

Thai President Foods Public Company Limited
and its subsidiaries
Review report and consolidated interim financial statements
For the three-month and six-month periods ended 30 June 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 30 June 2018, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-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 periods. 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: 10 August 2018

Thai President Foods Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2018

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		30 June	31 December	30 June	31 December
		2018	2017	2018	2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	3,653,193	2,777,379	2,435,561	1,283,164
Current investments	3	6,504,549	5,515,714	4,543,540	4,521,982
Trade and other receivables	4, 5	3,442,991	3,625,820	2,026,243	2,261,713
Short-term loan to related parties	5	50,437	1,000	1,000	1,000
Short-term loan to unrelated party	6	250,000	-	250,000	-
Inventories		1,352,424	1,352,541	572,286	481,497
Other current assets		53,467	61,119	587	672
Total current assets		15,307,061	13,333,573	9,829,217	8,550,028
Non-current assets					
Restricted bank deposit	19.5	36,348	36,348	-	-
Investments in subsidiaries	7	-	-	1,365,829	1,365,829
Investments in associates	8	1,565,832	1,533,502	253,234	255,273
Investment in joint venture	9	26,160	28,832	-	-
Investments in other companies	10	186,624	206,777	71,124	91,277
Other long-term investments	11	4,559,830	5,133,556	2,996,269	3,330,687
Advance payment for investments in related parties		-	77,359	295	295
Investment properties	12	98,258	98,258	124,118	124,993
Property, plant and equipment	13	8,537,878	8,790,564	2,418,069	2,530,651
Downpayment for purchase of machinery		48,532	16,804	-	-
Other intangible assets		38,422	40,306	19,736	22,430
Leasehold rights		723	930	-	-
Goodwill		46,807	5,535	-	-
Deferred tax assets		60,058	31,200	30,885	15,392
Other non-current assets		35,235	29,625	7,716	3,159
Total non-current assets		15,240,707	16,029,596	7,287,275	7,739,986
Total assets		30,547,768	29,363,169	17,116,492	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 30 June 2018

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		30 June	31 December	30 June	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, 14	1,840,854	1,787,564	1,154,198	1,080,584
Current portion of liabilities under finance lease agreements	5	75,822	82,665	1,307	1,547
Income tax payable		282,793	242,659	151,322	131,741
Accrued bonus		212,186	159,252	107,216	31,205
Advance receipt from non-controlling interests for investments in a subsidiary		43	3	-	-
Other accrued expenses	5	323,847	285,023	152,493	98,038
Other current liabilities		35,869	70,377	15,659	45,166
Total current liabilities		2,771,414	2,627,543	1,582,195	1,388,281
Non-current liabilities					
Liabilities under finance lease agreements - net of current portion	5	66,983	93,827	688	1,254
Long-term loans from directors	5	49,909	77,984	-	-
Long-term loans from employees		39,434	39,627	-	-
Provision for long-term employee benefits		838,174	806,610	579,644	564,145
Other non-current liabilities		60,501	60,370	57,341	57,341
Total non-current liabilities		1,055,001	1,078,418	637,673	622,740
Total liabilities		3,826,415	3,705,961	2,219,868	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 30 June 2018

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	30 June 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	30 June 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	329,704	329,704	329,704	329,704
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	19,457,860	18,459,463	13,567,075	12,849,640
Other components of shareholders' equity	201,868	336,109	247,882	347,686
Equity attributable to owners of the Company	20,741,395	19,877,239	14,896,624	14,278,993
Non-controlling interests of the subsidiaries	5,979,958	5,779,969	-	-
Total shareholders' equity	26,721,353	25,657,208	14,896,624	14,278,993
Total liabilities and shareholders' equity	30,547,768	29,363,169	17,116,492	16,290,014
	-	-	-	-

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 30 June 2018

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

		Consolidated		Separate
		financial statements		financial
	<u>Note</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>
Profit or loss:				
Revenues				
Sales	5	5,538,854	5,094,735	3,066,224
Other income				
Interest income		54,887	43,713	38,107
Rental income	5	661	375	2,916
Dividend income	5	17,375	12,386	258,453
Gain on exchange		18,043	491	17,322
Others	5	31,241	118,688	13,652
Total other income		122,207	175,653	330,450
Total revenues		5,661,061	5,270,388	3,396,674
Expenses				
Cost of sales	5	3,567,101	3,392,349	2,220,102
Selling expenses	5	381,713	357,604	62,599
Administrative expenses	5	532,086	542,679	250,225
Total expenses		4,480,900	4,292,632	2,532,926
Profit before share of profit from investments in associates and joint venture, finance cost and income tax expenses		1,180,161	977,756	863,748
Share of profit from investments in associates and joint venture		54,445	47,108	-
Profit before finance cost and income tax expenses		1,234,606	1,024,864	863,748
Finance cost		(3,467)	(4,164)	(738)
Profit before income tax expenses		1,231,139	1,020,700	863,010
Income tax expenses	15	(149,180)	(123,830)	(82,616)
Profit for the period		1,081,959	896,870	780,394

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 30 June 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		(3,226)	11,931	-
Loss on change in value of available-for-sale investments - net of income tax	15	<u>(119,368)</u>	<u>(6,485)</u>	<u>(89,054)</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(122,594)</u>	<u>5,446</u>	<u>(89,054)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss) - net of income tax	15	<u>(31)</u>	<u>73</u>	<u>(31)</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(31)</u>	<u>73</u>	<u>(31)</u>
Other comprehensive income for the period		<u>(122,625)</u>	<u>5,519</u>	<u>(89,085)</u>
Total comprehensive income for the period		<u>959,334</u>	<u>902,389</u>	<u>691,309</u>
Profit attributable to:				
Equity holders of the Company		845,703	676,613	<u>780,394</u>
Non-controlling interests of the subsidiaries		<u>236,256</u>	<u>220,257</u>	
		<u>1,081,959</u>	<u>896,870</u>	
Total comprehensive income attributable to:				
Equity holders of the Company		740,094	678,214	<u>691,309</u>
Non-controlling interests of the subsidiaries		<u>219,240</u>	<u>224,175</u>	
		<u>959,334</u>	<u>902,389</u>	
Earnings per share (Baht)				
16				
Basic earnings per share				
Profit attributable to equity holders of the Company		<u>2.57</u>	<u>2.05</u>	<u>2.37</u>
Weighted average number of ordinary shares (Thousand shares)				
		<u>329,704</u>	<u>329,704</u>	<u>329,704</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

For the six-month period ended 30 June 2018

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

		Consolidated		Separate
		financial statements		financial
	<u>Note</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>
Profit or loss:				
Revenues				
Sales	5	10,712,473	10,330,612	5,796,528
Other income				
Interest income		103,809	86,866	72,026
Rental income	5	1,320	784	5,830
Dividend income	5	30,623	23,238	333,317
Gain on exchange		18,043	1,084	14,854
Others	5	86,226	159,500	46,031
Total other income		240,021	271,472	472,058
Total revenues		10,952,494	10,602,084	6,268,586
Expenses				
Cost of sales	5	6,943,721	6,890,117	4,231,243
Selling expenses	5	747,560	702,998	115,908
Administrative expenses	5	1,057,968	1,065,141	503,773
Total expenses		8,749,249	8,658,256	4,850,924
Profit before share of profit from investments in associates and joint venture, finance cost and income tax expenses		2,203,245	1,943,828	1,417,662
Share of profit from investments in associates and joint venture	8, 9	104,562	91,780	-
Profit before finance cost and income tax expenses		2,307,807	2,035,608	1,417,662
Finance cost		(6,773)	(8,289)	(1,375)
Profit before income tax expenses		2,301,034	2,027,319	1,416,287
Income tax expenses	15	(290,674)	(206,597)	(162,112)
Profit for the period		2,010,360	1,820,722	1,254,175

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 six-month period ended 30 June 2018

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

	Note	Consolidated		Separate
		financial statements		financial
		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		(24,718)	(7,796)	-
Gain (loss) on change in value of available-for-sale investments - net of income tax	15	<u>(136,357)</u>	<u>33,181</u>	<u>(99,804)</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(161,075)</u>	<u>25,385</u>	<u>(99,804)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss) - net of income tax	15	<u>678</u>	<u>(13,039)</u>	<u>678</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>678</u>	<u>(13,039)</u>	<u>678</u>
Other comprehensive income for the period		<u>(160,397)</u>	<u>12,346</u>	<u>(99,126)</u>
Total comprehensive income for the period		<u><u>1,849,963</u></u>	<u><u>1,833,068</u></u>	<u><u>1,155,049</u></u>
Profit attributable to:				
Equity holders of the Company		1,535,137	1,358,846	<u>1,254,175</u>
Non-controlling interests of the subsidiaries		<u>475,223</u>	<u>461,876</u>	
		<u><u>2,010,360</u></u>	<u><u>1,820,722</u></u>	
Total comprehensive income attributable to:				
Equity holders of the Company		1,401,574	1,377,561	<u>1,155,049</u>
Non-controlling interests of the subsidiaries		<u>448,389</u>	<u>455,507</u>	
		<u><u>1,849,963</u></u>	<u><u>1,833,068</u></u>	
Earnings per share (Baht)	16			
Basic earnings per share				
Profit attributable to equity holders of the Company		<u>4.66</u>	<u>4.12</u>	<u>3.80</u>
Weighted average number of ordinary shares (Thousand shares)		<u><u>329,704</u></u>	<u><u>329,704</u></u>	<u><u>329,704</u></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 cash flows****For the six-month period ended 30 June 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	2,301,034	2,027,319	1,416,287
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Depreciation	606,517	559,788	204,337
Amortisation	4,477	4,981	2,694
Gain on disposals of property, plant and equipment	(5,742)	(3,550)	(152)
Gain on disposals of other long-term investments	(33,210)	(24,706)	(20,427)
Allowance for deteriorated inventories	978	911	-
Allowance for loss on investments in associated company	2,039	-	2,039
Allowance for loss on investments in other companies	20,153	9,792	20,153
Allowance for doubtful accounts	-	14,287	-
Share of profit from investments in associates	(102,553)	(89,503)	-
Share of profit from investments in joint venture	(2,009)	(2,277)	-
Dividend received from subsidiary companies	-	-	(246,903)
Dividend received from associated companies	-	-	(66,300)
Dividend received from other companies and other long-term investments	(30,623)	(23,238)	(20,114)
Surplus on treasury shares/restructuring	-	(77,134)	-
Interest income	(103,809)	(86,866)	(72,026)
Interest expenses	3,615	5,483	59
Provision for long-term employee benefits	39,536	56,679	22,405
Profit from operating activities before changes in operating assets and liabilities	2,700,403	2,371,966	1,242,052
Operating assets (increase) decrease			
Trade and other receivables	195,367	68,490	241,874
Inventories	(861)	(259,941)	(90,789)
Other current assets	8,006	(17,921)	85
Other non-current assets	(5,610)	(16,140)	(4,557)
Operating liabilities increase (decrease)			
Trade and other payables	106,563	(213,694)	186,510
Other current liabilities	(34,508)	(29,834)	(29,507)
Other non-current liabilities	131	37	-
Provision for long-term employee benefits	(7,972)	(18,192)	(6,906)
Cash flows from operating activities	2,961,519	1,884,771	1,538,762
Cash paid for income tax	(244,598)	(237,633)	(132,397)
Net cash flows from operating activities	<u>2,716,921</u>	<u>1,647,138</u>	<u>1,406,365</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 cash flows (continued)**

For the six-month period ended 30 June 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	(2,706,404)	(789,836)	(1,086,888)
Decrease in current investments	1,717,569	2,229,450	1,065,330
Increase in short-term loan to related parties	(49,437)	-	-
Increase in short-term loan to unrelated party	(250,000)	-	(250,000)
Increase in other long-term investments	(2,533,233)	(2,152,302)	(1,412,952)
Decrease in other long-term investments	2,969,723	2,060,179	1,643,043
Increase in investments in other company	-	(17,813)	-
Dividend received from subsidiary companies	-	-	246,903
Dividend received from associated companies	70,980	59,319	66,300
Dividend received from other companies and other long-term investments	26,449	23,235	20,093
Dividend received by non-controlling interests of the subsidiary	(248,400)	(276,639)	-
Decrease in advance payment for investments in related parties	76,907	11,913	-
Increase in goodwill	(41,272)	-	-
Purchase of property, plant and equipment	(321,697)	(405,635)	(73,488)
Decrease (increase) in downpayment for purchase of machinery	(31,728)	11,595	-
Proceeds from disposals of property, plant and equipment	5,978	5,013	153
Proceeds from disposals of investment property	-	54,000	-
Purchase of intangible assets	(2,386)	(3,165)	-
Interest income	95,446	90,600	65,643
Net cash flows from (used in) investing activities	(1,221,505)	899,914	284,137
Cash flows from financing activities			
Increase (decrease) in long-term loans from directors	(28,075)	16,670	-
Decrease in long-term loans from employees	(193)	(1,859)	-
Repayment of liabilities under finance lease agreements	(38,853)	(58,434)	(806)
Dividend paid	(537,240)	(574,097)	(537,240)
Cash paid for interest expense	(3,615)	(5,483)	(59)
Net cash flows used in financing activities	(607,976)	(623,203)	(538,105)
Increase (decrease) in translation adjustments	(11,626)	1,760	-
Net increase in cash and cash equivalents	875,814	1,925,609	1,152,397
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)	3,653,193	4,370,572	2,435,561

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 six-month period ended 30 June 2018

(Unit: Thousand Baht)

	Consolidated		Separate
	financial statements		financial
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Supplementary disclosures of cash flows information			
Non-cash related transactions			
Other payable from purchase of property, plant and equipment	38,347	33,894	17,393
Liabilities under finance lease agreements - net of deferred interest	4,424	37,068	-
Dividend payable	178	42	178
Dividend receivable	4,174	3	21

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 six-month period ended 30 June 2018

(Unit: Thousand Baht)

Consolidated financial statements

	Equity attributable to the parent's shareholders										
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity			Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	Other comprehensive income					
						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		-	-	-	1,358,846	-	-	-	1,358,846	461,876	1,820,722
Other comprehensive income for the period		-	-	-	(6,818)	(6,143)	31,676	25,533	18,715	(6,369)	12,346
Total comprehensive income for the period		-	-	-	1,352,028	(6,143)	31,676	25,533	1,377,561	455,507	1,833,068
Net decrease in the Company's equity from surplus on treasury shares/restructuring		-	-	-	(89,457)	-	-	-	(89,457)	-	(89,457)
Cumulative effect of changes in classification of investments from amalgamation		-	-	-	12,323	-	-	-	12,323	-	12,323
Dividend paid		-	-	-	(574,139)	-	-	-	(574,139)	(276,639)	(850,778)
Balance as at 30 June 2017		329,704	713,015	39,000	17,543,420	(22,500)	118,025	95,525	18,720,664	5,435,662	24,156,326
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		-	-	-	1,535,137	-	-	-	1,535,137	475,223	2,010,360
Other comprehensive income for the period		-	-	-	678	(16,777)	(117,464)	(134,241)	(133,563)	(26,834)	(160,397)
Total comprehensive income for the period		-	-	-	1,535,815	(16,777)	(117,464)	(134,241)	1,401,574	448,389	1,849,963
Dividend paid	17	-	-	-	(537,418)	-	-	-	(537,418)	(248,400)	(785,818)
Balance as at 30 June 2018		329,704	712,963	39,000	19,457,860	(48,743)	250,611	201,868	20,741,395	5,979,958	26,721,353

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 six-month period ended 30 June 2018

(Unit: Thousand Baht)

Separate financial statements

	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	Surplus on changes in value of available-for-sale investments	Total other components of shareholders' equity	
Balance as at 31 December 2017		329,704	712,963	39,000	12,849,640	347,686	347,686	14,278,993
Profit for the period		-	-	-	1,254,175	-	-	1,254,175
Other comprehensive income for the period		-	-	-	678	(99,804)	(99,804)	(99,126)
Total comprehensive income for the period		-	-	-	1,254,853	(99,804)	(99,804)	1,155,049
Dividend paid	17	-	-	-	(537,418)	-	-	(537,418)
Balance as at 30 June 2018		<u>329,704</u>	<u>712,963</u>	<u>39,000</u>	<u>13,567,075</u>	<u>247,882</u>	<u>247,882</u>	<u>14,896,624</u>

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 and six-month periods ended 30 June 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 and six-month periods ended 30 June 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 30 June 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	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Cash in hand	10,931	5,287	1,442	1,589
Bank deposits	2,855,988	2,548,565	1,857,410	1,172,005
Cash and cash equivalents – in private fund	786,274	223,527	576,709	109,570
Total	3,653,193	2,777,379	2,435,561	1,283,164

As at 30 June 2018, bank deposits in savings accounts, fixed deposits, promissory notes and bills of exchange carried interests at the rates between 0.1% and 5.0% per annum (31 December 2017: 0.1% and 1.8% per annum).

3. Current investments

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Fixed deposits	4,537,681	4,006,833	4,160,958	3,971,384
Bills of exchange and deposit receipt	980,000	-	-	-
Short-term fund	809,833	50,405	-	-
Current investments – in private fund	177,035	1,458,476	382,582	550,598
Total	6,504,549	5,515,714	4,543,540	4,521,982

As at 30 June 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 0.4% and 5.6% per annum (31 December 2017: 0.6% and 5.0% per annum).

4. Trade and other receivables

The outstanding balances of trade and other receivables as at 30 June 2018 and 31 December 2017 are aged, based on due date, as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,237,915	1,339,221	1,326,447	1,439,174
Past due				
Not over 3 months	116,569	148,841	116,115	162,951
3 - 6 months	785	889	785	889
6 - 12 months	1,611	1,039	1,611	1,039
Over 12 months	80	-	80	-
Total trade receivables - related parties	1,356,960	1,489,990	1,445,038	1,604,053
<u>Other receivables - related parties</u>				
Accrued income and interest receivable	3,776	576	9,718	6,638
Total other receivables - related parties	3,776	576	9,718	6,638
Total trade and other receivables - related parties (Note 5)	1,360,736	1,490,566	1,454,756	1,610,691

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,264,683	1,182,935	428,830	407,994
Past due				
Not over 3 months	638,858	683,458	71,397	117,981
3 - 6 months	1,316	108,177	1,296	8,815
6 - 12 months	57	2,707	57	1,895
Over 12 months	13,936	13,096	13,211	13,082
Total	1,918,850	1,990,373	514,791	549,767
Less: Allowance for doubtful accounts	(16,379)	(16,379)	(14,287)	(14,287)
Total trade receivables - unrelated parties, net	1,902,471	1,973,994	500,504	535,480
<u>Other receivables - unrelated parties</u>				
Accrued income and interest receivable				
	115,998	56,074	54,660	31,245
Prepayments	39,426	20,708	8,247	6,739
Advance payment for goods	-	73,157	-	73,157
Advances	24,360	11,321	8,076	4,401
Total other receivables - unrelated parties	179,784	161,260	70,983	115,542
Total trade and other receivables - unrelated parties - net	2,082,255	2,135,254	571,487	651,022
Total trade and other receivables - net	3,442,991	3,625,820	2,026,243	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
	30 June			
	Consolidated financial statements	Separate financial statements		
	<u>2018</u>	<u>2017</u>	<u>2018</u>	
Transactions with subsidiary companies (eliminated from the consolidated financial statements)				
Sales	-	-	103,301	Cost plus margin
Dividend income	-	-	246,903	At the announced rate
Rental and other income	-	-	6,234	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	-	-	662,292	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	-	11,722	Agreed price which approximates the market price
Transactions with associated companies				
Sales	28,192	16,258	28,190	Cost plus margin
Rental and other income	1,904	2,252	1,904	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	143,829	145,781	30,558	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	76	-	Agreed price
Purchase of machinery and equipment	7	-	7	Agreed price
Transactions with joint venture				
Sales	625	613	-	Agreed price which approximates the market price
Rental and other income	679	666	-	Agreed price which approximates the market price
Dividend income	-	819	-	At the announced rate

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended			Transfer pricing policy
	30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	
Transactions with related companies				
Sales	2,098,548	1,832,221	2,088,058	Cost plus margin
Dividend income	6,647	2,469	6,647	At the announced rate
Rental and other income	4,473	4,936	3,367	Contract price and agreed price
Purchase of goods and raw material, and production cost (included in cost of sales)	120,091	134,444	74,649	Approximately market price with reference to purchase volume
Commission and other expenses (included in selling and administrative expenses)	31,523	44,619	18,875	Contract price
Purchase of machinery and equipment	2,532	1,399	2,230	Agreed price

(Unit: Thousand Baht)

	For the six-month periods ended			Transfer pricing policy
	30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	
Transactions with subsidiary companies (eliminated from the consolidated financial statements)				
Sales	-	-	216,947	Cost plus margin
Dividend income (Note 7)	-	-	246,903	At the announced rate
Rental and other income	-	-	12,908	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	-	-	1,296,961	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	-	22,427	Agreed price which approximates the market price

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended			Transfer pricing policy
	30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	
Transactions with associated companies				
Sales	49,948	52,025	49,946	Cost plus margin
Dividend income (Note 8)	-	-	66,300	At the announced rate
Rental and other income	3,910	7,355	3,910	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	275,169	313,559	58,799	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	331	-	Agreed price
Purchase of machinery and equipment	5,159	90	5,158	Agreed price
Transactions with joint venture				
Sales	1,271	1,212	-	Agreed price which approximates the market price
Rental and other income	1,417	1,347	-	Agreed price which approximates the market price
Dividend income (Note 9)	4,680	819	-	At the announced rate
Transactions with related companies				
Sales	3,985,548	3,900,667	3,963,323	Cost plus margin
Dividend income	12,367	7,669	12,367	At the announced rate
Rental and other income	11,095	11,556	8,601	Contract price and agreed price
Purchase of goods and raw material, and production cost (included in cost of sales)	233,064	253,787	144,110	Approximately market price with reference to purchase volume
Commission and other expenses (included in selling and administrative expenses)	55,708	63,276	35,338	Contract price
Purchase of machinery and equipment	3,478	2,099	2,925	Agreed price

5.2 Outstanding balance at end of period

As at 30 June 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	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Trade and other receivables - related parties (Note 4)				
Subsidiaries	-	-	99,078	128,376
Associated companies	38,330	33,793	38,019	33,457
Related companies (related by common shareholders or directors)	1,322,406	1,456,773	1,317,659	1,448,858
Total trade and other receivables - related parties	1,360,736	1,490,566	1,454,756	1,610,691
Trade and other payables - related parties (Note 14)				
Subsidiaries	-	-	410,471	370,143
Associated companies	172,472	164,650	17,000	17,527
Related companies (related by common shareholders or directors)	111,973	94,841	21,925	22,528
Total trade and other payables - related parties	284,445	259,491	449,396	410,198
Liabilities under finance lease agreements - related party				
<i>Major shareholder</i>				
Liabilities under finance lease agreements	92,547	117,028	1,431	84
Less: Current portion	(48,539)	(53,181)	(743)	(84)
Liabilities under finance lease agreements - net of current portion	44,008	63,847	688	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
Other accrued expenses - related parties				
<i>Related companies</i>	18,229	18,235	18,229	18,235
Total other accrued expenses - related parties	<u>18,229</u>	<u>18,235</u>	<u>18,229</u>	<u>18,235</u>

Short-term loans to related parties

As at 30 June 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 30 June 2018
<u>Associated companies</u>				
Thai Instant Products Company Limited	1,000	-	-	1,000
Chongqing Taibao Paper Products Company Limited	-	49,437	-	49,437
Total	<u>1,000</u>	<u>49,437</u>	<u>-</u>	<u>50,437</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 30 June 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>

(Unaudited but reviewed)

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 30 June 2018
	Balance as at 31 December 2017	During the period		
		Increase	Decrease	
Long-term loans from directors	77,984	27,705	55,780	49,909

5.3 Directors and management's remuneration

During the periods ended 30 June 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 30 June		
	Consolidated financial statements	Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Short-term employee benefits	38	45	16
Post-employment benefits and other long-term benefits	1	2	-
Total	39	47	16

(Unit: Thousand Baht)

	For the six-month periods ended 30 June		
	Consolidated financial statements	Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Short-term employee benefits	78	91	32
Post-employment benefits and other long-term benefits	2	6	-
Total	80	97	32

6. Short-term loans to unrelated party

As at 30 June 2018, the Company had short-term loans in the form of loan agreement of Baht 250 million to unrelated party. The loan carries interest of 10.0 percent per annum and is due for repayment within one year from the contract date but not later than 22 May 2019. The loan was secured by mortgages of the borrower's land and construction thereon and guaranteed by the borrower's directors and the parent company of the borrower.

7. Investments in subsidiary companies

		(Unit: Thousand Baht)				
		Separate financial statements				
Company's name (Nature of business)	Paid up capital	Shareholding percentage		Cost		Dividend received during the six-month periods ended
		30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018
		(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	781
Thai Anbao Paper Products Company Limited (Manufacture and distribution of paper packaging)	Baht 20 million	51.00	51.00	10,200	10,200	5,100
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	31,187
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	25,200
Thai President Foods (Hungary) Company Limited (Manufacture and distribution of instant noodles)	Forint 2,350 million	65.00	65.00	209,185	209,185	17,895
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	166,740
Total				<u>1,365,829</u>	<u>1,365,829</u>	<u>246,903</u>

(Unaudited but reviewed)

8. 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 six-month periods ended		Carrying amount based on cost method		Dividend received during the six-month periods ended
			30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	30 June 2017	30 June 2018	31 December 2017	30 June 2018
			(Percent)	(Percent)									
Kerry Flour Mills Company Limited (Manufacture of wheat flour)	Thailand	Baht 200 million	39.00	39.00	92,630	92,630	1,254,780	1,227,053	94,027	82,210	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	168,746	162,496	6,250	5,401	87,324	87,324	-
Thai-Myanmar Success Venture Company Limited (Investment holding)	Thailand	Baht 100 million	35.00	35.00	35,040	35,040	40,875	40,463	412	412	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	58,126	56,888	1,238	1,455	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	53,030	51,584	1,446	800	19,692	19,692	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name (Nature of business)	Country of incorporation	Paid up capital	Shareholding percentage		Consolidated financial statements				Separate financial statements				
			30 June 2018	31 December 2017	Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the six-month periods ended		Carrying amount based on cost method		Dividend received during the six-month periods ended
			(Percent)	(Percent)	30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	30 June 2017	30 June 2018	31 December 2017	30 June 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	12,667	13,487	(820)	(775)	21,500	21,500	-
					<u>261,773</u>	<u>261,773</u>	<u>1,588,224</u>	<u>1,551,971</u>	<u>102,553</u>	<u>89,503</u>	<u>261,773</u>	<u>261,773</u>	<u>66,300</u>
Less: Allowance for loss on impairment of investments							(8,539)	(6,500)			(8,539)	(6,500)	
Translation adjustments							(13,853)	(11,969)			-	-	
Total investments in associates - net							<u>1,565,832</u>	<u>1,533,502</u>			<u>253,234</u>	<u>255,273</u>	

Share of profit from investments in three associated companies accounted for under the equity method for the three-month and six-month periods ended 30 June 2018, totaling approximately Baht 1.6 million and Baht 8.1 million or 0.2% and 0.4% of consolidated net profit for the periods (2017: Baht 3.7 million and Baht 6.6 million or 0.4% and 0.4%) was calculated from interim financial statements which had not been reviewed by the auditors of those associated companies.

9. 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		Carrying amount		Share of profit from investment in joint venture during the six-month periods ended		Dividend received during the six-month periods ended	
			30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
		Million Baht	Percent	Percent	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
President Green House Foods Co., Ltd.	Operating the Japanese restaurant	15	39	39	26,160	28,832	2,009	2,277	4,680	819
Total investment in joint venture					26,160	28,832	2,009	2,277	4,680	819

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.

(Unaudited but reviewed)

10. Investments in other companies

(Unit: Thousand Baht)

Company's name (Nature of business)	Consolidated financial statements								Separate financial statements				
	Paid up capital (Million Baht)	Shareholding percentage		Carrying amounts based on cost method				Dividend received during the six-month periods ended		Carrying amounts based on cost method		Dividend received during the six-month periods ended	
		30	31	30	31	30	31	30	30	30	31	30	
		June 2018	December 2017	June 2018	December 2017	June 2018	December 2017	June 2018	June 2017	June 2018	December 2017	June 2018	
		(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	5,720	5,200	26,000	26,000	5,720	
President Interfood Company Limited (Agency)	3.00	8.67	8.67	442	442	8.67	8.67	3,380	390	442	442	3,380	
Winstore Retail Network Company Limited (Information technology management)	62.65	0.60	0.60	2,500	2,500	0.60	0.60	-	-	2,500	2,500	-	
The Bangkok Club Company Limited (Club)	450.00	0.44	0.44	3,000	3,000	0.44	0.44	-	-	3,000	3,000	-	
Noble Place Company Limited (Real estate development)	296.25	0.08	0.08	1,500	1,500	0.08	0.08	-	-	1,500	1,500	-	
Saha Lawson Company Limited (Convenience store)	1,277.00	7.66	9.00	97,830	97,830	7.66	9.00	-	-	97,830	97,830	-	
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	-	
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)	Consolidated financial statements								Separate financial statements				
	Paid up capital (Million Baht)	Shareholding percentage		Carrying amounts based on cost method				Dividend received during the six-month periods ended		Carrying amounts based on cost method		Dividend received during the six-month periods ended	
		30	31	30	31	30	31	30	30	30	31	30	
		June 2018	December 2017	June 2018	December 2017	June 2018	December 2017	June 2018	June 2017	June 2018	December 2017	June 2018	
		(Percent)	(Percent)			(Percent)	(Percent)						
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	-	
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	-	-	3,310	-	-	-	-	
IDEO Q Victory Company Limited (Real estate development)	510.00	3.90	3.90	20,000	20,000	-	-	843	-	-	-	-	
Total				<u>287,247</u>	<u>287,247</u>			<u>13,253</u>	<u>5,590</u>	<u>169,747</u>	<u>169,747</u>	<u>9,100</u>	
Less: Allowance for loss on impairment of investments				<u>(100,623)</u>	<u>(80,470)</u>					<u>(98,623)</u>	<u>(78,470)</u>		
Total investments in other company - net				<u><u>186,624</u></u>	<u><u>206,777</u></u>					<u><u>71,124</u></u>	<u><u>91,277</u></u>		

(Unaudited but reviewed)

11. Other long-term investments

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	30 June 2018		31 December 2017	
	Cost	Fair value	Cost	Fair value
Fixed deposit with financial institutions				
Fixed deposit (in private fund)	10,000	10,000	35,000	35,000
Total investments in fixed deposit with financial institutions	10,000	10,000	35,000	35,000
Available-for-sale investments				
Local marketable equity securities	142,257	437,121	142,257	481,340
Local quoted bonds	153,096	175,305	153,096	178,544
Government bonds	45,500	45,500	45,500	45,500
Long-term funds	103,051	105,341	105,280	110,479
Available-for-sale investments (in private fund)	3,789,289	3,786,563	4,165,340	4,282,693
	4,233,193	4,549,830	4,611,473	5,098,556
Add: Surplus on changes in value of available-for-sale investments	316,637		487,083	
Total investment in available-for-sale securities	4,549,830		5,098,556	
Total other long-term investments in the consolidated financial statements	4,559,830	4,559,830	5,133,556	5,133,556

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 June 2018	31 December 2017
Revaluation surplus in available-for-sale investments		
Portion of the Company	309,853	434,607
Portion of the Subsidiary	6,784	52,476
	316,637	487,083
Less: Portion of the subsidiary attributable to non-controlling of the subsidiary	(3,373)	(26,989)
Deferred tax effect	(62,653)	(92,019)
Total revaluation surplus in available-for-sale investments in the consolidated financial statements	250,611	368,075

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	30 June 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	437,121	142,257	481,340
Local quoted bonds	48,096	70,305	48,096	73,543
Government bonds	40,000	40,000	40,000	40,000
Long-term funds	99,903	102,130	99,903	104,693
Available-for-sale investments (in private fund)	2,356,160	2,346,713	2,560,824	2,626,111
	2,686,416	2,996,269	2,891,080	3,325,687
Add: Surplus on changes in value of available-for-sale investments	309,853		434,607	
Total investments in available-for-sale securities	2,996,269		3,325,687	
Total other long-term investments in the separate financial statements	<u>2,996,269</u>	<u>2,996,269</u>	<u>3,330,687</u>	<u>3,330,687</u>

(Unit: Thousand Baht)

	Separate financial statements	
	30 June 2018	31 December 2017
Revaluation surplus in available-for-sale investments	309,853	434,607
Less: Deferred tax effect	(61,971)	(86,921)
Total surplus in available-for-sale investments in the separate financial statements	<u>247,882</u>	<u>347,686</u>

(Unaudited but reviewed)

As at 30 June 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.

12. Investment properties

Movements in the investment property account during the six-month periods ended 30 June 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	-	(875)
Net book value as at 30 June 2018	<u>98,258</u>	<u>124,118</u>

13. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month periods ended 30 June 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	364,857	90,881
Disposals during period - net book value at disposal date	(236)	(1)
Depreciation for period	(606,517)	(203,462)
Translation adjustment	(10,790)	-
Net book value as at 30 June 2018	<u>8,537,878</u>	<u>2,418,069</u>

(Unaudited but reviewed)

14. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
30 June	31 December	30 June	31 December	
2018	2017	2018	2017	
Trade payables - related parties	271,223	246,844	433,557	390,241
Other payables - related parties	13,222	12,647	15,839	19,957
Total trade and other payables - related parties (Note 5)	284,445	259,491	449,396	410,198
Trade payables - unrelated parties	1,307,812	1,300,964	604,633	585,217
Other payables - unrelated parties	234,998	215,043	86,571	74,163
Unearned revenue	13,599	12,066	13,598	11,006
Total trade and other payables - unrelated parties	1,556,409	1,528,073	704,802	670,386
Total trade and other payables	1,840,854	1,787,564	1,154,198	1,080,584

15. 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 and six-month periods ended 30 June 2018 and 2017 are made up as follows:

	(Unit: Thousand Baht)		
	For the three-month periods ended		
	30 June		
	Consolidated financial	Separate	
	statements	financial	
	statements	statements	
	2018	2017	2018
Current income tax:			
Interim corporate income tax charge	155,103	124,935	85,726
Deferred tax:			
Relating to origination and reversal of temporary differences	(5,923)	(1,105)	(3,110)
Income tax expense reported in the statements of comprehensive income	149,180	123,830	82,616

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended

30 June

	Consolidated financial statements		Separate financial statements
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Current income tax:			
Interim corporate income tax charge	284,766	225,074	151,977
Deferred tax:			
Relating to origination and reversal of temporary differences	5,908	(18,477)	10,135
Income tax expense reported in the statements of comprehensive income	<u>290,674</u>	<u>206,597</u>	<u>162,112</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2018 and 2017 are as follows:

(Unit: Thousand Baht)

For the three-month periods ended

30 June

	Consolidated financial statements		Separate financial statements
	<u>2018</u>	<u>2017</u>	<u>2018</u>
Deferred tax relating to			
- Loss on changes in value of available-for-sale investments	29,842	6,547	22,264
- Actuarial gain (loss)	(31)	73	(31)
Total	<u>29,811</u>	<u>6,620</u>	<u>22,233</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended

30 June

	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	34,089	(10,781)	24,951
- Actuarial gain	678	265	678
Total	<u>34,767</u>	<u>(10,516)</u>	<u>25,629</u>

16. 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.

17. Dividend

	Dividend for 2018		
	Per share	Total	Paid date
	(Baht)	(Thousand Baht)	
The second-half period of 2017			
(Approved by the Annual General Meeting of the Company's shareholders No. 1/2018 on 25 April 2018)			
BOI-promoted operation	1.25	412,130	
Non-BOI-promoted operation	0.38	125,288	
Total dividend declared in 2018	<u>1.63</u>	<u>537,418</u>	23 May 2018

18. 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-month and six-month periods ended 30 June 2018 and 2017, respectively.

(Unit: Thousand Baht)

Consolidated financial statements for the three-month periods ended 30 June																
	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	2,065,847	1,800,840	1,809,252	1,787,401	223,215	245,058	169,951	170,077	73,836	103,286	43,765	31,611	-	-	4,385,866	4,138,273
Others	905,235	791,861	-	-	481	460	7,448	9,535	239,824	154,606	-	-	-	-	1,152,988	956,462
Inter-segment	23,634	28,049	14	-	415,785	344,384	79,667	73,687	-	360	243,899	204,659	(762,999)	(651,139)	-	-
Total sales	2,994,716	2,620,750	1,809,266	1,787,401	639,481	589,902	257,066	253,299	313,660	258,252	287,664	236,270	(762,999)	(651,139)	5,538,854	5,094,735
Less: Cost of sales	(2,161,618)	(1,955,325)	(1,038,151)	(1,034,941)	(525,392)	(498,283)	(211,959)	(207,294)	(186,240)	(160,820)	(211,692)	(195,922)	767,951	660,236	(3,567,101)	(3,392,349)
Segment gross profit	833,098	665,425	771,115	752,460	114,089	91,619	45,107	46,005	127,420	97,432	75,972	40,348	4,952	9,097	1,971,753	1,702,386
Other income															122,207	175,653
Selling expenses															(381,713)	(357,604)
Administrative expenses															(532,086)	(542,679)
Share of profit from investments in associates and joint venture															54,445	47,108
Finance cost															(3,467)	(4,164)
Profit before income tax															1,231,139	1,020,700
Income tax															(149,180)	(123,830)
Profit for the period															1,081,959	896,870
Non-controlling interest of the subsidiaries															(236,256)	(220,257)
Profit for equity holders of the Company															845,703	676,613

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements for the six-month periods ended 30 June

	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	3,905,441	3,820,597	3,581,869	3,520,716	507,929	513,328	356,775	352,846	161,209	233,765	80,054	60,655	-	-	8,593,277	8,501,907
Others	1,686,837	1,536,492	-	-	1,258	1,470	21,409	25,021	409,692	265,722	-	-	-	-	2,119,196	1,828,705
Inter-segment	51,721	50,620	14	-	803,415	773,774	165,226	148,540	578	703	489,176	415,741	(1,510,130)	(1,389,378)	-	-
Total sales	5,643,999	5,407,709	3,581,883	3,520,716	1,312,602	1,288,572	543,410	526,407	571,479	500,190	569,230	476,396	(1,510,130)	(1,389,378)	10,712,473	10,330,612
Less: Cost of sales	(4,106,360)	(4,061,577)	(2,068,416)	(2,034,727)	(1,081,409)	(1,059,687)	(445,045)	(429,687)	(338,577)	(309,372)	(422,751)	(397,989)	1,518,837	1,402,922	(6,943,721)	(6,890,117)
Segment gross profit	1,537,639	1,346,132	1,513,467	1,485,989	231,193	228,885	98,365	96,720	232,902	190,818	146,479	78,407	8,707	13,544	3,768,752	3,440,495
Other income															240,021	271,472
Selling expenses															(747,560)	(702,998)
Administrative expenses															(1,057,968)	(1,065,141)
Share of profit from investments in associates and joint venture															104,562	91,780
Finance cost															(6,773)	(8,289)
Profit before income tax															2,301,034	2,027,319
Income tax															(290,674)	(206,597)
Profit for the period															2,010,360	1,820,722
Non-controlling interest of the subsidiaries															(475,223)	(461,876)
Profit for equity holders of the Company															1,535,137	1,358,846

19. Commitments and contingent liabilities

19.1 Capital commitments

As at 30 June 2018, a subsidiary company had capital commitments in respect of procurement agreements for production machinery and equipment of approximately Baht 4.8 million.

19.2 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 years.

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Payable within:				
Less than 1 year	28	25	12	7
1 to 5 years	8	9	-	-
	<u>36</u>	<u>34</u>	<u>12</u>	<u>7</u>

19.3 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 and six-month period ended 30 June 2018 amounted to approximately Baht 0.5 million and Baht 1.1 million, respectively (2017: Baht 0.6 million and Baht 1.1 million, respectively).

19.4 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

19.5 Guarantees

As at 30 June 2018, there were outstanding bank guarantees of approximately Baht 139 million (31 December 2017: Baht 106 million), issued by banks on behalf of the Company and its subsidiaries and separate financial statements Baht 57 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	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Payment due to creditors	28	29	-	-
Custom duty	-	2	-	2
Retroactive tax assessment	111	75	57	57
	<u>139</u>	<u>106</u>	<u>57</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.

19.6 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 30 June 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.

20. 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 30 June 2018 are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements		Average exchange rate as at 30 June 2018 (Baht per 1 foreign currency unit)
	Financial assets (Thousand)	Financial liabilities (Thousand)	Financial assets (Thousand)	Financial liabilities (Thousand)	
US dollar	8,616	2,998	8,579	1,073	33.1261
Singapore dollar	84	-	84	-	24.2508
Euro	435	66	435	66	38.4425
Japanese Yen	799	49,065	799	43,891	0.2995
Ringgit	169	-	169	-	8.1868

(Unaudited but reviewed)

The Company's and its subsidiaries' foreign exchange contracts outstanding at 30 June 2018 are summarised below.

Consolidated financial statements					
Foreign currency	Sold amount	Bought amount	Maturity date	Forward exchange rate	
	(Thousand)	(Thousand)		Sold amount	Bought amount
				(Baht per 1 foreign currency unit)	
US dollar	5,250	1,100	10 July - 21 November 2018	31.1557 - 33.1070	31.805 - 31.860
Euro	400	-	26 July - 28 August 2018	38.3396 - 38.6215	-

Separate financial statements			
Foreign currency	Sold amount	Maturity date	Forward exchange rate
	(Thousand)		Sold amount
			(Baht per 1 foreign currency unit)
US dollar	5,250	10 July - 25 September 2018	31.1557 - 33.1070
Euro	400	26 July - 28 August 2018	38.3396 - 38.6215

21. Fair value of financial instruments

As of 30 June 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	437,121	-	437,121
Long-term funds	-	105,341	105,341
Available-for-sale investments (in private fund)	-	3,786,563	3,786,563

(Unaudited but reviewed)

(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	437,121	-	437,121
Long-term funds	-	102,130	102,130
Available-for-sale investments (in private fund)	-	2,346,713	2,346,713

22. Event after the reporting period

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

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the authorised directors of the Company on 10 August 2018.