



**Form 56-1**

**For the year ended 30 September 2018**

**Siam Food Products Public Company Limited**

# Siam Food Products Public Company Limited

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To ensure the accuracy of the information.

Report of The Audit Committee

Attachments

Attachments 1 : Board of Directors , Executive Committee and Company Secretary

Attachments 2 : Board of Directors of The Affiliates

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**Part 1**  
**Business Operation**

**1. Policy and overall business operations.**

The company is a manufacturer and exporter of canned pineapple, pineapple juice and juice concentrate and other processed tropical fruits. It operates a multi-fruit processing factory in Chonburi Province and exports its produce under the brand of the company's customers.

Eastern Seaboard Industrial Estate (Rayong) Co., Ltd, is a joint venture company between Siam Food Products PCL. and Hemaraj Land and Development PCL. Eastern Seaboard Industrial Estate (Rayong) Co., Ltd. was set up on 3 November 1994. The company has a registered and paid up capital of Baht 358 million, 40% of which is owned by Siam Food Products PCL. Its business is to develop an industrial estate in Rayong, and to build and sell public utilities to both Thai and foreign investors.

On 27 October 2010, the company established a subsidiary company under the name of Quality Pineapple Products Co., Ltd., or QPP, whose office is located at 1 Empire Tower, 43rd Floor, South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok 10120. QPP was established in order to support the expansion of the company's business which purchased a canned pineapple and concentrated pineapple juice factory in Hua Hin District, Prachuab Kirikhan Province.

In December 2013 the company invested in 6.88 percent of the paid-up registered capital of 4,700 million Baht of the Real Estate Investment Trust and lease rights in Ratcha Industrial "HPF" which invested in some assets of Hemaraj Industrial Estate Public Company Limited and Eastern Seaboard Industrial Estate (Rayong) Co., Ltd.

On 26 August 2015, a subsidiary company was established under the name of Siam Food (2513) Co., Ltd. with a registered capital of 1 million Baht and using the company abbreviation "SF (2513)" with its head office located at No. 1, Empire Tower, 43<sup>rd</sup> Floor, South Sathon Road, Yannawa Sub-District, Sathon District, Bangkok 10120. The affiliate was set up to accommodate the business expansion of the company and to operate commercial and investment business such as manufacturing, supplying raw materials and expanding the investment in AEC.

The Annual General Meeting of the Shareholders No. Bor Mor Jor 24 for the year 2016 held on 22 April 2016 had considered and unanimously resolved to change ending date of Annual Accounting Period of the Company from 31<sup>st</sup> December to be 30<sup>th</sup> September of each year, starting fiscal year 2016 which will be the

first year nine-month period from January to September 2016, after that a period of 12 months starting October – September for each year.

### **1.1 Vision, Mission and Common Definitions**

The Board of Directors' Meeting No. 7/2018 held on September 27, 2018 has reviewed and approved the vision, mission, shared core values and short-term and long-term strategies. To guide and establish clear goals for the business of the company as follows :

The company has the following vision, mission and shared core values.

#### **Vision**

Our overriding goal is to be a modern, innovative food processing company with at least five main product groups and branded, added-value retail products that sell directly to consumers in Thailand and around the world.

We will be the 4th largest pineapple processor in the world, achieved by expansion of our growing area and processing sites. We are vertically integrated growing at least 20% of our fruit on our own plantations.

Whilst canned pineapple remains our core business it will contribute no more than 50% of our revenue. We will diversify our business and move up the value chain with new products, new packaging formats and using new process technologies

#### **Mission**

Siam Foods processes packaged fruit and has a high reputation for its long history as a founder of the pineapple industry in Thailand with consistently good service and quality. We are principled, ethical and loyal, following the way of our owners. We want to make the Thai pineapple industry sustainable for farmers in the long run where we can both make reasonable profits in every year.

We don't stand still and are always looking for new ways to innovate, grow and improve. We are socially responsible and provide an environment that is fair, fun and challenging with long term rewards for those that grow with us.

Our customers are from export markets all over the world. They always see Siam Foods as a reliable partner. They trust us for our quality and we develop loyalty over years so that product price alone is not always the most important factor.

#### **Shared Core Values**

##### Deliver Results

Get the right things done. Make things happen. Establish a track record of results and accomplishments. Be on time and be correct the first time. Quality is our priority.

Get Better

Continuously Improve. Have a "can do" attitude and find creative ways to do new things.

Be innovative. Take responsibility. Never accept that what we do today is just enough.

Give Trust

Demonstrate trust to others. Care for others is to treat them with respect. Be open and genuine. Make things right when you are wrong. Give credit to others.

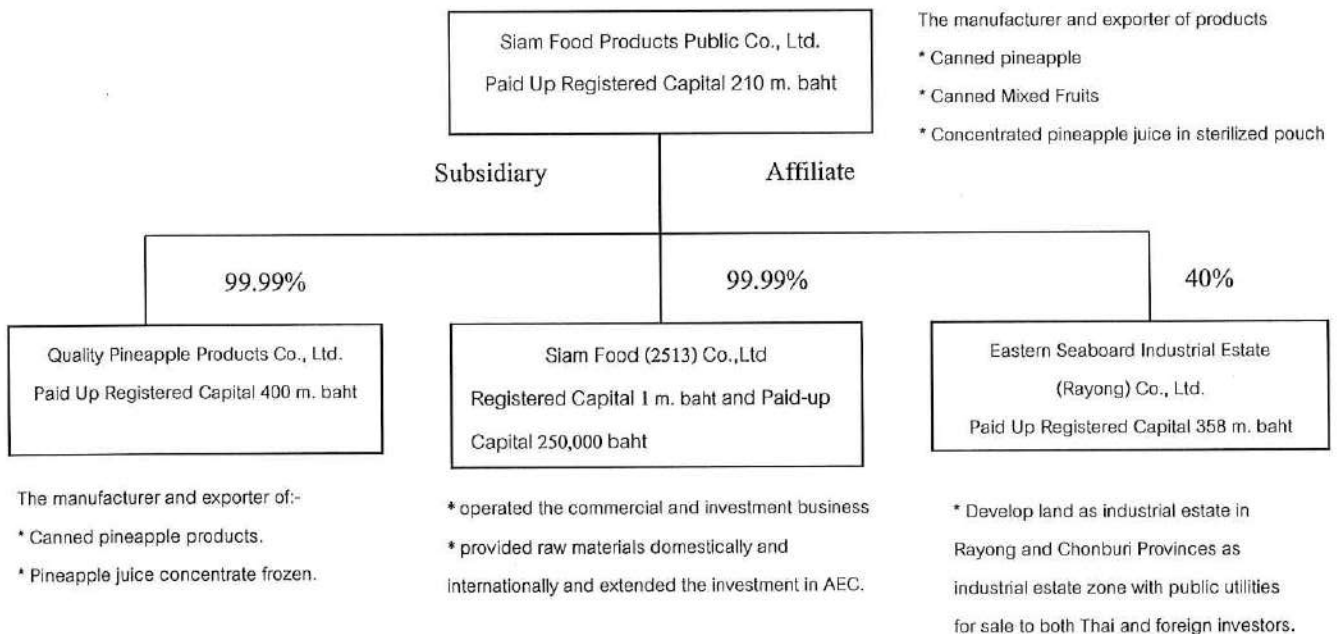
Have Integrity

Be honest. Keep to ethical principals. Be loyal. Act with the best intentions.

**1.2 Significant developments in the preceding year**

The company is committed to developing new products as per the vision of company. In the year 2018, the company developed such new products, as canned Young Jackfruit in brine. This targets the growing trend for vegetarian foods in expert markets around the world.

**1.3 Shareholding structures of Siam Food Products Public Co., Ltd.**



## 2. Nature of Business

The Company produces and exports such products as canned pineapple, pineapple juice and juice concentrate and other processed tropical fruits under our customers' own brand and under the Company's trade mark "SIAM FOOD" that has been known and recognized for over 48 years. The Company owns a pineapple field and plant in Chonburi.

The company has revised its long-term business plan by investment in an industrial estate since 1995 and the establishment of Eastern Seaboard Industrial Estate (Rayong), which is a 60:40 joint venture between Hemaraj and Siam Food Products Plc. This has become a fully integrated industrial center and one of the largest automotive clusters.

Two subsidiaries were established; Quality Pineapple Products Co., Ltd. and Siam Food (2513) Co., Ltd. In order to supply raw materials and enhance long-term sustainable growth.

### **Business operation goal**

The Company has a goal to continuously grow the pineapple business. In the year 2017, the Company planned to process more pineapple than the previous year by expanding the manufacturing base and increasing the production of the affiliate company as well as expanding the cultivation area by supporting contract farmers through the Siam Food Project Model in order to encourage farmers to cultivate high quality pineapple with a higher productivity per rai.

In the year 2018, the Company together with its subsidiary had market share of raw materials for production of 11.41% of the whole country, the Company had a market share of 6% of the world market and had a customer satisfaction level of 82.59%, rising from the year 2017 with a satisfaction level of 80.64%

On marketing, the company continued to apply a strategy to focus on the maintenance of the existing customer base and increase for customer in the new market by offering the products in good quality and good service as well as delivery of the products as being required to cause maximum satisfaction of the customer as well as trying to buy new products to increase the revenue base of the company.

Export Sales in the year 2018 (Oct' 17 – Sep' 18) to each territory as below:

- Europe: 55%
- USA: 20%
- Asia: 15%
- Oceania: 5%

- Middle East: 3%
- Africa: 2%

#### **Industrial trend and circumstance of competition in the future**

During the current financial year 2018, the market price of our key products has fallen significantly. This is due to higher levels of supply from competing nations and generally weak demand in the market. This has raised inventory levels of the Thai industry. Despite lower volume of fruit supply the fruit price has fallen to reflect the weak demand. This trend is expected to continue for some time into 2019

Competition in the market with major competitors such as Indonesia and the Philippines. Thailand remains unfavorable in import duty because Europe has canceled Generalized System of Preferences (GSP) for Thailand, lead to European importers who import products from the United States tax increase of about 3.50%, Indonesia and Philippines are also exempt from GSP+. Moreover, Trade barriers with different specifications and import duty are still obstacles to the export of products for Thailand.

#### Income Structure (Consolidated Financial Statement)

Unit : 1,000 Baht

Product	Consolidated financial statements					
	2018 (12 months)		2017 (12 months)		2016 (9 months)	
	Amount	%	Amount	%	Amount	%
Pineapple and other fruits	2,367,600	97.40	3,481,605	97.08	3,051,274	95.30
Other	8,465	0.35	28,923	0.81	26,159	0.82
Total sales	2,376,065	97.75	3,510,528	97.89	3,077,433	96.12
Investment income	24,879	1.02	22,729	0.63	22,040	0.69
Other income	29,818	1.23	52,925	1.48	102,125	3.19
Total Revenue	2,430,762	100.00	3,586,182	100.00	3,201,598	100.00

#### **2.1 Business Operation of each product line**

Siam Food Products Public Co., Ltd., is engaged in the business of fruit processing using agricultural products, such as, pineapple and other tropical fruits. Most products are export for sale abroad. The products of the company are as follows: -

- (1) Canned and pineapple packed in Pouch bag. Pineapple packed in cans and hermetically sealed packaging.
- (2) Concentrated pineapple juice in aseptic bag
- (3) Canned tropical fruits

## 2.2 Marketing and competitiveness

### a) Marketing

All of the company's product were exported to global countries where the important market are Europe, North America, Asia, Middle East and others respectively, by selling directly through the importer and local agent. Most product were manufactured under the customers' trademark while some was manufactured and sold under SIAM FOOD BRAND.

All products of the company were manufactured under the international standards, high quality and accepted by global customers as the company has manufactured and exported for more than 46 years. All products of the company were accredited by several standards, such as, GMP, HACCP, BRC, ISO 9001, ISO 14001, OHSAS 18001, and Thai Labor Standard 8001-2553.

### b) Competitiveness

- (1) Whilst Thailand has 22 pineapple canneries, the cost of production is higher than that of its competitors in the Philippines and Indonesia which both only have two pineapple canneries. Furthermore, those countries also enjoy more favourable GSP tax benefits. However, Thailand still has the largest planted area and consequently the largest market share due to the good quality of fruit for canning and constant export quantity, appropriate technology and manufacturing skill.
- (2) Manufacturing costs are tending to increase, plantation cost (fertilizer), minimum wage of employees in factory and farm, higher transportation cost may be an obstacle to export in the future. In addition, stronger Thai baht exchange rate upon comparing with US dollar which directly impacted export.
- (3) The company still emphasized on the important to increase manufacturing efficiency, quality and efficient management to maintain leadership in manufacturing and maintain highest satisfaction of the customers.



- (4) The performance of the pineapple business in Thailand depends on the quantity and price of fresh pineapple produced each year, together with the annual weather conditions. If the price of pineapple is high, farmers will grow too much, when prices fall, farmers will grow less, this impact on the price of canned pineapple is affected by the demand and supply. In 2018, Thailand has less raw material than in 2017, but competitors have lower costs than Thailand, they can offer lower prices, therefore, customers delayed their orders from Thailand and the company has lowered its selling price.

### 2.3 Product procurement

#### a) Total manufacturing capacity

##### Manufacturing capacity and manufacturing quantity

	2018 (Oct17- Sep18)	2017 (Oct16- Sep17)	2016 (Jan-Sep)	2015	2014	2013
Manufacturing capacity (one thousand standard cases)	5,500	5,500	5,500	5,500	5,500	5,500
Actual manufacturing quantity (one thousand standard Cases)	3,271	3,755	2,281	3,604	2,836	3,910
Manufacturing capacity rate (%)	59.48	68.27	41.47	65.52	51.56	71.09
Increasing rate of manufacturing capacity (%)	(12.87)	64.63	(36.71)	27.08	(27.47)	(4.54)

##### Manufacturing capacity and quantity of concentrated juice

	2018 (Oct17- Sep18)	2017 (Oct16- Sep17)	2016 (Jan-Sep)	2015	2014	2013
Manufacturing capacity (ton)	17,500	17,500	17,500	17,500	17,500	17,500
Actual manufacturing quantity (ton)	7,798	8,677	5,448	7,256	6,472	9,106
Manufacturing capacity rate (%)	44.56	49.58	31.13	41.46	36.98	52.03
Increasing rate of manufacturing capacity (%)	(10.13)	59.25	(24.92)	12.11	(28.93)	6.84

### **Raw material and the seller**

The company procures raw material and other materials used in manufacturing both from within the country and from abroad whereby approx. 98% are raw materials in Thailand, such as, pineapple, fruits, can, paper box and label and other 2% are imported, such as, retortable pouch.

### **b) Environmental impact**

The industry of manufacturing of pineapple in sealed containers generates waste water from the manufacturing processes which the operator is required to comply with the requirements of Factory Department, Ministry of Industry to determine Biochemical Oxygen Demand value (BOD) or oxygen value which microorganism is required to digest organic substance in the water shall not exceeding 20 mg./litre, Chemical Oxygen Demand (COD) not exceeding 120 mg./Litre.

The company had measure to treat wastewater of the factory by treatment capacity 4,000 m.<sup>3</sup>/day by Waste Stabilization Pond on approx. 180 rai land dug into 9 treatment pond for 5 processes, i.e., Pump Sump, Anaerobic 3 Pond, Facultative 4 Pond, Water Hyacinth Pond and Polishing Pond. Wastewater shall pass along 9 ponds to adjust its pH value to achieve standard of Department of Industrial Factory before draining to natural source and the company has also installed device to measure BOD outside the system on line. In addition, the company covered the 1<sup>st</sup> Anaerobic pond to keep the biogas as the fuel instead of the stove oil, which could be used since November 2013. Could save the fuel of about 12 million Baht per year, and could control the odor not to disturb the dwelling people near the sewer.

### **3. Risk factors**

The company has engaged in the food business whereby our main products are canned pineapple, pineapple in retort pouch, concentrated pineapple juice in retort pouch, mixed fruits (pineapple, red papaya, yellow papaya and guava) seasonal fruits (mangos, jackfruit)

Thailand is the worlds' largest source of pineapple for processing. The volume of pineapple produced each year will depend upon the growing area of farmers and the climate. When the pineapple price is high, the farmers will grow more pineapple, hence gradually leading to an oversupply. On the other hand, when the price goes down, the growing of pineapple will eventually decrease. The price of pineapple is, therefore, cyclical, thus affecting the price of canned pineapple under the demand and supply principle. The projection on volume and the fresh pineapple price is the key factor for the company's performance.



In 2018 we did some operational analyses and assessments to ensure achieving the Company's action plan goals, by following the COSO standard on risk management, with 4 risk types - 1. Strategy, 2. Production, 3. Marketing, and 4. Operation - defined by the Risk Management Committee, and four major risk factors as follows:

**1. Risk about the raw material:** The quantity of pineapple harvested depends on the planting area of the previous cycle and the climate for the years. The harvest level has an impact on the fruit price and consequently on the production cost of the company. The company has its own pineapple farm which contributes approximately 18% of the production. The balance is received from around 1,000 contract farmers. Therefore a key success factor is to encourage the farmers to increase their yield to be similar to the company's farm. An important strength of Siam Food is the good relationship between the farmers and the company that it has created over 48 years. The cultivation could be managed from the beginning until harvesting and delivery to the company's factory. To reduce the risk of pineapple raw materials, the company plans to increase the area of pineapple cultivation by expanding the space to potential locations and supplying farmers as a contract farming with the company.

**2. Risk of production:** Due to the situation of raw pineapple in the past three years, the price of pineapple has been high. Farmers have increased pineapple planting area. In 2018, the price of raw material has decreased significantly. The pineapple volume in 2019 is expected to continue to decline, as a result, the purchase price of raw materials may be slightly increased. Inventory volume is high, and customers continue to delay the order of products. To reduce the risk of aged inventory, the company plans to careful control production against orders.

**3. Market risk:** Since the products are mainly for the export, buyers will act as traders and import the consumer goods from all across the world. The characteristic of the contract is a future trade for the delivery within 1 to 6 months period, and in some cases a 12 month term. However, the raw material price may be increased when comes to the production for export. As a result, in considering the term of either short- or long-term future trade, it has to emphasize on the factors concerning both demand and supply of the market. This



includes the production of domestic producers along with those of the major exporters such as Indonesia and the Philippines, etc.

In addition to the above, the marketing needs to contemplate the global economy as to projecting the sales volume in each region and the risk of customers' payment. Nevertheless, most of the customers are in the long-term business relationship, thus having proven records. To reduce market risk, the company plans to:

- Manage sales and sales target by taking into account the quantity and quality of raw materials and the production plan for the whole year.
- Analyze and evaluate the value of Thai baht continuously.
- Set credit limit for each customer to prevent risk in case of default.
- Visiting Exhibitions both domestic and international to follow the global market situation and find new customers.
- Visiting foreign customers to tighten the relationship and a long-term partner.

**4. Financial risk:** The product sales of the company are mostly for the export, accounting for 95% of the total sales, and mainly traded in the U.S. currency, with some in Euro and Pound sterling currency. In 2018, the U.S. Dollar was highly fluctuated and some time weakened rapidly when compared with Thai baht. This adversely affected the company's revenues and profits. In order to reduce a risk in exchange rate, the company has wisely made forward contracts with the bank.

This year we focus on strategy to reduce risk by

- Reduce production cost.
- Selling price should higher than operation cost.
- Sale more product such as Mango, Rambutan, Jackfruit, Tropical fruit cocktail, pineapple peel.
- Understand market dynamic in order to manage sales to best advantage. Analysis market status to determine if buyers or sales market.

The activity to control risk meets the target.



#### 4. Operating Assets

##### (1) Major operating assets of the Company.

As At 30 September 2018, the company had major operating assets used in the business as follows:

Description of assets	Type of Rights	Book value (in million Baht)	Obligation
1. Land Location <u>Land's Factory</u> -Banbung, Chonburi 1,324-1-78 Rai <u>Land's Plantation</u> - Banbung,Chonburi 12,154-1-49 Rai - Khon buri ,Nakhon Ratchasima 2,893-1-45 Rai - Chai Badan,Lop Buri 2,015-1-37 Rai Total 18,387-2-9 Rai	Owned assets	177.12  23.94  38.32  52.01  62.85	No  No  No  No
2. Land Location <u>Land's Plantation</u> -Kaokanthong,Siracha,Chonburi 677-0-0 Rai -Nong Suea Chang,Nong yai,Chonburi 2,143-1-67 Rai - Khlong Kio,Banbung,Chonburi 49-0-38 Rai Total 2,859-2-05 Rai	Leased assets (2-3 years)	-	-
3. Head Office 195 Empire Tower 43 <sup>rd</sup> Floor, South Sathorn Road,Yannawa,Sathorn, Bangkok.	Leased asset (3 years)	-	-
4. Factory Office and Warehouse - 218 Moo 4 Chachoeng sao-Sattahip Nong I-run,Banbung,Chonburi	Owned assets	40.40	No

5. Plantation Office			
- 160/1 Moo 6 Chachoeng sao-Sattahip (Km 72 Nong Prue) Khlong Kio, Banbung,Chonburi	Owned assets	6.64	No
- 15 Moo 7 Nikhom Lam Narai,Chai Badan,Lopburi	Owned assets	1.33	No
6. Machine and equipment	Owned assets	338.27	No

## (2) Investment Policy in subsidiary and holding company

Since the company had a large number of plots of land in Chon Buri and Rayong Province, some parts located in the Eastern Industrial Estate development zone which Government invested in public facilities, therefore the company sold part of its land to Land Development Company and holding in Eastern Seaboard Industrial Estate (Rayong) Co.,Ltd. in proportion of 40% of 358 million baht registered capital and having company director join as director in holding company as following position:1 President, 2 directors, total 3 person from 7 directors.

The previous company performance was good even during the depression in the general real estate business, but Automobile industrial still grow and also worldwide automobile company such as GM, Ford-Mazda, has invested in project of holding company, leading to other industries such as food, packaging also invested in the industrial estate

Previous business turnover as following;

2018 Net Profit (Oct 17-Sep 18)	513.87	million Baht
2017 Net Profit (Oct 16-Sep 17)	438.70	million Baht
2016 Net Profit (Jan-Sep)	178.51	million Baht
2015 Net Profit	88.50	million Baht
2014 Net Profit	659.79	million Baht
2013 Net Profit	1,869.39	million Baht
2012 Net Profit	213.59	million Baht
2011 Net Profit	150.61	million Baht
2010 Net Profit	150.66	million Baht
2009 Net Profit	59.11	million Baht
2008 Net Profit	304.09	million Baht

2007 Net Profit	215.19 million Baht
2006 Net Profit	148.38 million Baht
2005 Net Profit	203.16 million Baht

#### 5. Legal dispute

None

#### 6. General Information

The Company Name	:	Siam Food Products Public Company Limited
Business Type	:	A producer and distributor of processed agricultural products for export.
Head Quarter Location	:	The 43 <sup>th</sup> floor, Empire Tower, 1 South Sathorn Road, Yannawa, Sathorn, Bangkok
Company Registration Number	:	0107536000072
Homepage	:	<a href="http://www.siamfood.co.th">www.siamfood.co.th</a>
Telephone Number	:	0-2287-7000
Fax Number	:	0-2670-0154
Registered Capital	:	300,000,000 baht
Paid-up Capital	:	210,000,000 baht
Type of Stock	:	Common Stock
Paid-up Common Stock	:	21,000,000 shares
Par value	:	10 baht per share

#### Other material information

Siam Food Products Public Co., Ltd., had invested in other company as the holder of share over 10% upwards in 3 companies as follows: -

As at 30 September 2018

Company's Name		Type of Business	Investment Amount (m. baht)	Investment Proportion (%)	Registered Capital (m. baht)	Paid Up Capital (m. baht)
Quality Pineapple Products Co., Ltd.	Subsidiary company	222 Moo 3 Bann Nongnoknoi, Tumbol Hinlexfai, Amphur Hua Hin , Prachuabkirikhan. Thailand. Postal Code77110, Manufacture and distributor of canned pineapple, concentrate pineapple juice for export	400	99.99	400	400
Siam Food (2513) Co., Ltd.	Subsidiary company	1 Empire Tower,43 <sup>rd</sup> Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok. Thailand. Postal Code10120, Operated the commercial and investment business Provided raw materials domestically and internationally and extended the investment in AEC.	0.25	99.99	1	0.25
Eastern Seaboard Industrial estate(Rayong) Co., Ltd.	Associated company	Located in Pluak Daeng District, Rayong Province, and comprise an area of 9,726 rai (3,890 acres) ESIE is a	143.20	40	358	358



		<p>joint venture company between Hemaraj Land and Development PCL. and Siam Food Products PCL. (60:40), EISE was set up on 10 November 1994. Its business is to develop an industrial estate in Rayong, and to build and sell public utilities to both Thai and foreign investors.</p>				
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**Reference**

**Security Registrar**

Thailand Securities Depository Co., Ltd.

93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand

Tel: (66 2) 009 9000

**External Auditor:**

KPMG Phoomchai Audit Ltd.

1 Empire Tower, 50<sup>th</sup> – 51<sup>st</sup> floor, South Sathorn road, Yannawan, Sathorn district, Bangkok 10120

Tel. 02-6677-2000

**Investor Relations**

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**Banker**

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Tel : 0-2871-3650 to 5
2. Thai Military Bank Public Company Limited (Head Office) 3000 Phaholyotin Road, Jatujak, Bangkok  
10900 Tel : 0-2242-3980 to 1
3. Bangkok Bank Public Company Limited (Head Office) 333 Silom Road, Bangrak, Bangkok 10500 Tel :  
0-22626-3327
4. United Overseas Bank (Thai) Public Company Limited (Head Office) 191 South Sathorn Road, Sathorn,  
Bangkok 10120 Tel : 0-2343-3000 Fax : 0-2285-1365
5. Bank of Ayudhya Public Company Limited (Head Office) 1222 Rama III Road, Bangpongpan,  
Yannawa, Bangkok 10120 Tel : 0-2296-3915 to 6
6. Krungthai Bank Public Company Limited (Yaowaraj Branch) 260 Yaowaraj Road, Chakrawad,  
Samphanthawong, Bangkok 10100 Tel : 0-2222-0131 to 45

Investors can learn of Siam Food Products Public Company Limited more in Disclosure report concerning additional information (Form 56-1) of companies listed in the [www.sec.or.th](http://www.sec.or.th) or [www.siamfood.co.th](http://www.siamfood.co.th)



**Part 2**  
**Management and supervision**

**7. Data of the securities and shareholding**

**7.1 Authorized Capital and Paid-up Capital**

Authorized Capital 300,000,000 Baht Paid-up Capital 210,000,000 Baht No. of Listed Share 21,000,000

Shares at Value 10.00 Baht

**7.2 Shareholders**

The company's 10 Major shareholders as of 30 September, 2018.

No.	Shareholder's Name	Number of Shares	Equity Stake (%)
1	Plantheon Co., Ltd.	14,877,767	70.85%
2	BANK OF SINGAPORE LIMITED-THB SEG AC	1,047,155	4.99%
3	DBS BANK LTD.	1,045,850	4.98%
4	UOB KAY HIAN (HONG KONG) LIMITED - Client Account	1,044,000	4.97%
5	Chokanun Business Co.,Ltd.	1,030,000	4.90%
6	Prestige 2015 Co.,Ltd.	1,016,000	4.84%
7	Kasikorn Bank Public Company Limited.	200,000	0.95%
8	Yodkij Business Co.,Ltd.	84,900	0.40%
9	Mrs. Phoranee Chaikittisin	81,375	0.39%
10	Mr. Numchai Numchaisiri	56,840	0.27%

Note: 1. Data from Department of Business Development Ministry of Commerce

Plantheon Co., Ltd. was held shares by TCC Land Co., Ltd. at 99.99%

2. Restriction of foreign shareholders

Limit Foreign shareholders of Siam Food Products PLC, at 49% of its paid-up capital. As of September 30, 2018, foreign shareholders hold 14.98% of the paid-up capital.



### 7.3 Data of the Subsidiary and shareholding

#### Quality Pineapple Products Co., Ltd.

Authorized Capital 400,000,000 Baht Paid-up Capital 400,000,000 Baht No. of Listed Share 40,000,000 Shares at Value 10.00 Baht, the company has 3 shareholders as of 30 September, 2018.

No.	Shareholder's Name	Number of Shares	Equity Stake (%)
1	Siam Food Products PLC,	39,999,997	99.997%
2	Plantheon Co.,Ltd.	2	0.002%
3	Plantheon Trading Co.,Ltd.	1	0.001%

#### Siam Food (2513) Co., Ltd.

Authorized Capital 1,000,000 Baht Paid-up Capital 250,000 Baht No. of Listed Share 100,000 Shares at Value 10.00 Baht, the company has 4 shareholders as of 30 September, 2018.

No.	Shareholder's Name	Number of Shares	Equity Stake (%)
1	Siam Food Products PLC,	99,997	99.999%
2	Mrs. Chaveevan Chandanabhumma	1	0.001%
3	Mrs. Nidda Theerawatanachai	1	0.001%
4	Mr. Kiartisak Lertsiriamorn	1	0.001%

### 7.4 Dividend payment policy

The company and Subsidiary has policy to pay dividend from net profit in each accounting period after deduction of legal reserves and retained loss brought forward (if any). Such dividend payment is subject to the cash flow, investment plan, terms and condition of contracts which is binding the company including the necessity and other suitability in the future. When the Board of Directors resolves to approve the annual dividend payment, the company shall propose to the annual general meeting of shareholders for approval, except for interim dividends, the Board of Directors is authorized to approve dividends payment and inform at the next annual general meeting of shareholders.

## 8. Management

### Structure of Management

The management structure of Siam Food Products Public Company Limited comprises the Board of Directors of the Company, the Audit Committee, the Remuneration and Nominating Committee, Corporate Governance Committee, the Risk Management Committee. Each respective Committee an Sup-Committee has the duties and responsibilities as detailed below:

#### 8.1 Board of Directors

The roles, duties and responsibilities of the Board of Directors shall be as being provided by law, Memorandum of Association, Articles of Association and resolution of the shareholders' meeting. The Board of Directors must perform the duties faithfully (Fiduciary Duties), supervise the business management of the company carefully (Duty of Care) with skills by adhering to the reasons, ethical principles, focusing on the benefits and value addition for the company. Therefore, it is necessary to supervise the management efficiently to cause the effectiveness for the company.

The Board of Directors plays important roles to provide the policies of the company jointly with the top executives, plan the short-term and long-term working as well as provides the financial policies, risk management and perspective of the organization with important roles of supervision, examination and assessment, operation of the company and performance result of the top executives to correspond with the plan systematically.

The Board of Directors Meeting No. 7/2018 held on September 27, 2018 has approved the amendment of the scope of authority of the Chairman and Board of Directors to comply with CG Principles 2017 issued by the Office of the Securities and Exchange Commission (SEC)

In the year 2018, the Company had no new director.

As of 30 September 2018, the Board of Directors comprises 12 members as follows

1. Mr. Thien Mekanontchai	Chairman
2. Mr. Prasit Kovilaikool	Independent Director and Chairman of the Audit Committee
3. Mr. Prasert Maekwatana	Vice Chairman No. 1
4. Mr. Sithichai Chaikriangkrai	Vice Chairman No. 2
5. Mr. Siripol Yodmuangcharoen	Director
6. Mr. Ananta Dalodom	Independent Director
7. Mr. Chai Jroongtanapibarn	Independent Director and Director of the Audit Committee

8. Mrs. Chaveevan Chandanabhumma	Director
9. Police General Krisna Polananta	Independent Director and Director of the Audit Committee
10. Mrs. Nidda Theerawatanachai	Director
11. Ms. Pornpimol Chirtchoochai	Director
12. Mr. Graeme Anthony Cox	Director and President

Authorized signatory director on the Company's behalf is "Two directors sign the names and affix seal of the company except Mr. Prasit Kovilaikool, Mr. Chai Jroongtanapibarn , Mr. Ananta Dalodom and Police General Krisna Polananta"

#### **Authorities and Duties of the company's Board of Directors**

1. The company's Board of Directors are required to adhere to the laws, objectives and regulations of the company, and the resolutions of the shareholders' meeting, while performing their duties with loyalty and honesty and maintaining the benefits of shareholders in the short and long run. The board must also perform its duties in accordance with the rules and regulations of The Stock Exchange of Thailand (SET) and The Securities and Exchange Committee (SEC).
2. Responsible for the shareholders in terms of business operations and overseeing the management to ensure that the goals and methods lead to the achievement of maximum shareholder benefits, the Board of Directors also has to perform its duties ethically and fairly.
3. Consideration and approval of matters important to company operations, such as vision, mission, financial goal strategies, risks, work plans and budgets, etc.
4. Following up to ensure the efficient and effective implementation of the policies and plans established and monitor financial liquidity and debt repayment capability, include a plan or mechanism to resolve the problem.
5. Monitor and manage potential conflicts of interest between the Company and its shareholders, Board of Directors or management supervise the prevention of unauthorized use of property and transactions with connected persons in an unreasonable manner.
6. Ensure that the Company complies with the disclosure policy. Ensure that confidential information is managed properly and does not not leak. This may affect market price information (market sensitive information)
7. Supervise and support the creation of value-added innovations for the company, along with creating benefits for stakeholders.
8. Supervise the management of information technology and maintenance measures.
9. Ensure that the system of financial reporting and disclosure of important events is accurate, adequate, timely and in accordance with relevant rules and guidelines.

10. Internal Control and Risk Management Include a mechanism to receive complaints and actions to address clues.

11. Continuing business continuity Including employee development plan. Succession Plan.

The Board of Directors comprises Independent directors 4 members as follows:

1. Mr. Prasit Kovilaikool
2. Mr. Ananta Dalodom
3. Police General Krisna Polananta
4. Mr. Chai Jroongtanapibarn

#### **Orientation for new company director**

The Board of Directors determines the orientation for all new company directors in order to provide them opportunity to build knowledge and understanding about the company's business, industrial condition, business operation direction, policies of the company including also roles, duties and responsibilities of the company directors. The Board of Directors assigned the Company Secretary to orientation for the new director, the orientation shall be in form of explanation documents, seminar, training and visiting all facilities of company's such as Head office, Factory and Plantation of the company, projects in order to provide them to experience actual operation condition of the company.

In the year 2018, the Company had no new directors. There is no new director orientation this year.

The Board of Directors has policy to promote knowledge in several fields to all company directors and company secretary, such as, to promote them to attend seminar and useful course arranged by the Thai Institute of Director (IOD), and/or the Stock Exchange of Thailand.

In 2018 the company attended in the course of the seminar as follows.

- Mr. Graeme Anthony Cox Director Executive Director and President and The Management Team: Process Innovation Coaching Program 2018 of Stock Exchange of Thailand and Thailand Productivity Institute

- Mrs. Chaveevan Chandanabhumma Director Executive Director: Board Matters and Trends (BMT) No. 6/2018 of Thai Institute of Director (IOD)

#### **8.2 The Board of Executive Directors**

As of 30 September 2018, the Board of Executive Directors comprises 8 members as follows:

1. Mr. Thien Mekanontchai Chairman of Executive Director



2. Mr. Prasert Maekwatana	Vice Chairman of Executive Director
3 Mr. Siripol Yodmuangcharoen	Executive Director
4. Mrs. Chaveevarn Chandanabhumma	Executive Director
5. Mr. Sithichai Chaikriangkrai	Executive Director
6. Mrs. Nidda Theerawatanachai	Executive Director
7. Ms. Pornpimol Chirtchoochai	Executive Director
8. Mr. Graeme Anthony Cox	Executive Director and President

#### **Authorities and Duties of the Board of Executive Directors**

1. Implement the policy of the Board.
2. Consider the allocation of the annual budget and various investments for approval by the company's Board of Directors.
3. Manage the company's regular operations.
4. Perform any other task assigned by the Board.
5. Monitor and coordinate with the employees at all levels in carrying on the performance in accordance with the company's regulations, including the authorities to rotate, appoint, promote, demote, dismiss, punish, put on parole, and determine salary, bonus, and other benefits of all employees.
6. Command of sales, production, planting, including any necessary and proper change to meet the company's interests.

#### **8.3 The Audit Committee**

As of 30 September 2018, the Audit Committee comprises 3 Independent directors with 3 years term. The Audit Committee comprises 3 members as follows :

1. Mr. Prasit Kovilaikool Chairman of the Audit Committee
2. Mr. Chai Jroongtanapibarn \* Director of the Audit Committee
3. Police General Krisna Polananta Director of the Audit Committee

Note : \*The Audit Committee have experiences in accounting to review the financial statement.

#### **Authorities and Duties of the Audit Committee**

1. to review the Company's financial reporting process to ensure that it is accurate and adequate;
2. to review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine and internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of and internal audit unit or any other unit in charge of an internal audit;



3. to review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business;
4. to consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration. To recommend to dismiss and replace the auditor of the Company.
5. to attend a non-management meeting with an auditor at least once a year.
6. to review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the company;
7. to prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
  - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
  - (b) an opinion on the adequacy of the Company's internal control system,
  - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
  - (d) an opinion on the suitability of an auditor,
  - (e) an opinion on the transactions that may lead to conflicts of interests,
  - (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member,
  - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
  - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and
8. to perform any other act as assigned by the Company's board of directors, with the approval of the audit committee, in its performance of duties under the first paragraph.

The audit committee must be directly responsible to the Company's board of directors, while the Company's board of directors shall remain responsible to third parties for the operations of the Company.

#### **8.4 The Remuneration and Nominating Committee**

As of 30 September 2018, the Remuneration and Nominating Committee comprises 4 members with 3 years term as follows :

- |                                 |   |
|---------------------------------|---|
| 1. Mr. Prasit Kovilaikool       | Chairman of the Remuneration and Nominating Committee |
| 2. Mr. Sithichai Chaikriangkrai | Director of the Remuneration and Nominating Committee |

- |                           |   |
|---------------------------|---|
| 3. Mr. Prasert Maekwatana | Director of the Remuneration and Nominating Committee |
| 4. Mr. Ananta Dalodom     | Director of the Remuneration and Nominating Committee |

#### **Authorities and Duties of the Nomination Committee**

1. Determine the transparent process and criteria for the nomination of directors.
2. Select appropriate directors to replace those who are due to retire or others to propose to the Board of Directors or the annual general meeting of shareholders taking the composition, knowledge, ability and experience that is beneficial to the company, whilst ensuring there is no conflict of interest.
3. Consider and nominate the directors to serve in subcommittees who have the knowledge and ability for the specific duties. Propose suitable directors to the board of directors for appointment.
4. Review and evaluate the performance of the company's Board of Directors.
5. Perform other duties as assigned by the Board of Directors.

#### **The process of nomination is as follows:**

1. The nomination committee determines the qualifications of the directors to be nominated for the composition and relevant legal / regulatory requirements and eligibility criteria.
2. The nomination committee will report suitable persons for the board of directors with reasons and propose to the Board of Directors to get approval.
3. The Board of Directors will select qualified persons in the list proposed by the nomination committee for appointment as directors or proposed to the annual general meeting of shareholders for approval.

#### **Authorities and Duties of the Remuneration**

1. Establish criteria for remuneration.
2. Follow up on the changes and trends of director's and manager's remuneration, with the aim to possibly adjust remuneration policy accordingly, to stimulate business operations for future progress and keep highly efficient people with the company.
3. Perform other duties as assigned by the Board of Directors.

### **8.5 Corporate Governance Committee**

As of 30 September 2018, the Corporate Governance Committee comprises 3 members with 3 years term, as follows :

- |                                    |  |
|------------------------------------|--|
| 1. Mr. Prasit Kovilaikool          | Chairman of the Corporate Governance Committee |
| 2. Mrs. Chaveevan Chandanabhumma   | Director of the Corporate Governance Committee |
| 3. Police General Krisna Polananta | Director of the Corporate Governance Committee |

### **Authorities and Duties of the Corporate Governance Committee**

1. Propose corporate governance (CG) guidelines to the Board.
2. Advise the Board on CG matters.
3. Ensure that the duties and responsibilities of directors and the management conform to CG principles.
4. Revise guidelines for SFP's CG against those of international organizations and present its recommendations to the Board.
5. Delegate corporate governance policies to the Corporate Governance Task Force.
6. Monitor the CG and report its findings to the Board.

### **8.6 The Risk Management Committee**

As of 30 September 2018, the Risk Management Committee comprises 3 members with 3 years term, as follows :

- |                                |   |
|--------------------------------|---|
| 1. Mr. Siripol Yodmuangcharoen | Chairman of the Risk Management Committee |
| 2. Mr. Chai Jroongtanapibarn   | Director of the Risk Management Committee |
| 3. Mr. Graeme Anthony Cox      | Director of the Risk Management Committee |

### **Authorities and Duties of the Risk Management Committee**

1. Provide the policies and guidelines of risk management and submit to the Board of Directors to grant consideration, opinions and approval.
2. Consider and give opinions to provide the acceptable risk level i.e. Risk Appetite or deviation of the Risk Tolerance of the organization as well as the risk level, which affects against the company and affiliate company on the strategy, finance and work performance before submitting to the Board of Directors in order to grant consideration, opinions and approval.
3. Acknowledge, consider and give opinions on the risk assessment result, guidelines and measures of risk management and action plan to manage the remaining risks of the company to ensure that the company has the adequate and proper risk management.



4. Maintain and support the risk management, successful organization, suggest the prevention and reduction of the risk level to be acceptable, follow up the action plan to reduce the risks continuously and suitably for the business circumstance, to ensure that the risk is managed adequately and suitably.

5. Recommend the risk management in the organizational level as well as support and encourage the improvement and development of the risk management system within the organization continuously and regularly.

6. Support and encourage the examination and review of the policy and risk management framework of the organization at least every year.

7. Report the important risk of the organization as well as the status of the risk, guidelines for the risk management, progress and result of the risk management to the Board of Directors.

8. Communicate and exchange the data, provide coordination about the risks and internal control with the audit committee at least 1 time per year.

## **8.7 Management**

### **The Management Team**

As at 30 September 2018, the Company's current management team are as follows:

1. Mr. Graeme Anthony Cox	Director and President
2. Mr. Kiartisak Lertsiriamorn	Executive Vice President
3. Ms. Sutiporn RungsisiriKul	Executive Vice President
4. Mr. Wiboon Suk-ouichai	Senior Vice President
5. Mr. Pattana Chuatong	Vice President Raw Material
6. Mrs. Chaniya Jantrakasemwat	Vice President QA
7. Mr. Chatchawan Powtong	Vice President Agriculture
8. Mr. Nopadol Thongprajiad	Vice President Manufacturing
9. Mr. Pakpoom Termpongpisit	Vice President International Marketing & Sale
10. Ms. Tanaporn Nuntawowart	Vice President Finance & Accounting
11. Mrs. Wondee Kwan-on	Vice President Warehouse

Management refers to the individuals holding the next four management positions after Board of Executive Director, including all designations equivalent to the 4<sup>th</sup> management rank.

### **Authorities and Duties of the President**

1. Control and oversee the company, and ensure that it is operated in such a way as to



be of maximum benefit, in addition to being always aware of the company's up-to-the-minute situation. The President is also responsible for following the policy as laid out by the company's Board of Directors.

2. Set up a annual goal and business plan, by considering the various business risks, for the approval of the Board of Directors.
3. Manage the work of the management team to meet any established targets.
4. Find resources and select potential human resources to increase business competitiveness.
5. Consider new project investment that will benefit the company, for the approval by the Board of Directors.
6. Prepare a monthly financial status and operational performance report, for the consideration of the Executive Board.
7. Prepare an annual and investment budget for the Board of Executive Director's consideration, which is later sent to the Board of Directors for approval.
8. Support and create a corporate culture conducive for business growth.
9. Take command and perform in accordance with the command of the Executive Board of Directors for improvement and problem solving to meet the company's interests.

#### **8.8 Company Secretary**

The board of director has appointed Mr. Kiartisak Lertsiriamorn to be the Company secretary and also responsible for the secretary of Board of Directors with the Managing Director Office support function of the work of company secretary goes according to the principle of operating of a good company as well as to operate the company more efficiently.

##### **Scope of power and duties of the company secretary**

1. To contact and sing in document which must be inform SET.
2. Has the duties and responsibilities pursuant to the Security and Security Exchange Act, B.E. 2551 and as prescribed by the Capital Market Supervisory Board (CMSB).

##### **Recruiting director, independent director, audit committee and executive**

- 1) In case of the director, independent committee, audit committee and the executive is resign by rotation or substitute the position duly vacated by other reason, the Board of Directors' Meeting shall consider to recruit substitute director through the Compensation and Recruitment Board. The Board of Directors shall consider and recruit the qualified, knowledgeable, capable personal who is experienced in related work and duly qualified pursuant to Section 68 of Public Company Limited Act, B.E. 2535 and related Announcement of SEC for benefit in

the efficient business operation of the company and then proposed to the Shareholders' Meeting for consideration the appointment according to the rules and methods as follows: -

1. One shareholder possesses one share / one vote.
2. Each shareholder must exercise all right to vote as mentioned in clause 1 to elect one or several persons as director but is prohibited to divide its more or less votes to any person.
3. The person who earned highest votes descending shall be elected as director equal to the number of director required in such election. In case of the descendant earned equal votes more than number of the required director, the chairman shall cast one final vote.

For recruitment of person to fill the management position, the Board of Directors shall arrange to follow up the progress of position succession that covering the position of managing director and high management position to ensure that the company selects the executive who is knowledgeable, capable to succeed the important position in the future.

2) Rules in selection the independent committee and audit committee

The company determines rules on selection of independent committee and audit committee from the qualification of the appointed person based on the following qualifications:

1. Holds share not less than 1% of paid up capital of the company, subsidiaries, affiliates and related companies. This shall include shares held by related persons.
2. Is not or never been the director who involved in management, employee, consultant who earned permanent wage nor person duly authorized to control the company, parent company, subsidiary, affiliate or minor company at the same rank, major shareholder or the person who has power to control unless such person is resigned from those statuses for not less than 2 years before being appointed.
3. Does not have or never had business relationship or provided professional service to any company, parent company, subsidiary, affiliate, major shareholder or the person who has power to control in the manner which may object the independent use of discretion and is not or never been the major shareholder or person who has power to control of any party who has business relation with the company subsidiary, affiliate, major shareholder or the person who has power to control unless such person is resigned from those statuses for not less than 2 years before being appointed. Such relations inclusively mean:-
  - 3.1 Normal transaction, the matter related to the asset/service, to give or receive financial assistant that exceeding 20 m. baht or 3% of net tangible asset subject to whichever is lower.
  - 3.2 Providing other professional services, such as, financial consultant, legal consultant, asset appraisal for exceeding 2 m. baht / year.

In this regard, in case of business relation or professional service is exceeding such prescribed value, approval must be firstly granted by the Board that such business relation and professional service do not impact the performance of assigned duties and independent expression of comment and such comment of the Board id disclosed in Form 56-1 / Annual Report / Invitation Letter (in case of extension of position).

4. Is not or never been the auditor of any company, parent company, subsidiary, affiliate, major shareholder or the person who has power to control or partner of the Auditing Office where such auditor is working for unless such person is resigned from those statuses for not less than 2 years before being appointed.

5. Does not have any relation by blood or by lawful registration, namely, no any relation as parents, spouse, relatives and children including spouse of the child of the executive, major shareholder, the person who has power to control or the person who is proposed as executive or the person duly empowered to control the company or subsidiary.

6. Not being the director who is elected as proxy of the company's director, major shareholder or the shareholder who is related to the major shareholder of the company.

7. Free from any character that prevent him to independently express comment about operation of the company.

8. In case of being authorized from the Board of Directors to make decision about business operation of the company, parent company, subsidiary, affiliate and minor company at the same rank, major shareholder or the person who has power to control based on collective decision, such independent director must not be the Audit Committee.

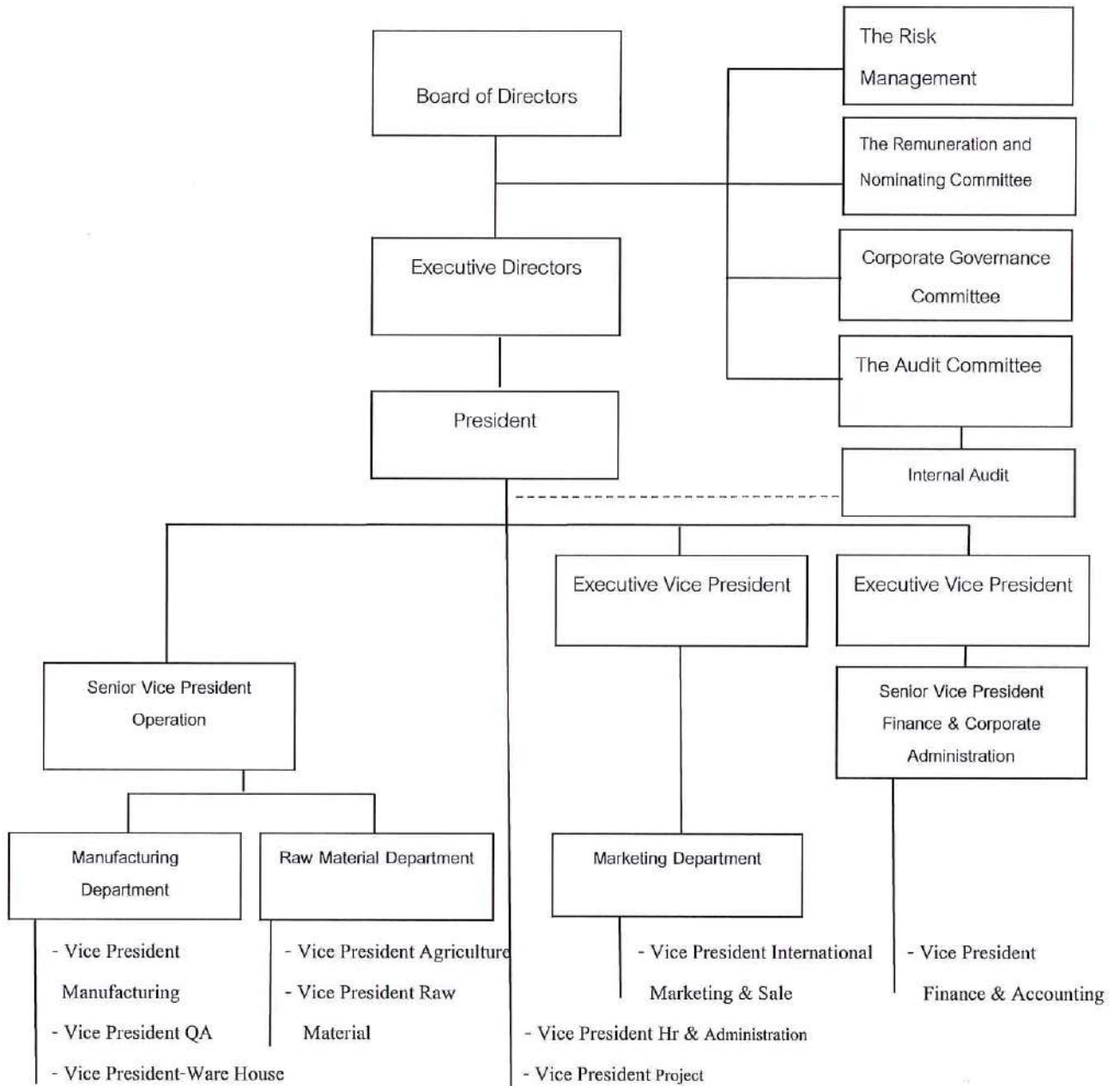
9. Able to assume the position of director who does not involve in management or independent director of the company in the group but is required to disclose information about assuming in the position of independent director in the group and total compensation received from the group in form 56-1 and annual report (not necessary to disclose compensation separately by each company).

#### **The policy on assuming the position of director for other company**

The company determined the policy specifying the managing director to report in case of any company director would assume the position of director in any company other than the subsidiary and affiliates to the Board of Director immediately.



**ORGANIZATION CHART**



Remarks: The audit committee considers and assesses the yearly performance result of the Office of Internal Audit, so that the company has the good governance, and the Office of Internal Audit could work independently.



### **8.9 Remuneration of Directors and Executives**

The Company has established a set of well-defined and transparent remuneration policies for directors. The Remuneration and Nominating Committee is responsible for reviewing these policies, taking into consideration the appropriateness of remuneration with respect to the scope of responsibilities of each director to ensure that the Company's remuneration is comparable to that of other commercial company, A director who is also a member of other Board Committees shall receive additional remuneration in accordance with the increased responsibilities, The Annual General Meeting of Shareholders approval of the remuneration as follows:

Remuneration	2018	
	(Baht/person/month)	(Baht/person/time)
<b>1. Monthly remuneration</b>		
1.1 Chairman of the Board of Directors	150,000	-
<b>2. Meeting allowance (monthly)</b>		
2.1 Vice Chairman of the Board of Directors	45,000	-
2.2 Director	30,000	-
<b>3. Meeting allowance (time)</b>		
3.1 Chairman of the Audit Committee	30,000	-
3.2 Director of the Audit Committee	5,000	-
3.3 Chairman of the Corporate Governance Committee	-	10,000
3.4 Chairman of the Risk Management Committee	-	10,000
3.5 Chairman of the Remuneration and Nominating Committee	-	10,000
3.6 Director of the Corporate Governance Committee	-	7,500
3.7 Director of the Risk Management Committee	-	7,500
3.8 Director of the Remuneration and Nominating Committee	-	7,500
<b>4. Total Bonus for the year</b>	Depend on performance	
<b>5. Other benefits</b>	None	

Except that the executive directors receive salary, no remuneration for their membership in a Board Committee.

The Company evaluates the performance of executives every year in the form of KPIs by comparing them with the objectives in the hiring, which will be connected to the rate received according to the Board of Directors set up.

Details of remuneration to directors and executives are shown as follows:

**(1) Monetary remuneration**

**(a) Directors' remuneration**

In 2018 period from October 2017 – September 2018, the remuneration of the Board of Directors (12 persons) including the directors' responsibilities as following:

Unit: Baht

No.	Name	Position	The Director's fees (1)	Salary and Bonus (2)	Other benefits (3)	Total (1)+(2)+(3)
1	Mr. Thien Mekanontchai	Chairman and Chairman of Executive Director	-	1,800,000	-	1,800,000
2	Mr. Prasit Kovilaikool	Chairman of the Audit Committee, Chairman of the Remuneration, Nominating Committee and Chairman of the Corporate Governance Committee	750,000	-	-	750,000
3	Mr. Prasert Maekwatana	Director, Vice Chairman of Executive Director and Director of the Remuneration and Nominating Committee	547,500	-	-	547,500
4	Mr. Sithichai Chaikriangkrai	Director, Executive of Director and Director of the Remuneration and Nominating Committee	537,500	-	-	537,500
5	Mr. Siripol Yodmuangcharoen	Director, Executive of Director and Chairman of the Risk Management Committee	400,000	-	-	400,000

6	Mr. Ananta Dalodom	Independent Director	367,500	-	-	367,500
7	Mr. Chai Jroongtanapibarn	Independent Director, Director of the Audit Committee and Director of the Risk Management Committee	432,500	-	-	432,500
8	Mrs. Chaveevarn Chandanabhumma	Director , Executive of Director and Director of the Corporate Governance Committee	375,000	-	-	375,000
9	Police General Krisna Polananta	Independent Director ,Director of the Corporate Governance Committee and Director of the Audit Committee	420,000	-	-	420,000
10	Mrs. Nidda Theerawatanchai	Director and Executive of Director	360,000	-	-	360,000
11	Ms. Pornpimol Chirtchoochai	Director and Executive of Director	360,000	-	-	360,000
12	Mr. Graeme Anthony Cox	Director , Executive of Director , Director of the Risk Management Committee and President	-	-	-	-
	Total		4,550,000	1,800,000	-	6,350,000

**(b) Management's remuneration**

Remuneration for management, comprising the President; Executive Vice President; Senior Vice President and Vice President

Unit : THB	2018		2017	
	No. of Executives	Oct 2017 – Sep 2018	No. of Executives	Oct 2016 – Sep 2017
Total Salaries	11	29,077,364	11	25,485,048
Total Bonuses	11	6,807,794	11	7,102,666
Grand Total		35,885,158		32,587,714

- **Other compensation** : Employee Provident Fund and Life Insurance Premiums.

(a) Other compensation of the Board of Directors

- None-

(b) Other compensation of management team, comprising the President ; Executive

Vice President; Senior Vice President and Vice President.

Unit : THB	2018		2017	
	No. of Executives	Oct 2017 – Sep 2018	No. of Executives	Oct 2016 – Sep 2017
Contributions to the provident fund	11	1,371,764	11	1,156,848
Life insurance premiums	11	30,961	11	30,961
Total		1,402,725		1,187,809

- **Share-holding of the Board of Directors**

The directors and Executives are required to report the possession of security of Siam Food Products Public Co., Ltd., of themselves, and spouses including children who still does not reach legal age to the following Board of Directors' Meeting after those directors are selected as company directors. Subsequently, should any Director, Executives and spouse and under legal age child shall cause transaction of security of Siam Food Public Co., Ltd., The company provides the policies that the Board of Directors and top executives should notify the committee of shares trade at least 1 day in advance before the trade by giving notice in writing to the Company's President. such director is required to report such transaction to the following Board of Directors' Meeting.

In this regard, shareholding of the Board of Directors and Executives as at 30 September 2018 were as follows: -

No.	Name	Position	Ordinary Share (Units)		
			30 September 2018	30 September 2017	+ / (-)
1	Mr.Thien Mekanontchai Spouse or de facto partners and Minor child	Chairman and Chairman of Executive Director	-	-	-
2	Mr. Prasit Kovilaikool Spouse or de facto partners and Minor child	Chairman of the Audit Committee, Chairman of the Remuneration , Nominating Committee and Chairman of the Corporate Governance Committee	-	-	-
3	Mr. Prasert Maekwatana Spouse or de facto partners and Minor child	Director, Vice Chairman of the Board of Director No. 1, Vice Chairman of Executive of Director and Director of the Remuneration and Nominating Committee	-	-	-
4	Mr. Sithichai Chaikriangkrai Spouse or de facto partners and Minor child	Director, Vice Chairman of the Board of Director No. 2, Executive of Director and Director of the Remuneration and Nominating Committee	-	-	-
5	Mr. Siripol Yodmuangcharoen Spouse or de facto partners and Minor child	Director, Executive of Director and Chairman of the Risk Management Committee	-	-	-
6	Mr. Ananta Dalodom Spouse or de facto partners and Minor child	Independent Director and Director of the Remuneration and Nominating Committee	-	-	-
7	Mr. Chai Jroongtanapibarn	Independent Director, Director of the Audit Committee and	-	-	-

	Spouse or de facto partners and Minor child	Director of the Risk Management Committee			
8	Mrs. Chaveevarn Chandanabhumma Spouse or de facto partners and Minor child	Director, Executive of Director and Director of the Corporate Governance Committee	-	-	-
9	Police General Krisna Polananta Spouse or de facto partners and Minor child	Independent Director, Director of the Corporate Governance Committee and Director of the Audit Committee	-	-	-
10	Mrs. Nidda Theerawatanachai Spouse or de facto partners and Minor child	Director and Executive of Director	-	-	-
11	Ms. Pornpimol Chirtchoochai Spouse or de facto partners and Minor child	Director and Executive of Director	-	-	-
12	Mr. Graeme Anthony Cox Spouse or de facto partners and Minor child	Director, Executive of Director , Director of the Risk Management Committee and President	-	-	-
13	Mr. Kiartisak Lertsiriamon Spouse or de facto partners and Minor child	Executive Vice President – Corporate Administration	-	-	-
14	Ms. Sutiporn Rungsisirikul Spouse or de facto partners and Minor child	Executive Vice President – Marketing	-	-	-
15	Mr. Wiboon Sukouichai Spouse or de facto partners and Minor child	Senior Vice President - Finance & Administration	300	300	-

16	Mr. Pattana Chuatong Spouse or de facto partners and Minor child	Vice President Raw Material	-	-	-
17	Mrs. Chaniya Jantrakasemwat Spouse or de facto partners and Minor child	Vice President QA	-	-	-
18	Mr.Chatchawan Powtong Spouse or de facto partners and Minor child	Vice President Agriculture	-	-	-
19	Mr.Nopadol Thongprajiad Spouse or de facto partners and Minor child	Vice President Manufacturing	-	-	-
20	Mr. Pakpoom Termpongpisit Spouse or de facto partners and Minor child	Vice President International Marketing & Sale	-	-	-
21	Ms.Tanaporn Nuntawowart Spouse or de facto partners and Minor child	Vice President Finance & Accounting	-	-	-
22	Mrs. Wondee Kwan-on Spouse or de facto partners Minor child	Vice President-Ware House	-	-	-
	Total	-	300	300	-

- Independent committee participation in any training course organized by Thailand Institute of Directors (IOD)

Training Courses

Name	Directors Certification Program (DCP)	Directors Accreditation Program (DAP)	DCP Refresher Course (DCP-Re)	Audit Committee Program (ACP)	Role of the Compensation Committee (RCP)	Finance for Non-Finance Director (FND)	Others
1.Mr. Thien Mekanontchai	-	/	-	/	-	-	MIR No.14/2013 MFR No. 17/2013 MIA No. 14/2013 MFM No. 9/2013
2.Mr. Prasit Kovilaikool	-	/	-	-	-	/	Corporate good governance
3.Mr. Prasert Maekwatana	/	/	-	-	-	-	-
4.Mr. Sithichai Chaikriangkrai	/	-	-	-	-	-	-
5. Mr. Siripol Yodmuangcharoen	/	/	-	-	-	-	-
6.Mr. Ananta Dalodom	-	/	-	-	-	-	-
7.Mr. Chai Jroongtanapibarn	/	-	-	/	-	-	-
8.Mrs. Chaveevarn Chandanabhumma	-	/	-	/	-	-	Board Matters and Trends (BMT) ๖/๒๐๑๘
9.Police General Krisna Polananta	-	/	-	-	-	-	-
10. Mrs.Nidda Theerawatanachai	/	-	-	-	-	-	Company Secretary Program
11.Ms. Pornpimol Chirtchoochai	-	/	-	-	-	-	-
12. Mr. Graeme Anthony Cox	-	/	-	-	-	-	Process Innovation Coaching Program 2018

**8.10 Personnel**

There were 2,018 employees of the company. Of which, there were 415 monthly employees, 588 daily employees and 1,015 seasonal daily employees, as classified by major working area as follows: -



	Office	Monthly Employees	Permanent Daily Employee	Seasonal Daily Employee
1	Head office	72	-	-
2	Factory office (Chonburi)	271	430	961
3	Farm office			
	Agriculture	60	157	54
	Raw material procurement	12	1	-

Total compensation of the employees are classified as follows:-

-	Salary / Wage	342.07 m. baht
-	Bonus	19.66 m. baht
-	Accumulated in Provident Fund	8.91 m. baht

#### Occupational Health Policy And safety

Siam Food Public Company Limited is a leading global food manufacturer. We comit to produce and develop food products that are always safe for consumption and meet the quality of customer specifications and comply with applicable standards.

The Company sets this policy so that employees at all levels are guided by the following principles:

1. Prevent injuries and work-related diseases, including events that could cause loss of life, property and hazards at medium risk to people involved.
2. Develop a proper occupational health and safety management system and comply with legal requirements and other requirements which the company has made an agreement.
3. To prepare and review the objectives and purposes consistently with the environmental problems and risks in the intermediate level and higher.
4. To promote and encourage the trade partners and contractual parties to provide the raw materials and service to show the responsibility for compliance with the environmental, hygienic and safety standard.
5. To provide training and create the environmental, hygienic and safety awareness among the employees of all levels as well as encourage and stimulate everyone for the participation and suggest the company's activities and serious actions.
6. Improvement of the environmental, hygienic and safety management system to be continuously efficient.

To achieve the above policies, the executives shall communicate to all employees for good understanding and serious actions as well as communicate to the public, concerned parties, sub-contractor and working staff on behalf of the company.

In addition, the company has appointed the work safety, hygiene and environment committee for the thorough supervision of all employees according to the ministerial decree regarding the standard on administration and management of work safety, hygiene and environment B.E. 2549 and acts as the representative of the employer to do activities relating to the safety, budget allocation, instruction for changes, improvement of the unsafe condition and punishment upon investigation, which is found that the offensive employee does not comply with the safety rules, as well as consider the policies and plans of work safety and safety outside the work facility to prevent and reduce the accidents, dangers, sickness or troubles from working or non-safety of work, report and suggestion of the measures or guidelines for improvement being submitted to the employer etc.

The work safety, hygiene and environment committee determines the targets to reduce the accidents, work leave rate and rate of sickness from working of the company's employees formally by gathering the statistics, causes of accident and solutions, so that the employees work safely and could achieve the provided targets.

**Statistics of accidents in comparison with the working hours for retrospective 3 years**

	2018 (Oct17-Sep18)	2017 (Oct16-Sep17)	2016 (Jan-Sep)
CASE	15	17	14
Day leave	67	105	80
Man hour	5,731,235.20	5,891,297.06	4,472,044.78
IFR ( Injury Frequency Rate )	2.62	2.89	3.13
ISR ( Injury Severity Rate )	11.69	17.74	17.89

Remarks: Injury Frequency Rate : IFR = Frequency rate of injury

Injury Severity Rate : ISR = Severity rate of injury

**Policies and practices relating to the employee's compensation and welfares**

The company manages the wage and compensation under the principles of fairness, which corresponds with the suitability for the duties, responsibilities and abilities of the individual employee as well as the fairness in comparison with the external industry for the competition in the leader's level with the external company in the same industry and comply with the company's performance in the short and long term, the Company will set clear targets for employees with a KPI to calculate annual remuneration. The employee shall receive the work assessment and explanation regularly and sincerely for the development and self improvement.

In addition, the company has the policies to support the good health of its employees for the efficient work by providing the sport center for the employees, savings cooperatives and provident reserve for savings by the employees to be used upon retirement.

### **Employees Development Policy**

Siam Food Public Co., Ltd. has well realized that personal resource is important management factor to build the competitive advantage and to bring our organization to meet international standards. To correspond with the vision and mission of the company, the company thus rapidly develop and build management and personnel resource development system and continuous employee development as summarized as personnel resource development of the company as follows:-

1. Promote organizational culture and environment that facilitates personnel resource development to have good moral, ethic, diligent, patient and active to develop oneself to lead the company as efficient organization and encourage all employees to fully commit to perform work under their responsibilities.

2. Develop personnel resource, arrange training according to the prescribed plan by training basic course of employee at each level.

3. Quality System according to the International Standard; on the job training (OJT); Specific Vocational Course to support growth of each occupation. Management Potentiality Course for each level of superior in order to develop the potentiality of employee at each level to correspond with growth of position and to build substitute personnel, Our staff will all be trained and developed an average of 6 hours / year. However, in the year 2018 (October 2017– September 2018) the company's employees have been trained on average 8.20 hours / year.

4. In addition, the Total Productive Maintenance (TPM) to continuously develop personnel resource and working efficiency by providing opportunity to all employees at all levels to participate in development and improvement of working to reduce loss and manufacturing cost. Achievement-based project operation by determining KPI across the organization with objective to develop potentiality of employees and to maintain performance of all organization to correspond with the required goals of the company for efficient team work and measurable including to adapt result of such action to improve and develop personnel and better working system development.

5. Recommend employees to save money. When employees pass probation, the company will inform and encourage them to become a member of the savings cooperative and the provident fund for the security of future employees.

## **9. Good Corporate Governance**

### **9.1 Good governance policy**

The Board of Directors has greatly emphasized on the compliance with good governance and good practice for the Board of Directors of the listed company according to the direction of SET and SEC, and the company has complied with the same of which in 2018, the Board of Directors had approved to improve the good governance policy of the company comply with the requirements for Listed Companies To be consistent with the criteria ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) and Corporate Governance Code (CG Code) of the SEC to be modern and consistent with the changes in the capital market society and upgrade the standard of business supervision to be higher and announced for acknowledgement and compliance of all executives and employees

The Board of Directors provides the business supervision policies of the company in writing and grants approval for the policies and compliance with the policies regularly at least 1 time per year as the content thereof was classified into 5 sections, as follows:-

#### **1) Rights of the shareholders**

The Board of Directors realizes and focuses on the shareholders' rights, protection of shareholders' rights and encourages all shareholders to exercise their rights by covering the basic rights according to the law and not to do acts as the violation or derogation of the shareholders' rights.

The Board of Directors encouraged and focused on the shareholders' meeting. The Board of Directors as well as the audit committee and independent directors attended the meeting and invited the concerned person to attend the meeting i.e. auditor of the company in order to provide the information for the shareholders and consider the reports adequately.

The company recorded the data, date, time, place and agenda of the meeting by giving explanations and reasons in each agenda or support the resolution as being provided in the invitation for the shareholders' meeting in advance adequately and the Board of Directors gives opportunities to the shareholders to send questions in advance before the date of meeting by providing the criteria of sending questions in advance obviously and notified the shareholders as well as sent the invitation letter for the shareholders' meeting. The company propagated the criteria of sending questions in advance on the website of the company.

The Board of Directors encouraged the shareholders, who are inconvenient to attend the meeting themselves, to exercise rights of voting by authorizing other person to attend the meeting and vote instead. The company nominated at least 1 independent director as the option of authorization for attending the meeting and voting instead of the shareholder. The company encouraged the shareholders to use the power of attorney in form, which the shareholders could determine the direction of voting.

The company president or chairman of the meeting notified the shareholders about the criteria used on the meeting, procedures of voting for resolution, allotting the proper time and giving opportunities to the shareholders to exercise rights equally on inquiry, expressing the opinions or suggestions to the meeting according to the agenda of the meeting and submitted manner.

The Board of Directors encouraged the use of the voting card in every agenda and provided the resolution individually for the appointment of director as well as designated the independent person to count or examine the votes on the shareholders' meeting and clearly disclosed all votes including agree, disagree and abstain to the meeting and the shareholder's meeting.

The minutes of the shareholders' meeting, which recorded the data accurately and completely, has been sent the Securities and Exchange Commission, SET, Ministry of Commerce the minutes of the shareholders' meeting has been propagated within 14 days since the date of shareholders' meeting. The resolution of the meeting and the voting result in each agenda have been disclosed on SET Portal of The Securities Exchange of Thailand and the company's website within 9 o' clock in the next working day.

In 2018, the company held the Ordinary Shareholders' Meeting for 2018, No. BorMorJor. 26, on 24 January 2018 and the company assigned Thailand Securities Depository Co., Ltd. who is the share registrar of the company to deliver the invitation letter to all shareholders 21 days before the Meeting date. In this regard, the name list of shareholders is available according to good corporate governance principles, item No. 9.9

## **2) Equal treatment of shareholders**

### **Shareholder's meeting**

The Board of Directors promoted the shareholder who is inconvenient to personally attend the Meeting to exercise its right to vote by its proxy. The company proposed at least the name of 1 independent director as alternative for attend the Meeting and entitled to vote on behalf of the shareholder. In this regard, the company encouraged the shareholder to use Power of Attorney in the form where the shareholder could determine voting direction. However, should the shareholder may use other form of Power of Attorney as prescribed by Department of Business Development.

The invitation letter for the shareholders' meeting is done both in Thai and English language in order to give notice of the meeting schedule together with the agenda and opinions of the Board of Directors by mean of propagation through the company's website at least 30 days before the appointed date for the shareholders' meeting.

The Board of Directors gives opportunity to the minority shareholders to add the agenda and nominate the individual to assume the position of Director as well as gives opportunity to the shareholders to send questions in advance before the date of shareholders' meeting by propagating the criteria and giving prior notice to the shareholders through the website of the company at least 3 months before the date of shareholders' meeting.



The Board of Directors held the shareholders' meeting based on the sequence of agenda being given in the invitation letter for the meeting and had the policies not to add the agenda in the meeting without prior notice to the shareholders, so that the shareholders have the opportunities to study the supporting data of agenda before making decision. For voting, the company provides the shareholder to vote by the number of shares held (One share: one vote) and the Scorecard in all agendas and could examine it in case of conflicts at later time.

#### **Insider Trading policy**

The Board of Directors provides the policies about the prevention of internal data use and provides the measures to ensure that the policies are acknowledged, observed and regularly follow up such as The Board of Directors has formulated Insider Trading Policy that affects the price of securities as follow: -

- The Company's Directors, executives, and employees related to insider information (including their spouses or de facto partners) shall not trade in the securities of SFP's listed companies or other listed companies related to the insider information for a period of one month prior to the publication of quarterly and annual financial statements and within a period of 24 hours following the publication.
- In addition, if the Company's Directors, executives, and employees are aware of undisclosed information that may affect the price of any securities of SFP's listed companies or other listed companies related to the insider information, they must not trade in such securities until after a period of 24 hours following the public disclosure has elapsed.
- Any person engaging in insider trading, regardless of whether it takes place during a blackout period, shall be liable to penalties in accordance with the Securities and Exchange Act B.E. 2535 by the Office of the Securities Exchange Commission (SEC).

#### **policy of holding securities report**

The Board of Directors provides the policies that the directors and executives have the duties to prepare and disclose the report to securities holding in the owns company, the spouse or de facto partners , minor children, director and executive have to report to executive board about their stock of spouse, minor children at least 1 day in advance before the trade is reported to publication by application letter to the company president in order to report the securities trade to the meeting of the Board of Directors on the next meeting and annual report.

#### **Policy of Disclosure**

The Board of Directors determined policy stipulating the directors and executives to prepare and disclose report of benefit of themselves including the persons related to the directors and executives to the company's secretary in order to further submit copy of such report to the President within 7 days commencing from such report is received by the secretary.

In case any director or executive has a vested interest in any agenda item under consideration, such a person must not attend the meeting or must abstain from voting on such an agenda item. This is to ensure that the Board and

executives make decisions in a fair manner of shareholders, in accordance with the procedures or measures for approving inter-company transactions.

### **3) Roles of Stakeholders**

The Company recognizes the importance of all parties with interests in the Company by protecting their rights and ensuring equal, fair treatment for all. The Company addresses the rights of persons with interests in the business as follows.

**Customers:** The Company has a policy dedicate to install the production process at world class standard for food safety to improving the efficiency of its services; fair pricing; as well as honesty and integrity when entering into contracts.

**Practices:** Commit to the development of products and services, the company products are accredited according to the following standards: GMP, HACCP, BRC, ISO 9001, ISO 14001, OHSAS 18001 and TLS 8001-2553 to provide good quality and satisfaction to our customers forever and regularly assessing customer satisfaction.

**Trading partners:** The Company has a policy consider equality and honesty in the conduct of business. Protect the interests in collaboration with the business partners by observing the laws and the rules agreed upon by both parties, and by conducting ethical business.

**Practices:** The Company has a manual has been compiled which clearly specifies operating procedures for the procurement of products and services and procedures to select the trading partners. The Company observes the conditions of trade and contracts of which it is a party to; payments are promptly arranged; and full cooperation is provided to the sellers of products and services regarding essential information. In addition, the Company also provides support and encourages its suppliers to adopt the principle of sustainable development through social and environmental responsibility in their business operations.

**Competitors:** The Company has a policy treat business competitors as per the international principles within the framework of the laws on trade competition and fair competition are strictly observed and involvement in disinformation which could potentially damage the reputation of its competitors is actively discouraged.

**Practices:** Operate within the framework of free and fair competition the Company has formulated guidelines relating to trade competition for its employees to adhere to in order to ensure appropriate practices.

**Banks:** The Company complies with the lending conditions specified in its agreements and its obligations to business banks.

**Practices:** The company provides the framework on approval for the shareholding list, and the guarantee must be subject to approval from the Executive Committee. In addition, the company has the policies of strict fund management to prevent any defaulted payment to the financial institute in whatever cases.

**Employees:** The importance of employees at every level of the organization is emphasized, irrespective of nationality, religion or gender. All employees have equal rights and receive equal treatment. Appropriate remuneration and benefits are provided to all employees, comprising a salary, employees provident fund, social security, medical expense coverage and life insurance. An employee benefits committee has also been established to oversee the rights of personal in a just manner.

Practices: Comply with the laws and regulations concerning employees and basic human rights of international standards without discrimination regardless of birthplace, nationality, gender, religion, education and manage human resources in accordance with and in support of business strategies, goals and financial management and investment in provident funds training.

**Communities, Society and Environment:** The company gives focus and respect on the lifestyle of the community, supports and participates into the activities of environment protection and social and public interests support.

Practices: The company's policies, taking consideration of the concerned parties, have been announced to the employees and generally observed as follows:

**Policy of social responsibility (CSR):** the company which has operation continuous follow The Standard of Corporate Social Responsibility, which is the standard of Department of Industrial Work, Ministry of Industry. The standard is closely to international standard ISO 26000 - Social Responsibility.

Practices: Operate CSR-DIW standard is based on 7 principles; Accountability, Transparency, Ethical behavior, Respect for stakeholder interest, Respect for the rule of law, Respect for international norms of behavior, Respect for human right.

**Policy of no human rights violation:** the company has placed importance and considers it as the main policy in the business operation to permanency by considering the respect of human rights and respect the dignity of human of every employee which is the foundation of the quality and valuable

Practices: We hire disabled people for work, no child labor and to specify the policy for the company which concern the human right especially which does not the violation of basic rights on race, women, children, and disable persons.

**Policy and Treatment of intellectual property:** the company with the right in property, intellectual property, copyright, patent, moral right.

Practices: Promote executives, employees to use resource and property of UV Group efficiently in order to increase the competition ability and to provide a good service to customers, to use products and service with legal copyright and do not support products or action that is intellectual property right infringement for example Illegal software is a violence of intellectual property and strongly prohibited.



**Policy of anti-corruption and no bribery for the business interests of the company:** the Company places great importance on countering corruption while encouraging our personnel at all levels to be aware of corruption in all forms.

Practices: Personnel at all levels of Company and its subsidiaries must perform their duties in compliance with the following practices:

1. Abide by the Anti-Corruption and Anti-Bribery Policy, the Business Code of Conduct, and the rules, regulations and articles of association of the Company without involvement in any forms of corruption, either directly or indirectly.

2. Do not act in any way that indicates an intent of corruption, including giving or taking bribes to and from stakeholders of PTT Global Chemical Group. This includes any act through the work function of personnel carried out under their responsibilities, either directly or indirectly, in order to gain benefits to the organization, employees or involving persons.

3. Do not neglect or ignore any acts that are witnessed, which could be within the scope of corruption involving the Company and its subsidiaries. It is the duty of all employees to report such a matter to their supervisors or responsible persons, and fully cooperate in any investigation that may follow.

**Policy of environment, hygiene and safety:**

The Company is a world-renowned manufacturer of premium quality food with high safety standards, meeting international requirement of environmental, occupational, health and safety management system with employees' participation for customer satisfaction and the society as a whole. Top management communicates to all employees for understanding and implementation and also communicates to all concerns.

Practices: We do as follow to commit our policy:

1. To continuous the prevention and improvement the environmental management system by reduced and recycled resources.

2. To promote good health, prevent dangerous and illness from medium risk of employees and subcontractors' activities, prevent accident and near-miss which will affect to life, resources and processing.

3. To develop the environmental, occupational, health and safety management system to compliance with legal requirements, and other requirements that concern with environmental aspect of activities or products in the scope of environmental management system.

4. To establish, review objective and target to compliance with environmental aspect and medium risk.

5. To promote and support business partner, contractors to use raw material and services with highly concern with environmental, occupational, health and safety management system.

6. To training and awareness on environmental, occupational, health and safety management system for all level of employees.



7. To support the human resource, timing, training, evaluation, improvement environmental, occupational, health and safety management system continuously.

**Policy of energy conservation:** The company realizes the importance of energy. It is the responsibility of all employees to cooperate in energy conservation. This will result in continuous and sustainable energy development.

Resolution:

1. To set up an energy management system as a part of the company's operations.
2. To define an annual energy conservation plans and targets for the Company's energy use, communicate to the employees of the company to understand and perform correctly.
3. The company considers the energy conservation as the responsibility of all employees and all levels have to cooperate in the compliance with the laws relating to the energy conservation and energy management.
4. To support the allocate resources, personnel, budget, working hours, training for the energy conservation
5. To improve the energy efficiency continuously. There will be ongoing the review of policy, goals and energy management plans.

**Whistle Blowing Policy or Complaint and Protection of Informations:** The company provides the channel for receipt and management of the complaints of the interested parties through the audit committee of the company directly at Siam Food Produce Public Co., Ltd., 195, 43rd Floor, Empire Tower, Sathon Tai Road, Yannawa Sub-district, Sathon District, Bangkok 10120 or at the e-mail address: [Auditcommittee@siamfood.co.th](mailto:Auditcommittee@siamfood.co.th) as well as data propagation in the website of the company; [www.siamfood.co.th](http://www.siamfood.co.th). The company has the process of examination and investigation of the complaints based on the procedures to ensure that the complaints shall be considered carefully, accurately and fairly and reported to the Board of Directors respectively.

If the employee is complained that he commits offense, the company has the policies and guidelines to provide fairness to the employee and the whistle blower not to affect against the individual rights according to the law of all parties.

**Framework for Development toward Sustainability:** It is SFP's conviction to conduct business with fairness and responsibility towards each stakeholder for sustainable mutual benefits. As such, the Company has formulated SFP Framework for Development toward Sustainability, based on international guidelines encompassing economic, social, and environmental aspects, under the principle of Corporate Governance to bring about aligned operation across the Company's businesses, continuously creating values for society through its fully environmentally-friendly business conduct and is ready to transfer its existing bodies of knowledge, experience, and success to stakeholders through participation such as transferring knowledge to Contract Farming under the SFP



Model, and to study and apply new innovations to develop the business. The Executive Board is responsible for monitoring the results. And advice on how to do it every month. To supervise sustainability together.

The company explains the details about the policies, operation and activities with the interested parties in Clause 10: Company's Social Responsibility (CSR).

#### **4) Disclosure of data and transparency**

The Board of Directors had policy to disclose data and information both the monetary and non-monetary information related to business operation and result of operation of the company which was true, complete, sufficient, regular, in time and indicate the operating status and actual financial status of the company including the future of company's business.

The Board of Directors had duties to supervise the disclosure of company's data to be strictly in accordance with law, rules, regulation related to disclosure of date and transparency and Regular amendment takes place to ensure the company is up-to-date in its adherence to laws, regulations and obligations are correct and also assigned the company secretary to equally communicate with the shareholders, investors and general security analyst as contactable at the company office, e-mail address: [kiartisak.l@siamfood.co.th](mailto:kiartisak.l@siamfood.co.th) or Tel. 0-2287-7003 and at [www.siamfood.co.th](http://www.siamfood.co.th). So that the investors and the concerned persons as the shareholders and prospective shareholders could use the data to support the investment decision i.e. preparation of the Management Discussion and analysis or MD & A) to support the disclosure of the financial statements of all quarters. The investors could acknowledge the data and understand the changes occurring to the financial status and operation result of the company in each quarter better in addition to the figures data in the financial statement only.

The Board of Directors had assigned the Audit Committee which was consisted of independent director as the caretaker who is responsible for the quality of financial report and internal control system. The comment of Audit Committee about this matter was shown in report of the Audit Committee as shown in annual report.

The Board of Directors had duties and responsibilities to report their responsibilities toward financial report as shown with the auditor report in annual report.

The company has disclosed the roles and duties of the Board of Directors and sub-committee, frequency of the meeting and number of times to attend the meeting in the past year and opinions from performing the duties as well as training and continuous development of professional knowledge of the committee in the Form 561 and in the annual report of the company as well as propagated the certificate and company's rules in addition to the policy of good business supervision in the website of the company.

## **5) Responsibilities of the Board of Directors**

The roles, duties and responsibilities of the Board of Directors shall be as being provided by law, Memorandum of Association, Articles of Association and resolution of the shareholders' meeting. The Board of Directors must perform the duties faithfully (Fiduciary Duties), supervise the business management of the company carefully (Duty of Care) with skills by adhering to the reasons, ethical principles, focusing on the benefits and value addition for the company. Therefore, it is necessary to supervise the management efficiently to cause the effectiveness for the company.

The Board of Directors plays important roles to provide the policies of the company jointly with the top executives, plan the short-term and long-term working as well as provides the financial policies, risk management and perspective of the organization with important roles of supervision, examination and assessment, operation of the company and performance result of the top executives to correspond with the plan systematically.

In addition, the Board of Directors appoints the sub-committee, so that the shareholders ensure that the company operated the business and did review carefully i.e. Audit Committee, Compensation & Recruitment Committee, Risk Management Committee and Good Business Supervision Committee to perform the specific duties and submit to the Board of Directors for consideration or acknowledgment.

- **Conflict of benefits**

The Board of Directors focuses on the management about the conflict of benefits which the shareholder structure shall be clear, transparent and shall not have cross-holding among major shareholders, thereby preventing any conflict of interests with any party. Also, the shareholder structure of the company and its subsidiaries shall be disclosed in the Annual report.

- **Internal Control and Internal Audit**

The company's Board of Directors places great importance on the setting of internal control systems at all levels, from the management level to the operational level. The Board of Directors set the duties and operational authority of each employee and had them put in writing. The working group and evaluation group were completely separate to ensure fairness and balance, and allow for the appropriate cross investigation between the two groups.

The audit committee was set up by the Board to consider the appropriateness of the company's internal control system and to review the results of any actions performed by both the internal auditors and the company's certified public accountant. In addition, the internal auditors met every quarter to exchange ideas and present the results of their audit. Such reports considered the relevance and effectiveness of the company's systems and operational plan as well as any limitation of responsibility. The results were later presented to the company's Board of Directors for review and approval.

The Board of Directors jointly with the audit committee did assessment of the adequacy of the internal control based on the Assessment Form provided by the Securities and Exchange Commission (SEC) by disclosing in the annual report of the company.

- **Risk management system**

The Board of Directors focuses on the risk management of the organization by providing the policy of risk management covering the work performance of the whole organization by assigning the Management to comply with the policy and report to the Board of Directors regularly as well as do the system review or assessment of the efficiency of the risk management 1 time per year. If the risk level is found to be in higher level, the Operational Section must analyze the causes and provide the guidelines for solution as well as do close and continuous follow-up. The company discloses it in the annual report and Form 56-1 of the company.

- **Connected transaction**

Board of Directors are aware of the importance of conducting business with transparency and consider all stakeholders. Therefore, the Company has set the policy and procedures for conducting connected transactions to be clear. Transparency No conflict of interest and the most benefit to the company. The Code of Conduct the Company's policy on connected transactions is the Board of Directors. The Audit Committee is responsible for considering the appropriateness of the transaction. Considering the benefits of the company as well as compliance with the law. The rules of the SEC and the SET are determined by the price and conditions as they enter into transactions with third parties under the arm's length basis, where the stakeholders are not involved in the decision. The Board of Directors is responsible for overseeing compliance with the regulations on the procedures and disclosure of transactions that may cause conflict of interests to be accurate and complete. The details of the transaction, the parties, the reasons and the necessity. Please refer to the policy on inter-company transactions, annual report and Form 56-1.

- **Mechanism in charge of the affiliate company and associated company**

The Board of Directors focuses on the management in the affiliate company and joint venture, in order to maintain the benefits in the investment of the company by assigning the qualified committee for management based on the company policy, law, announcements and criteria of the Stock Exchange of Thailand.

In addition, the Board of Directors appoints the sub-committee, so that the shareholders ensure that the company operated the business and did review carefully i.e. Audit Committee, Compensation & Recruitment Committee, Risk Management Committee and Good Business Supervision Committee to perform the specific duties and submit to the Board of Directors for consideration or acknowledgment.

The Board of Directors has supervised the operations of the subsidiaries and associates to maintain the benefits of the Company's investment as follows:

1. Consider important issues such as strategy, business plan, capital increase or capital reduction, dissolution and important policies.
2. Follow up the results and risk assessment by management Executive Committee and Board of Directors
3. Ensure the subsidiaries and associated companies comply with relevant regulations, including inter-company transactions, acquisition and disposition of assets, adequate and timely disclosures. Ensure accountability is maintained, financial reports are accurate, the relevant laws and generally accepted accounting standards.

#### **5.1) Board of Directors' Structure**

The company consists of the Board of Directors by selecting from the persons, who have the knowledge, abilities, multiple qualifications, skills and experiences of business operation such as industry knowledge, agriculture, financial accounting, management, international marketing, strategy, legal management, and other areas are people with visionary leadership and independence in decision-making. For the maximum benefit of the company and shareholders.

The Board of Directors authorized the compensation and recruitment committee to select the suitable person to assume the position of director from the persons, who have knowledge, abilities, professionalism, specific expertise and necessary skills in the committee by requiring the qualifications to be consistent with the business strategies of the company without restriction of sex and with qualification as being provided in the criteria of the Stock Exchange of Thailand based on the varied policy in the structure of the Board of Directors (Board Diversity).

The directors are elected from the shareholders' meeting, who determines the number of Board of Directors, 12 persons, consisting of:

- Independent Directors                      4 persons
- Executive Directors                        8 persons (with at least one of them female directors)

The independent Directors are the Audit Committee, and some of them are the Remuneration and Nominating Committee which is also in compliance with the requirements of The Stock Exchange of Thailand.

The Board of Directors has the agenda for assuming the position of 3 years each with the possibility for re-election. The company has not limited the position or number of the independent directors to hold the position not over 9 years because the company believes that the business-related abilities and skills of the Board of Directors do not depend on the number of positions in other companies nor length of service of the independent directors, but depend on the ability to provide the policies of business operation, consultations and solutions based on the standard expected by the company and as far as the directors could devote time for the company completely. The power of decision to elect the person to assume the position of director belongs to the rights of direct shareholders, who shall select them to perform the duties instead to provide the policies and control the company owned by them. However,



the company specified the number of years to assume the position of director of each director in the annual report and on the website of the company.

#### **5.2) Independence of the Board of Directors**

The directors must have independence to express the opinions, voting and have power to make decision. In case of decision on any matter, if any director is involved, the company shall notify such director to omit voting and leave the meeting room, so that the Board of Directors could grant consideration and give opinions independently.

The independent director has the qualifications according to the announcement of the Securities and Exchange Commission of Thailand (SEC) and Stock Exchange of Thailand, so that the independent directors could be in charge of the benefits of the shareholders and the involved persons independently in proportion as 1 of 3 of the number of all directors. Most independent directors assume the positions of audit director. It results in counterbalance, and the management could be reviewed independently.

#### **● Gathering or separation of the position**

The President and Managing Director of the company are not the same person, and could divide the duties between the supervision of policies and duties of regular management obviously, and the Board of Directors determines the scope of power and responsibility of the President and Managing Director

differently and obviously, so that they have no unlimited power by determining the scope of power of the director as follows:

#### Scope of power and duties of the Chairman

1. Being responsible as the leader of the committee on the supervision monitoring and ensuring that the performance of the Board is effective and achieve the objectives and goals of the organization.
2. To ensure that all directors participate in the promotion of an ethical corporate culture and good corporate governance.
3. To set the agenda of the Board of Directors' meeting by discussing with the President and taking measures to ensure that matters are included in the agenda.
4. To allocate sufficient time to the management to provide and enough information for the directors to discuss the issues carefully, encourage directors to exercise their discretion and comment freely.
5. Strengthening good relationships between executive directors and non-executive directors, and between the board of directors and the management.
6. Acting as the chairman of meeting of the Board of Directors and shareholders of the company.



7. Acting as the final voter if the meeting of the Board of Directors does voting and the votes of 2 parties are same.

With the scope of power and duties of the President in the management structure.

### **5.3) Independent Committee**

The Board of Directors' emphasis on Good Corporate Governance is in line with the standards and policies of The Stock Exchange of Thailand. Made up of the company's board members and management personnel, the Independent Committee was given ample opportunity to study the details and refine the works in order to come up with a highly suitable solution. Independent Committee comprises.

### **5.4) Roles, Duties and Responsibilities**

The Board of Directors spearheads company growth and the making of important decisions in several areas with the scope of power as specified in the management structure.

### **5.5) Subsidiary Committee**

The Board of Directors' emphasis on Good Corporate Governance is in line with the standards and policies of The Stock Exchange of Thailand. Assigned of the company's board members and management personnel, the Independent Committee was given ample opportunity to study the details and refine the works in order to come up with a highly suitable solution. Independent Committee comprises:

#### **-Audit Committee**

Established on 30 March 1999 which would assume the position 3 years per rotation. The Audit Committee is comprised of at least three Independent Directors with at least one of them having accounting / financial knowledge. The Audit Committee which all were appointed by the Board of Directors' Meeting or Shareholders' Meeting with the scope of power as specified in the management structure.

In the year 2017 between October 2016 – September 2017, the Audit Committee held four meetings and in addition one meeting with the External Auditor without management in attendance, and one joint meeting with the risk management committee to discuss risk management strategies.

Member of the audit committee Mr. Chai Jroongtanapibarn, has extensive experience in finance and accounting and the review of financial statements.

#### **- The Remuneration and Nominating Committee**

Established on 29 November 2002, to assume the position 3 years / rotation who were appointed from at least 3 directors consist of 1 independent directors and 2 director as the executive, with the scope of duty as



prescribed in the management structure. On 22 November 2017, the Board of Directors approved the separation of roles and duties of the Remuneration Committee and the Nomination Committee as follows:

So that the duty performance of the Compensation and Recruitment Committee is done efficiently and achieves the purposes towards the duties and the assigned responsibility from the committee. Therefore, the meeting is held at least 2 times per year to consider, consult and fulfill any acts based on their duties and responsibilities.

In the year 2018 between October 2017 – September 2018, the Remuneration and Nominating Committee held 2 meetings.

**-Risk Management Committee**

Established on 30<sup>th</sup> September 2003, and the Board of Directors No. 212 on Wednesday, 6<sup>th</sup> August 2014, resolved to restructure the Risk Management Committee by appointing from the Board of Directors at least 3 persons, including the managing Director ex officio. The Risk Management Committee assumes the position for 3 years each time with the scope of power as specified in the management structure.

In the year 2018 between October 2017 – September 2018, the Risk Management Committee held 4 meetings and a joint meeting with the audit committee to discuss risk management strategies.

**-Corporate Governance Committee**

Established on 24<sup>th</sup> February 2014, assume the position for 3 years each time by appointing from the Board of Directors, at least 3 persons with the scope of power as specified in the management structure.

In the year 2018 between October 2017 – September 2018, the Corporate Governance Committee held 2 meetings.

**-The Board of Executive Directors**

At least eight persons are appointed by the Board of Directors with the scope of power as specified in the management structure.

In the year 2018 between October 2017 – September 2018, the Board of Executive Directors held 11 meetings.

**5.6) Company Secretary**

The board of director has appointed Mr. Kiartisak Lertsiriamorn to be the Company secretary and also responsible for the secretary of Board of Directors with the Managing Director Office support function of the work of company secretary goes according to the principle of operating of a good company as well as to operate the company more efficiently.

The company discloses the qualifications of the company secretary from the meeting of the Board of Directors in the annual report and on the company's website.

The company encourages the company secretary to receive the training and develop the knowledge regularly as being disclosed in the annual report of the company.

#### **5.7) The Board Meeting**

The dates of the board meetings, which are usually held a quarterly basis, are fixed annually, to give the board members and management sufficient notice. Normally, each meeting lasts between an hour and a half to two hours. They are usually held at the company's head office. The company recorded details of the minutes in writing, filed the report of the meeting which was approved by the board, and submitted to the board and concerned parties for an examination.

The President of Board of Directors and Managing Director jointly consider the selection the matter to enter into the agenda of the meeting of the committee by giving opportunity to each director to have freedom to submit the useful matter for the company to enter into the agenda of the meeting.

The management sent out the invitation letter, agenda and other relevant documents not less than seven days before the date of the meeting, to give the Board of Directors enough time to study, analyses and consider all the relevant information. Should more information be required, they were encouraged to contact either the President or the company secretary.

The Board of Directors determined the Meeting between independent committee and non-executive director regularly at least once a year to independently debate or express comment about the management of interested matter.

On meeting of the Board of Directors, the Managing Director and top executives shall join the meeting to give additional details as being directly related to the problem.

From the continuous improvement of the shareholders' meeting, in this year, the company received an assessment for the quality of the ordinary shareholders' meeting scoring 97 points from of 100. This fell in the "excellent" criteria in the quality assessment of the ordinary shareholders' meeting (Annual General Meeting – AGM) of the year 2018 as being held by the Thai Investors Association.

#### **5.8) Assessment of the work performance of the directors and President**

To comply with the principles of good business supervision, the Board of Directors required to prepare the work assessment form of the Board of Directors at least 1 time per year to be used as the guideline to consider the achievement, know the problems to do improvement and increase the work efficiency of the Board of Directors. In the year 2018, the Board of Directors held the additional assessment of the sub-committee.



Therefore, in the year 2018, the committee made the work assessment through 4 assessment forms: 1) Self-assessment form of the individual committee, 2) Self-assessment form of the individual sub-committee, 3) Assessment form of the individual committee and sub-committee and 4) Assessment form of adequacy of the internal control system (based on the COSO System). The company secretary shall deliver and gather the assessment results and submit to the meeting of the Board of Directors for consideration to be used as the data to improve the company's work procedures.

The assessment result of the Board of Directors could be summarized as follows:

- Individual assessment: The criteria being used for assessment are in 6 topics i.e. 1. Structure and qualifications of the Board of Directors, 2. Roles, duties and responsibility of the Board of Directors, 3. Meeting of the Board of Directors 4. Duty performance of the directors, 5. Relationship with the Management 6. Directors' and Management ability development. In summary, the assessment result is the average points of 90.45 percent as the excellent level.

- Self-assessment form of the individual sub-committee applied the assessment criteria in 3 topics as follows: 1. Structure and qualifications of the committee are proper to cause the efficient work procedures of the committee. 2. The meeting of the sub-committee has done, so that the committee performs the duties on the meeting efficiently. 3. The roles, duties and responsibilities of the sub-committee focus include 3.1 Audit Committee 3.2 Nomination Committee 3.3 Remuneration Committee 3.4 Corporate Governance Committee 3.5 Risk Management Committee and 3.6 Executive Committee, take time for the consideration, review and compliance adequately. The assessment is summarized with the average points of 96.31 percent, which meet the criteria in the excellent level.

- Assessment form of the individual committee and sub-committee applied the assessment criteria in 3 topics: 1. Structure and qualifications of the committee, 2. Meeting of the committee, 3. Meeting of the sub-committee. The assessment could be summarized with average points of 92.12 percent, which meet the criteria in the excellent level.

- Assessment of the adequacy of the internal control system of Siam Food Products Public Company Limited. With the assessment criteria in 5 points i.e. 1. Organization and environment, 2. Risk management, 3. Work control of the Management 4. Information technology and data communication system 5. Follow-up system. In summary, the assessment result is in average points of 98.82 percent as the excellent level.

#### **5.9) Remuneration to Directors and Management**

The company provides the policy of the director's compensation obviously and transparently by considering the operation result, responsibility of the director, financial status of the company or as being suitable and comparing the compensation of the similar industry to be good enough to attract and maintain the qualified director at that time and obtain approval from the shareholders about the paid compensation and disclose it.



- **Director Remuneration**

The company's remuneration policy is clear, with remuneration for the Board of Directors being based on performance and responsibilities as well as the financial well-being of the company. Also considered is the appropriateness of the remuneration package as compared to those given to directors in similar industries, so as to attract well-qualified directors to serve on the Board. The company also seeks the approval of the shareholders on this matter, before revealing the sum to the public.

- **Management Remuneration**

The management's remuneration is based on the policies set by the Board of Directors, taking into account both the company's performance and that of each executive, in addition to the achievement of any goals set beforehand. Also taken into consideration was the performance of other companies in the same field.

Remuneration details for the year 2018 can be found in the Remuneration Section in this document, under the sub-heading, Organization Structure. This is followed by the announcement of The Securities and Exchange Commission.

#### **5.10) Directors' and Management knowledge**

- **Directors' and Management knowledge and ability development**

The company supported the directors and high executives to attend the seminar in the course benefiting their performance both the course arranged by the training unit of the company and arranged by government or independent organization, such as, the course of Thai Institute of Directors which SEC had prescribed that the directors of listed company must successfully passed at least one course, such as, Director Certification Program (DCP); Director Accreditation Program (DAP) and Audit Committee Program (ACP) in order to apply knowledge and experience to further develop the company onwards.

- **Orientation of new directors**

The Board of Director provides the orientation of all new company directors, so that the new company directors being appointed have the opportunities to cause the knowledge and understanding of the company's business, company's policies as well as the roles, duties and responsibilities of the Board of Directors in details by providing the orientation of new directors as the explanatory document of the training, seminar and visit of the place of operation of the projects of the company, so that the company directors could experience the actual business condition of the company.

#### **5.11) Succession Plan**

The Company plans to recruit personnel in charge of senior management positions for all key positions properly and transparently to ensure that the Company has a professional management that

administers independently from major shareholder or any shareholder. Then the nomination has been proposed to the Board of Directors for appointment. The recruitment process for senior executives of The Company is to consider selecting those with the right qualified candidates with good education, experience and seniority to join the team with the emphasis on getting young people who are competent to make way for everyone to be promoted to the executive level in the future. Through the evaluation process with high potential, everyone will be developed as planned individually with challenging assignments and job rotation to develop leadership skills and knowledge in all aspects. The preparation of personnel of The Company is conducted with employees at all levels to be ready to replace in case of vacancies in a timely manner and for the purpose of continuous working as well.

The Board of Directors required the Managing Director to develop the personnel of the organization to be prepared to take over the position if they could not perform the duties.

### **Business Ethics**

The company recruited the Board of Directors and executives, who have knowledge, abilities and experiences on the business with the policy of faithful management, ethics, fairness and morality. The company plans to operate the business continuously, has the relationship with all concerned parties, good understanding and responsibility for the public.

The Board of Directors encourages for preparation of the business ethics in writing, so that the directors, executives and all employees understand the ethical standard used by the company on the business operation and follow up the serious compliance with the ethics and reviewed every year.

Regarding the ethics and practices of the employee, the company announced the guideline to be observed by Directors Management team and the employee. The Management is in charge of all subordinate employee to observe the requirements strictly. with the Code of Conduct handbook of the company for more information, visit <http://www.siamfood.co.th/conduct-th.html>

### **9.2 Subcommittees**

Structure of Subcommittees consists of the Board of Directors and five subcommittees: Audit Committee, Remuneration and Nominating Committee, Good Corporate Governance Committee, Risk Management Committee and the Executive Board of Directors. Each group has a list and responsibilities, it is defined in Section 8, Management Structure, Section 9.1 Good Corporate Governance and Section 5.5 Subcommittees

### **9.3 Recruiting director, independent director, audit committee and executive**

**1) In case of the director, independent committee, audit committee and the executive is** resign by rotation or substitute the position duly vacated by other reason, the Board of Directors' Meeting shall consider to recruit substitute director through the Compensation and Recruitment Board. The Board of Directors shall consider and recruit the qualified, knowledgeable, capable personal who is experienced in related work and duly qualified pursuant to Section 68 of Public Company Limited Act, B.E. 2535 and related Announcement of SEC for benefit in the efficient business operation of the company and then proposed to the Shareholders' Meeting for consideration the appointment according to the rules and methods as follows: -

1. One shareholder possesses one share / one vote.
2. Each shareholder must exercise all right to vote as mentioned in clause 1 to elect one or several persons as director but is prohibited to divide its more or less votes to any person.
3. The person who earned highest votes descending shall be elected as director equal to the number of director required in such election. In case of the descendant earned equal votes more than number of the required director, the chairman shall cast one final vote.

For recruitment of person to fill the management position, the Board of Directors shall arrange to follow up the progress of position succession that covering the position of managing director and high management position to ensure that the company selects the executive who is knowledgeable, capable to succeed the important position in the future.

### **2) Rules in selection the independent director and audit committee**

The company determines rules on selection of independent director and audit committee from the qualification of the appointed person based on the following qualifications:

1. Holds share not less than 1% of paid up capital of the company, subsidiaries, affiliates and related companies. This shall include shares held by related persons.
2. Is not or never been the director who involved in management, employee, consultant who earned permanent wage nor person duly authorized to control the company, parent company, subsidiary, affiliate or minor company at the same rank, major shareholder or the person who has power to control unless such person is resigned from those statuses for not less than 2 years before being appointed.
3. Does not have or never had business relationship or provided professional service to any company, parent company, subsidiary, affiliate, major shareholder or the person who has power to control in the manner which may object the independent use of discretion and is not or never been the major shareholder or person who has power to control of any party who has business relation with the company subsidiary, affiliate, major shareholder or



the person who has power to control unless such person is resigned from those statuses for not less than 2 years before being appointed. Such relations inclusively mean:-

3.1 Normal transaction, the matter related to the asset/service, to give or receive financial assistant that exceeding 20 m. baht or 3% of net tangible asset subject to whichever is lower.

3.2 Providing other professional services, such as, financial consultant, legal consultant, asset appraisal for exceeding 2 m. baht / year.

In this regard, in case of business relation or professional service is exceeding such prescribed value, approval must be firstly granted by the Board that such business relation and professional service do not impact the performance of assigned duties and independent expression of comment and such comment of the Board id disclosed in Form 56-1 / Annual Report / Invitation Letter (in case of extension of position).

4. Is not or never been the auditor of any company, parent company, subsidiary, affiliate, major shareholder or the person who has power to control or partner of the Auditing Office where such auditor is working for unless such person is resigned from those statuses for not less than 2 years before being appointed.

5. Does not have any relation by blood or by lawful registration, namely, no any relation as parents, spouse, relatives and children including spouse of the child of the executive, major shareholder, the person who has power to control or the person who is proposed as executive or the person duly empowered to control the company or subsidiary.

6. Not being the director who is elected as proxy of the company's director, major shareholder or the shareholder who is related to the major shareholder of the company.

7. Free from any character that prevent him to independently express comment about operation of the company.

8. In case of being authorized from the Board of Directors to make decision about business operation of the company, parent company, subsidiary, affiliate and minor company at the same rank, major shareholder or the person who has power to control based on collective decision, such independent director must not be the Audit Committee.

9. Able to assume the position of director who does not involve in management or independent director of the company in the group but is required to disclose information about assuming in the position of independent director in the group and total compensation received from the group in form 56-1 and annual report (not necessary to disclose compensation separately by each company).

#### **9.4 The policy on assuming the position of director for other company**

The company determined the policy specifying the President to report in case of any company director would assume the position of director in any company other than the subsidiary and affiliates to the Board of Director immediately.

#### **9.5 Control of the operation of the subsidiary company or joint ventures**

The Company controls the operation of its subsidiary company and joint ventures by authorizing the company's directors and executives to attend as directors to determine the policies and manage and also investigates and assesses potential risks to the Company to find a solution in the affiliates and joint ventures as follows:

##### **Quality Pineapple Products Co., Ltd. "Subsidiary"**

- |                                 |                                    |
|---------------------------------|------------------------------------|
| 1. Mr. Thien Mekanontchai       | Chairman                           |
| 2. Mr. Prasert Maekwatana       | Vice Chairman                      |
| 3. Mr. Sithichai Chaikriangkrai | Director                           |
| 4. Mr. Graeme Anthony Cox       | Director                           |
| 5. Mr. Kiartisak Lertsiriamorn  | Director and The company secretary |

##### **Siam Food (2513) Co., Ltd. "Subsidiary"**

- |                                  |                                    |
|----------------------------------|------------------------------------|
| 1. Mrs. Chaveevan Chandanabhumma | Chairman                           |
| 2. Mrs. Nidda Theerawatanachai   | Director                           |
| 3. Mr. Kiartisak Lertsiriamorn   | Director and The company secretary |

##### **Eastern Seaboard Industrial Estate (Rayong) Co., Ltd. "Associate"**

- |                                 |          |
|---------------------------------|----------|
| 1. Mr. Thien Mekanontchai       | Chairman |
| 2. Mr. Sithichai Chaikriangkrai | Director |
| 3. Ms. Pornpimol Chirtchoochai  | Director |

#### **9.6 To Oversee the Use of Internal Information**

The company regularly revealed information that were both accurate and reliable to the shareholders, investors, securities analysts and the public. Whenever executives initiated a change in the company's securities trading portfolio, a report was sent out to The Securities and Exchange Commission. This is considered ethical business practice.

To oversee the use of the company's internal information, the company established regulations for staffs at all levels, under the section, Discipline and Punishment. In this section, it is stated that : "Any member of the staffs





who reveals company confidential information to others is breaking the company rules, and he or she will be punished according to his / her crime.”

In this regard, the Board of Directors also determined important policy to prevent the directors, executives and employees to use the opportunity or data for their own benefit nor conduct in any related business nor use internal information for their benefit and other persons in transaction of company's shares. In this regard, the company determined punishment in case of breach thereof.

#### **9.7 Auditor's fee**

- In the past financial year 2018 the auditors remuneration including three quarterly reviews and the audit of the financial statement for the year ended September 30, 2018 was Baht 1,405,000, other service of Baht 95,400 and service fees for observing the destruction of obsolete goods in the amount of Baht 30,000. The total sum of the fee was Baht 1,530,400.

#### **9.8. The level of understanding and application of good corporate governance principles for listed companies in the year 2018.**

The Board recognizes its role as the leader of the organization. In the year 2018, the Board acknowledged the Corporate Governance Code (CG code) for listed companies in the year 2017 and Practices in the use of sustainable value for the business. They also assigned the management to assess each CG Code's performance in order to ensure that the results were appropriate or plan to develop to suit the business continuously at least once a year

In the year 2018, the Board has considered and improved the mission and vision to comply with objectives and main goals of sustainability by technology, new innovation, developing and improving new products, social responsibility, adherence to the principles of good corporate governance, ethics, integrity in business, satisfying stakeholders continuously, etc.

#### **9.9 Compliance with good corporate governance principles in other matters.**

##### **The Board Meeting**

The dates and agenda of the board meetings, which are usually held on 1 – 3 months per time basis, are fixed annually, to give the board members and management sufficient notice. Normally, each meeting lasts between an hour and a half to two hours. They are usually held at the company's head office.

##### **Distribution of Documents**

The management sent out the invitation letter, agenda and other relevant documents not less



than five to seven days before the date of the meeting, to give the Board of Directors enough time to study, analyses and consider all the relevant information. Should more information be required, they were encouraged to contact either the President or the company secretary. Throughout the years, the company's Board of Directors arranged a total of 6 meetings. Details on the attendance of the directors can be found as follows :

Name	Meeting						
	Board of Directors	The Audit Committee	Executive Directors	The Remuneration and Nominating	Corporate Governance Committee	Risk Management Committee	2016 Annual Ordinary Shareholders
1. Mr. Thien Mekanontchai	7/7	-	11/11	-	-	-	1/1
2. Mr. Prasit Kovilaikool	6/7	4/4	-	2/2	2/2	-	1/1
3. Mr. Prasert Maekwatana	6/7	-	8/11	2/2	-	-	1/1
4. Mr. Sithichai Chaikriangkrai	6/7	-	9/11	1/2	-	-	1/1
5. Mr. Siripol Yodmuangcharoen	7/7	-	11/11	-	-	4/4	1/1
6. Mr. Ananta Dalodom	7/7	-	-	2/2	-	-	1/1
7. Mr. Chai Jroongtanapibarn	7/7	4/4	-	-	-	4/4	1/1
8. Mrs. Chaveevarn Handanabhumma	7/7	-	10/11	-	2/2	-	1/1
9. Police General Krisna Polananta	7/7	4/4	-	-	2/2	-	1/1
10. Mrs. Nidda Theerawatanacha	7/7	-	11/11	-	-	-	1/1
11. Ms Pornpimol Chirtchoochai	7/7	-	7/11	-	-	-	1/1
12. Mr. Graeme Anthony Cox	7/7	-	11/11	-	-	4/4	1/1

In addition, based on the guidelines and principles of good business supervision, The company recorded details of the minutes in writing, filed the report of the meeting which was approved by the board, and submitted to the board and concerned parties for an examination.

The Board of Directors determined the Meeting between independent committee and non-executive director regularly at least once a year to independently debate or express comment about the management of interested matter.

In 2018, the Committee had held 1 Meetings.

## 10. CSR-DIW Continuous Report 2017

### Message from the President

Siam Food Products Public Co., Ltd. realizes that we are a part of society, we commit to run our business operation by good governance, give value to all stakeholders; customers, shareholders, employees, farmers, suppliers, contractors and subcontractors, community, society and including government.

We commit to produce high quality and safe food products. We act with integrity to improve the quality of life of our employees and farmers and we participate widely in the local community. We always comply with national laws and regulations and we always strive to comply with the standards demanded by our customers.

At Siam Food Products we achieve prosperity in an ethical way in harmony with the land and in mindful partnership with the farmers and people that touch upon our business. This is the mindset throughout our organization.

Siam Food's operation is based on the Corporate Social Responsibility (CSR) concept of balance among economics, society, and environment. Our CSR programme has been in operation since 2011 and all of our employees are required to follow our Code of Conduct. We this is place we are confident our business is sustainable and will grow in the long term.



( Mr. Graeme Cox )

President

Siam Food Products Public Co., Ltd.

### **Social Responsibility follow CSR-DIW**

Siam Food Products Public Co., Ltd. adheres to the principles of good corporate governance and recognizes the importance of running a business with social responsibility, community and the environment in mind in order to create a lasting happiness for all stakeholders. We follow the Corporate Social Responsibility standard which is equivalent to ISO 26000. We have followed these principals consistently since 2011.

### **CSR in 2018**

- Social Responsibility following CSR-DIW/ISO 26000

A review of the status of the main CSR issues by topic is as follows:

Issues	All requirements			Number of practical requirements year 2018				%
	Implement	Added	Total	Implement	NA	Added	Total	
10.1 Corporate governance	11	1	12	11		1	12	100.00
10.2 Human rights	39	7	46	39		7	46	100.00
10.3 Labour practices	29	2	31	29		2	31	100.00
10.4 Environmental	21	14	35	21		14	35	100.00
10.5 Fair operating practices	21	5	26	21		5	26	100.00
10.6 Consumer Issues	36	8	44	31	8	4	43	97.73
10.7 Community involvement and development	25	18	43	25		17	42	97.67
<b>Total</b>	<b>182</b>	<b>55</b>	<b>237</b>	<b>177</b>	<b>8</b>	<b>50</b>	<b>235</b>	<b>99.16</b>

- **CSR In Business Process**

#### **10.1 Corporate governance**

We have a commitment to produce food products using pineapple as the main raw material with customer safety, international standards quality and managed under good governance. The business is run with an efficient, sustainable, transparent and verified by a written commitment to social responsibility.

#### **10.2 Human rights**

The company pays attention to human rights, and conducts a human rights evaluation impact assessment from the organization's activities. This covers all stakeholder groups in the organization. We respect rights and freedoms, offer equal opportunities and non-discriminatory, prevent child labor, anti-corruption of all forms, and mechanisms to receive complaints, from inside and outside of the organization.

- Open the complaint box every month



- Nursery for employee's child



- Kathin's activity with employees of all races and community to commemorate the important Buddhist traditions



- Security training according to human rights principles and conform to international guidelines



### 10.3 Labour practices

• The company maintains Occupational Health and Safety Policies that cover to work on the principles of safety, hygiene standards and equality for all employees, temporary employees and subcontractors.

- PPE Training to employees



- Training, skill development, apprenticing and career opportunities for every level of employees based on equality and non-discrimination. We run department training on technical skills such as pasteurization and Why Why Analysis as well as training on social skills and hobbies such as making Japanese flowers from clay.



We focus on health and happiness of our employees. We establish HAPPY 8 to be a tool to achieve the goal through various clubs.

1. Football/ Futsal Club: Organize futsal activities after work and holiday in September 2018, seven teams join these matches



2. Health Running Club: Year 2018, organize running for health 3 times with 450 employees joining the activity



3. Cycling Club: Year 2018, organize a cycling club 2 times with 150 employees join the activity





4. Swimming Club: Year 2018, organize swimming race 2 times with 50 employees and their family



5. Buddhism Club: Organize buddhist activities such as Dhamma practice, pray, listen to sermon, walk back and forth, meditation and giving food offerings to the monks with 20 employees join at Wat Cholpratarn Rangsarit, Nonthaburi and Wat Nong Muang Mai, Chonburi



6. Aerobics Club: Organize aerobic activities in September 2018 after work 3 days/week (Monday, Wednesday and Friday) with 60 employees and employee's descendants



7. Siam Food Training Project: Auspicious pillow making in order to encourage employees to increase income and enjoy a leisure activity with 90 employees join this project



#### 10.4 Environmental

- Protect and reduce the impact on the environment in water pollution, air pollution and soil pollution in accordance with all regulations.
  - Measure air quality from ventilation chimney (Boiler), air quality in work area, heat level. These values are in accordance with legal requirements
  - Measure emissions from the boiler to ensure good air quality
  - Control working temperatures inside the factory
  - Control noise levels inside the factory



- Waste water is properly treated before discharge to the public waterway. The results of the water quality assessment are shared with the community for transparency.



- Reforestation increases green space in the company by planting 100 gold teak trees which can absorb carbon dioxide 863,000 Kg. CO<sub>2</sub>e



- Effective use of resources in order to reduce energy consumption, water and other resources such as

1. Changing light fittings to LEDs that can save energy 6,900 kWh/yr

A handwritten signature in blue ink, located in the bottom right corner of the page.



2. Install equipment to improve the power factor to reduce electricity fine in each month amount 5,000-20,000 baht/month



3. Install the pineapple extractor use to ferment bio-gas in order to replace boiler 36,702 kg/yr



4. Provide knowledge and activities for employees in the company about energy management and how to save energy in the factory



5. Other Environmental Activities

1. Wash basin of tortoise shell project at Sea Turtle Conservation Center, Sattahip Naval Base with 30 employees



2. Mangrove rehabilitation project together with Marin and Coastal Resources Administration No. 2 with 25 employees



### 10.5 Fair operating practices

The company has identified the risk of corruption from company activities or company-related activities to prevent corruptions inside and outside the organization. We have procurement rules, controls and an inspection committee to monitor and control works in accordance with the contract. We have a committee that controls the disposal of unused materials in compliance with the rules for taking items out of the factory.

There is also an internal data control and report on holding of securities of executives and auditors, preventive measures, protect and secure the company property, contract for fertilizer loan for pineapple planting sent to the factory, set the authority for approval and payment, travel arrangements and rule including allowance for travel within the country, advanced cash rule and practice, Approval authority in the purchase requisition (P/R), capital and anti-corruption policy

### 10.6 Consumer issues

The company does not commit any deception, misleading, fraud or unfair, unclear or obscure. We have a Corporate Governance Principles Manual and Principles of Corporate Governance policy. Our contracts are written in clear language with clear labelling that follows all export regulations. We have a process in place to handle customer complaints with corrective actions and follow up audits agreed with customers.



### 10.7 Community involvement and development

The company is focused on community relations. We have a committee and company representatives that discuss issues with the local community in a fair and transparent way. We gladly assist in community development activities.

- Discussion with Tan Dam Community on February 22, 2018



- Make a project from discussion with community

1. Installation of digital CCTV system at Tan Dam Community



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2. Project for purchasing agricultural products of Tan Dam School



- Promoting cultural activities and local traditions, pay attention to the folk culture of the people in the community, candle tradition, buffalo run tradition which is one of the unique cultural activities in Chonburi



- Promote and support the training of knowledge about dangerous diseases, threats to health, AIDS protection and tuberculosis to employees in order to bring the knowledge to share with their family and community to prevent the spread of diseases.





## **11. Internal control and audit**

The audit committee made review of the suitability of the internal control system from the audit result of the Internal Audit Section, supervision and follow-up, so that the audited unit did improvement and gave suggestions to the management to do improvements, solution and reasonable preventions as the case maybe and followed up the progress of the continuous improvements.

The Internal Audit Office under the direct supervision of the audit committee summarized the audit results for the audit committee quarterly. During the past year 2018, the Internal Audit office reported to the meeting of the audit committee that no defects are found relating to the internal control system in substantial matter.

### **Chief of the Internal Audit office**

Ms. Duangduen Kanjanopas, Internal Audit Superintendent

The audit committee expressed the opinions that Ms. Duangduen Kanjanopas has the educational qualification, experiences and qualified to assume the position of the Chief of the Internal Audit office and could perform the duties efficiently. The appointment, removal and transfer of the chief of the audit must be granted approval from the audit committee. The record data of the Chief of the Internal Audit was shown in the data schedule of the directors and executives, Clause 8: Management Structure.

## **12. Connected Transaction**

Siam Food Products Public Company Limited ("the Company") attaches importance to the connected transaction is a transaction that may cause a conflict of interest between a listed company and a connected person to make the conduct transparent and fair to all shareholders equally. Therefore, the Board of Directors' Meeting No. 7/2018 held on September 27, 2018 resolved to approve the Connected Transaction policy. The Board of Directors, executives and employees are required to follow the guidelines. To consider items, to be transparent, fair and beneficial to the company. More information can be found under Policy on inter-company transactions <http://www.siamfood.co.th/policy-th.html>

### **Related parties**

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

Relationships with an associate and subsidiaries are described in notes 10 and 11. Relationships with key management and other related parties, which have transactions with the Group, were as follows:

Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Platheon Co., Ltd.	Thailand	Major shareholder and common directors
Thai Agro Products Co., Ltd.	Thailand	Subsidiary of major shareholder
Variety Asset 3 Co., Ltd.	Thailand	Common group of major shareholder
Indara Insurance Public Company Limited	Thailand	Common group of major shareholder
Horeca Management Co., Ltd.	Thailand	Major shareholder have common directors
United Products Co., Ltd.	Thailand	Major shareholder have common directors
Havi Logistics (Thailand) Co., Ltd.	Thailand	Major shareholder have common directors
Concept Land 2 Co., Ltd.	Thailand	Director's relative is indirectly principal shareholder
T.C.C. Commercial Property Management Co., Ltd.	Thailand	Director's relative is indirectly principal unit holder
Top Asset Security and Service Co., Ltd.	Thailand	Director of major shareholder is relatives of controlling person
Thai Beverage Public Company Limited	Thailand	Common directors
Asset World Synergy Co., Ltd.	Thailand	Common directors
Lake View Golf and Yacht Club Co., Ltd.	Thailand	Common directors
T.C.C. Technology Co., Ltd.	Thailand	Common directors
Deesermkit Co., Ltd.	Thailand	Common directors
Terragro Fertilizer Co., Ltd.	Thailand	Common directors
Thip Sugar Kamphaengphet Co., Ltd.	Thailand	Common directors
Thip Sugar Sukhothai Co., Ltd.	Thailand	Common directors
Pornpattanasin Co., Ltd.	Thailand	Common directors
United Winery and Distillery Co., Ltd.	Thailand	Common directors

Southeast Capital Co., Ltd.	Thailand	Common directors
Southeast Insurance Public Company Limited	Thailand	Common directors
Bang Pa-In Paper Mill Industry Co., Ltd.	Thailand	Common directors
Cristalla Co., Ltd.	Thailand	Common directors
Lan Chang Development Co., Ltd.	Thailand	Common directors
Plantheon Trading Co., Ltd.	Thailand	Common directors
North Park Golf And Sport Club Co., Ltd.	Thailand	Common directors
Kaset Thip (2017) Co., Ltd.	Thailand	Common directors
Oishi Trading Co., Ltd.	Thailand	Common directors
Oishi Food Service Co., Ltd.	Thailand	Common directors
The Residence 9 Co., Ltd.	Thailand	Common directors

The pricing policies for transactions with related parties are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Revenue from sale of goods	Market price
Sale of packaging	Mutually agreed prices
Land rental income	Contractually agreed price
Sale of assets	Mutually agreed prices
Dividends income	In accordance with the resolution of shareholders' meeting
Interest income	Interest rate 2.00-2.50% per annum
Other income	Mutually agreed prices
Purchase of raw materials	Market price
Purchase of goods	Mutually agreed prices
Purchase of fixed assets and other assets	Mutually agreed prices
Operating lease expense	Contractually agreed price
Director remuneration	In accordance with the resolution of shareholders' meeting
Interest expense	Interest rate 1.45% per annum
Other expenses	Mutually agreed prices

*Significant agreements under non-cancellable operating leases*

*Land lease agreements*

On 30 November 2017, the Company entered into a land lease agreement with Variety Asset 3 Co., Ltd., its related company. The agreement was for a period of 3 years commencing from 1 January 2018 to 31 December 2020. The Company is committed to pay a rental fee at the rate as stipulated in the agreement.

On 22 April 2016, the Company entered into a land lease agreement with Concept Land 2 Co., Ltd., its related company. The agreement was for a period of 2 years and 10 months commencing from 1 March 2016 to 31 December 2018. The Company is committed to pay a rental fee at the rate as stipulated in the agreement.

On 1 November 2016, Quality Pineapple Products Company Limited, its subsidiary, entered into a land lease agreement with Deesermkit Co., Ltd., its related company. The agreement was for a period of 3 years commencing from 1 October 2016 to 30 September 2019. The said subsidiary is committed to pay a rental fee at the rate as stipulated in the agreement.

On 10 November 2015, Quality Pineapple Products Company Limited, its subsidiary, entered into a land lease agreement with Deesermkit Co., Ltd., its related company. The agreement was for a period of 3 years commencing from 10 November 2015 to 9 November 2018. The said subsidiary is committed to pay a rental fee at the rate as stipulated in the agreement.

*Building lease and service agreements*

On 6 October 2017, the Company entered into a building lease and service agreements with T.C.C. Commercial Property Management Co., Ltd., its related company. The said agreements was for a period of 3 years commencing from 26 December 2017 to 25 December 2020. The Company is committed to pay a rental and service fees at the rate as stipulated in the agreements.

*Telephone manage hosting service agreements and computer equipment agreements*

The Company and its subsidiary entered into telephone manage hosting service agreements and computer equipment agreements with T.C.C. Technology Co., Ltd., their related company. The agreements were for a period



of 3 years to 5 years and the agreements will expire during 2018 to 2022. The Company and its subsidiary are committed to pay service fees at the rate as stipulated in the agreements.

*Car rental agreements*

The Company and its subsidiary entered into car rental agreements with Southeast Capital Co., Ltd., their related company. The agreements were for a period of 3 years to 5 years and the agreements will expire during 2019 to 2023. The Company and its subsidiary are committed to pay rental fees at the rate as stipulated in the agreements.

*Area lease for server computer agreement*

On 1 September 2018, the Company entered into area lease for server computer agreement with T.C.C. Technology Co., Ltd., its related company. The agreement was for a period of 1 year commencing from 1 September 2018 to 31 August 2019. The Company is committed to pay a service fee at the rate as stipulated in the agreement.

**Approval Policy and Procedure for interrelated transaction.**

Interrelated transaction of the company typically follows normal business practice that brings the most profits to the company. However, if it involves very important matters or potentially be a long term liabilities to the Company. The company will put this case to the Audit Committee or independent expertise considers and obtains their comments with the suitable of pricing and reason. the connected transaction ,Acquisition and disposition of assets. The Company's Board of Directors should act according to action SEC rules and regulations and notification or rule of SET, also the rule of disclosure the connected transaction ,Acquisition and disposition of assets.





## Part 3

### Financial status and operation result

#### 13. Important financial data

##### A) Independent Auditor's Report

###### To the Shareholders of Siam Food Products Public Company Limited

###### *Opinion*

I have audited the consolidated and separate financial statements of Siam Food Products Public Company Limited and its subsidiaries (the "Group") and of Siam Food Products Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 30 September 2018, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 30 September 2018 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

###### *Basis for Opinion*

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

*Key Audit Matters*

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

Recognition of deferred tax assets	
Refer to notes 3 (t) and 14 to the financial statements	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The Group and the Company have recognised deferred tax assets arising from unutilised tax losses carried forward. The recoverability of the deferred tax asset is dependent on future taxable profits and the ability to utilise those losses in the future prior to the expiry of tax losses. Because the consideration of the forecast of future taxable profits and assessing the ability to utilise those tax losses involved a significant level of judgment in determining the key assumptions of management. This area was focused on my audit accordingly.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>● understanding the basis of forecasting future taxable profit;</li> <li>● assessing the reasonableness of the key assumptions use by management in the forecast of future taxable profit by considering with the internal and external sources of information, and considering the operation plan approved by management by comparing to the actual and the historical operating results and assessed the sensitivity of the outcomes to reasonably possible changes in assumptions, including of calculation testing the future taxable profits;</li> <li>● evaluating the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.</li> </ul>





Valuation of investments in subsidiaries and property, plant and equipment of the subsidiaries	
Refer to notes 3 (h), 3 (j), 11 and 13 to the financial statements	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The subsidiaries have the operating loss and deficits. This indicate that investments in subsidiaries and property, plant and equipment of those subsidiaries may be impair. The management considers the impairment at the reporting period by the estimated recoverable amount was based on its value in use, determined by discounting future cash flows from its operations.</p> <p>Because the projection of cash flows involved a significant level of judgment in determining the key assumptions of management. This area was focused on my audit accordingly.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>● understanding the process of identifying and considering the assessment of impairment on investments in subsidiaries and property, plant and equipment;</li> <li>● assessing the reasonableness of the key assumptions use by management in the forecast of future profit and cash flows projection by considering with the internal and external sources of information and considering the operation plan approved by management by comparing to the actual and the historical operating results, also consulted with valuation specialist relating to financial methodologies used in the calculating the estimates and discount rate;</li> <li>● evaluating the sensitivity of key assumptions used in future cash flows projection which affect to the recoverable amount of cash-generating unit;</li> <li>● evaluating the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.</li> </ul>

### *Other Information*

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

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

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

### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements*

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

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

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

### *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that



includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of 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 consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Ekkasit Chuthamsatid)

Certified Public Accountant

Registration No. 4195

KPMG Phoomchai Audit Ltd.

Bangkok

27 November 2018



**B) Schedule of financial statement summary (Consolidated financial statement)**

(Unit : 1,000 Baht)

	Consolidated Financial Statements					
	2018 (12 months)		2017 (12 months)		2016 (9 months)	
	Amount	%	Amount	%	Amount	%
Total Assets	2,766,354	100	2,815,110	100	2,791,850	100
Total Liabilities	386,480	13.97	390,908	13.89	326,435	11.69
Shareholders' Equity	2,379,874	86.03	2,424,202	86.11	2,465,415	88.31
Total Revenues	2,430,762	100	3,586,182	100	3,201,598	100
Revenues from sale	2,376,064	97.75	3,510,528	97.89	3,077,433	96.12
Gross Profit (loss)	166,258	7	462,135	13.16	196,988	6.40
Net Profit (loss)	168,977	6.95	384,550	10.72	191,035	5.97
Net cash from (used in) operating activities	(10,432)		501,443		540,410	
Net cash from (used in) investing activities	(110,826)		246,656		(115,240)	
Net cash from (used in) financing activities	(111,078)		(325,588)		(50,084)	
Net increase (decrease) in cash and cash equivalents	(232,334)		422,511		375,086	

C) The important financial ratio reflects the financial status and operation result.

Financial Ratio	Unit	Consolidated Financial Statements		
		2018 (12 months)	2017 (12 months)	2016 (9 months)
<b>Liquidity Ratios</b>				
Current Ratio	Times	5.11	4.95	4.49
Quick Ratio	Times	3.40	3.61	2.69
Avg.Collection Period	Days	24.68	17.42	29.90
Avg.No.Days Inventory In Stock	Days	70.36	44.03	53.25
<b>Profitability Ratios</b>				
Gross Profit Margin	%	7.00	13.16	6.40
Net Profit Margin	%	6.95	10.72	5.97
Earning (Per)Share	Baht	8.05	18.31	9.10
Price earnings Ratio	Times	23.86	12.23	23.08
<b>Assets Management Ratios</b>				
Return On Equity (ROE)	%	7.10	15.86	7.75
Return On Total Asset (ROA)	%	6.11	13.66	6.84
Return On Total Fixed Asset	%	28.13	60.13	27.37
Total Assets Turnover	Times	0.85	1.25	1.10
<b>Leverage Ratios</b>				
Debt To Total Assets	Times	0.14	0.14	0.12
Debt To Equity (D/E)	Times	0.16	0.16	0.13

#### 14. ANALYSIS OF FINANCIAL STATUS AND OPERATING PERFORMANCE

##### Business Overview

The consolidated Income Statements for the year ended September 30, 2018, the company earned the total income of Baht 2,430.76 million, net loss from the operation in amount of Baht 36.57 million. Upon combination with the profit share from the associated company in amount of Baht 205.55 million, the company earned the net profit of total Baht 168.98 million, while in the same period ended September 30, 2017, the company earned the total income of Baht 3,586.18 million, net profit from the operation in amount of Baht 209.07 million, upon combination with the profit share from the associated company in amount of Baht 175.48 million, the company earned the net profit of total Baht 384.55 million, change in net profit decreasing by Baht 215.57 million or 56.06%.

##### Analysis of Income Statements for the year ended September 30, 2018 (The audited Consolidated Financial Statements)

1) Revenue from sale amount of Baht 2,376.06 million, a decreased by Baht 1,134.47 million or 32.32% from the same period of the previous year. Because selling price decreased due to Thailand climate come to normal its effect to fruit was not short as Indonesia and Philippine and it had high competition in selling price. Thai Baht had been stronger from the previous year about 7% against the US dollar.

Ratio of cost of goods sold and sales for the year 2018 was 93% while the same period of the previous year equal to 87%. because selling price of world market decreased more than price of fresh pineapple.

2) The company had loss on changes in fair value of biological assets of Baht 63.28 million in the year 2018 which effected from the company has adopted TAS 41: Agriculture start from 1 January 2016 because fruit cost from farmers as at September 30, 2018 has decreased which was lower than our plantation cost. While the same period of the previous year the company had loss on changes in fair value of biological assets of Baht 8.16 million.

3) Idle capacity cost of subsidiary company decreased by Baht 23.59 million due to subsidiary company has fresh pineapple increasing.

4) About the operation result of the associated company for the year 2018; Eastern Seaboard Industrial (Rayong) Co., Ltd., the company recognized profit sharing according to the equity method in Statement of Income in amount of Baht 205.55 million, increasing from the same period of previous year Baht 30.07 million or 17.14% due to the associated company had revenue from sale of real estated increased.

As at 30 September 2018, the consolidated statement of financial position had a Debt to Equity Ratio at 0.16 equal to as at 30 September 2017.

## **Financial Status**

As at 30 September 2018, the company's statements of financial position presents total assets of Baht 2,766.35 million, decreased of Baht 48.76 million from balance as at 30 September 2017 or 1.73%. The details of changes in assets and liabilities are as follows.

### **Assets**

- Cash and cash equivalents an decreased Baht 232.33 million.
- Account receivable decreased Baht 38.77 million.
- Property, plant and equipment decreased Baht 38.92 million.
- Non-current biological assets decreased Baht 28.67 million.
- Investment in an associate decreased Baht 10.06 million.
- Current investment increased Baht 177.47 million.
- Inventories increased Baht 79.39 million.
- Deferred tax assets increased Baht 23.66 million.
- Other current assets increased Baht 12.56 million.
- Current biological assets increased Baht 7.05 million.

**Liabilities** The company's total liabilities were Baht 386.48 million, an decreased by Baht 4.43 as at 30 September 2017 million from the previous year or 1.13%. The main transactions were decreased in Account payable decreased Baht 55.17 million, other Account payable decreased Baht 23.82 million, Advances received from sale of goods decreased Bath 43.01 million, short-term loan from associate increased Baht 100 million, other current liabilities increased Baht 13.45 million, employee benefit increased Baht 2.44 million and other non- current liabilities increased Baht 1.68 million.

**The Shareholders' Equity** In 2018, the balance was Baht 2,379.87 million, decreased by Baht 44.33 million from balance as at 30 September 2017 or 1.83%, Dividends paid Baht 210 million, increased in net profit from operating for period nine months of the year 2018 amount Baht 168.98 million and decreased in other comprehensive income Baht 3.31 million.

## **Statement of Cash Flow**

The statement of cash flow for nine-month period ended 30 September 2018 shows that the company had cash and cash equivalents decreased from balance as at September 30, 2017 by Baht 232.33 million. The cash flow was separated from each activity as the following :





**1. Net cash flow used in operating activities in the amount of Baht (10.43) million, there were main activities as the following :**

- Cash received form operation.	204.88	Million Baht
- Cash received from trade accounts receivable.	37.09	Million Baht
- Cash received from creditors of other current liabilities	12.27	Million Baht
- Cash used in inventories.	(121.42)	Million Baht
- Cash used in creditors' trade accounts payable.	(55.17)	Million Baht
- Cash received in advances of goods decreased.	(43.01)	Million Baht
- Cash used in other payable.	(22.48)	Million Baht
- Cash used in other assets	(12.53)	Million Baht
- Cash used in employee benefit.	(5.24)	Million Baht
- Cash used in other non-current assets	(4.50)	Million Baht

**2. Net cash flow used in investing activities in the amount of Baht (110.82) million, there were main activities as the following :**

- Cash received from dividend from associated company.	227.40	Million Baht
- Cash received from Interest .	11.88	Million Baht
- Cash used in purchases of other debt securities	(177.70)	Million Baht
- Cash used for increasing crop of biological assets.	(137.38)	Million Baht
- Cash used in purchases of property, plant and equipment.	(35.69)	Million Baht

**3. Net cash flow used in financing activities in the amount of Baht (111.08) million ,there were main activities as the following :**

- Dividend paid.	(210.00)	Million Baht
- Cash received from short-term loan from associate.	100.00	Million Baht



## Information Certification

The Company has prudently examined the facts and figures in the above-mentioned report. The Company declares the facts and figures as complete, accurate, truthful, not misleading, or not inadequate in materiality-which may cause possible damage to the bearer or buyer of the securities. In addition, the Company declares that.

(1) The financial statements and financial information, attached as parts of this annual information, present accurate and complete, in all material aspects, the financial position, result of operations, and cash flows of the Siam Food Products Public Company Limited and subsidiaries.

(2) The Company is responsible for fine disclosure system to ensure that the Company has accurately and completely disclosed material information of the Company and subsidiaries as well as supervising the compliance of the system.

(3) The Company is responsible for good internal control and overseeing the conformity to such system. The Company informed the internal control evaluation as at November 27,2018 to the auditors and Audit Committee. The report included any shortcomings and major changes in the internal control system as well as any dishonesty that might affect the financial statements of the Company and subsidiaries.

In order to ensure the authenticity and the wholeness of all the said documents endorsed by us, the Company instructed Mr. Kiartisak Lertsiriamorn to initial each and every sheet of the document. Should any sheet of document be without his initial, the Company will consider such sheet (or sheets) not certified by us.



<u>Name</u>	<u>Position</u>	<u>Signature</u>
1. Mr. Prasert Maekwatana	Director	 .....
2. Mr. Graeme Anthony Cox	Director	 .....

<u>Name</u>	<u>Position</u>	<u>Signature</u>
Authorized Person Mr. Kiartisak Lertsiriamorn	Company Secretary	 .....

## Audit Committee Report

Dear Valued Shareholders, Siam Food Products Public Co., Ltd.

Pursuant to the notification of the Securities and Exchange Commission of Thailand, the Audit Committee of Siam Food Public Co., Ltd. comprises three fully qualified independent directors, namely Mr. Prasit Kovilaikool, as the Chairman of the Audit Committee, Mr. Chai Jroongtanapibarn and Police General Krisna Polananta.

The Audit Committee carries out its role based on the scope of duties provided in the Audit Committee Charter. During the year 2018, the audit committee held one joint meeting between the audit committee and the external auditors without the attendance of executives and four meetings of the audit committee were held between October 2017 and September 2018. The meetings were convened together with the executives, external auditor, internal auditor and related parties in order to exchange opinions and share knowledge. The Audit Committee has reported to the Board of Directors quarterly with the following significant actions:

- Review of the quarterly financial statements, the statement of financial position and income statement for the year ended September 30, 2018 of the Company and its Subsidiary. Attend meetings with the executives and auditors to consider the financial report and to use the accounting policies to ensure that the financial statements are correctly prepared based on the financial reporting standards and the data is disclosed correctly, completely and reliably.
- Review and consider any related party transactions and transactions that may give rise to a conflict of interests, to ensure that such transactions are in the normal course of business, at arm's length, suitable to the business operations and the have been disclosed correctly and completely.
- Supervision of the internal control systems and internal audit department and approval of the yearly internal audit plan. Supervise, provide work guidelines and follow-up on audit reports. Ensure that the internal control system is effective and efficient.
- Joint review with executive management to ensure that the company complies with the law of the Securities and Exchange Commission of Thailand, requirements of the Stock Exchange and to company law.



- Selection and appointment of the external auditors and review of the auditor's fee to be recommended to the Board of Directors for approval by the shareholders. The audit committee considers the work result, independence, knowledge and experiences of the auditors to set proper compensation.

The audit committee fulfilled the duties assigned by the Board of Directors as based on the guidelines for the audit committee provided by the Stock Exchange of Thailand. The audit committee gave the opinion that the financial statements have been properly prepared based on financial reporting standards with full disclosure and that the internal control and risk management systems are adequate and sufficient to the operations of the business. Related party transactions are disclosed correctly and the company operates according to the law, rules and related requirements.

(Mr. Prasit Kovilaikool)

Chairman of the Audit Committee

27 November 2018





## Board of Directors and Executive Committee

Name / Position	Ages (Year)	Education Qualification	Share Holding Including Related Parties 30 Sep. 18	Relationship between directors and executives	Over 5 years experience		
					Period	Position	Company Name
1. Mr. Thien Mekantachai Chairman of Board of Directors and Chairman of the Executive Board	78	Bachelor of Engineering Chulalongkorn University M.S. in M.E., North Dakota State University, U.S.A.	None	None	Director Independent Director and Audit Committee Chairman of the Board of Directors Chairman of Board of Directors and Chairman of the Executive Board Chairman of the Board of Directors	The Ajinomoto Foundation for Education PTG Energy PCL. Quality Pineapple Products Co., Ltd. Siam Food Products PCL. Eastern Seaboard Industrial Estate (Rayong) Co., Ltd.	
2. Mr. Prasit Kovitakool Independent Director, Chairman of the Audit Committee, Chairman of Remuneration and Nominating Committee and Chairman of the Corporate Governance Committee	75	LL.B (2nd Class Honour) Chulalongkorn University LL.M., Columbia University, New York, U.S.A. Barrister-at-Law (THE THAI BAR)	None	None	Member of National Housing Policy Committee Chairman of the Corporate Governance Committee Independent Director and Chairman of Audit Committee, Chairman of the Audit Committee, Chairman of the Remuneration and Nominating Committee Independent Director Chairman of Board of Directors, Independent Director, Independent Director and Chairman of the Audit Committee Counselor, Property Management Committee Lecturer, Legal Education Institute of The Thai Bar. Law Counsellor	Ministry of Social Development and Human Security Siam Food Products PCL. Thai Beverage PLC. Siam Food Products PCL. Siam Food Products PCL. Siam Food Products PCL. Oishi Group PCL. Berli Jucker PCL. Thai Red Cross Society The Thai Bar Council of State (Office of the Prime Minister)	
3. Mr. Prasert Maekwatana Director, Vice Chairman of the Board of Director No. 1, Vice Chairman of the Executive Board and Director of the Remuneration and Nominating Committee	72	Bachelor Degree California State University San Diego, U.S.A. Certificate International Marketing Institute, TUFT University, U.S.A. Certificate Program for Management Development Harvard University, U.S.A.	None	None	Director Director Vice Chairman of the Board of Director No. 1 Director of the Remuneration and Nominating Committee Director, Vice Chairman of the Executive Board Senior Executive Vice President Director Director Director Director and Chairman of the Executive Board President Director and Vice Chairman of the Executive Board Risk Management Committee	Tavephol Agriculture Co., Ltd. Tavephol Agriculture (2013) Co., Ltd. Siam Food Products PCL. Siam Food Products PCL. Siam Food Products PCL. TCC Corporation Co., Ltd. Plantbeon Co., Ltd. Thai Malaya Glass Co., Ltd. Quality Pineapple Products Co., Ltd. Terragro Fertilizer Co., Ltd. Plantbeon Co., Ltd. Berli Jucker PCL.	
4. Mr. Sittichai Chaikriangkrai Director, Vice Chairman of the Board of Director No. 2, Director of the Remuneration and Nominating	64	Bachelor Degree of Accounting (First Class) Thammasart University Computer Management Certificate	None	None	Vice Chairman of the Board of Director No. 2 Director of the Remuneration and Nominating Director and Executive Director Director and Executive Director	Siam Food Products PCL. Siam Food Products PCL. Siam Food Products PCL. BIG C Supercenter PCL.	





Committee and Executive Director	Chulalongkorn University Mini MBA Kasetsart University	None	None	2013-Present 2013-Present 2012-Present 2011-Present 2010-Present 2010-Present 2007-Present 2007-Present 2006-Present 2003-2010 2001-Present	Director Director Director Director Director and Senior Executive Vice President Director Director Director Director and Senior Vice President Director	Fraser Property Limited Fraser and Neave, Limited Golden Land Property Development PCL. Sumsak PCL. Quality Pineapple Products Co., Ltd. Univentures PCL. Eastern Seaboard Industrial Estate (Rayong) Co., Ltd. Oishi Group PCL. Thai Beverages PCL. Berli Juaker PCL.
5. Mr. Sirinol Yodmaneecharoen Director Executive Director and Chairman of The Risk Management Committee	70 B.A. (Economics), Thammasat University M.B.A., Thammasat University D.B.A., University of South Australia, Australia	None	None	2017 - Present 2015 - 2017 2014 - Present 6 August 2014 - Present 1 October 2013 - Present 2011 - 2016 2011 - 2013 2010 - 2011 2010 - Present 2009 - Present 2009 - 2010 2008 - 2017	Director and Chairman of Exec. Board Director Members of the National Legislative Assembly Board and Chairman of The Risk Management Committee Director, Director Executive Public Sector Development Commission Chairman Director and Chairman of The Risk Committee Director, Independent Director and Chairman of Nominating & Compensation Committee Director Director Chairman	TCC Intertrade Co., Ltd. TCC Logistics & Warehouse Co., Ltd. The National Legislative Assembly Siam Food Products PCL. Siam Food Products PCL. OPDC Office of the Public Sector Development Commission Thai Credit Guarantee Corporation (TCG) Government Housing Bank Sahaviriya Steel Industries PCL. Plungheon Group Siam City Bank PLC. The Gem and Jewelry Institute of Thailand (Public Organization)
6. Mr. Ananta Dalodom Independent Director and Director of the Remuneration and Nominating Committee	77 Bachelor of Science (Agricultural Extension), Kasetsart University Master of Science (Extension Education), Louisiana State University, U.S.A Honorary Doctoral Degree (Agricultural Extension), Kasetsart University Diploma, National Defence College (class 35)	None	None	10 August 2007-11 May 2010 11 May 2010-Present 5 May 2017-Present 2016-Present Present Present Present Present Present	Director Independent Director Director of the Remuneration and Nominating Committee Eminent Person Committee Advisor Committee President President Chief Adviser	Siam Food Products PCL. Siam Food Products PCL. Siam Food Products PCL. King Rama 2 Phraboromratchanusorn Foundation under the Royal Patronage (2016 - 2018) Thai Yuva Kasikorn Promotion Foundation under the Royal Patronage of H.R.H. Princess Maha Chakri Sirindhorn Pracharat Kak Samaknee (Lhaiang) Co.,Ltd Horticultural Science Society of Thailand International Cooperation Development Fund Alumni Association - Taiwan - Thailand (ICDF A.A.) Fapraphan Farm
7. Mr. Chai Jroongnanapibarn Independent Director and Director of the Audit Committee and Director of Risk Management Committee	63 Bachelor Degree in Accounting Chulalongkorn University Master Degree in Accounting Thammasart University	None	None	2018-Present 6 August 2014-Present 25 October 2007-Present 2006-Present 2004-2014 2014-Present 2003-Present	Chairman and Independent Director Director of Risk Management Committee Independent Director and Director of the Audit Committee Independent Director, Audit Committee and Chairman of Risk Committee Independent Director and Chairman of Audit Committee Chairman and Chairman of Audit Committee Independent Director	Veranda Resort PLC. Siam Food Products PCL. Siam Food Products PCL. Oishi Group PCL. Thai Metal Trade PLC. Thai Metal Trade PLC. Siam Future Development PLC.











Vice President-Manufacturing	40	the University of Thai Chamber of Commerce B.B.A - General Management Sukhothai Thammathirat Open University M.Eng. - Food Engineering King Mongkut's University of Technology Thonburi	None	None	2006-2012	Production Manager	Siam Food Products PCL.
20.Mr.Pakpoom Termpongpisit Vice President - Sales & Marketing	40	Bachelor degree of economics (English program), Thammasat University Master degree of business administration Thunderbird, School of Global management, USA	None	None	2012-present 2010-2011	Vice President - Sales & Marketing Sales Manager	Siam Food Product PCL. Siam Food Product PCL.
21.Miss. Tannaporn Nuntawowart : Vice President - Finance & Accounting	44	Bachelor Degree of Accounting Thammasart University Master Degree of Accounting Chulalongkorn University	None	None	2012 - Present 2004 - 2012	Vice President - Finance & Accounting Accounting Manager	Siam Food Products PCL. Siam Food Products PCL.
22. Mrs. Wondee Kwn-on Vice President-Ware House	60	Bachelor Degree of Science Chulalongkorn University	None	None	2015 - Present 2004 - 2014	Vice President-Ware House System Management Manager	Siam Food Products PCL. Siam Food Products PCL.





## Board of Directors of The Subsidiary

Name	Siam Food Products Public Company Limited	Subsidiary Quality Pineapple Products Co., Ltd	Subsidiary Siam Food (2513) Co., Ltd
1. Mr. Thien Mekanontchai	Chairman and Chairman of Executive Director	Chairman	-
2. Mr. Prasert Maekwatana	Director, Vice Chairman of the Executive Board and Nominating Committee and Executive Director	Vice Chairman	-
3. Mr. Sithichai Chaikriangkrai	Director, Director of the Remuneration and Nominating Committee and Executive Director	Director	-
4. Mr. Graeme Anthony Cox	Director, Executive of Director, Risk Management Committee and President	Director and President	-
5. Ms. Nidda Theerawatanachai	Director and Executive of Director	-	Director
6. Mrs. Chaveevan Chandanabhumma	Director, Executive Director and Director of the Corporate Governance Committee	-	Chairman
7. Mr. Kiatrisak Lertsiriamorn	Executive Vice President – Corporate Administration	Director and The company secretary	Director

## Board of Directors of The Affiliates

Name	Siam Food Products Public Company Limited	Affiliate Eastern Seaboard Industrial Estate (Rayong) Co., Ltd.
1. Mr. Thien Mekanontchai	Chairman and Chairman of Executive Director	Chairman
2. Mr. Sithichai Chaikriangkrai	Director and Executive of Director	Director
3. Ms. Pornpimol Chirtchoochai	Director and Executive of Director	Director



Chief of Internal Audit and Compliance

Name / Position	Ages (year)	Education Qualification	Share Holding Including Related Parties 30-Sep-18	Relationship between directors and executives	Over 5 years experience		
					Period	Position	Company Name
1. Ms. Duangduen Kanjanopas Internal Audit Superintendent	46	Bachelor of Business Administration ( Finance and Banking) Dhurakij Pundit University	none	none	2016- Present 2005- 2015	Internal Audit Superintendent Internal Audit Senior Supervisor	Siam Food Products PLC. Siam Food Products PLC.
2. Mr. Kiartsak Lertsiriamon Executive Vice President – Corporate Administration The company secretary and Head of Compliance	59	B.Acc. , M.Acc. - Cost Accounting Chulalongkorn University	None	None	2015 - Present 2012 - Present 2011- Present 2011- Present 2010- Present 2007 - 2012	Director Executive Vice President –Corporate Administra The company secretary and Head of Compliance Directors Directors Directors First Senior Vice President - Finance & Corporate Service	Siam Food (2513) Co., Ltd. Siam Food Product PCL. Lastica Co.,Ltd. Terragro Fertilizer Co.,Ltd. Quality Pineapple Products Co.,Ltd. Siam Food Product PCL.



Details on the valuation list

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Other



