years)	<u>Expired date</u>	<u>Average minimum</u> <u>quantity purchase</u> (Million BTU)
1.	3	30 November 2020	72,007 per annum
2.	5	31 December 2023	301 per day
3.	7	30 November 2020	23,385 per annum

35.5 Guarantees

35.5.1 As at 31 December 2018, there were outstanding bank guarantees of approximately Baht 153 million (2017: Baht 106 million), issued by banks on behalf of the Company, its subsidiaries and the joint venture and separate financial statements Baht 68 million (2017: Baht 59 million) in respect of certain performance bonds as required in the normal course of business of the Company, its subsidiaries and the joint venture. These included letters of guarantee as follows:

<u>Type of guarantee</u>	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Payment due to creditors	31	29	-	-
Custom duty	11	2	11	2
Retroactive tax assessment	111	75	57	57
	<u>153</u>	<u>106</u>	<u>68</u>	<u>59</u>

35.2.2 A subsidiary had pledged its fixed deposit of Baht 36.3 million (2017: Baht 36.3 million) with the Revenue Department as a guarantee for a retroactive tax assessment against the subsidiary. Currently, the case is in the appeal process of the Court of Appeal for Specialized Cases. Another fixed deposit of Baht 17.1 million has been pledged as a guarantee during consideration of a lawsuit brought against the subsidiary by the Department of Empowerment of Persons with Disabilities, seeking to have the subsidiary pay contributions to the Fund for Empowerment of Persons with Disabilities.



35.6 Litigation

- a) In 2011, a subsidiary was sued for compensation totaling approximately Baht 30 million in connection with traffic accidents.

Currently, settlements have been negotiated for some of the cases, with compensation being paid by the subsidiary and the insurance company and some cases are under the consideration of the Supreme Court. As at 31 December 2018, total claims had therefore decreased to Baht 3.3 million. The subsidiary's management has performed an assessment and believes that it will not suffer any material losses from this legal case; therefore no provision for contingent liabilities is set aside.

- b) In 2016, the subsidiary was sued by the Department of Empowerment of Persons with Disabilities seeking to have the subsidiary pay Baht 21.6 million to the fund for Empowerment of Persons with Disabilities. Currently, the case is being considered by the Supreme Court. As at 31 December 2018, the subsidiary's management set aside of provision for contingent liabilities of Baht 10.8 million in the account.

36. Fair value hierarchy

As at 31 December 2018 and 2017, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)		
	Consolidated Financial Statements		
	As at 31 December 2018		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Local marketable equity securities	554,668	-	554,668
Long-term fund	-	101,212	101,212
Available-for-sale investments (in private fund)	-	4,394,497	4,394,497
Assets for which fair value are disclosed			
Investment property	-	237	237





(Unit: Thousand Baht)

Consolidated Financial Statements			
As at 31 December 2017			
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Local marketable equity securities	481,340	-	481,340
Long-term fund	-	110,479	110,479
Available-for-sale investments (in private fund)	-	4,282,693	4,282,693
Assets for which fair value are disclosed			
Investment property	-	237	237

(Unit: Thousand Baht)

Separate Financial Statements			
As at 31 December 2018			
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Local marketable equity securities	554,668	-	554,668
Long-term fund	-	97,583	97,583
Available-for-sale investments (in private fund)	-	2,963,143	2,963,143
Assets for which fair value are disclosed			
Investment property	-	237	237

(Unit: Thousand Baht)

Separate Financial Statements			
As at 31 December 2017			
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Local marketable equity securities	481,340	-	481,340
Long-term fund	-	104,693	104,693
Available-for-sale investments (in private fund)	-	2,626,111	2,626,111
Assets for which fair value are disclosed			
Investment property	-	237	237



37. Financial instruments

37.1 Financial risk management

The Company and its subsidiary companies' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, investments and trade accounts payable. The financial risks associated with these financial instruments and how they are managed is described below.

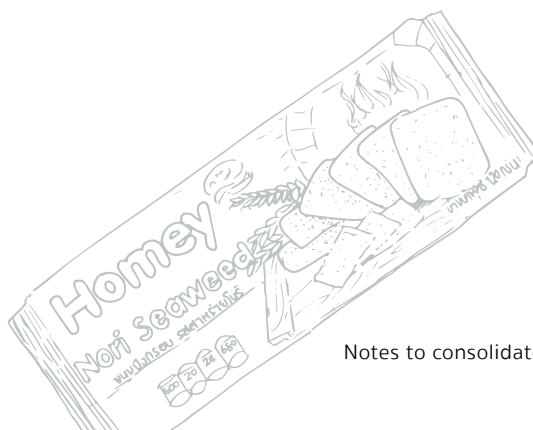
Credit risk

The Company and its subsidiary companies are exposed to credit risk primarily with respect to trade accounts receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and sales are made to creditworthy customers. Therefore the Company and its subsidiaries do not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of receivables less allowance for doubtful accounts as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiary companies' exposure to interest rate risk relates primarily to its cash at banks and financial institutions, investments and liabilities under financial lease agreements. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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





(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2018						
Fixed interest rates					Total	Effective interest rate (% per annum)
Within 1 year	1-5 years	Floating interest rate	Non- interest bearing			
Financial Assets						
Cash and cash equivalents	2,191	-	1,392	293	3,876	0.1 - 4.30
Current investments	4,111	-	-	-	4,111	0.55 - 4.80
Trade and other receivables	44	-	-	3,650	3,694	0.1 - 10.00
Other long-term investments	-	1,585	-	4,016	5,601	0.26 - 8.50
	6,346	1,585	1,392	7,959	17,282	
Financial liabilities						
Trade and other payables	-	-	-	1,933	1,933	
Liabilities under finance lease agreements	66	46	-	-	112	
	66	46	-	1,933	2,045	

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2017						
Fixed interest rates					Total	Effective interest rate (% per annum)
Within	1-5	Floating	Non- interest			
1 year	years	interest rate	bearing			
Financial Assets						
Cash and cash equivalents	1,441	-	1,299	33	2,773	0.05 - 5.13
Current investments	5,516	-	-	-	5,516	0.55 - 5.04
Trade and other receivables	-	-	23	3,603	3,626	0.05 - 5.04
Other long-term investments	-	-	234	4,900	5,134	1.49 - 5.13
	6,957	-	1,556	8,536	17,049	
Financial liabilities						
Trade and other payables	-	-	-	1,788	1,788	-
Liabilities under finance lease agreements	82	94	-	-	176	2.80 - 5.15
	82	94	-	1,788	1,964	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2018						
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate
						(% per annum)
Financial Assets						
Cash and cash equivalents	1,678	-	817	41	2,536	0.10 - 1.55
Current investments	1,984	-	-	-	1,984	1.05 - 1.85
Trade and other receivables	26	-	-	2,202	2,228	0.10 - 10.00
Other long-term investments	-	1,001	-	3,044	4,045	0.26 - 8.50
	3,688	1,001	817	5,287	10,793	
Financial liabilities						
Trade and other payables	-	-	-	1,214	1,214	-
Liabilities under finance lease agreements	1	-	-	-	1	5.15
	1	-	-	1,214	1,215	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2017							
Fixed interest rates						Effective interest rate (% per annum.)	
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total		
Financial Assets							
Cash and cash equivalents	44	-	-	1,209	30	1,283	0.05 - 0.80
Current investments	4,522	-	-	-	-	4,522	0.90 - 1.75
Trade and other receivables	22	-	-	-	2,240	2,262	0.10 - 1.75
Other long-term investments	-	40	73	-	3,218	3,331	1.59 - 4.25
	4,588	40	73	1,209	5,488	11,398	
Financial liabilities							
Trade and other payables	-	-	-	-	1,081	1,081	-
Liabilities under finance lease agreements	2	1	-	-	-	3	5.15
	2	1	-	-	1,081	1,084	





Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company and the subsidiaries seeks to reduce this 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 summarized below.

Foreign currency	Financial assets as at 31 December		Financial liabilities as at 31 December		Average exchange rate as at 31 December	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	9,736	9,379	2,821	3,176	32.4036	32.6407
Singapore dollar	-	183	-	5	-	24.4157
Euro	143	512	1,338	51	37.0731	38.9753
Japanese Yen	43,900	-	55,600	31,388	0.2926	0.2894
Ringgit	338	289	-	36	7.7815	8.0379
Pound sterling	-	6	-	-	-	43.9241

Foreign exchange contracts outstanding are summarized below.

As at 31 December 2018					
	Sold	Bought			
Foreign currency	amount	amount	Contractual exchange rate		Contractual maturity date
	(Thousand)	(Thousand)	Sold amount	Bought amount	
			(Baht per 1 foreign currency unit)		
US dollar	6,300	9,966	32.3152 - 33.1030	32.42 - 33.25	3 January - 3 July 2019
Japanese yen	-	150,000	-	0.29098 - 0.29137	29 March 2019
Euro	-	900	-	37.99 - 38.25	15 February - 24 May 2019

As at 31 December 2017					
	Sold	Bought			
Foreign currency	amount	amount	Contractual exchange rate		Contractual maturity date
	(Thousand)	(Thousand)	Sold amount	Bought amount	
			(Baht per 1 foreign currency unit)		
US dollar	2,000	1,721	32.5680 - 32.6647	32.5630 - 34.722	26 January - 11 May 2018



37.2 Fair values of financial instruments

Since the majority of the Company and its subsidiary companies' financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

38. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2018, the Group's debt-to-equity ratio was 0.15:1 (2017: 0.14:1) and the Company's was 0.15:1 (2017: 0.14:1).

39. Approval of financial statements

These financial statements were authorised for issue by the authorised director of the Company on 25 February 2019.



Board of Directors Details



1. Name	MR. BOONSITHI CHOKWATANA	
Position	Chairman of the Board / Chairman of the Nomination and Remuneration Committee	
Age	81 years	
Shareholding	3,004,301 Shares (0.91%)	
Education	The Honorary Doctorate Degree Business Administration Burapha University Business Administration Thammasat University Business Administration National Institute of Development Administration, Business Administration University of the Thai Chamber of Commerce Environmental Engineering Khon Kaen University Faculty of Law Waseda University Faculty of Textile Industry (Textile and Garments) Rajamangala University of Technology Krungthep	
Working Experience		
Oct 2017 - Present	Chairman of the Board /	Thai President Foods Public Co.,Ltd. (TFMAMA)
	Chairman of the Nomination and Remuneration Committee	Thai President Foods Public Co.,Ltd. (TFMAMA)
2014 - Oct 2017	Chairman of the Board /	Thai President Foods Public Co.,Ltd.(TF)
	Chairman of the Nomination and Remuneration Committee	Thai President Foods Public Co.,Ltd.(TF)
2014 - Present	Honorary Chairman	Saha Pathanapibul Public Co.,Ltd.
2014 - Present	Chairman / Chairman of the Executive Board / Chairman of the Nomination and Remuneration Committee	Saha Pathana Inter-Holding Public Co.,Ltd, Saha Pathana Inter-Holding Public Co.,Ltd,
Dec 2016 - Present	Honorary Advisory	I.C.C International Public Co.,Ltd.
May 2016 - Dec 2016	Honorary Advisory Director	I.C.C International Public Co.,Ltd.
2014 - May 2016	Vice Chairman	I.C.C International Public Co.,Ltd.
2014 - Apr 2018	Director	Sahacogen (Chonburi) Public Co., Ltd.
Jul 2016 - Present	Advisor to the Board of Directors	Thanulux Public Co., Ltd.
May 2010 - Jul 2016	Director Consultant	Thanulux Public Co., Ltd.
2014 - Present	Advisor to the Board of Directors	Textile Prestige Public Co., Ltd.
2014 - Present	Consultant	Thai Wacoal Public Co.,Ltd.
Board Member in Listed company	Honorary Chairman	Saha Pathanapibul Public Co.,Ltd.
	Chairman / Chairman of the Executive Board / Chairman of the Nomination and Remuneration Committee	Saha Pathana Inter-Holding Public Co.,Ltd,
Board Member in Other company	Amount 18 companies	
Appointed to be the company director since October 16, 2017		
Director skills and duties trainings	Thai Institute of Directors Association Director Accreditation Program (DAP) 3/2003 Director Certification Program (DCP) 68/2005	

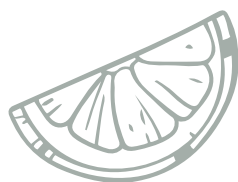


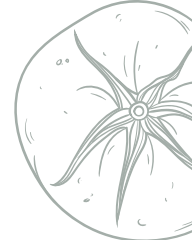


2.	Name	MR. KARMTHON PUNSAK-UDOMSIN		
	Position	Vice Chairman		
	Age	83 years		
	Shareholding	2,668,946 Shares (0.81%)		
	Education	PEI-ING MIDDLE SCHOOL		
	Working Experience			
	Oct 2017 - Present	Vice Chairman	Thai President Foods Public Co.,Ltd. (TFMAMA)	
	2014 - Oct 2017	Vice Chairman	Thai President Foods Public Co.,Ltd.(TF)	
	2014 - Apr 2018	Director	Saha Pathana Inter-Holding Public Co.,Ltd.	
	2004 - Jul 2018	Director	IT City Public Co.,Ltd.	
	Board Member in Listed company	None		
	Board Member in Other company	Amount 11 companies		
	Appointed to be the company director since October 16, 2017			
	Director skills and duties trainings	Thai Institute of Directors Association Director Accreditation Program (DAP) 3/2003 Director Certification Program (DCP) 68/2005		



3.	Name	MR. PIPAT PANIANGVAIT	
	Position	Vice Chairman / Nomination and Remuneration Committee / Chief Executive Officer	
	Age	79 years	
	Shareholding	22,179,405 Shares (6.73%)	
	Education	Honorary Doctor of Science Degree in Food Science and Technology, Faculty of Science and Technology, Rajamangala University of Technoly Tawan-ok Honorary Doctor of Arts Degree in Business administration, North Chiang Mai University Honorary Doctor of Arts Degree in Home Economics Development, Faculty of Education / Ramkhamhaeng University	
	Working Experience		
	2014 - Present	Honorary Director	The Thai Chamber of Commerce
	2014 - Present	Treasurer	Federation Internationale de Natation (FINA)
	2014 - Present	Expertise	National Olympic Committee of Thailand
	Oct 2017 - Present	Vice Chairman / Chief Executive Officer	Thai President Foods Public Co.,Ltd. (TFMAMA)
		Nomination and Remuneration Committee	Thai President Foods Public Co.,Ltd. (TFMAMA)
	2014 - Oct 2017	Vice Chairman / Chief Executive Officer	Thai President Foods Public Co.,Ltd.(TF)
		Nomination and Remuneration Committee	Thai President Foods Public Co.,Ltd.(TF)
	2014 - Present	Chairman	President Bakery Public Co.,Ltd.,
		Chairman of the Nomination and Remuneration Committee	President Bakery Public Co.,Ltd.,
	2014 - Aug 2018	Chairman	Thai O.P.P. Public Co.,Ltd.
	2014 - Present	Director	Sahapatana Inter Holding Public Co.,Ltd.,
	Apr 2013 - Oct 2017	Advisor to the Board of Directors	President Rice Product Public Co.,Ltd.
	1983 - Apr 2013	Chairman	President Rice Product Public Co.,Ltd.
	Board Member in Listed company	Chairman	President Bakery Public Co.,Ltd.,
		Director	Sahapatana Inter Holding Public Co.,Ltd.,
	Board Member in Other company	Amount 5 companies	
	Appointed to be the company director since October 16, 2017		
	Director skills and duties trainings	Thai Institute of Directors Association	
		Director Accreditation Program (DAP) 3/2003	
		Director Certification Program (DCP) 39/2004	





4. Name	MR. SUCHAI RATANAJIAJAROEN		
Position	Vice Chairman / Risk Management Committee		
Age	66 years		
Shareholding	-		
Education	Master in Business Administration , Thammasat University		
Working Experience			
Oct 2017 - Present	Vice Chairman	Thai President Foods Public Co.,Ltd.(TFMAMA)	
	Risk Management Committee	Thai President Foods Public Co.,Ltd.(TFMAMA)	
Apr 2017 - Oct 2017	Vice Chairman	Thai President Foods Public Co.,Ltd.(TF)	
2014 - Apr 2017	President	Thai President Foods Public Co.,Ltd.(TF)	
2014 - Oct 2017	Risk Management Committee	Thai President Foods Public Co.,Ltd.(TF)	
2014 - Present	Chairman	President Interfood Co.,Ltd.	
	Chairman	Kallol Thai President Foods (BD) Ltd.	
	Chairman	China Bangla Packaging & Printing Industries Ltd.	
	Consultant	Kerry Flour Mills Ltd.	
	Director	Thai-Myanmar Success Venture Co.,Ltd.	
	Director	President Foods (Cambodia) Co.,Ltd.	
2011 - May 2017	Chairman	President Flour Mills Co.,Ltd.	
	Director	Thai President Foods (Hungary) Kft.	
2016 - Present	Director	President Kourakuen Co.,Ltd.	
Board Member in Listed company	None		
Board Member in Other company	Amount 7 companies		
Appointed to be the company director since October 16, 2017			
Director skills and duties trainings	Thai Institute of Directors Association		
	Director Certification Program (DCP) 45/2004		





5.

Name

DR. POJ PANIANGVAIT

Position

President / Risk Management Committee

Age

51 years

Shareholding

3,058,552 Shares (0.93%)

Education

Dortor of Philosophy in Knowledge Management, Chiang Mai University

MBA Commerce and Accountancy, Thammasat University

Working Experience

Oct 2017 - Present

President

Thai President Foods Public Co.,Ltd.(TFMAMA)

Risk Management Committee

Thai President Foods Public Co.,Ltd.(TFMAMA)

Apr 2017 - Oct 2017

President

Thai President Foods Public Co.,Ltd.(TF)

2013 - Apr 2017

Vice President

Thai President Foods Public Co.,Ltd.(TF)

2013 - Oct 2017

Risk Management Committee

Thai President Foods Public Co.,Ltd.(TF)

2014 - Present

Director

Sanko Machinery (Thailand) Co.,Ltd.

Director

President Foods (Cambodia) Pte.,Ltd.

Director

Thai Myanmar Success Venture Ltd.

Director

Kallol Thai President Foods (BD) Ltd.

Director

China Bangla Packaging & Printing Industries Ltd.

Director

Jim's Group Co., Ltd.

Managing Director

Thai President Foods (Hungary) Kft.

Director

Sam Chai Sunshine Co., Ltd.

Director

Thaisun Foods Co.,Ltd

Director

President Interfood Co.,Ltd.

Director

Kerry Flour Mills Ltd.

Jun 2017 - Present

Director

President Flour Mills Co.,Ltd.

Apr 2018 - Present

Director

Thai Anbao Paper Products Co.,Ltd.

2018 - Present

Director

Ayeyarwaddy Success Venture Foods Co.,Ltd

Board Member in Listed company

None

Board Member in Other company

Amount 14 companies

Appointed to be the company director since October 16, 2017

Director skills and duties trainings

Thai Institute of Directors Association

Directors Accreditation Program (DAP) 20/2004

Director Certification Program (DCP) 72/2006





6.

Name

Position

Age

Shareholding

Education

Working Experience

Board Member in Listed company

Board Member in Other company

Appointed to be the company director since October 16, 2017

Director skills and duties trainings

MR. KAMTHORN TATIYAKAVEE

Director

64 years

5,792,527 Shares (1.76%)

MBA. (Finance) University of Bridgeport Connecticut, U.S.A.

Oct 2017 - Present

2014 - Oct 2017

2014 - Mar 2018

2014 - Present

2014 - Jul 2017

2014 - Jul 2017

2014 - Present

2015 - Present

2014 - Jul 2017

2014 - Jun 2017

2017 - Present

None

Amount 2 companies

Thai Institute of Directors Association

Audit Committee Program (ACP) 12/2006

Directors Certification Program (DCP) 46/2004

Directors Accreditation Program (DAP) 3/2003

IT Governance and Cyber Resilience Program (ITG) 7/2018

Thai President Foods Public Co.,Ltd.(TFMAMA)

Thai President Foods Public Co.,Ltd.(TF)

President Bakery Public Co.,Ltd,

Kerry Flour Mills Limited

Asia Wealth Securities Co.,Ltd.

Asia Wealth Holding Co.,Ltd.

WHA Real Estate Management Co.,Ltd.

Export - Import Bank of Thailand

Asia Wealth Securities Co., Ltd.

President Holding Co.,Ltd.

Keystone Holding Co., Ltd.





7. Name	MR. APICHART THAMMANOMAI	
Position	Director	
Age	69 years	
Shareholding	158,972 Shares (0.05%)	
Education	Mini MBA , Thammasat University Bachelor's Degree in Political Science, Ramkhamhaeng University	
Working Experience		
Oct 2017 - Present	Director	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 - Oct 2017	Director	Thai President Foods Public Co.,Ltd.(TF)
2014 - Present	Managing Director	President Bakery Public Co.,Ltd.
2014 - Present	Nomination and Remuneration Committee	President Bakery Public Co.,Ltd.
2015 - Oct 2017	Chairman of the Board of Director	President Rice Products Public Co.,Ltd.
	Chairman of the Nomination and Remuneration Committee	President Rice Products Public Co.,Ltd.
Jun 2017 - Present	Chairman	President Flour Mills Co.,Ltd.
2011 - May 2017	Director	President Flour Mills Co.,Ltd.
2014 - Present	Director	Kerry Flour Mills Limited
Board Member in Listed company	Managing Director	President Bakery Public Co.,Ltd.
	Nomination and Remuneration Committee	
	Committee	
Board Member in Other company	Amount 2 companies	
Appointed to be the company director since October 16, 2017		
Director skills and duties trainings	Thai Institute of Directors Association Director Certification Program (DCP) 68/2005 Director Accreditation Program (DAP) 2003	



8.

Name

Position

Age

Shareholding

Education

MR. BOONCHAI CHOKWATANA

Director

71 years

73,964 Shares (0.0224%)

The Doctor Honorary Degree in

- Communication, Naresuan University

- Business Administration, Mahasarakham University

- Logistics Management, Suan Sunandha Rajabhat University

Bachelor of Arts in Political Science, Ramkhamhaeng University

Bachelor of Business Administration Wisconsin State University At Superior, U.S.A.

Working Experience

Oct 2017 - Present

2014 - Oct 2017

Apr 2012- Present

2014 - Present

2014 - Present

2009 - Dec 2014

Dec 2012 - Apr 2014

Director

Director

Director

Chairman / Chairman of the Executive Board

Chairman

Independent Director

Director

Thai President Foods Public Co.,Ltd.(TFMAMA)

Thai President Foods Public Co.,Ltd.(TF)

Saha Pathana Inter-Holding Public Co.,Ltd.

Saha Pathanapibul Public Co.,Ltd.

Far East DDB Public Co.,Ltd.

MFC Asset Management Public Co.,Ltd.

Pan Asia Footware Public Co.,Ltd.

Saha Pathanapibul Public Co.,Ltd.

Far East DDB Public Co.,Ltd.

Saha Pathana Inter-Holding Public Co.,Ltd.

Board Member in Listed company

Chairman / Chairman of the Executive Board

Chairman

Director

Amount 20 companies

Board Member in Other company

Appointed to be the company director since October 16, 2017

Director skills and duties trainings

Thai Institute of Directors Association

Director Accreditation Program (DAP) 3/2003

Director Certification Program (DCP) 68/2005






9.

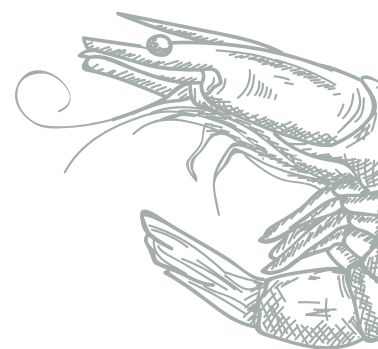
Name	MR. VATHIT CHOKWATANA		
Position	Director		
Age	54 years		
Shareholding	888 Shares (0.0003%)		
Education	Master's Degree in Business Administration, Assumption University Bachelor of Electronic Engineer, San Francisco State University, California USA		
Working Experience			
Oct 2017 - Present	Director	Thai President Foods Public Co.,Ltd.(TFMAMA)	
2014 - Oct 2017	Director	Thai President Foods Public Co.,Ltd.(TF)	
2017 - Present	President	Saha Pathanapibul Public Co.,Ltd.	
2008 - 2017	Director	Saha Pathanapibul Public Co.,Ltd.	
2014 - Present	Managing Director	Sun 108 Co.,Ltd.	
Board Member in Listed company	President	Saha Pathanapibul Public Co.,Ltd.	
Board Member in Other company	Amount 15 companies		
Appointed to be the company director since October 16, 2017			
Director skills and duties trainings	Thai Institute of Directors Association Director Accreditation Program (DAP) 75/2008 Director Certification Program (DCP) 251/2018		

10. Name	MISS POJJANA PANIANGVAIT	
Position	Director / Risk Management Committee /Assistant Vice President	
Age	53 years	
Shareholding	3,063,710 Shares (0.93%)	
Education	Master Of Business Administration (MBA), National Institute of Development Administration Master Of Art (MA) in Communication Art and Design New York Institute of Technology (NYIT),New York,USA B.F.A. (Communication Design), King Mongkut's Institute of Technology Ladkrabang	
Working Experience		
Oct 2017 - Present	Director	Thai President Foods Public Co.,Ltd.(TFMAMA)
Oct 2017 - Present	Risk Management Committee	Thai President Foods Public Co.,Ltd.(TFMAMA)
Oct 2017 - Present	Assistant Vice President	Thai President Foods Public Co.,Ltd.(TFMAMA)
Apr 2015 - Oct 2017	Director	Thai President Foods Public Co.,Ltd.(TF)
2016 - Oct 2017	Risk Management Committee	Thai President Foods Public Co.,Ltd.(TF)
2015 - Present	Director	Thai President Foods (Hungary) Kft.
2014 - Present	Director	Sam Heng Co., Ltd.
2014 - Present	Managing Director	President Imter Food Co., Ltd.
2014 - Present	Director	Daiji Enterprise Co., Ltd.
2014 - Present	Director	Jim's Group Co., Ltd.
Board Member in Listed company	None	
Board Member in Other company	Amount 5 companies	
Appointed to be the company director since October 16, 2017		
Director skills and duties trainings	Thai Institute of Directors Association Directors Certification Program (DCP 212/2015) Successful Formulation & Execution the Strategy (SFE 29/2017) Risk Management Program for Corporation Leaders (RCL 8/2017)	

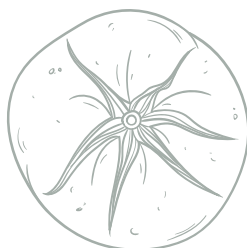




11. Name	DR. KULPATRA SIRODOM		
Position	Independent Director / Chairman of Audit Committee		
Age	62 years		
Shareholding	150,147 Shares (0.05%)		
Education	Ph.D (Finance) University of Pittsburgh, Pennsylvania, USA MBA. (Finance) West Virginia University, USA		
Working Experience			
Oct 2017 - Present	Independent Director	Thai President Foods Public Co.,Ltd.(TFMAMA)	
	Chairman of the Audit Committee	Thai President Foods Public Co.,Ltd.(TFMAMA)	
2014 - Oct 2017	Independent Director	Thai President Foods Public Co.,Ltd.(TF)	
	Chairman of the Audit Committee	Thai President Foods Public Co.,Ltd.(TF)	
2002 - 2017	Independent Director	President Bakery Public Co.,Ltd.	
	Director of the Audit Committee	President Bakery Public Co.,Ltd.	
2014 - Present	Independent Director	Thai Wacoal Public Company Limited	
	Chairman of the Audit Committee	Thai Wacoal Public Company Limited	
	Chairman of Corporate Governance Committee	Thai Wacoal Public Company Limited	
2009 - Apr 2018	Independent Director / Audit Committee Member	The Siam Commercial Bank Plc.	
2014 - Present	Independent Director / Chairman of Audit Committee	The Arawan Group Plc.	
2016 - Present	Independent Director	Thailand Securities Depository Co., Ltd.	
2016 - Present	Independent Director / Chairman of Risk Committee	Thailand Clearing House Co.,Ltd.	
Board Member in Listed company	Independent Director	Thai Wacoal Public Company Limited	
	Chairman of the Audit Committee		
	Chairman of Corporate Governance Committee		
	Independent Director / Chairman of Audit Committee	The Arawan Group Plc.	
Board Member in Other company	Amount 2 companies		
Appointed to be the company director since October 16, 2017			
Director skills and duties trainings	Thai Institute of Directors Association Director Certification Program (DCP) 1/2000 Audit Committee Program		



12. Name	THANPUYING ANGKAB PUNYASHTHITI	
Position	Independent Director / Audit Committee	
Age	84 years	
Shareholding	155,873 Shares (0.05%)	
Education	Honorary Degree of Doctor of Philosophy in Educational Administration Ph.D. (Honorary Degree in Educational Administration) Ramkhamhaeng University Doctor of Philosophy (Buddhist Educational Administration) Mahachulalongkornrajavidyalaya University M.S.C. in Education University of Wisconsin, U.S.A. Bachelor of Arts, Chulalongkorn University	
Working Experience		
Oct 2017 - Present	Independent Director	Thai President Foods Public Co.,Ltd.(TFMAMA)
	Audit Committee	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 - Oct 2017	Independent Director	Thai President Foods Public Co.,Ltd.(TF)
	Audit Committee	Thai President Foods Public Co.,Ltd.(TF)
2014 - Present	Chairman	Thai Bunka Fashion Co.,Ltd.
	Advisor Board of Director	Chitralada Vocational School
	Member of the Commission	Chitralada College of Technology
	Honorary Advisor to the President	Chitralada College of Technology
Board Member in Listed company	None	
Board Member in Other company	Amount 1 company	
Appointed to be the company director since October 16, 2017		
Director skills and duties trainings	Thai Institute of Directors Association Director Certification Program (DCP) 68/2005	





13. Name	MR. CHAIWAT MARAPRYGSAVAN	
Position	Independent Director / Audit Committee / Nomination and Remuneration Committee	
Age	72 years	
Shareholding	-	
Education	Master of Laws, Ramkhamhaeng University	
Working Experience		
Oct 2017 - Present	Independent Director / Audit Committee	Thai President Foods Public Co.,Ltd.(TFMAMA)
	Nomination and RemunerationCommittee	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 - Oct 2017	Independent Director / Audit Committee	Thai President Foods Public Co.,Ltd.(TF)
	Nomination and RemunerationCommittee	Thai President Foods Public Co.,Ltd.(TF)
2014 - Present	Vice Chairman	The Thai Chamber of Commerce
	Advisor of Legal Committee	Board of Trade of Thailand
2014 - Present	Chairman of Audit Committee	University of the Thai Chamber of Commerce
2014 - Present	Director	Board ofThai Entrepreneur Development Institute, Board of Trade of Thailand
2014 - Present	Director	Board of Certificate of Origin (C/O), Certificate of Standards of Products and ATA Carnet
2014 - Present	Director	The Committee on the business of APEC/APAC/ASEM
2014 - Present	Director	University of the Thai Chamber Commerce Council
2014 - Present	Litigant, Business Law Consultant	C.B. Law office Ltd.
2014 - Present	Expert to Member of The National Legislative Assembly	
Board Member in Listed company	None	
Board Member in Other company	Amount 1 company	
Appointed to be the company director since October 16, 2017		
Director skills and duties trainings	Thai Institute of Directors Association Directors Certification Program (DCP) 105/2008	





14. Name	PROFESSOR DR.VISITH CHAVASIT		
Position	Independent Director / Chairman of Risk Management Committee		
Age	61 years		
Shareholding	-		
Education	Ph.D.(Food Science) Department of Food Science and Technology, Oregon State University U.S.A		
Working Experience			
Oct 2017 - Present	Independent Director	Thai President Foods Public Co.,Ltd.(TFMAMA)	
	Chairman of Risk Management Committee	Thai President Foods Public Co.,Ltd.(TFMAMA)	
2014 - Oct 2017	Independent Director	Thai President Foods Public Co.,Ltd.(TF)	
	Chairman of Risk Management Committee	Thai President Foods Public Co.,Ltd.(TF)	
2014 - Present	Professor	The Institute of Nutrition / Mahidol University	
Oct 2007 - Oct 2014	Director	The Institute of Nutrition / Mahidol University	
Oct 1999 - Oct 2014	Associate Professor	The Institute of Nutrition / Mahidol University	
Board Member in Listed company	None		
Board Member in Other company	None		
Appointed to be the company director since October 16, 2017			
Director skills and duties trainings	Thai Institute of Directors Association Director Certification Program (DCP) 136/2010 Risk Management Program for Corporation Leaders (RCL 8/2017)		

15. Name	MR. SAROJ CHAYAVIVATKUL		
Position	Independent Director		
Age	52 years		
Shareholding	-		
Education	Master of Business Administration, The Wharton School, University of Pennsylvania Bachelor of Arts in Computer Science, University of Texas		
Working Experience			
Oct 2017 - Present	Independent Director	Thai President Foods Public Co.,Ltd.(TFMAMA)	
Apr 2016 - Oct 2017	Independent Director	Thai President Foods Public Co.,Ltd.(TF)	
2014 - Present	President	Thai Beverage Can Ltd.	
Board Member in Listed company	None		
Board Member in Other company	Amount 4 companies		
Appointed to be the company director since October 16, 2017			
Director skills and duties trainings	Thai Institute of Directors Association Director Certification Program (DCP)		





Management Team Details



1. Name	DR. POJJANEE PANIANGVAIT	
Position	Vice President	
Age	54 years	
Shareholding	3,100,923 Shares (0.94%)	
Education	Ph.D. in Agricultural and Environmental Chemistry with emphasis on Food Sciences, University of California, Davis Master of Management, SASIN Graduate Institute of Business Administration, Bangkok	
Working Experience		
Oct 2017 - Present	Vice President	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 – Oct 2017	Vice President	Thai President Foods Public Co.,Ltd.(TF)
2014 - Present	Managing Director	President Flour Mills Co.,Ltd.
2014 - Present	Director	Kerry Flour Mills Co.,Ltd.
2014 - Present	Managing Director	Siam Sincere Co.,Ltd.
2014 - Present	Director	President Inter Foods Co.,Ltd.
2014 - Present	Director	President Bakery Public Co.,Ltd.
2007 - Oct 2017	Director	President Rice Products Public Co.,Ltd.
Board Member in Listed company	Director	President Bakery Public Co.,Ltd.
Board Member in Other company	Amount 5 companies	
Director skills and duties trainings	Thai Institute of Directors Association Director Accreditation Program How to Develop a Risk Management Plan (HRP)	

2. Name	Miss HATAIRAT KWANGCHIT-AREE	
Position	Assistant Vice President	
Age	60 years	
Shareholding	51,144 Shares (0.0155%)	
Education	EX-MBA The National Institute of Development Administration B.B.A Accounting Ramkhamhaeng University	
Working Experience		
Oct 2017 - Present	Assistant Vice President	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 – Oct 2017	Assistant Managing Director	President Rice Products Public Co.,Ltd.
	Executive Director	
Board Member in Listed company	None	
Board Member in Other company	None	
Director skills and duties trainings	Thai Institute of Directors Association Director Accreditation Program	





3. Name	MRS. SODSAI HANCHANA	
Position	Assistant Vice President	
Age	59 years	
Shareholding	25,574 Shares (0.0078%)	
Education	Master in Marketing, Thammasart University Bachelor of Science (Food and Biotechnology) Chulalongkorn University	
Working Experience		
Oct 2017 - Present	Assistant Vice President	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 – Oct 2017	Assistant Managing Director Executive Director	President Rice Products Public Co.,Ltd.
2014 – Present	Director	President Inter Foods Co.,Ltd.
Board Member in Listed company	None	
Board Member in Other company	Amount 1 company	
Director skills and duties trainings	Thai Institute of Directors Association Director Accreditation Program	

4. Name	MR. PETCH PANIANGVAIT	
Position	Foreign Investments Office, Manager	
Age	44 years	
Shareholding	3,062,746 Shares (0.93%)	
Education	MBA International Business, University of Technology, Sydney, Australia Bachelor's Degree in Business Administration, Assumption University	
Working Experience		
Oct 2017 - Present	Foreign Investments Office, Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 – Oct 2017	Business Development Department, Manager	Thai President Foods Public Co.,Ltd.(TF)
2014 - Present	Director Director Director	Saha Pathanapibul Public Co.,Ltd. President Interfood Co.,Ltd. Thai Anbao Paper Products Co.,Ltd.
Jan 2018 - Present	Director	Thaisun Foods Co.,Ltd
2015 - Oct 2017	Director	President Rice Products Public Co.,Ltd. Saha Pathanapibul Public Co.,Ltd.
Board Member in Listed company	Director	
Board Member in Other company	Amount 3 companies	
Director skills and duties trainings	Thai Institute of Directors Association Director Accreditation Program	



5. Name	MR. PUN PANIANGVAIT	
Position	Presidents Office, Manager	
Age	43 years	
Shareholding	3,072,331 Shares (0.93%)	
Education	Master of Law (LL.M) in Business Law (International Program) Chulalongkorn University	
Working Experience		
Oct 2017 - Present	Presidents Office, Manager	Thai President Foods Public Co.,Ltd (TFMAMA)
2014 - Oct 2017	Managing Director	President Rice Products Public Co.,Ltd.
	Nomination and Remuneration Committee	
2016 - Present	Director	President Bakery Public Co.,Ltd.
2014 - Present	Director	Thai Instant Products Co., Ltd.
	Director	Thai Anbao Paper Products Co., Ltd.
2014 - Present	Director	Dai-Ichi Packaging Co., Ltd.
2014 - Present	Executive Director	The Thai Chamber of Commerce and Board of Trade of Thailand
	Chairman of Business Law Committee	
2015 - Present	Qualified member of Calibration Committee	Department of Internal Trade Ministry of Commerce
2015 - Present	Member of retail whosale Subcommittee	Office of Trade Competition Commission Department of Internal Trade Ministry of Commerce
2014 - 2017	Member of Central Intellectual Property Trial Justice Subcommittee	Ministry of Justice Organizatio of Justice
Board Member in Listed company	Director	President Bakery Public Co.,Ltd.
Board Member in Other company	Amount 6 companies	
Director skills and duties trainings	Thai Institute of Directors Association Director Accreditation Program	

6. Name	MISS SARARATH TANGSIRIMONGKOL	
Position	Accounting Department, Manager / Company Secretary	
Age	54 years	
Shareholding	-	
Education	Master of Science (Internal Auditing), The University of the Thai Chamber Commerce	
Working Experience		
Oct 2017 - Present	Accounting Department, Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
Oct 2017 - Present	Company Secretary	Thai President Foods Public Co.,Ltd.(TFMAMA)
May 2012 - Oct 2017	Accounting Department, Manager	Thai President Foods Public Co.,Ltd.(TF)
Apr 2012 - Oct 2017	Company Secretary	Thai President Foods Public Co.,Ltd.(TF)
Board Member in Listed company	None	
Board Member in Other company	None	
Director skills and duties trainings	Thai Institute of Directors Association Company Secretary Program (CSP) 42/2011	





7.

Name

Position

Age

Shareholding

Education

Working Experience

Oct 2017 - Present

2006 – Oct 2017

2002 – 2005

Board Member in Listed company

Board Member in Other company

MR. WASAN BOONSAMPANKIT

Finance and Investment Department, Manager (CFO)

48 years

-

MS.(Finance), University of Colorado, USA.

Finance and Investment Department, Manager

Finance and Investment Department, Manager

Assistant Finance Manager

Thai President Foods Public Co.,Ltd. (TFMAMA)

Thai President Foods Public Co.,Ltd.(TF)

Thai President Foods Public Co.,Ltd.(TF)

None

None

8. Name	MR. ITTIPHON KHOUHARAT		
Position	Business Development, Manager		
Age	53 years		
Shareholding	-		
Education	Master of Economics, University of the Thai Chamber of Commerce		
Working Experience			
Oct 2017 - Present	Business Development, Manager	Thai President Foods Public Co.,Ltd. (TFMAMA)	
Jul 2016- Oct 2017	Brand Manager	Thai President Foods Public Co.,Ltd.(TF)	
2001 - Jun 2016	Marketing Manager	Thaisun Foods Co.,Ltd	
2018 - Present	Director	Thaisun Foods Co.,Ltd	
Board Member in Listed company	None		
Board Member in Other company	Amount 1 company		

9.	Name	MISS PRAPIN LAWANPRASERT		
	Position	Sourcing Department, Manager		
	Age	56 years		
	Shareholding	32,297 Shares (0.0098%)		
	Education	Master's Degree of Food Science and Technology, Kasetsart University		
	Working Experience			
	Oct 2017 - Present	Sourcing Department, Manager	Thai President Foods Public Co.,Ltd. (TFMAMA)	
	2014 – Oct 2017	Sourcing Department, Manager	Thai President Foods Public Co.,Ltd.(TF)	
	Apr 2013 - Present	Director	President Flour Mills Ltd.	
	1999 – Mar 2013	Director	Kerry Flour Mills Ltd.	
	Board Member in Listed company	None		
	Board Member in Other company	Amount 1 company		



10. Name	MR. SORAYUT RAKSASRI	
Position	Human Resource & Administration Department, Manager	
Age	47 years	
Shareholding	-	
Education	Master of Public Administration, Chiangmai University	
Working Experience		
Oct 2017 - Present	Human Resource & Administration Department, Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
May 2015 - Oct 2017	Human Resource & Administration Department, Manager	Thai President Foods Public Co.,Ltd.(TF)
2003 - Apr 2015	Chief of Human Resource Department (Lumphun Plant)	Thai President Foods Public Co.,Ltd.(TF)
Board Member in Listed company	None	
Board Member in Other company	None	
11. Name	MISS ARIYA TANGCHEEVINSIRIKOL	
Position	Internal Audit Department, Manager	
Age	46 years	
Shareholding	-	
Education	Master of Faculty of Commerce and Accountancy Degree in Corporate Governance Program (MSCG), Chulalongkorn University	
Working Experience		
Oct 2017 - Present	Internal Audit Department , Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 – Oct 2017	Internal Audit Department , Manager	Thai President Foods Public Co.,Ltd.(TF)
Board Member in Listed company	None	
Board Member in Other company	None	
12. Name	MR. CHUMPOL TEMIYASATHIT	
Position	Research Development Department, Manager	
Age	54 years	
Shareholding	430 Shares (0.0001%)	
Education	Master of Business Administration (Management), Sasin Graduate Institute of Business Administration of Chulalongkorn University	
Working Experience		
Oct 2017 - Present	RD Department, Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
Apr 2016 - Oct 2017	RD & QA Department, Acitng Manager	Thai President Foods Public Co.,Ltd.(TF)
Jan 2007 - Mar 2016	Deputy Sourcing Manager	Thai President Foods Public Co.,Ltd.(TF)
Board Member in Listed company	None	
Board Member in Other company	None	
13. Name	MISS SAWITA SAKULTHANASOMBAT	
Position	Quality Assurance Department , Manager	
Age	57 years	
Shareholding	-	
Education	Bachelor of Arts Program in General management Rajabhat Rajanagarindra University	
Working Experience		
Oct 2017 - Present	Quality Assurance, Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
2007 - Oct 2017	Asst. Manager /RD & QA Department	Thai President Foods Public Co.,Ltd.(TF)
Board Member in Listed company	None	
Board Member in Other company	None	



14. Name	MISS NIMOL KIJKHAN	
Position	Sriracha Factory, Manager	
Age	57 years	
Shareholding	-	
Education	Master of Science , Kasetsart University	
Working Experience		
Oct 2017 - Present	Sriracha Factory, Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
Jan 2016 - Oct 2017	Sriracha Factory, Manager	Thai President Foods Public Co.,Ltd.(TF)
Jan 2015 - Dec 2015	Sriracha Assistant Production Manager	Thai President Foods Public Co.,Ltd.(TF)
Apr 2013 - Dec 2014	Head of Quality Development Section	Thai President Foods Public Co.,Ltd.(TF)
Jan 2011 - Mar 2013	Consultant GMP/ISO9000/BRC	
Board Member in Listed company	None	
Board Member in Other company	None	

15. Name	MRS. SUCHADA PANIANGVAIT	
Position	Lamphun Factory, Manager	
Age	51 years	
Shareholding	52,918 Shares (0.0161%)	
Education	Master of Science in Computer and Engineering Management MS. (CEM), Assumption University	
Working Experience		
Oct 2017 - Present	Lamphun Factory, Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 – Oct 2017	Lamphun Factory, Manager	Thai President Foods Public Co.,Ltd.(TF)
2016 - Present	Director	Northern Technology Co.,Ltd.
2007 - 2009	Head Office,plant (to be on assistant plant manager, Lamphun)	Thai President Foods Public Co.,Ltd.(TF)
Board Member in Listed company	None	
Board Member in Other company	Amount 1 company	

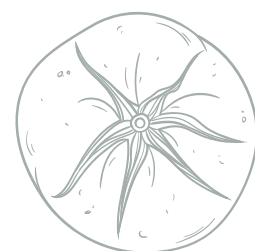
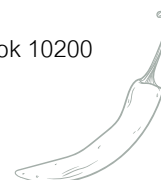
16. Name	MR. NIRUN POOTHONG	
Position	Rayong Factory , Manager	
Age	66 years	
Shareholding	60,628 Shares (0.0184%)	
Education	MBA, Burapha University	
Working Experience		
Oct 2017 - Present	Rayong Factory, Manager	Thai President Foods Public Co.,Ltd.(TFMAMA)
2014 – Oct 2017	Rayong Factory, Manager	Thai President Foods Public Co.,Ltd.(TF)
2017 - Present	Director	President Flour Mills Co.,Ltd.
Board Member in Listed company	None	
Board Member in Other company	Amount 1 company	



Company Profile



Name	: Thai President Foods Public Company Limited
Trading Abbreviation	: TFMAMA
Main Business	: Foods Manufacturer
Registered No.	: Bor. Mor. Jor 0107560000397
Registered Capital	: 329,704,014 baht, issued and fully paid, comprising 329,704,104 Ordinary Shares, Par Value at 1 baht per share
Head Office	: 304 TF Bldg., Srinakarin Rd., Huamark, Bangkok, Bangkok 10240, Thailand. Tel.(662) 0-2374-4730 Fax. (662) 0-2374-7743 http://www.mama.co.th E-mail : tf@mama.co.th
Factory	: Cholburi : 601 Moo 11 Sukapiban 8 Rd., Nangkarm, Sri Racha, Cholburi Province 20280 Tel. 0-3848-0502 Fax. 0-3848-0184 Lumphun : 99/9 Moo 5, Lamphun - Pasang Rd., Phasuk, Lumphun Province Tel. 0-5358-4088, 0-5353-7788 Fax. 0-5353-4086 Rayong : 43/244, Moo 4, Huayprab-Pluakdaeng Rd., Mabyangporn Sub-district, Pluakdaeng District, Rayong province Tel. 0-3889-1530 Fax. 0-3889-1533 Ratchaburi 1 : 115 Moo 15 Songpol road, Pakrad, Banpong, Ratchaburi 70110 Tel. 032 201 503-4 Fax. 032 201 248 Ratchaburi 2 : 158 Moo 15 Songpol road, Pakrad, Banpong, Ratchaburi 70110 Tel. 032 719 599 Fax. 032 719 555
Reference Person	: Registrar SET For Securities Depository Center (Thailand) Co., Ltd. 14th Floor, The Stock Exchange of Thailand Building 93 Ratchadapisek Rd., Din Daeng, Bangkok 10400 Tel. 0-2009-9000 Fax. 0-2009-9992
Auditor	: Mrs. Sarinda Hirunprasurtwutti EY Office Limited 33rd Floor, Lake Rajada Office Complex 193/136-137 New Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand
Legal Consultant	: Chompoo & Associates Co., Ltd. 5 Boonsiri Road, Sanchaophorseue Sub District, Pranakorn District, Bangkok 10200 Tel. 0-2221-8111-3 Fax.0-2224-1997
Banks	: Bangkok Bank Public Company Limited Bank of Ayudhya Public Company Limited Citibank, N.A Kasikorn Bank, CIMB Thai Bank Public Company Limited, Thanachart Bank Public Company Limited Government Housing Bank Mizuho Corporate Bank, Ltd. Exim Bank.







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