

Thai President Foods Public Company Limited
and its subsidiaries
Review report and consolidated interim financial statements
For the three-month period ended 31 March 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thai President Foods Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Thai President Foods Public Company Limited and its subsidiaries as at 31 March 2018, the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Thai President Foods Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Sarinda Hirunprasurtwutti

Certified Public Accountant (Thailand) No. 4799

EY Office Limited

Bangkok: 11 May 2018

Thai President Foods Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2018

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March	31 December	31 March	31 December
		2018	2017	2018	2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	2,780,322	2,777,379	1,653,588	1,283,164
Current investments	3	6,813,752	5,515,714	5,024,275	4,521,982
Trade and other receivables	4, 5	3,249,751	3,625,820	1,864,432	2,261,713
Short-term loan to related parties	5	50,177	1,000	1,000	1,000
Inventories		1,617,276	1,352,541	601,063	481,497
Other current assets		47,475	61,119	381	672
Total current assets		14,558,753	13,333,573	9,144,739	8,550,028
Non-current assets					
Restricted bank deposit		36,348	36,348	-	-
Investments in subsidiaries	6	-	-	1,365,829	1,365,829
Investments in associates	7	1,509,376	1,533,502	253,760	255,273
Investment in joint venture	8	25,375	28,832	-	-
Investments in other companies	9	192,672	206,777	77,172	91,277
Other long-term investments	10	4,964,707	5,133,556	3,218,676	3,330,687
Advance payment for investments in related parties	6	73,675	77,359	295	295
Investment properties	11	98,258	98,258	124,558	124,993
Property, plant and equipment	12	8,601,504	8,790,564	2,488,328	2,530,651
Downpayment for purchase of machinery		47,326	16,804	-	-
Other intangible assets		39,363	40,306	21,081	22,430
Leasehold rights		827	930	-	-
Goodwill		5,535	5,535	-	-
Deferred tax assets		24,325	31,200	5,543	15,392
Other non-current assets		30,668	29,625	2,971	3,159
Total non-current assets		15,649,959	16,029,596	7,558,213	7,739,986
Total assets		30,208,712	29,363,169	16,702,952	16,290,014

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2018

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March	31 December	31 March	31 December
		2018	2017	2018	2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	5, 13	1,789,372	1,787,564	1,035,789	1,080,584
Current portion of liabilities under finance lease agreements	5	78,011	82,665	1,481	1,547
Income tax payable		296,354	242,659	123,344	131,741
Accrued bonus		105,518	159,252	53,608	31,205
Advance receipt from non-controlling interests for investments in a subsidiary		41	3	-	-
Other accrued expenses	5	274,449	285,023	101,705	98,038
Other current liabilities		63,299	70,377	15,101	45,166
Total current liabilities		2,607,044	2,627,543	1,331,028	1,388,281
Non-current liabilities					
Liabilities under finance lease agreements - net of current portion	5	82,526	93,827	877	1,254
Long-term loans from directors	5	50,178	77,984	-	-
Long-term loans from employees		38,970	39,627	-	-
Provision for long-term employee benefits		821,746	806,610	570,973	564,145
Non-current liabilities		60,411	60,370	57,341	57,341
Total non-current liabilities		1,053,831	1,078,418	629,191	622,740
Total liabilities		3,660,875	3,705,961	1,960,219	2,011,021

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2018

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered share capital				
329,704,014 ordinary shares of Baht 1 each	<u>329,704</u>	<u>329,704</u>	<u>329,704</u>	<u>329,704</u>
Issued and fully paid-up share capital				
329,704,014 ordinary shares of Baht 1 each	329,704	329,704	329,704	329,704
Share premium	712,963	712,963	712,963	712,963
Retained earnings				
Appropriated - statutory reserve	39,000	39,000	39,000	39,000
Unappropriated	19,149,606	18,459,463	13,324,130	12,849,640
Other components of shareholders' equity	<u>307,446</u>	<u>336,109</u>	<u>336,936</u>	<u>347,686</u>
Equity attributable to owners of the Company	20,538,719	19,877,239	14,742,733	14,278,993
Non-controlling interests of the subsidiaries	<u>6,009,118</u>	<u>5,779,969</u>	-	-
Total shareholders' equity	<u>26,547,837</u>	<u>25,657,208</u>	<u>14,742,733</u>	<u>14,278,993</u>
Total liabilities and shareholders' equity	<u>30,208,712</u>	<u>29,363,169</u>	<u>16,702,952</u>	<u>16,290,014</u>
	-	-	-	-

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

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Directors
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(Unaudited but reviewed)

Thai President Foods Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2018

(Unit: Thousand Baht except earnings per share expressed in Baht)

	<u>Note</u>	Consolidated		Separate
		financial statements		financial
		<u>2018</u>	<u>2017</u>	<u>2018</u>
Profit or loss:				
Revenues				
Sales	5	5,173,619	5,235,877	2,730,304
Other income				
Interest income		48,922	43,153	33,919
Rental income	5	659	409	2,914
Dividend income	5	13,248	10,852	74,864
Others	5	54,985	41,405	32,379
Total other income		117,814	95,819	144,076
Total revenues		<u>5,291,433</u>	<u>5,331,696</u>	<u>2,874,380</u>
Expenses				
Cost of sales	5	3,376,620	3,497,768	2,011,141
Selling expenses	5	365,847	345,394	53,309
Administrative expenses	5	525,882	522,462	256,016
Total expenses		<u>4,268,349</u>	<u>4,365,624</u>	<u>2,320,466</u>
Profit before share of profit from				
investments in associates and joint venture, finance cost and				
income tax expenses		1,023,084	966,072	553,914
Share of profit from investments in associates and joint venture	7, 8	50,117	44,672	-
Profit before finance cost and				
income tax expenses		1,073,201	1,010,744	553,914
Finance cost		(3,306)	(4,125)	(637)
Profit before income tax expenses		<u>1,069,895</u>	<u>1,006,619</u>	<u>553,277</u>
Income tax expenses	14	(141,494)	(82,767)	(79,496)
Profit for the period		<u>928,401</u>	<u>923,852</u>	<u>473,781</u>

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

(Unaudited but reviewed)

Thai President Foods Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the three-month period ended 31 March 2018

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated		Separate
		financial statements		financial statements
		2018	2017	2018
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency		(21,492)	(19,727)	-
Gain (loss) on change in value of available-for-sale investments - net of income tax	14	(16,989)	39,666	(10,750)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(38,481)	19,939	(10,750)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss) - net of income tax	14	709	(13,112)	709
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		709	(13,112)	709
Other comprehensive income for the period		(37,772)	6,827	(10,041)
Total comprehensive income for the period		890,629	930,679	463,740
Profit attributable to:				
Equity holders of the Company		689,434	682,233	473,781
Non-controlling interests of the subsidiaries		238,967	241,619	
		928,401	923,852	
Total comprehensive income attributable to:				
Equity holders of the Company		661,480	699,347	463,740
Non-controlling interests of the subsidiaries		229,149	231,332	
		890,629	930,679	
Earnings per share (Baht)				
15				
Basic earnings per share				
Profit attributable to equity holders of the Company		2.09	2.07	1.44
Weighted average number of ordinary shares (Thousand shares)				
		329,704	329,704	329,704

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

(Unaudited but reviewed)

Thai President Foods Public Company Limited and its subsidiaries

Statement of cash flows

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Consolidated		Separate
	financial statements		financial
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Cash flows from operating activities			
Profit before tax	1,069,895	1,006,619	553,277
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Depreciation	302,899	271,814	101,396
Amortisation	2,230	2,460	1,349
Gain on disposals of property, plant and equipment	(2,776)	(1,442)	(115)
Gain on disposals of other long-term investments	(28,759)	(12,998)	(20,061)
Allowance for deteriorated inventories	328	981	-
Allowance for loss on investments in associated company	1,513	-	1,513
Allowance for loss on investments in other companies	14,105	9,792	14,105
Allowance for doubtful accounts	-	14,287	-
Share of profit from investments in associates	(48,894)	(43,616)	-
Share of profit from investments in joint venture	(1,223)	(1,056)	-
Dividend received from associated companies	-	-	(66,300)
Dividend received from other companies and other long-term investments	(13,248)	(10,852)	(8,564)
Interest income	(48,922)	(43,153)	(33,919)
Interest expenses	1,901	2,815	31
Provision for long-term employee benefits	19,770	29,832	11,202
Profit from operating activities before changes in operating assets and liabilities	1,268,819	1,225,483	553,914
Operating assets (increase) decrease			
Trade and other receivables	460,234	119,166	473,495
Inventories	(265,063)	(121,955)	(119,566)
Other current assets	13,998	(20,114)	291
Other non-current assets	(1,043)	(2,161)	188
Operating liabilities increase (decrease)			
Trade and other payables	(106,025)	(194,503)	(48,728)
Other current liabilities	(7,078)	(16,805)	(30,065)
Other non-current liabilities	41	(114)	-
Provision for long-term employee benefits	(4,634)	(10,223)	(4,374)
Cash flows from operating activities	1,359,249	978,774	825,155
Cash paid for income tax	(75,907)	(1,229)	(74,648)
Net cash flows from operating activities	1,283,342	977,545	750,507

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

(Unaudited but reviewed)

Thai President Foods Public Company Limited and its subsidiaries
Statement of cash flows (continued)
For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Consolidated		Separate
	financial statements		financial
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Cash flows from investing activities			
Increase in current investments	(1,968,069)	(656,282)	(998,021)
Decrease in current investments	670,031	699,062	495,728
Increase in other long-term investments	(1,181,409)	(986,309)	(691,177)
Decrease in other long-term investments	1,357,781	1,120,039	809,812
Increase in investments in other company	-	(17,813)	-
Dividend received from associated companies	4,680	58,500	-
Dividend received from other companies and other long-term investments	1,567	2,558	332
Increase in short-term loans to related party	(49,177)	-	-
Decrease in advance payment for investments in related parties	-	11,885	-
Purchase of property, plant and equipment	(72,249)	(247,699)	(28,636)
Decrease (increase) in downpayment for purchase of machinery	(30,522)	8,313	-
Proceeds from disposals of property, plant and equipment	2,952	2,173	116
Purchase of intangible assets	(1,184)	(1,766)	-
Interest income	42,738	33,196	32,237
Net cash flows from (used in) investing activities	(1,222,861)	25,857	(379,609)
Cash flows from financing activities			
Increase (decrease) in long-term loans from directors	(27,806)	3,561	-
Increase (decrease) in long-term loans from employees	(657)	1,579	-
Repayment of liabilities under finance lease agreements	(21,122)	(29,138)	(443)
Cash paid for interest expense	(1,901)	(2,815)	(31)
Net cash flows used in financing activities	(51,486)	(26,813)	(474)
Decrease in translation adjustments	(6,052)	(4,575)	-
Net increase in cash and cash equivalents	2,943	972,014	370,424
Cash and cash equivalents at beginning of period	2,777,379	2,444,963	1,283,164
Cash and cash equivalents at end of period (Note 2)	2,780,322	3,416,977	1,653,588

Supplementary disclosures of cash flows information
Non-cash related transactions

Other payable from purchase of property, plant and equipment	43,563	34,397	30,003
Liabilities under finance lease agreements - net of deferred interest	5,131	34,315	-
Dividend receivable	77,980	8,294	74,532

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

(Unaudited but reviewed)

Thai President Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

Consolidated financial statements

	Equity attributable to the parent's shareholders									
					Other components of equity					
					Retained earnings			Other comprehensive income		
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Surplus on changes in value of available-for-sale investments	Total other components of shareholders' equity			
Balance as at 31 December 2016	329,704	713,015	39,000	16,842,665	(16,357)	86,349	69,992	17,994,376	5,256,794	23,251,170
Profit for the period	-	-	-	682,233	-	-	-	682,233	241,619	923,852
Other comprehensive income for the period	-	-	-	(6,891)	(14,114)	38,118	24,004	17,113	(10,286)	6,827
Total comprehensive income for the period	-	-	-	675,342	(14,114)	38,118	24,004	699,346	231,333	930,679
Cumulative effect of changes in classification of investments	-	-	-	11,605	-	-	-	11,605	-	11,605
Balance as at 31 March 2017	329,704	713,015	39,000	17,529,612	(30,471)	124,467	93,996	18,705,327	5,488,127	24,193,454
Balance as at 31 December 2017	329,704	712,963	39,000	18,459,463	(31,966)	368,075	336,109	19,877,239	5,779,969	25,657,208
Profit for the period	-	-	-	689,434	-	-	-	689,434	238,967	928,401
Other comprehensive income for the period	-	-	-	709	(14,941)	(13,722)	(28,663)	(27,954)	(9,818)	(37,772)
Total comprehensive income for the period	-	-	-	690,143	(14,941)	(13,722)	(28,663)	661,480	229,149	890,629
Balance as at 31 March 2018	329,704	712,963	39,000	19,149,606	(46,907)	354,353	307,446	20,538,719	6,009,118	26,547,837

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

(Unaudited but reviewed)

Thai President Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (Continued)

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

Separate financial statements

	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity	Total other components of shareholders' equity	Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	Surplus on changes in value of available-for-sale investments		
Balance as at 31 December 2017	329,704	712,963	39,000	12,849,640	347,686	347,686	14,278,993
Profit for the period	-	-	-	473,781	-	-	473,781
Other comprehensive income for the period	-	-	-	709	(10,750)	(10,750)	(10,041)
Total comprehensive income for the period	-	-	-	474,490	(10,750)	(10,750)	463,740
Balance as at 31 March 2018	329,704	712,963	39,000	13,324,130	336,936	336,936	14,742,733

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

Thai President Foods Public Company Limited and its subsidiary companies
Notes to interim financial statements
For the three-month period ended 31 March 2018

1. General information

1.1 Corporate information

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

1.2 Amalgamation

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

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

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

1.3 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.4 Basis of consolidation

The interim consolidated financial statements included the financial statements of Thai President Foods Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017. There have been no changes in the composition of its subsidiaries during the period.

1.5 New financial reporting standards

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

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

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

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarized below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.

1.6 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017.

2. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Cash in hand	9,001	5,287	1,268	1,589
Bank deposits	2,261,174	2,548,565	1,367,273	1,172,005
Promissory notes and bills of exchange	70,000	-	-	-
Cash and cash equivalents – in private fund	440,147	223,527	285,047	109,570
Total	2,780,322	2,777,379	1,653,588	1,283,164

As at 31 March 2018, bank deposits in savings accounts, fixed deposits, promissory notes and bills of exchange carried interests at the rates between 0.1% and 1.7% per annum (31 December 2017: 0.1% and 1.8% per annum).

3. Current investments

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Fixed deposits	4,599,148	4,006,833	4,512,958	3,971,384
Bills of exchange and deposit receipt	1,050,000	-	-	-
Short-term fund	307,991	50,405	-	-
Current investments – in private fund	856,613	1,458,476	511,317	550,598
Total	6,813,752	5,515,714	5,024,275	4,521,982

As at 31 March 2018, bank deposits in fixed account, bill of exchange and deposit receipt, short-term fund and current investments (in private fund) carried interests at the rates between 1.2% and 5.0% per annum (31 December 2017: 0.6% and 5.0% per annum).

(Unaudited but reviewed)

4. Trade and other receivables

	Consolidated financial		(Unit: Thousand Baht)	
	statements		Separate financial	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,071,349	1,339,221	1,168,026	1,439,174
Past due				
Not over 3 months	99,991	148,841	103,785	162,951
3 - 6 months	844	889	844	889
6 - 12 months	866	1,039	866	1,039
Over 12 months	80	-	80	-
Total trade receivables - related parties	1,173,130	1,489,990	1,273,601	1,604,053
<u>Other receivables - related parties</u>				
Dividend receivable	72,020	-	72,020	-
Accrued income and interest receivable	738	576	6,368	6,638
Total other receivables - related parties	72,758	576	78,388	6,638
Total trade and other receivables - related parties (Note 5)	1,245,888	1,490,566	1,351,989	1,610,691
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,279,456	1,182,935	380,624	407,994
Past due				
Not over 3 months	562,696	683,458	66,574	117,981
3 - 6 months	4,997	108,177	4,980	8,815
6 - 12 months	1,631	2,707	1,631	1,895
Over 12 months	13,465	13,096	12,690	13,082
Total	1,862,245	1,990,373	466,499	549,767
Less: Allowance for doubtful accounts	(16,379)	(16,379)	(14,287)	(14,287)
Total trade receivables - unrelated parties, net	1,845,866	1,973,994	452,212	535,480

(Unaudited but reviewed)

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
<u>Other receivables - unrelated parties</u>				
Accrued income and interest receivable	83,849	56,074	39,420	31,245
Prepayments	50,999	20,708	10,770	6,739
Advance payment for goods	8,626	73,157	5,086	73,157
Advances	14,523	11,321	4,955	4,401
Total other receivables - unrelated parties	157,997	161,260	60,231	115,542
Total trade and other receivables - unrelated parties - net	2,003,863	2,135,254	512,443	651,022
Total trade and other receivables - net	3,249,751	3,625,820	1,864,432	2,261,713

5. Related party transactions

5.1 Transactions incurred during the period

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

(Unit: Thousand Baht)

	For the three-month periods ended			Transfer pricing policy
	31 March			
	Consolidated financial statements	Separate financial statements		
	2018	2017	2018	
Transactions with subsidiary companies (eliminated from the consolidated financial statements)				
Sales	-	-	113,646	Cost plus margin
Rental and other income	-	-	6,674	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	-	-	634,669	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	-	10,675	Agreed price which approximates the market price

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			Transfer pricing policy
	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	
Transactions with associated companies				
Sales	22,401	35,767	21,756	Cost plus margin
Dividend income	-	-	66,300	At the announced rate
Rental and other income	2,744	5,103	2,006	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	131,340	167,778	28,241	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	255	-	Agreed price
Purchase of machinery and equipment	5,152	90	5,152	Agreed price
Transactions with related companies				
Sales	1,887,000	2,068,446	1,875,265	Cost plus margin
Dividend income	5,720	5,200	5,720	At the announced rate
Rental and other income	6,622	6,620	5,234	Contract price and agreed price
Purchase of goods and raw material, and production cost (included in cost of sales)	112,973	119,343	69,461	Approximately market price with reference to purchase volume
Commission and other expenses (included in selling and administrative expenses)	24,185	18,657	16,463	Contract price
Purchase of machinery and equipment	946	700	695	Agreed price

5.2 Outstanding balance at end of period

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Trade and other receivables - related parties (Note 4)				
Subsidiaries	-	-	112,721	128,376
Associated companies	99,048	33,793	98,652	33,457
Related companies (related by common shareholders or directors)	1,146,840	1,456,773	1,140,616	1,448,858
Total trade and other receivables - related parties	<u>1,245,888</u>	<u>1,490,566</u>	<u>1,351,989</u>	<u>1,610,691</u>
Trade and other payables - related parties (Note 13)				
Subsidiaries	-	-	369,037	370,143
Associated companies	129,443	164,650	19,745	17,527
Related companies (related by common shareholders or directors)	111,170	94,841	18,438	22,528
Total trade and other payables - related parties	<u>240,613</u>	<u>259,491</u>	<u>407,220</u>	<u>410,198</u>
Liabilities under finance lease agreements - related party				
<i>Major shareholder</i>				
Liabilities under finance lease agreements	110,765	117,028	1,611	84
Less: Current portion	(52,868)	(53,181)	(734)	(84)
Liabilities under finance lease agreements - net of current portion	<u>57,897</u>	<u>63,847</u>	<u>877</u>	<u>-</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
Other accrued expenses - related parties				
<i>Related companies</i>	16,024	18,235	16,024	18,235
Total other accrued expenses - related parties	<u>16,024</u>	<u>18,235</u>	<u>16,024</u>	<u>18,235</u>

Short-term loans to related parties

As at 31 March 2018 and 31 December 2017, the balances of short-term loans to related parties and the movements were as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements			
	Balance as at 31 December 2017	Increase during the period	Decrease during the period	Balance as at 31 March 2018
<u>Associated companies</u>				
Thai Instant Products Company Limited	1,000	-	-	1,000
Chongqing Taibao Paper Products Company Limited	-	49,177	-	49,177
Total	<u>1,000</u>	<u>49,177</u>	<u>-</u>	<u>50,177</u>

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	Balance as at 31 December 2017	Increase during the period	Decrease during the period	Balance as at 31 March 2018
<u>Associated company</u>				
Thai Instant Products Company Limited	1,000	-	-	1,000
Total	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>

Long-term loans from directors

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

(Unit: Thousand Baht)

	Consolidated financial statements			Balance as at 31 March 2018
	Balance as at 31 December 2017	During the period		
		Increase	Decrease	
Long-term loans from directors	77,984	9,193	(36,999)	50,178

5.3 Directors and management's remuneration

During the periods ended 31 March 2018 and 2017, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March		
	Consolidated financial statements		Separate financial statements
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Short-term employee benefits	40	46	16
Post-employment benefits and other long-term benefits	1	4	-
Total	41	50	16

(Unaudited but reviewed)

6. Investments in subsidiary companies

(Unit: Thousand Baht)

Company's name (Nature of business)	Paid up capital	Separate financial statements			
		Shareholding percentage		Cost	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		(Percent)	(Percent)		
Tai Sun Foods Company Limited (Manufacture and distribution of fruit juice and distribution of biscuit products)	Baht 50 million	52.08	52.08	26,038	26,038
Thai Anbao Paper Products Company Limited (Manufacture and distribution of paper packaging)	Baht 20 million	51.00	51.00	10,200	10,200
Dai-Ichi Packaging Company Limited (Manufacture and distribution of packaging printing products and provide packaging service for consumable products)	Baht 150 million	50.10	50.10	75,721	75,721
Kallol Thai President Foods (BD) Limited (Manufacture and distribution of instant noodles)	Taka 630 million	55.00	55.00	142,150	142,150
President Flour Mills Company Limited (Manufacture and distribution of wheat flour)	Baht 600 million	60.00	60.00	360,000	360,000
Thai President Foods (Hungary) Company Limited (Manufacture and distribution of instant noodles)	Forint 2,350 million	65.00	65.00	209,185	209,185
President Kourakuen Company Limited (Restaurant and drink)	Baht 25 million	70.00	70.00	17,500	17,500
President Bakery Public Company Limited (Manufacture and distribution of bakery products)	Baht 450 million	46.90	46.90	525,035	525,035
Total				<u>1,365,829</u>	<u>1,365,829</u>

Kallol Thai President Foods (BD) Limited

During the year 2011, this subsidiary has invested in a company in Bangladesh and paid share advance amounting to approximately Taka 197 million or equivalent to approximately Baht 74 million (31 December 2017: Baht 77 million). Such advance payments are presented in "Advance payment for investments in related parties" in the consolidated statement of financial position.

(Unaudited but reviewed)

7. Investments in associated companies

(Unit: Thousand Baht)

Company's name (Nature of business)	Country of incorporation	Paid up capital	Consolidated financial statements								Separate financial statements		
			Shareholding percentage		Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the three-month periods ended		Cost		Dividend received during the three- month periods ended
			31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 March 2017	31 March 2018	31 December 2017	31 March 2018
			(Percent)	(Percent)									
Kerry Flour Mills Company Limited (Manufacture of wheat flour)	Thailand	Baht 200 million	39.00	39.00	92,630	92,630	1,203,842	1,227,053	43,089	41,574	92,630	92,630	66,300
Chongqing Taibao Paper Products Company Limited (Manufacture of paper products)	China	RMB 50 million	35.00	35.00	87,324	87,324	168,222	162,496	5,726	2,247	87,324	87,324	-
Thai-Myanmar Success Venture Company Limited (Investment holding)	Thailand	Baht 100 million	35.00	35.00	35,040	35,040	40,671	40,463	208	199	35,040	35,040	-
Sanko Machinery (Thailand) Company Limited (Assembly of automatic packaging machines)	Thailand	Baht 15 million	35.00	35.00	5,587	5,587	56,606	56,888	(282)	(272)	5,587	5,587	-
President Foods (Cambodia) Company Limited (Manufacture of instant noodles)	Cambodia	USD 1.5 million	30.00	30.00	19,692	19,692	52,152	51,584	568	458	19,692	19,692	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name (Nature of business)	Country of incorporation	Paid up capital	Consolidated financial statements						Separate financial statements				
			Shareholding percentage		Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the three-month periods ended		Cost		Dividend received during the three-month periods ended
			31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 March 2017	31 March 2018	31 December 2017	31 March 2018
Thai Instant Products Co., Ltd. (Manufacturing and sales of products from rice, tapioca, corn and other agriculture crops)	Thailand	Baht 240 million	25.00	25.00	21,500	21,500	13,072	13,487	(415)	(590)	21,500	21,500	-
					<u>261,773</u>	<u>261,773</u>	<u>1,534,565</u>	<u>1,551,971</u>	<u>48,894</u>	<u>43,616</u>	<u>261,773</u>	<u>261,773</u>	<u>66,300</u>
Less: Allowance for loss on impairment of investments							(8,013)	(6,500)			(8,013)	(6,500)	
Translation adjustments							(17,176)	(11,969)			-	-	
Total investments in associates - net							<u>1,509,376</u>	<u>1,533,502</u>			<u>253,760</u>	<u>255,273</u>	

Share of profit from investments in three associated companies accounted for under the equity method for the three-month period ended 31 March 2018, totaling approximately Baht 6.5 million or 0.7% of consolidated net profit for the periods (2017: Baht 2.9 million 0.3%) was calculated from interim financial statements which had not been reviewed by the auditors of those associated companies.

8. Investment in joint venture

8.1 Details of investment in joint venture

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

Joint venture	Nature of business	Paid-up capital	Shareholding percentage		Consolidated financial statements	
			31 March 2018	31 December 2017	31 March 2018	31 December 2017
		Million Baht	Percent	Percent	Thousand Baht	Thousand Baht
President Green House Foods Co., Ltd.	Operating the Japanese restaurant	15	39	39	25,375	28,832
Total investment in joint venture					25,375	28,832

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

8.2 Share of comprehensive income and dividend received

During the periods, a subsidiary company recognised its share of comprehensive income from investment in the joint venture and recognised dividend income as follows:

(Unit: Thousand Baht)

Joint venture	Consolidated financial statements			
	Share of profit from investment in joint venture during the three-month periods ended 31 March		Dividend received during the three-month periods ended 31 March	
	2018	2017	2018	2017
President Green House Foods Company Limited	1,223	1,056	4,680	-
Total	1,223	1,056	4,680	-

(Unaudited but reviewed)

9. Investments in other companies

(Unit: Thousand Baht)

Company's name (Nature of business)	Paid up capital (Million Baht)	Consolidated financial statements				Separate financial statements			
		Shareholding percentage		Carrying amounts based on cost method		Shareholding percentage		Carrying amounts based on cost method	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017
		(Percent)	(Percent)	(Percent)	(Percent)	(Percent)	(Percent)	(Percent)	(Percent)
Kewpie (Thailand) Company Limited (Manufacture of sauce and dried vegetables)	260.00	10.00	10.00	26,000	26,000	10.00	10.00	26,000	26,000
President Interfood Company Limited (Agency)	3.00	8.67	8.67	442	442	8.67	8.67	442	442
Treasure Hill Company Limited (Real estate development)	200.00	3.00	3.00	6,000	6,000	2.00	2.00	4,000	4,000
Winstore Retail Network Company Limited (Information technology management)	62.65	0.60	0.60	2,500	2,500	0.60	0.60	2,500	2,500
The Bangkok Club Company Limited (Club)	450.00	0.44	0.44	3,000	3,000	0.44	0.44	3,000	3,000
Noble Place Company Limited (Real estate development)	296.25	0.08	0.08	1,500	1,500	0.08	0.08	1,500	1,500
Saha Lawson Company Limited (Convenience store)	1,087.00	9.00	9.00	97,830	97,830	9.00	9.00	97,830	97,830
Sahachol Food Supplies Company Limited (Non-alcoholic beverage retailer)	325.00	6.62	6.62	28,775	28,775	4.42	4.42	21,875	21,875

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name (Nature of business)	Paid up capital (Million Baht)	Consolidated financial statements				Separate financial statements			
		Shareholding percentage		Carrying amounts based on cost method		Shareholding percentage		Carrying amounts based on cost method	
		31	31	31	31	31	31	31	31
		March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017
		(Percent)	(Percent)			(Percent)	(Percent)		
American Food Company Limited (Manufacture of ice-cream)	140.00	18.00	18.00	25,200	25,200	9.00	9.00	12,600	12,600
Maruto (Thailand) Company Limited (Trading of packaging products)	10.00	10.00	10.00	1,000	1,000	-	-	-	-
Ashton Asoke Praram 9 Company Limited (Real estate development)	1,170.00	6.40	6.40	75,000	75,000	-	-	-	-
IDEO Q Victory Company Limited (Real estate development)	510.00	3.90	3.90	20,000	20,000	-	-	-	-
Total				<u>287,247</u>	<u>287,247</u>			<u>169,747</u>	<u>169,747</u>
Less: Allowance for loss on impairment of investments				<u>(94,575)</u>	<u>(80,470)</u>			<u>(92,575)</u>	<u>(78,470)</u>
Total investments in other company - net				<u>192,672</u>	<u>206,777</u>			<u>77,172</u>	<u>91,277</u>

(Unaudited but reviewed)

10. Other long-term investments

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	31 March 2018		31 December 2017	
	Cost	Fair value	Cost	Fair value
Fixed deposit with financial institutions				
Fixed deposit (in private fund)	30,000	30,000	35,000	35,000
Total investments in fixed deposit with financial institutions	30,000	30,000	35,000	35,000
Available-for-sale investments				
Local marketable equity securities	142,257	492,335	142,257	481,340
Local quoted bonds	153,096	177,340	153,096	178,544
Government bonds	45,500	45,500	45,500	45,500
Long-term fund	106,480	110,156	105,280	110,479
Available-for-sale investments (in private fund)	4,021,527	4,109,376	4,165,340	4,282,693
	4,468,860	4,934,707	4,611,473	5,098,556
Add: Surplus on changes in value of available-for-sale investments	465,847		487,083	
Total investment in available-for-sale securities	4,934,707		5,098,556	
Total other long-term investments in the consolidated financial statements	4,964,707	4,964,707	5,133,556	5,133,556

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	31 March 2018	31 December 2017
Revaluation surplus in available-for-sale investments		
Portion of the Company	421,170	434,607
Portion of the Subsidiary	44,677	52,476
	465,847	487,083
Less: Portion of the subsidiary attributable to non-controlling of the subsidiary	(22,906)	(26,989)
Deferred tax effect	(88,588)	(92,019)
Total revaluation surplus in available-for-sale investments in the consolidated financial statements	354,353	368,075

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	31 March 2018		31 December 2017	
	Cost	Fair value	Cost	Fair value
Fixed deposit with financial institutions				
Fixed deposit (in private fund)	-	-	5,000	5,000
Total investment in fixed deposit with financial institution	-	-	5,000	5,000
Available-for-sale investments				
Local marketable equity securities	142,257	492,335	142,257	481,340
Local quoted bonds	48,096	72,340	48,096	73,543
Government bonds	40,000	40,000	40,000	40,000
Long-term fund	99,903	103,156	99,903	104,693
Available-for-sale investments (in private fund)	2,467,250	2,510,845	2,560,824	2,626,111
	2,797,506	3,218,676	2,891,080	3,325,687
Add: Surplus on changes in value of available-for-sale investments	421,170		434,607	
Total investments in available-for-sale securities	3,218,676		3,325,687	
Total other long-term investments in the separate financial statements	3,218,676	3,218,676	3,330,687	3,330,687

(Unit: Thousand Baht)

	Separate financial statements	
	31 March 2018	31 December 2017
Revaluation surplus in available-for-sale investments	421,170	434,607
Less: Deferred tax effect	(84,234)	(86,921)
Total surplus in available-for-sale investments in the separate financial statements	336,936	347,686

(Unaudited but reviewed)

As at 31 March 2018, the Company and its subsidiaries have pledged government bonds with maturity date over 1 year of approximately Baht 42 million (31 December 2017: Baht 84 million) and the Company only of Baht 37 million (31 December 2017: Baht 37 million) as a guarantee for electricity and steam use of the Company and its subsidiaries and as a guarantee of retroactive tax assessment of the Company.

11. Investment properties

Movements in the investment property account during the three-month period ended 31 March 2018 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	98,258	124,993
Depreciation for the period	-	(435)
Net book value as at 31 March 2018	<u>98,258</u>	<u>124,558</u>

12. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2018 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	8,790,564	2,530,651
Acquisitions during period at cost	120,624	58,638
Disposals during period - net book value at disposal date	(176)	-
Depreciation for period	(302,899)	(100,961)
Translation adjustment	(6,609)	-
Net book value as at 31 March 2018	<u>8,601,504</u>	<u>2,488,328</u>

(Unaudited but reviewed)

13. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
Trade payables - related parties	224,665	246,844	388,908	390,241
Other payables - related parties	15,948	12,647	18,312	19,957
Total trade and other payables - related parties (Note 5)	240,613	259,491	407,220	410,198
Trade payables - unrelated parties	1,332,186	1,300,964	541,220	585,217
Other payables - unrelated parties	210,187	215,043	81,064	74,163
Unearned revenue	6,386	12,066	6,285	11,006
Total trade and other payables - unrelated parties	1,548,759	1,528,073	628,569	670,386
Total trade and other payables	1,789,372	1,787,564	1,035,789	1,080,584

14. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

For the three-month periods ended
31 March

	Consolidated financial		Separate
	statements		financial
	2018	2017	statements
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Current income tax:			
Interim corporate income tax charge	129,663	100,139	66,251
Deferred tax:			
Relating to origination and reversal of temporary differences	11,831	(17,372)	13,245
Income tax expense reported in the statements of comprehensive income	<u>141,494</u>	<u>82,767</u>	<u>79,496</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2018 and 2017 are as follows:

(Unit: Thousand Baht)

For the three-month periods ended
31 March

	Consolidated financial statements		Separate financial statements
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Deferred tax relating to			
- Gain (loss) on changes in value of available- for-sale investments	4,247	(17,328)	2,687
- Actuarial gain	709	192	709
Total	4,956	(17,136)	3,396

15. Earnings per share

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

16. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the periods of three-months ended 31 March 2018 and 2017, respectively.

(Unit: Thousand Baht)

Consolidated financial statements for the three-month periods ended 31 March																
	Instant noodles and semi-instant foods		Bakery		Packaging		Biscuits		Fruit Juice		Others		Eliminated		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Sales to external customers																
Thailand	1,839,594	2,019,757	1,772,617	1,733,315	284,714	268,270	186,824	182,769	87,373	130,479	36,289	29,044	-	-	4,207,411	4,363,634
Others	781,602	744,631	-	-	777	1,010	13,961	15,486	169,868	111,116	-	-	-	-	966,208	872,243
Inter-segment	28,087	22,571	-	-	387,630	429,390	85,559	74,853	578	343	245,277	211,082	(747,131)	(738,239)	-	-
Total sales	2,649,283	2,786,959	1,772,617	1,733,315	673,121	698,670	286,344	273,108	257,819	241,938	281,566	240,126	(747,131)	(738,239)	5,173,619	5,235,877
Less: Cost of sales	(1,944,742)	(2,106,252)	(1,030,265)	(999,786)	(556,017)	(561,404)	(233,086)	(222,393)	(152,337)	(148,552)	(211,059)	(202,067)	750,886	742,686	(3,376,620)	(3,497,768)
Segment gross profit	704,541	680,707	742,352	733,529	117,104	137,266	53,258	50,715	105,482	93,386	70,507	38,059	3,755	4,447	1,796,999	1,738,109
Other income															117,814	95,819
Selling expenses															(365,847)	(345,394)
Administrative expenses															(525,882)	(522,462)
Share of profit from investments in associates and joint venture															50,117	44,672
Finance cost															(3,306)	(4,125)
Profit before income tax															1,069,895	1,006,619
Income tax															(141,494)	(82,767)
Profit for the period															928,401	923,852
Non-controlling interest of the subsidiaries															(238,967)	(241,619)
Profit for equity holders of the Company															689,434	682,233

17. Commitments and contingent liabilities

17.1 Capital commitments

As at 31 March 2018, a subsidiary company had capital commitments in respect of procurement agreements for production machinery and equipment of approximately Baht 1.0 million and Yen 320.0 million, totaling approximately Baht 96.3 million.

17.2 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of warehouse. The terms of the agreements are generally 1 year to 5 year.

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
Payable within:				
Less than 1 year	29	25	13	7
1 to 5 years	9	9	-	-
	<u>38</u>	<u>34</u>	<u>13</u>	<u>7</u>

17.3 Long-term service commitments

The joint venture of a subsidiary company entered into license and technical assistance agreements with an overseas related company for the use of a trademark and the receipt of information related to operation and management of restaurants. Under the conditions of the license agreement, the joint venture of a subsidiary company is to pay an annual license fee as stipulated in the agreement. The license fees for the three-month period ended 31 March 2018 amounted to approximately Baht 0.6 million (2017: Baht 0.5 million).

17.4 Long-term purchase commitments

A subsidiary company has commitments under natural gas purchase agreement for periods of 1 - 7 years. Under the agreement, a subsidiary company is committed to purchase natural gas at a minimum quantity at the price stipulated in the agreement.

No.	Period (Years)	Expired date	Average minimum quantity purchase (Million BTU)
1	1	30 November 2018	72,007 per annum
2	5	31 December 2018	271 per day
3	7	30 November 2020	23,385 per annum

17.5 Guarantees

As at 31 March 2018, there were outstanding bank guarantees of approximately Baht 141 million (31 December 2017: Baht 106 million), issued by banks on behalf of the Company and its subsidiaries and separate financial statements Baht 59 million (31 December 2017: Baht 59 million) in respect of certain performance bonds as required in the normal course of business of the Company and its subsidiaries. These included letters of guarantee as follows:

<u>Type of guarantee</u>	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Payment due to creditors	28	29	-	-
Custom duty	2	2	2	2
Retroactive tax assessment	111	75	57	57
	<u>141</u>	<u>106</u>	<u>59</u>	<u>59</u>

Moreover, the subsidiary had pledged its fixed deposit of Baht 36.3 million with the Revenue Department as a guarantee for a retroactive tax assessment against the subsidiary. Currently, the case is in the appeal process of the Central Tax Court.

17.6 Litigation

- a) In 2011, a subsidiary company was being sued for compensation totaling approximately Baht 30 million in connection with traffic accidents.

Currently, settlements have been negotiated for some of the cases, with compensation being paid by the insurance company. Some cases are under the consideration of the Court of Appeal and some case is under the consideration of the Supreme Court. As at 31 March 2018, total claims had therefore decreased to be Baht 4.9 million.

- b) In 2016, a subsidiary company was sued by the Department of Empowerment of Persons with Disabilities seeking to have the Company pay Baht 21.6 million to the fund for Empowerment of Persons with Disabilities. Currently, the case is being considered by the Supreme Court.

A subsidiaries' management has performed an assessment and believes that it will not suffer any material losses from the legal cases; therefore no provision for contingent liabilities is set aside.

18. Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from sales and purchases of goods in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies of the Company and its subsidiaries as at 31 March 2018 are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements		Average exchange rate as at 31 March 2018 (Baht per 1 foreign currency unit)
	Financial assets (Thousand)	Financial liabilities (Thousand)	Financial assets (Thousand)	Financial liabilities (Thousand)	
US dollar	9,362	3,113	9,345	1,005	31.1911
Singapore dollar	180	-	180	-	23.7865
Euro	868	27	868	6	38.3779
Japanese Yen	1,235	58,291	1,235	52,501	0.2935
Ringgit	431	-	431	-	8.0736
Australian dollar	-	187	-	-	24.3525

(Unaudited but reviewed)

The Company's foreign exchange contracts outstanding at 31 March 2018 are summarised below.

Foreign currency	Sold amount	Maturity date	Forward exchange rate
	(Thousand)		Sold amount
			(Baht per 1 foreign currency unit)
US dollar	6,000	5 April 2018 - 25 May 2018	31.1317 - 31.5884

19. Fair value of financial instruments

As of 31 March 2018, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated Financial Statements		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Local marketable equity securities	492,335	-	492,335
Long-term fund	-	110,156	110,156
Available-for-sale investments (in private fund)	-	4,109,376	4,109,376

(Unit: Thousand Baht)

	Separate Financial Statements		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Local marketable equity securities	492,335	-	492,335
Long-term fund	-	103,156	103,156
Available-for-sale investments (in private fund)	-	2,510,845	2,510,845

20. Events after the reporting period

20.1 Dividend payment of the Company

On 25 April 2018, the Annual General Meeting of the Company's shareholders No. 1/2018 passed a resolution to approve the payment of dividend on the profit for the year 2017 to the shareholders at Baht 3.61 per share or a total dividend payment of Baht 1,191.73 million. The Company had paid interim dividend for the first-half dividend at equivalent Baht 1.98 per share, and the second-half dividend remains at Baht 1.63 per share or a total dividend payment of approximately Baht 537.42 million. The dividend will be paid to the shareholders on 23 May 2018 and will be recorded in the second quarter.

20.2 Dividend payment of the subsidiaries

On 27 April 2018, the Annual General Meeting of President Bakery Public Company Limited (a subsidiary) shareholders passed a resolution to approve the payment of dividend on the profit for the year ended 31 December 2017 to the shareholders at Baht 1.50 per share. A subsidiary company had paid interim dividend for the six-month period ended 30 June 2017 at Baht 0.71 per share, and the final dividend remains at Baht 0.79 per share or equivalent to Baht 355.5 million. Such subsidiary company will pay dividend on 25 May 2018.

21. Approval of interim financial statements

These interim financial statements were authorised for issue by the authorised directors of the Company on 11 May 2018.