

Thai President Foods Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended
31 March 2020

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 2020, 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 interim consolidated financial statements. I have also reviewed the separate financial information of Thai President Foods Public Company Limited for the same period (collectively "interim financial information"). 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.

Emphasis of Matter

I draw attention to Note 1.5 to the interim financial statements. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month period ended 31 March 2020, the Group has applied the Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation" announced by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.

Other Matter

Due to the impact of COVID-19 outbreak situation, the Company has postponed the annual general meeting of the Company's shareholders which results in no resolution for the appointment of the auditor of the Company for the accounting period of 2020 yet. However, the Board of Director of the Company has a resolution to propose to the annual general meeting of the Company's shareholders to appoint me as the auditor of the Company for the accounting period of 2020. I therefore have conducted my review on the interim financial information for first quarter of 2020 which is in compliance with the notification of the Capital Market Supervisory Board (CMSB) No. TorChor 28/2563 dated 27 March 2020.

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 14 May 2020

Thai President Foods Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2020

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March	31 December	31 March	31 December
		2020	2019	2020	2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	4,218,464	3,320,232	2,624,283	1,979,253
Current investments		-	5,932,175	-	2,907,942
Trade and other receivables	4, 5	4,037,333	3,635,618	2,230,187	2,124,202
Short-term loan to related party	5	1,000	1,000	1,000	1,000
Inventories		1,552,435	1,454,719	625,492	553,885
Other current financial assets	6	5,654,096	-	2,719,764	-
Other current assets		33,266	23,601	559	760
Total current assets		15,496,594	14,367,345	8,201,285	7,567,042
Non-current assets					
Restricted bank deposit	18.5	36,348	36,348	-	-
Investments in subsidiaries	7	-	-	3,428,401	3,424,722
Investments in associates	8	3,131,607	2,984,018	413,322	324,164
Investment in joint venture	9	25,996	28,424	-	-
Investments in other companies		-	191,955	-	76,455
Investment in other long-term investments		-	7,695,458	-	5,115,604
Other non-current financial assets	6	7,898,825	-	5,248,254	-
Advance payment for investments in related parties	7	-	-	128,053	96,280
Investment properties	10	101,883	101,883	124,649	125,088
Property, plant and equipment	11	8,446,256	8,520,516	2,681,355	2,680,867
Right-of-use assets	12	161,151	-	17,954	-
Downpayment for purchase of machinery		129,062	135,533	-	-
Other intangible assets		28,633	29,908	12,047	13,367
Leasehold rights		-	451	-	-
Goodwill		45,546	42,053	-	-
Deferred tax assets		63,712	82,116	23,087	47,783
Other non-current assets		18,760	37,419	4,734	4,567
Total non-current assets		20,087,779	19,886,082	12,081,856	11,908,897
Total assets		35,584,373	34,253,427	20,283,141	19,475,939

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 2020

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March	31 December	31 March	31 December
		2020	2019	2020	2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	5, 13	1,807,718	1,823,542	1,165,593	1,053,267
Current portion of liabilities under finance lease agreements	5, 14	-	35,455	-	3,560
Current portion of long-term lease liabilities	5, 14	41,908	-	3,593	-
Income tax payable		550,899	389,867	293,903	208,149
Accrued bonus		123,542	356,609	61,010	193,028
Advance receipt from non-controlling interests for investments in a subsidiary	5	122,122	91,641	-	-
Other accrued expenses	5	369,660	345,702	120,751	111,174
Other current liabilities		<u>52,308</u>	<u>60,428</u>	<u>18,245</u>	<u>32,978</u>
Total current liabilities		<u>3,068,157</u>	<u>3,103,244</u>	<u>1,663,095</u>	<u>1,602,156</u>
Non-current liabilities					
Liabilities under finance lease agreements - net of current portion	5, 14	-	54,646	-	14,905
Long-term lease liabilities, net of current portion	5, 14	75,264	-	13,994	-
Provision for long-term employee benefits		994,307	989,629	662,112	660,405
Other non-current liabilities		<u>61,205</u>	<u>61,171</u>	<u>57,341</u>	<u>57,341</u>
Total non-current liabilities		<u>1,130,776</u>	<u>1,105,446</u>	<u>733,447</u>	<u>732,651</u>
Total liabilities		<u>4,198,933</u>	<u>4,208,690</u>	<u>2,396,542</u>	<u>2,334,807</u>

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 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)	31 March 2020 (Unaudited but reviewed)	31 December 2019 (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
Surplus of investment over book value of subsidiary	(1,377,595)	(1,377,595)	-	-
Retained earnings				
Appropriated - statutory reserve	39,000	39,000	39,000	39,000
Unappropriated	24,461,076	23,466,064	16,433,683	15,745,839
Other components of shareholders' equity	283,829	221,827	371,249	313,626
Equity attributable to owners of the Company	24,448,977	23,391,963	17,886,599	17,141,132
Non-controlling interests of the subsidiaries	6,936,463	6,652,774	-	-
Total shareholders' equity	31,385,440	30,044,737	17,886,599	17,141,132
Total liabilities and shareholders' equity	35,584,373	34,253,427	20,283,141	19,475,939
	-	-	-	-

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 2020**

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

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Profit or loss:					
Revenues					
Sales	5	5,911,553	5,617,477	3,375,515	3,079,068
Interest income		70,903	53,608	47,318	34,949
Dividend income	5	20,478	25,341	94,943	89,271
Other income					
Gain on exchange		15,714	4,280	18,108	6,171
Gain on disposals of property, plant and equipment		2,438	4,291	2,039	1,470
Others	5	49,345	30,314	28,589	19,307
Total other income		67,497	38,885	48,736	26,948
Total revenues		6,070,431	5,735,311	3,566,512	3,230,236
Expenses					
Cost of sales	5	3,752,624	3,653,533	2,462,973	2,226,762
Selling and distribution expenses	5	443,253	414,746	59,655	43,156
Administrative expenses	5	467,283	493,235	264,852	267,991
Total expenses		4,663,160	4,561,514	2,787,480	2,537,909
Profit from operating activities		1,407,271	1,173,797	779,032	692,327
Share of profit from investments in associates and joint venture	8, 9	76,542	66,513	-	-
Finance cost		(2,425)	(2,923)	(690)	(574)
Profit before income tax expenses		1,481,388	1,237,387	778,342	691,753
Income tax expenses	15	(175,082)	(141,068)	(89,861)	(77,419)
Profit for the period		1,306,306	1,096,319	688,481	614,334

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 2020

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

	Note	Consolidated		Separate	
		financial statements	financial statements	financial statements	financial statements
		2020	2019	2020	2019
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		54,579	(16,749)	-	-
Gain (loss) on debt investments designated at fair value through other comprehensive income - net of income tax	15	1,151	-	(1,297)	-
Gain on change in value of available-for-sale investments - net of income tax	15	-	56,317	-	36,358
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		55,730	39,568	(1,297)	36,358
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss - net of income tax	15	(124)	(26)	(117)	(26)
Loss on investments in equity designated at fair value through other comprehensive income - net of income tax	15	(306,990)	-	(229,064)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(307,114)	(26)	(229,181)	(26)
Other comprehensive income for the period		(251,384)	39,542	(230,478)	36,332
Total comprehensive income for the period		1,054,922	1,135,861	458,003	650,666

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 2020

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

	Note	Consolidated		Separate	
		2020	2019	2020	2019
Profit attributable to:					
Equity holders of the Company		1,005,849	865,656	<u>688,481</u>	<u>614,334</u>
Non-controlling interests of the subsidiaries		<u>300,457</u>	<u>230,663</u>		
		<u>1,306,306</u>	<u>1,096,319</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		772,214	901,059	<u>458,003</u>	<u>650,666</u>
Non-controlling interests of the subsidiaries		<u>282,708</u>	<u>234,802</u>		
		<u>1,054,922</u>	<u>1,135,861</u>		
Earnings per share (Baht)	16				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>3.05</u>	<u>2.63</u>	<u>2.09</u>	<u>1.86</u>
Weighted average number of ordinary shares (Thousand share:		<u>329,704</u>	<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 cash flows

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Profit before tax	1,481,388	1,237,387	778,342	691,753
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	303,471	295,781	118,144	101,699
Amortisation	2,164	2,434	1,320	1,356
Gain on disposals of property, plant and equipment	(2,438)	(4,291)	(2,039)	(1,470)
Gain on disposals of other long-term investments	-	3,127	-	4,229
Gain (loss) on sales of other non-current financial assets	10,512	-	(6,355)	-
Allowance for deteriorated inventories	1,451	708	-	-
Allowance for impairment loss on investments in subsidiary company (reversal)	-	-	(3,679)	3,153
Allowance for impairment loss on investments in associated company	-	945	842	945
Gain (loss) on fair value reserve of financial assets	937	-	(2,377)	-
Allowance for impairment loss on investments in other companies	-	2,433	-	2,433
Allowance for doubtful accounts	468	3,265	-	3,372
Reversal of allowance for impairment loss on investment properties	-	(3,624)	-	(3,624)
Share of profit from investments in associates	(76,923)	(65,225)	-	-
Share of loss (profit) from investments in joint venture	381	(1,288)	-	-
Dividend received from associated companies	-	-	(78,000)	(68,250)
Dividend received from investments	(20,478)	(25,341)	(16,943)	(21,021)
Interest income	(70,903)	(53,608)	(47,318)	(34,949)
Interest expenses	749	1,483	165	14
Provision for long-term employee benefits	21,183	19,217	13,239	10,665
Profit from operating activities before changes in operating assets and liabilities	1,651,962	1,413,403	755,341	690,305

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 2020

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(308,278)	39,246	(23,572)	166,358
Inventories	(99,167)	(136,187)	(71,607)	(2,042)
Other current assets	(8,710)	(10,129)	201	(474)
Other non-current assets	18,658	(1,392)	(167)	(1,111)
Operating liabilities increase (decrease)				
Trade and other payables	(267,574)	(324,933)	(40,377)	(222,217)
Other current liabilities	(8,120)	(11,322)	(14,732)	(7,726)
Other non-current liabilities	34	84	-	-
Provision for long-term employee benefits	(16,515)	(12,291)	(11,531)	(11,628)
Cash flows from operating activities	962,290	956,479	593,556	611,465
Cash paid for income tax	(3,037)	(2,240)	(594)	(483)
Net cash flows from operating activities	959,253	954,239	592,962	610,982

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 2020

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from investing activities				
Increase in current investments	-	(2,324,553)	-	(2,008,957)
Decrease in current investments	-	1,207,684	-	1,116,562
Increase in other long-term investments	-	(2,086,884)	-	(1,612,034)
Decrease in other long-term investments	-	1,815,667	-	1,255,467
Increase in other current financial assets	(3,379,796)	-	(2,598,962)	-
Decrease in other current financial assets	3,657,875	-	2,787,140	-
Increase in other non-current financial assets	(2,135,278)	-	(1,127,085)	-
Decrease in other non-current financial assets	2,099,156	-	1,158,765	-
Increase in investments in subsidiary	-	-	-	(2)
Increase in investments in associated companies	(150,000)	-	(90,000)	-
Dividend received from associated companies	12,282	-	-	-
Dividend received from investments	10,526	6,092	7,562	4,571
Decrease (increase) in advance payment for investments				
in related party	-	-	(31,773)	(64,335)
Decrease in leasehold rights	451	-	-	-
Purchase of property, plant and equipment	(288,338)	(255,534)	(105,887)	(169,734)
Increase in downpayment for purchase of machinery	6,471	20,007	-	-
Proceed from disposals of property, plant and equipment	3,785	4,451	2,040	1,615
Purchase of intangible assets	(886)	(1,811)	-	(1,494)
Proceed received for non-controlling interest of the subsidiary	-	2	-	-
Increase in advance receipt of non-controlling interests				
for investments in a subsidiary	30,480	42,881	-	-
Interest income	67,467	59,577	51,311	39,745
Net cash flows from (used in) investing activities	(65,805)	(1,512,421)	53,111	(1,438,596)

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 2020

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from financing activities				
Decrease in long-term loans from directors	-	(7,268)	-	-
Increase in long-term loans from directors	-	3,931	-	-
Increase in long-term loans from employees	-	4,439	-	-
Repayment of liabilities under lease agreements	(15,075)	(16,391)	(878)	(377)
Cash paid for interest expense	(749)	(1,483)	(165)	(14)
Net cash flows from (used in) financing activities	<u>(15,824)</u>	<u>(16,772)</u>	<u>(1,043)</u>	<u>(391)</u>
Increase (decrease) in translation adjustments	<u>20,608</u>	<u>(7,058)</u>	-	-
Net increase (decrease) in cash and cash equivalents	898,232	(582,012)	645,030	(828,005)
Cash and cash equivalents at beginning of period	<u>3,320,232</u>	<u>3,876,093</u>	<u>1,979,253</u>	<u>2,536,359</u>
Cash and cash equivalents at end of period (Note 3)	<u>4,218,464</u>	<u>3,294,081</u>	<u>2,624,283</u>	<u>1,708,354</u>

Supplementary disclosures of cash flows information

Non-cash related transactions

Other payable from purchase of property, plant and equipment	42,643	47,936	30,261	20,691
Liabilities under lease agreements - net of deferred interest	39,962	7,759	-	-
Dividend receivable	90,000	92,706	87,380	84,700

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 2020

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to the parent's shareholders												
	Issued and paid-up share capital	Share premium	Surplus of investment over book value of subsidiary	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	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Changes in value of available-for-sale investments	Fair value reserve of financial assets at FVOCI	Total other components of shareholders' equity			
Balance as at 1 January 2020	329,704	712,963	(1,377,595)	39,000	23,466,064	(106,827)	328,654	-	221,827	23,391,963	6,652,774	30,044,737
Cumulative effect of change in accounting policy (Note 2)	-	-	-	-	27,628	-	(328,654)	587,607	258,953	286,581	(800)	285,781
Balance as at 1 January 2020 - as restated	329,704	712,963	(1,377,595)	39,000	23,493,692	(106,827)	-	587,607	480,780	23,678,544	6,651,974	30,330,518
Profit for the period	-	-	-	-	1,005,849	-	-	-	-	1,005,849	300,457	1,306,306
Other comprehensive income for the period	-	-	-	-	(121)	33,212	-	(268,507)	(235,295)	(235,416)	(15,968)	(251,384)
Total comprehensive income for the period	-	-	-	-	1,005,728	33,212	-	(268,507)	(235,295)	770,433	284,489	1,054,922
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earnings	-	-	-	-	(38,344)	-	-	38,344	38,344	-	-	-
Balance as at 31 March 2020	329,704	712,963	(1,377,595)	39,000	24,461,076	(73,615)	-	357,444	283,829	24,448,977	6,936,463	31,385,440

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 2020

(Unit: Thousand Baht)

	Separate financial statements							
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity			Total shareholders' equity
			Appropriated	Unappropriated	Other comprehensive income		Total other components of shareholders' equity	
					Changes in value of available-for-sale investments	Fair value reserve of financial assets of FVOCI		
Balance as at 31 December 2018	329,704	712,963	39,000	14,265,218	262,747	-	262,747	15,609,632
Profit for the period	-	-	-	614,334	-	-	-	614,334
Other comprehensive income for the period	-	-	-	(26)	36,358	-	36,358	36,332
Total comprehensive income for the period	-	-	-	614,308	36,358	-	36,358	650,666
Balance as at 31 March 2019	<u>329,704</u>	<u>712,963</u>	<u>39,000</u>	<u>14,879,526</u>	<u>299,105</u>	<u>-</u>	<u>299,105</u>	<u>16,260,298</u>
Balance as at 1 January 2020	329,704	712,963	39,000	15,745,839	313,626	-	313,626	17,141,132
Cumulative effect of change in accounting policy (Note 2)	-	-	-	26,640	(313,626)	574,450	260,824	287,464
Balance as at 1 January 2020 - as restated	<u>329,704</u>	<u>712,963</u>	<u>39,000</u>	<u>15,772,479</u>	<u>-</u>	<u>574,450</u>	<u>574,450</u>	<u>17,428,596</u>
Profit for the period	-	-	-	688,481	-	-	-	688,481
Other comprehensive income for the period	-	-	-	(117)	-	(230,361)	(230,361)	(230,478)
Total comprehensive income for the period	-	-	-	688,364	-	(230,361)	(230,361)	458,003
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earnings	-	-	-	(27,160)	-	27,160	27,160	-
Balance as at 31 March 2020	<u>329,704</u>	<u>712,963</u>	<u>39,000</u>	<u>16,433,683</u>	<u>-</u>	<u>371,249</u>	<u>371,249</u>	<u>17,886,599</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 periods ended 31 March 2020

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 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, Bangkapi District, Bangkok. There are five plants, located at Chonburi Province, Lamphoon Province, Rayong Province and another 2 plants at Ratchaburi Province.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

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 2019 with no changes in the group structure during the current period.

1.5 New financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

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

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

The impact of the adoption of these standards on the Group's financial statements is as follows.

- Classification and measurement of investments in equity instruments of non-listed companies - The Group measures investments in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value, through profit or loss or through other comprehensive income.
- Recognition of credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.
- Recognition of derivatives - The Group initially recognises derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at 1 January 2020.
- To lightly weight information relating to the COVID-19 situation in applying the valuation technique to measure the fair value of financial assets in the form of debt instruments using Level 2 or Level 3 inputs.
- Not to account for any reduction in lease payments by lessors as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, *Impairment of Assets*.

1.6 Significant accounting policies

The interim consolidated financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies related to financial instruments and leases.

1.6.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss. In certain cases, the Group makes an election to measure them at fair value through other comprehensive income, with no subsequent recycling to profit or loss.

Financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, financial assets that are debt instruments and measured at fair value through other comprehensive income, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

1.6.2 Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.5 to the financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

(Unaudited but reviewed)

The impacts on the beginning balance of retained earnings of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2019	The impacts of Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Current assets				
Current investments	5,932,175	(5,932,175)	-	-
Trade and other receivables	3,635,618	(17,945)	-	3,617,673
Other current financial assets	-	5,932,175	-	5,932,175
Non-current assets				
Investments in other companies	191,955	(191,955)	-	-
Other long-term investments	7,695,458	(7,695,458)	-	-
Other non-current financial assets	-	8,262,585	-	8,262,585
Property, plant and equipment	8,520,516	-	(138,185)	8,382,331
Right-of-use assets	-	-	169,141	169,141
Deferred tax assets	82,116	(71,446)	-	10,670
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under finance lease agreements	35,455	-	(35,455)	-
Current portion of lease liabilities	-	-	48,173	48,173
Non-current liabilities				
Liabilities under finance lease agreements, net of current portion	54,646	-	(54,646)	-
Lease liabilities, net of current portion	-	-	72,884	72,884
Shareholders' equity				
Retained earnings - unappropriated	23,466,064	27,628	-	23,493,692
Other components of shareholders' equity	221,827	258,953	-	480,780
Non-controlling interests of the subsidiaries	6,652,774	(800)	-	6,651,974

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			
	31 December	Financial	TFRS 16	1 January 2020
	2019	reporting		
		standards		
		related to		
		financial		
		instruments		
Statement of financial position				
Assets				
Current assets				
Current investments	2,907,942	(2,907,942)	-	-
Trade and other receivables	2,124,202	(1,195)	-	2,123,007
Other current financial assets	-	2,907,942	-	2,907,942
Non-current assets				
Investments in other companies	76,455	(76,455)	-	-
Other long-term investments	5,115,604	(5,115,604)	-	-
Other non-current financial assets	-	5,552,584	-	5,552,584
Property, plant and equipment	2,680,867	-	(19,077)	2,661,790
Right-of-use assets	-	-	19,077	19,077
Deferred tax assets	47,783	(47,783)	-	-
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under				
finance lease agreements	3,560	-	(3,560)	-
Current portion of lease liabilities	-	-	3,560	3,560
Non-current liabilities				
Liabilities under finance lease				
agreements, net of current portion	14,905	-	(14,905)	-
Lease liabilities, net of current portion	-	-	14,905	14,905
Deferred tax liabilities	-	24,083	-	24,083
Shareholders' equity				
Retained earnings - unappropriated	15,745,839	26,640	-	15,772,479
Other components of shareholders' equity	313,626	260,824	-	574,450

(Unaudited but reviewed)

2.1 Financial instruments

Details of the impact on retained earnings and other components of shareholders' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Classification of available-for-sale investments as financial assets at fair value through profit or loss	28,608	26,640
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	28,608	26,640
Fair value measurement of investments in equity instruments of non-listed companies	264,250	266,216
Classification of available-for-sale investments as financial assets at fair value through profit or loss	(7,077)	(5,392)
Impacts on other components of shareholders' equity due to the adoption of financial reporting standards related to financial instruments	257,173	260,824

The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	3,320,232	-	-	3,320,232	3,320,232
Trade and other receivables	3,635,618	-	-	3,617,673	3,617,673
Short-term loans to related party	1,000	-	-	1,000	1,000
Other current financial assets	5,932,175	275,219	3,604,495	2,052,461	5,932,175
Other current assets	23,601	-	-	23,601	23,601
Other non-current financial assets	7,887,413	2,103,141	5,966,249	193,195	8,262,585
Other non-current assets	37,419	-	-	37,419	37,419
Total financial assets	20,837,458	2,378,360	9,570,744	9,245,581	21,194,685

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements					
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9				
		Fair value			Amortised cost	Total
		Fair value through profit or loss	Fair value through other comprehensi ve income			
Financial assets as at 1 January 2020						
Cash and cash equivalents	1,979,253	-	-	1,979,253	1,979,253	
Trade and other receivables	2,124,202	-	-	2,123,007	2,123,007	
Short-term loans to related party	1,000	-	-	1,000	1,000	
Other current financial assets	2,907,942	-	54,978	2,852,964	2,907,942	
Other current assets	760	-	-	760	760	
Other non-current financial assets	5,192,059	1,482,141	3,947,248	123,195	5,552,584	
Other non-current assets	4,567	-	-	4,567	4,567	
Total financial assets	12,209,783	1,482,141	4,002,226	7,084,746	12,569,113	

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

2.2 Leases

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

(Unaudited but reviewed)

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	35,928	2,578
Less: Short-term leases and leases of low-value assets	(2,208)	(289)
Add: Option to extend lease term	17,356	(2,289)
Less: Contracts reassessed as service agreements	(18,064)	-
Less: Deferred interest expenses	(2,056)	-
Increase in lease liabilities due to TFRS 16 adoption	30,956	-
Liabilities under finance lease agreements as at 31 December 2019	90,101	18,465
Lease liabilities as at 1 January 2020	121,057	18,465
Comprise of:		
Current lease liabilities	48,173	3,560
Non-current lease liabilities	72,884	14,905
	121,057	18,465

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Warehouse	23,277	-
Furniture, fixtures and office equipment	7,679	-
Total right-of-use assets	30,956	-

(Unaudited but reviewed)

3. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
Cash in hand	9,916	4,844	2,041	1,518
Bank deposits	3,708,548	3,265,388	2,122,242	1,927,735
Promissory notes and bills of exchange	500,000	50,000	500,000	50,000
Total	4,218,464	3,320,232	2,624,283	1,979,253

As at 31 March 2020, bank deposits in savings accounts, fixed deposits, promissory notes and bills of exchange carried interests at the rates between 0.05% and 0.9% per annum (31 December 2019: 0.1% and 1.5% per annum).

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,423,854	1,296,160	1,523,370	1,402,568
Past due				
Not over 3 months	12,828	14,182	11,540	25,382
Total trade receivables - related parties	1,436,682	1,310,342	1,534,910	1,427,950
<u>Other receivables - related parties</u>				
Accrued dividend income	84,575	-	84,575	-
Accrued income and interest receivable	769	1,768	11,606	10,162
Total other receivables - related parties	85,344	1,768	96,181	10,162
Total trade and other receivables - related parties (Note 5)	1,522,026	1,312,110	1,631,091	1,438,112

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,390,611	1,307,955	461,114	462,140
Past due				
Not over 3 months	616,221	775,464	69,051	165,007
3 - 6 months	18,980	40,103	808	24
6 - 12 months	32	2,714	24	2,714
Over 12 months	17,522	13,805	15,766	12,029
Total	2,043,366	2,140,041	546,763	641,914
Less: Allowance for doubtful accounts	(21,984)	(21,516)	(17,001)	(17,001)
Total trade receivables - unrelated parties, net	2,021,382	2,118,525	529,762	624,913
<u>Other receivables - unrelated parties</u>				
Accrued income and interest receivable	374,628	123,703	46,853	51,387
Prepayments	94,055	70,634	9,810	6,554
Advances	25,242	10,646	12,671	3,236
Total other receivables - unrelated parties	493,925	204,983	69,334	61,177
Total trade and other receivables - unrelated parties - net	2,515,307	2,323,508	599,096	686,090
Total trade and other receivables - net	4,037,333	3,635,618	2,230,187	2,124,202

5. Related party transactions

5.1 Transactions incurred during the period

During the periods, the Group 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 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
Transactions with subsidiary companies					
(eliminated from the consolidated financial statements)					
Sales	-	-	118,270	106,228	Cost plus margin
Rental and other income	-	-	8,039	6,610	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	-	-	758,531	662,505	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	-	32,120	10,162	Agreed price
Transactions with associated companies					
Sales	24,073	20,162	24,073	20,162	Cost plus margin
Dividend income (Note 8)	-	-	78,000	68,250	At the announced rate
Rental and other income	1,650	2,442	1,645	2,442	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	149,486	147,603	38,645	44,327	Approximately market price with reference to purchase volume
Purchase of machinery and equipment	2,585	97	2,585	97	Agreed price

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
Transactions with joint venture					
Sales	629	762	-	-	Agreed price which approximates the market price
Dividend income (Note 9)	2,047	5,207	-	-	At the announced rate
Service income	940	680	-	-	Agreed price which approximates the market price
Purchase of goods and raw material, and production cost (included in cost of sales)	98	-	-	-	Approximately market price with reference to purchase volume
Transactions with related companies					
Sales	2,327,819	2,037,903	2,296,194	2,025,643	Cost plus margin
Dividend income	6,575	6,500	6,575	6,500	At the announced rate
Rental and other income	1,703	5,258	5	3,335	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	111,812	92,485	78,403	73,876	Approximately market price with reference to purchase volume
Commission and other expenses (included in selling and administrative expenses)	17,718	18,843	1,788	2,937	Contract price
Purchase of machinery and equipment	4,427	5,744	4,427	5,744	Agreed price

5.2 Outstanding balance at end of period

As at 31 March 2020 and 31 December 2019, the balances of the accounts between the Group are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>31 March 2020</u>	<u>31 December 2019</u>	<u>31 March 2020</u>	<u>31 December 2019</u>
Trade and other receivables - related parties (Note 4)				
Subsidiaries	-	-	114,932	131,251
Associated companies	111,019	28,764	110,718	28,278
Related companies (related by common shareholders)	<u>1,411,007</u>	<u>1,283,346</u>	<u>1,405,441</u>	<u>1,278,583</u>
Total trade and other receivables - related parties	<u>1,522,026</u>	<u>1,312,110</u>	<u>1,631,091</u>	<u>1,438,112</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Trade and other payables - related parties (Note 13)				
Subsidiaries	-	-	394,618	336,631
Associated companies	131,973	141,458	14,279	13,261
Related companies (related by common shareholders)	31,424	33,833	14,417	17,324
Total trade and other payables - related parties	<u>163,397</u>	<u>175,291</u>	<u>423,314</u>	<u>367,216</u>
Liabilities under lease agreements/ finance lease agreements - related party				
<i>Related company</i>				
Liabilities under lease agreements/ finance lease agreements	66,660	58,588	-	-
Less: Current portion	(22,010)	(20,034)	-	-
Liabilities under lease agreements/ finance lease agreements - net of current portion	<u>44,650</u>	<u>38,554</u>	<u>-</u>	<u>-</u>
Advance receipt from non- controlling interests for investments in subsidiary – related parties				
<i>Related company</i>	60,142	45,185	-	-
Total advance receipt from non- controlling interests for investments in subsidiary – related parties	<u>60,142</u>	<u>45,185</u>	<u>-</u>	<u>-</u>
Other accrued expenses - related parties				
<i>Related companies</i>	18,623	15,350	18,623	15,350
Total other accrued expenses - related parties	<u>18,623</u>	<u>15,350</u>	<u>18,623</u>	<u>15,350</u>

(Unaudited but reviewed)

Short-term loan to related party

As at 31 March 2020 and 31 December 2019, the balances of short-term loan to related party and the movement were as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements			
	Balance	During the period		Balance
	as at 31 December 2019	Increase	Decrease	as at 31 March 2020
<u>Associated company</u>				
Thai Instant Products Company Limited	1,000	-	-	1,000
Total	1,000	-	-	1,000

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	Balance	During the period		Balance
	as at 31 December 2019	Increase	Decrease	as at 31 March 2020
<u>Associated company</u>				
Thai Instant Products Company Limited	1,000	-	-	1,000
Total	1,000	-	-	1,000

5.3 Directors and management's remuneration

During the periods ended 31 March 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term employee benefits	40	38	13	13
Post-employment benefits and other long-term benefits	1	1	-	-
Total	41	39	13	13

(Unaudited but reviewed)

6. Other financial assets

As at 31 March 2020, other financial assets, other than cash and cash equivalents, consisted of the following:

(Unit: Thousand Baht)

	As at 31 March 2020	
	Consolidated financial statements	Separate financial statements
Debt instruments at amortised cost:		
Fixed deposit	2,406,786	1,184,842
Corporate bonds and notes	2,881,897	1,807,897
Debt instruments at fair value through OCI		
Bank of Thailand bond	1,283,659	584,991
Corporate bonds, notes or debt instruments	3,534,231	1,786,246
Equity instruments at fair value through OCI		
Marketable equity instruments	531,900	476,918
Non-listed equity instruments	883,716	739,945
Foreign equity instruments	28,744	28,744
Mutual fund	427,202	334,273
Financial assets at fair value through profit or loss		
Open-end fund	577,765	141,579
Subordinated bond	882,583	882,583
Preferred shares	114,438	-
Total	13,552,921	7,968,018
Classified as:		
Other current financial assets	5,654,096	2,719,764
Other non-current financial assets	7,898,825	5,248,254

As at 31 March 2020, the Group have pledged government bonds with maturity date over 1 year of approximately Baht 43 million (31 December 2019: Baht 43 million) and the Company only of Baht 37 million (31 December 2019: Baht 37 million) as a guarantee for electricity and steam use of the Group and as a guarantee of retroactive tax assessment of the Company.

In late March 2020, TMBAM Eastspring announced the dissolution of TMB Ultra-Short Bond Fund (TMBUSB) and TMB Aggregate Bond Fund (TMBABF), in which the subsidiary had the investment of Baht 265.1 million and Baht 25.1 million, respectively, as at a date of dissolution (31 December 2019: Baht 234 million and Nil, respectively). The payout amounts are as follows:

<u>Date received</u>	<u>TMB Ultra-Short Bond Fund (TMBUSB)</u>	<u>TMB Aggregate Bond Fund (TMBABF)</u>
30 March 2020	Baht 0.4163 per unit, totaling Baht 10.2 million	Baht 0.8911 per unit, totaling Baht 1.9 million
10 April 2020	Baht 0.2 per unit, totaling Baht 4.9 million	Baht 0.4 per unit, totaling Baht 0.9 million
8 May 2020	Baht 1 per unit, totaling Baht 24.6 million	Baht 0.8 per unit, totaling Baht 1.7 million

TMBAM Eastspring estimated that the minimum payout from 31 March 2020 to 3 July 2020 would amount to Baht 2.4982 per unit and Baht 0.8911 per unit, respectively, with the remaining to be paid at a date of the completion of liquidation.

(Unaudited but reviewed)

7. Investments in subsidiary companies

(Unit: Thousand Baht)					
Company's name (Nature of business)	Paid up capital	Separate financial statements			
		Shareholding percentage		Cost	
		31	31	31	31
		March 2020	December 2019	March 2020	December 2019
		(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	51.99	51.99	1,925,529	1,925,529
President D Venture Company Limited (Investing and/or lending in real estate business)	Baht 1,010 million	70.00	70.00	707,000	707,000
Ayeyarwaddy Success Venture Foods Co., Ltd (Manufacture and distribution of instant noodles)	USD 100	51.00	51.00	2	2
President Interfood Company Limited (Agency)	Baht 3 million	59.67	59.67	9,622	9,622
				3,482,947	3,482,947
Less: Allowance for loss on impairment of investments				(54,546)	(58,225)
Total				<u>3,428,401</u>	<u>3,424,722</u>

During the period, Ayeyarwaddy Success Venture Foods Co., Ltd called for additional advance payments of USD 2 million and the Company has paid USD 1.02 million (or equivalent to Baht 31.77 million), according to the Company's interest and included in "Advance payment for investments in related parties" in the statement of financial position as at 31 March 2020.

(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 three-month periods ended		Carrying amount based on cost method		Dividend received during the three-month periods ended	
			31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2020	31 December 2019	31 March 2020	31 March 2019
			(Percent)	(Percent)										
Kerry Flour Mills Company Limited (Manufacture of wheat flour)	Thailand	Baht 200 million	39.00	39.00	92,630	92,630	1,463,335	1,486,774	54,561	42,366	92,630	92,630	78,000	68,250
Anbao Environmental Science & Technology Company Limited (Manufacture of paper products)	China	RMB 50 million	35.00	35.00	87,324	87,324	191,417	183,313	8,104	3,689	87,324	87,324	-	-
Thai-Myanmar Success Venture Company Limited (Investment holding)	Thailand	Baht 100 million	35.00	35.00	35,040	35,040	42,336	42,121	215	201	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	67,088	65,353	1,735	356	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	66,905	63,524	3,381	1,262	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		Carrying amount based on cost method		Dividend received during the three-month periods ended	
			31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2020	31 December 2019	31 March 2020	31 March 2019
			(Percent)	(Percent)										
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	7,814	8,441	(627)	(1,189)	21,500	21,500	-	-
IDEO Mobi Rangnam Company Limited (Real estate development and lending)	Thailand	Baht 795.99 million	49.00	49.00	390,035	390,035	403,511	400,567	2,944	(185)	-	-	-	-
IDEO Q Sukhumvit 36 Company Limited (Real estate development and lending)	Thailand	Baht 664.43 million	49.00	49.00	325,571	325,571	321,649	321,563	86	(539)	-	-	-	-
IDEO New Rama 9 Company Limited (Real estate development and lending)	Thailand	Baht 599.67 million	49.00	49.00	293,838	293,838	315,284	320,804	6,762	19,264	-	-	-	-
Saha Capital Tower Company Limited (Property rental and development business)	Thailand	Baht 1,100 million	25.00	25.00	275,000	125,000	274,905	125,143	(238)	-	165,000	75,000	-	-
					<u>1,546,217</u>	<u>1,396,217</u>	<u>3,154,244</u>	<u>3,017,603</u>	<u>76,923</u>	<u>65,225</u>	<u>426,773</u>	<u>336,773</u>	<u>78,000</u>	<u>68,250</u>
Less: Allowance for loss on impairment of investments							-	-			(13,451)	(12,609)		
Translation adjustments							(22,637)	(33,585)			-	-		
Total investments in associates - net							<u>3,131,607</u>	<u>2,984,018</u>			<u>413,322</u>	<u>324,164</u>		

(Unaudited but reviewed)

Share of profit from investments in four associated companies accounted for under the equity method for the three-month periods ended 31 March 2020, totaling approximately Baht 11 million or 1% of consolidated net profit for the periods (2019: Baht 4 million or 0.4%) was calculated from interim financial statements which had not been reviewed by the auditors of those associated companies.

On 18 September 2019, the meeting of the Company's Board of Directors No. 9/2019 passed a resolution approving the investment of a new company in Thailand, named Saha Capital Tower Co., Ltd., to engage in in property rental and development business with a registered share capital of Baht 2,000 million. The Company and a subsidiary hold 15 percent interest and 10 percent interest, respectively. Saha Capital Tower Co., Ltd. called up 55 percent of its registered share capital and the Company and a subsidiary made payment for share subscription of Baht 75 million and Baht 50 million, respectively in September 2019 and Baht 90 million and Baht 60 million, respectively in March 2020.

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:

(Unit: Thousand Baht)

Joint venture	Nature of business	Paid up capital (Million Baht)	Shareholding percentage		Carrying amount		Share of profit from investment in joint venture during the three-month periods ended		Dividend received during the three-month periods ended	
			31 March 2020 (Percent)	31 December 2019 (Percent)	31 March 2020	31 December 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
President Green House Foods Co., Ltd.	Operating the Japanese restaurant	15	39	39	25,996	28,424	(381)	1,288	2,047	5,207
Total investment in joint venture					<u>25,996</u>	<u>28,424</u>	<u>(381)</u>	<u>1,288</u>	<u>2,047</u>	<u>5,207</u>

10. Investment properties

Movements in the investment property account during the three-month period ended 31 March 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Net book value as at 1 January 2020	101,883	125,088
Depreciation for the period	-	(439)
Net book value as at 31 March 2020	<u><u>101,883</u></u>	<u><u>124,649</u></u>

11. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Net book value as at 1 January 2020	8,520,516	2,680,867
Reclassification to right-of-use assets	(138,185)	(19,077)
Net book value as at 1 January 2020 - as adjusted	8,382,331	2,661,790
Acquisitions during period at cost	328,228	136,149
Disposals during period - net book value at disposal date	(995)	(1)
Depreciation for period	(282,845)	(116,583)
Translation adjustment	19,537	-
Net book value as at 31 March 2020	<u><u>8,446,256</u></u>	<u><u>2,681,355</u></u>

12. Right-of-use assets

Movements of the right-of-use assets account during the three-month period ended 31 March 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020	-	-
Reclassification from property, plant and equipment	138,185	19,077
Adjustments of right-of-use assets due to TFRS 16 adoption	30,956	-
Acquisition during period at cost	12,987	-
Disposals during period - net book value at disposal date	(351)	-
Depreciation for period	(20,626)	(1,123)
Net book value as at 31 March 2020	<u>161,151</u>	<u>17,954</u>

13. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Trade payables - related parties	156,906	158,630	406,708	336,789
Other payables - related parties	6,491	16,661	16,606	30,427
Total trade and other payables - related parties (Note 5)	<u>163,397</u>	<u>175,291</u>	<u>423,314</u>	<u>367,216</u>
Trade payables - unrelated parties	1,368,264	1,308,743	622,656	533,896
Other payables - unrelated parties	268,113	329,212	111,679	141,963
Unearned revenue	7,944	10,296	7,944	10,192
Total trade and other payables - unrelated parties	<u>1,644,321</u>	<u>1,648,251</u>	<u>742,279</u>	<u>686,051</u>
Total trade and other payables	<u>1,807,718</u>	<u>1,823,542</u>	<u>1,165,593</u>	<u>1,053,267</u>

(Unaudited but reviewed)

14. Liabilities under lease agreements/finance lease agreements

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Liabilities under lease agreements	122,906	93,888	19,118	20,161
Less: Deferred interest expenses	(5,734)	(3,787)	(1,531)	(1,696)
Net	117,172	90,101	17,587	18,465
Less: Portion due within one year	(41,908)	(35,455)	(3,593)	(3,560)
Liabilities under lease agreements - net of current portion	<u>75,264</u>	<u>54,646</u>	<u>13,994</u>	<u>14,905</u>

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 periods ended 31 March 2020 and 2019 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Interim corporate income tax charge	164,059	143,692	86,348	80,542
Deferred tax:				
Relating to origination and reversal of temporary differences	11,023	(2,624)	3,513	(3,123)
Income tax expense reported in the statements of comprehensive income	<u>175,082</u>	<u>141,068</u>	<u>89,861</u>	<u>77,419</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 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax relating to				
Change in value of investments	64,179	(14,080)	50,801	(9,090)
Actuarial gain	(115)	(26)	(117)	(26)
Total	<u>64,064</u>	<u>(14,106)</u>	<u>50,684</u>	<u>(9,116)</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. Segment information

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

The following tables present revenue and profit information regarding the Group' operating segments for the three-month periods ended 31 March 2020 and 2019, 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	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Sales to external customers																
Thailand	2,263,851	2,006,267	1,792,911	1,802,156	305,218	325,259	195,854	166,156	68,953	77,279	45,586	45,775	-	-	4,672,373	4,422,892
Others	992,254	980,707	-	-	617	872	13,694	13,754	232,615	199,252	-	-	-	-	1,239,180	1,194,585
Inter-segment	36,830	28,033	3	4	502,662	422,857	81,439	78,195	476	-	252,795	241,752	(874,205)	(770,841)	-	-
Total sales	3,292,935	3,015,007	1,792,914	1,802,160	808,497	748,988	290,987	258,105	302,044	276,531	298,381	287,527	(874,205)	(770,841)	5,911,553	5,617,477
Less: Cost of sales	(2,401,962)	(2,177,966)	(937,725)	(1,005,124)	(629,839)	(616,761)	(231,862)	(208,731)	(192,080)	(179,808)	(236,114)	(240,727)	876,958	775,584	(3,752,624)	(3,653,533)
Segment gross profit	890,973	837,041	855,189	797,036	178,658	132,227	59,125	49,374	109,964	96,723	62,267	46,800	2,753	4,743	2,158,929	1,963,944
Interest income															70,903	53,608
Dividend income															20,478	25,341
Other income															67,497	38,885
Selling and distribution expenses															(443,253)	(414,746)
Administrative expenses															(467,283)	(493,235)
Share of profit from investments in associates and joint venture															76,542	66,513
Finance cost															(2,425)	(2,923)
Profit before income tax															1,481,388	1,237,387
Income tax															(175,082)	(141,068)
Profit for the period															1,306,306	1,096,319
Non-controlling interest of the subsidiaries															(300,457)	(230,663)
Profit for equity holders of the Company															1,005,849	865,656

18. Commitments and contingent liabilities

18.1 Capital commitments

As at 31 March 2020, subsidiary companies had capital commitments in respect of procurement agreements for production equipment of approximately Baht 3.9 million and AUD 0.03 million, totaling approximately Baht 4.4 million (31 December 2019: Baht 5.3 million and AUD 0.03 million, totaling approximately Baht 5.9 million), office building construction agreements of approximately Baht 80.2 million (31 December 2019: Baht 79.5 million) and factory building agreements of approximately Baht 27 million (31 December 2019: Baht 39 million).

18.2 Lease of the low-value assets and other service commitments

The Company, its subsidiaries and the joint venture have entered into several long-term contracts in respect of the lease of the low-value assets and related services. The terms of the agreements are generally between 1 and 5 years.

Future lease and service fees payables under these lease and service contracts were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Payable within:				
Less than 1 year	29	24	18	2
1 to 5 years	5	11	-	-
	<u>34</u>	<u>35</u>	<u>18</u>	<u>2</u>

18.3 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 is to pay an annual license fee as stipulated in the agreement. The license fees for the three-month periods ended 31 March 2020 amounted to approximately Baht 0.4 million (2019: Baht 0.6 million).

18.4 Long-term purchase commitments

A subsidiary company has commitments under natural gas purchase agreement for periods of 3 - 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	3	30 November 2020	72,007 per annum
2	5	31 December 2023	317 per day
3	7	30 November 2020	23,385 per annum

18.5 Guarantees

As at 31 March 2020, there were outstanding bank guarantees of approximately Baht 125 million (31 December 2019: Baht 143 million), issued by banks on behalf of the Group and separate financial statements Baht 58 million (31 December 2019: Baht 58 million) in respect of certain performance bonds as required in the normal course of business of the Group. These included letters of guarantee as follows:

<u>Type of guarantee</u>	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Payment due to creditors	31	31	-	-
Custom duty	1	1	1	1
Retroactive tax assessment	93	111	57	57
	<u>125</u>	<u>143</u>	<u>58</u>	<u>58</u>

Moreover, a subsidiary pledged a fixed deposit of Baht 36.3 million (31 December 2019: Baht 36.3 million) with the Revenue Department as a guarantee for a retroactive tax assessment against the subsidiary. During the current period, the Court of Appeal for Specialised Cases affirmed the judgment of the Court of First Instance. The case is currently under consideration of the Supreme Court.

18.6 Litigation

In March 2020, the subsidiary was sued by the Department of Empowerment of Persons with Disabilities seeking to have the subsidiary pay to the fund for Empowerment of Persons with Disabilities, including interest in total amount of Baht 7.7 million. Currently, the case is in the process of appointment for negotiation.

19. Foreign currency risk

The Group's 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 Group as at 31 March 2020 are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements		Average exchange rate as at 31 March 2020 (Baht per 1 foreign currency unit)
	Financial assets (Thousand)	Financial liabilities (Thousand)	Financial assets (Thousand)	Financial liabilities (Thousand)	
US dollar	9,615	3,086	9,600	971	32.6278
Euro	492	89	492	3	35.9064
Japanese Yen	429	61,270	429	58,831	0.3006
Ringgit	355	-	355	-	7.5618
Australian dollar	-	29	-	-	20.1324

The Group's foreign exchange contracts outstanding at 31 March 2020 are summarised below.

Consolidated financial statements					
Foreign currency	Sold amount (Thousand)	Bought amount (Thousand)	Maturity date	Forward exchange rate (Baht per 1 foreign currency unit)	
				Sold amount	Bought amount
US dollar	6,222	3,500	1 April - 4 September 2020	30.6021 - 32.7614	30.9200 - 31.7000
Japanese Yen	-	400,000	10 September - 28 December 2020	-	0.3004 - 0.3093
Euro	-	570	14 September 2020	-	35.7600 - 36.1750
Pound sterling	-	400	17 July 2020	-	35.5850

(Unaudited but reviewed)

Separate financial statements					
Foreign currency	Sold amount (Thousand)	Bought amount (Thousand)	Maturity date	Forward exchange rate	
				Sold amount	Bought amount
(Baht per 1 foreign currency unit)					
US dollar	6,222	-	1 April - 8 June 2020	30.6021 - 32.7614	-
Japanese Yen	-	400,000	10 September - 28 December 2020	-	0.3004 - 0.3093
Euro	-	570	14 September 2020	-	35.7600 - 36.1750

20. Fair value of financial instruments

As of 31 March 2020, the Group had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investment in marketable equity instruments	531,900	-	-	531,900
Investment in equity instruments of non-listed companies	-	-	883,716	883,716
Investment in foreign equity instrument	-	28,744	-	28,744
Investment in debt instruments	-	5,700,473	-	5,700,473
Investment in mutual fund and unit trust	-	1,004,966	-	1,004,966
Investment in preferred shares	-	-	114,438	114,438

	(Unit: Thousand Baht)			
	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investment in marketable equity instruments	476,918	-	-	476,918
Investment in equity instruments of non-listed companies	-	-	739,945	739,945
Investment in foreign equity instrument	-	28,744	-	28,744
Investment in debt instruments	-	3,253,820	-	3,253,820
Investment in mutual fund and unit trust	-	475,852	-	475,852

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

21. Events after the reporting period

The Company

On 10 April 2020, the Board of Directors Meeting of the Company passed a resolution to approve the payment of interim dividends on the profit for the last six-months of year 2019 at Baht 2.20 per share or equivalent to Baht 725.35 million. The dividend paid to the shareholders on 8 May 2020.

The subsidiary

On 8 April 2020, the Board of Directors Meeting of President Bakery Public Company Limited (a subsidiary) passed a resolution to approve the payment of interim dividends on the profit for the last six months of year 2019 to the shareholders at Baht 1.09 per share or equivalent to Baht 490.50 million. The subsidiary paid such dividend on 7 May 2020.

22. Approval of interim financial statements

These interim financial statements were authorised for issue by the authorised directors of the Company on 14 May 2020.