

President Rice Products Public Company Limited
Report and interim financial statements
For the three-month and six-month periods ended 30 June 2017

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of President Rice Products Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of President Rice Products Public Company Limited as at 30 June 2017, the related statements of comprehensive income, in which the equity method is applied, for the three-month and six-month periods ended 30 June 2017, and the related statements of changes in shareholders' equity and cash flows, in which the equity method is applied, for the six-month period ended 30 June 2017, as well as the condensed notes to the financial statements. I have also reviewed the separate financial information of President Rice Products 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: 11 August 2017

President Rice Products Public Company Limited

Statement of financial position

As at 30 June 2017

(Unit: Thousand Baht)

	Note	Financial statements in which			
		the equity method is applied		Separate financial statements	
		30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		8,513	15,341	8,513	15,341
Current investments	2	642,033	603,400	642,033	603,400
Trade accounts receivable	3, 5	217,130	206,589	217,130	206,589
Short-term loan to associated company	5	1,000	1,000	1,000	1,000
Inventories	4	130,372	92,976	130,372	92,976
Other current assets		17,460	15,029	17,460	15,029
Total current assets		1,016,508	934,335	1,016,508	934,335
Non-current assets					
Investment in associated companies	6	2,388,184	2,304,396	446,670	446,670
Other long-term investments	7	97,255	86,566	97,255	86,566
Investment properties		9,200	9,200	9,200	9,200
Property, plant and equipment	8	806,307	829,933	806,307	829,933
Advances for construction and equipment		1,492	7,670	1,492	7,670
Intangible assets		12,920	13,761	12,920	13,761
Deferred tax assets		12,484	11,265	12,484	11,265
Other non-current assets		380	298	380	298
Total non-current assets		3,328,222	3,263,089	1,386,708	1,405,363
Total assets		4,344,730	4,197,424	2,403,216	2,339,698

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

President Rice Products Public Company Limited

Statement of financial position (continued)

As at 30 June 2017

(Unit: Thousand Baht)

	Note	Financial statements in which			
		the equity method is applied		Separate financial statements	
		30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	5, 9	151,149	117,016	151,149	117,016
Current portion of liabilities under finance lease agreements	5, 10	1,610	1,954	1,610	1,954
Income tax payable		9,319	8,608	9,319	8,608
Other current liabilities		8,531	9,522	8,531	9,522
Total current liabilities		170,609	137,100	170,609	137,100
Non-current liabilities					
Liabilities under finance lease agreements - net of current portion	5, 10	1,430	1,789	1,430	1,789
Provision for long-term employee benefits	11	77,791	71,430	77,791	71,430
Total non-current liabilities		79,221	73,219	79,221	73,219
Total liabilities		249,830	210,319	249,830	210,319
Shareholders' equity					
Share capital					
Registered					
149,704,014 ordinary shares of Baht 1 each		149,704	149,704	149,704	149,704
Issued and fully paid up					
149,704,014 ordinary shares of Baht 1 each		149,704	149,704	149,704	149,704
Share premium		427,715	427,715	427,715	427,715
Retained earnings					
Appropriated - statutory reserve		15,000	15,000	15,000	15,000
Unappropriated		3,505,505	3,398,064	1,560,069	1,535,980
Other components of shareholders' equity		(3,024)	(3,378)	898	980
Total shareholders' equity		4,094,900	3,987,105	2,153,386	2,129,379
Total liabilities and shareholders' equity		4,344,730	4,197,424	2,403,216	2,339,698

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

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Directors
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President Rice Products Public Company Limited
Statement of comprehensive income
For the three-month period ended 30 June 2017

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

	Note	Financial statements in which			
		the equity method is applied		Separate financial statements	
		2017	2016	2017	2016
Profit or loss:					
Revenues					
Sales	5, 14	364,043	346,294	364,043	346,294
Dividend income from associated company		-	-	153,624	140,118
Other income		5,525	5,580	5,525	5,580
Total revenues		369,568	351,874	523,192	491,992
Expenses					
Cost of sales	5	287,774	278,629	287,774	278,629
Selling expenses		7,805	10,688	7,805	10,688
Administrative expenses		40,759	37,426	40,759	37,426
Total expenses		336,338	326,743	336,338	326,743
Profit before share of profit from investments in associated companies, finance cost and income tax expenses					
Share of profit from investments in associated companies		118,119	123,780	-	-
Profit before finance cost and income tax expenses		151,349	148,911	186,854	165,249
Finance cost		(93)	(100)	(93)	(100)
Profit before income tax expenses		151,256	148,811	186,761	165,149
Income tax expenses	12	(4,461)	(4,562)	(4,461)	(4,562)
Profit for the period		146,795	144,249	182,300	160,587
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on change in value of available-for-sale investments		146	(850)	(267)	19
Less: Income tax effect		(29)	170	54	(4)
Other comprehensive income to be classified to profit or loss in subsequent periods - net of income tax		117	(680)	(213)	15
Other comprehensive income for the period		117	(680)	(213)	15
Total comprehensive income for the period		146,912	143,569	182,087	160,602
Basic earnings per share					
Profit for the period (Baht)	13	0.98	0.96	1.22	1.07
Weighted average number of ordinary shares (Thousand shares)		149,704	149,704	149,704	149,704

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

President Rice Products Public Company Limited
Statement of comprehensive income
For the six-month period ended 30 June 2017

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

	Note	Financial statements in which			
		the equity method is applied		Separate financial statements	
		2017	2016	2017	2016
Profit or loss:					
Revenues					
Sales	5, 14	708,232	646,558	708,232	646,558
Dividend income from associated company	5, 6.2	-	-	153,624	140,118
Other income		10,509	9,963	10,509	9,963
Total revenues		718,741	656,521	872,365	796,639
Expenses					
Cost of sales	5	557,698	522,206	557,698	522,206
Selling expenses		16,111	17,312	16,111	17,312
Administrative expenses		83,462	76,901	83,462	76,901
Total expenses		657,271	616,419	657,271	616,419
Profit before share of profit from investments in associated companies, finance cost and income tax expenses					
		61,470	40,102	215,094	180,220
Share of profit from investments in associated companies	6.2	236,976	245,668	-	-
Profit before finance cost and income tax expenses					
		298,446	285,770	215,094	180,220
Finance cost		(184)	(211)	(184)	(211)
Profit before income tax expenses		298,262	285,559	214,910	180,009
Income tax expenses	12	(8,182)	(7,534)	(8,182)	(7,534)
Profit for the period		290,080	278,025	206,728	172,475
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) \on change in value of available-for-sale investments	7	442	5,719	(103)	1,798
Less: Income tax effect		(88)	(1,144)	21	(360)
Other comprehensive income to be classified to profit or loss in subsequent periods - net of income tax		354	4,575	(82)	1,438
Other comprehensive income for the period		354	4,575	(82)	1,438
Total comprehensive income for the period		290,434	282,600	206,646	173,913
Basic earnings per share					
Profit for the period (Baht)	13	1.94	1.86	1.38	1.15
Weighted average number of ordinary shares (Thousand shares)		149,704	149,704	149,704	149,704

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

President Rice Products Public Company Limited**Statement of cash flows****For the six-month period ended 30 June 2017**

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Profit before tax	298,262	285,559	214,910	180,009
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	48,492	45,556	48,492	45,556
Reversal of allowance for diminution in inventory value	(36)	(14)	(36)	(14)
(Gain) loss from disposal/write-off of equipment and intangible assets	(110)	77	(110)	77
Share of profit from investments in associated companies	(236,976)	(245,668)	-	-
Gain on sales of other long-term investments	(513)	(437)	(513)	(437)
Dividend income from other long-term investments	(495)	(354)	(495)	(354)
Dividend income from associated company	-	-	(153,624)	(140,118)
Provision for long-term employee benefits	6,361	5,986	6,361	5,986
Unrealised loss on exchange	103	175	103	175
Interest income	(5,849)	(6,117)	(5,849)	(6,117)
Interest expenses	84	125	84	125
Profit from operating activities before changes in operating assets and liabilities	109,323	84,888	109,323	84,888
Operating assets (increase) decrease				
Trade accounts receivable	(10,693)	(2,933)	(10,693)	(2,933)
Inventories	(37,360)	(44,997)	(37,360)	(44,997)
Other current assets	(3,352)	4,406	(3,352)	4,406
Other non-current assets	(82)	52	(82)	52
Operating liabilities increase (decrease)				
Trade and other payables	33,390	36,987	33,390	36,987
Other current liabilities	(1,166)	(4,805)	(1,166)	(4,805)
Cash from operating activities	90,060	73,598	90,060	73,598
Cash paid for interest expenses	(84)	(125)	(84)	(125)
Cash paid for income tax	(8,670)	(11,441)	(8,670)	(11,441)
Net cash from operating activities	81,306	62,032	81,306	62,032

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

President Rice Products Public Company Limited
Statement of cash flows (continued)
For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from investing activities				
Increase in current investments	(613,645)	(457,286)	(613,645)	(457,286)
Decrease in current investments	575,014	442,799	575,014	442,799
Increase in other long-term investments	(46,708)	(56,451)	(46,708)	(56,451)
Decrease in other long-term investments	36,428	67,539	36,428	67,539
Increase in short-term loan to associated company	(1,000)	(1,000)	(1,000)	(1,000)
Decrease in short-term loan to associated company	1,000	1,000	1,000	1,000
Dividend income from other long-term investments	495	365	495	365
Dividend received from associated company	153,624	140,118	153,624	140,118
Proceeds from disposal of equipment	282	3	282	3
Cash paid for acquisitions of plant, equipment and intangible assets	(23,405)	(29,506)	(23,405)	(29,506)
Decrease in advances for construction and purchases of equipment	6,178	3,000	6,178	3,000
Interest income	6,770	6,968	6,770	6,968
Net cash from investing activities	<u>95,033</u>	<u>117,549</u>	<u>95,033</u>	<u>117,549</u>
Cash flows from financing activities				
Dividend paid	(182,464)	(164,438)	(182,464)	(164,438)
Repayment of liabilities under finance lease agreements	(703)	(662)	(703)	(662)
Net cash used in financing activities	<u>(183,167)</u>	<u>(165,100)</u>	<u>(183,167)</u>	<u>(165,100)</u>
Net increase (decrease) in cash and cash equivalents	<u>(6,828)</u>	<u>14,481</u>	<u>(6,828)</u>	<u>14,481</u>
Cash and cash equivalents at beginning of the period	<u>15,341</u>	<u>25,122</u>	<u>15,341</u>	<u>25,122</u>
Cash and cash equivalents at end of the period	<u>8,513</u>	<u>39,603</u>	<u>8,513</u>	<u>39,603</u>
Supplementary disclosures of cash flows information				
Non-cash transactions from investing activities				
Increase (decrease) in payables for construction and purchases of equipment	792	(1,390)	792	(1,390)
Non-cash transactions from financing activities				
Increase in dividend payable	175	236	175	236

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

(Unaudited but reviewed)

President Rice Products Public Company Limited**Statement of changes in shareholders' equity****For the six-month period ended 30 June 2017**

(Unit: Thousand Baht)

		Financial statements in which the equity method is applied							
				Retained earnings		Other components of shareholders' equity			
						Deficit from	Other comprehensive income	Total other	
						change in	Surplus (deficit)	components of	
						interests in	on changes	shareholders'	
						associated	in value of	equity	Total
						company	available-for-sale		
Note	Issued and paid up share capital	Share premium	Appropriated - statutory reserve	Unappropriated			investments		
	Balance as at 1 January 2016	149,704	427,715	15,000	3,066,098	(6,966)	(1,443)	(8,409)	3,650,108
	Profit for the period	-	-	-	278,025	-	-	-	278,025
	Other comprehensive income for the period	-	-	-	-	-	4,575	4,575	4,575
	Total comprehensive income for the period	-	-	-	278,025	-	4,575	4,575	282,600
	Dividend paid	15	-	-	(164,674)	-	-	-	(164,674)
	Balance as at 30 June 2016	<u>149,704</u>	<u>427,715</u>	<u>15,000</u>	<u>3,179,449</u>	<u>(6,966)</u>	<u>3,132</u>	<u>(3,834)</u>	<u>3,768,034</u>
	Balance as at 1 January 2017	149,704	427,715	15,000	3,398,064	(6,965)	3,587	(3,378)	3,987,105
	Profit for the period	-	-	-	290,080	-	-	-	290,080
	Other comprehensive income for the period	-	-	-	-	-	354	354	354
	Total comprehensive income for the period	-	-	-	290,080	-	354	354	290,434
	Dividend paid	15	-	-	(182,639)	-	-	-	(182,639)
	Balance as at 30 June 2017	<u>149,704</u>	<u>427,715</u>	<u>15,000</u>	<u>3,505,505</u>	<u>(6,965)</u>	<u>3,941</u>	<u>(3,024)</u>	<u>4,094,900</u>

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

(Unaudited but reviewed)

President Rice Products Public Company Limited
Statement of changes in shareholders' equity (continued)
For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

		Separate financial statements						
				Retained earnings		Other components of shareholders' equity		
						Other comprehensive income		
						Surplus (deficit) on changes in value of available-for-sale investments		Total other components of shareholders' equity
								Total
Note	Issued and paid up share capital	Share premium	Appropriated - statutory reserve	Unappropriated				
	Balance as at 1 January 2016	149,704	427,715	15,000	1,485,023	343	343	2,077,785
	Profit for the period	-	-	-	172,475	-	-	172,475
	Other comprehensive income for the period	-	-	-	-	1,438	1,438	1,438
	Total comprehensive income for the period	-	-	-	172,475	1,438	1,438	173,913
	Dividend paid 15	-	-	-	(164,674)	-	-	(164,674)
	Balance as at 30 June 2016	<u>149,704</u>	<u>427,715</u>	<u>15,000</u>	<u>1,492,824</u>	<u>1,781</u>	<u>1,781</u>	<u>2,087,024</u>
	Balance as at 1 January 2017	149,704	427,715	15,000	1,535,980	980	980	2,129,379
	Profit for the period	-	-	-	206,728	-	-	206,728
	Other comprehensive income for the period	-	-	-	-	(82)	(82)	(82)
	Total comprehensive income for the period	-	-	-	206,728	(82)	(82)	206,646
	Dividend paid 15	-	-	-	(182,639)	-	-	(182,639)
	Balance as at 30 June 2017	<u>149,704</u>	<u>427,715</u>	<u>15,000</u>	<u>1,560,069</u>	<u>898</u>	<u>898</u>	<u>2,153,386</u>

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

President Rice Products Public Company Limited

Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2017

1. General information

1.1 Corporate information

President Rice Products Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company’s major shareholder is Saha Pathana Inter-Holding Public Company Limited, which is a public company incorporated in Thailand. The Company is principally engaged in the manufacture and sales of semi-instant foods both in local and overseas markets. Its registered address and head office is at 304, Srinakarin Road, Huamark, Bangkok, and 2 factories located in upcountry.

On 8 June 2017, Saha Pathana Inter-Holding Public Company Limited completed the entire business transfer (“EBT”) of President Holding Co., Ltd., which was the former major shareholder of the Company, (including ordinary shares of the Company held by President Holding Co., Ltd.). Saha Pathana Inter-Holding Public Company Limited therefore become the major shareholder of the Company.

1.2 Amalgamation

On 25 April 2017, the Annual General Meeting of the Company's shareholders No. 1/2017 passed a resolution regarding the following:

- a) Approved an amalgamation between the Company and Thai President Foods Public Company Limited through the allocation of the merged company’s shares to the shareholders in accordance with the ratio and method proposed.
- b) Approved the transfer of the Company’s investment promotion certificates to the new company arising from amalgamation.

As at 30 June 2017, the Company is in process of amalgamation.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) 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 interim financial statements.

1.4 New financial reporting standards

During the period, the Company has adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

1.5 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 2016.

2. Current investments

	(Unit: Thousand Baht)	
	30 June	31 December
	2017	2016
Fixed deposit	384,000	521,000
Certificate of deposit from financial institutions	245,000	61,000
Current investments - in private fund (Note 7)	13,033	21,400
Total current investments	<u>642,033</u>	<u>603,400</u>

As at 30 June 2017, fixed deposit and certificate of deposit from financial institutions carried interests between 1.40 and 1.75 percent per annum (31 December 2016: 1.35 and 2.25 percent per annum).

3. Trade accounts receivable

The balances of trade accounts receivable as at 30 June 2017 and 31 December 2016, aged on the basis of due date, are summarised below.

	(Unit: Thousand Baht)	
	30 June 2017	31 December 2016
	<u> </u>	<u> </u>
Age on the basis of due dates		
<u>Related parties (Note 5)</u>		
Not yet due	119,661	115,194
Past due - Less than 3 months	<u>6,945</u>	<u>9,556</u>
Trade accounts receivable - related parties	<u>126,606</u>	<u>124,750</u>
<u>Unrelated parties</u>		
Not yet due	50,459	56,994
Past due		
- Less than 3 months	37,020	20,439
- 3 - 6 months	3,041	-
- 6 - 12 months	<u>4</u>	<u>4,406</u>
Trade accounts receivable - unrelated parties	<u>90,524</u>	<u>81,839</u>
Total trade accounts receivable	<u><u>217,130</u></u>	<u><u>206,589</u></u>

4. Reduction of inventories to net realisable value

Movements in the reduction of inventories to net realisable value during the six-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)
Balance as at 31 December 2016	61
Less: Reversal of allowance for diminution in inventory value during the period	<u>(36)</u>
Balance as at 30 June 2017	<u><u>25</u></u>

5. Related party transactions

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

	(Unit: Thousand Baht)				Pricing policy
	For the three-month periods ended 30 June		For the six-month periods ended 30 June		
	2017	2016	2017	2016	
<u>Transaction with associated companies</u>					
Purchases of goods and raw materials	3,882	4,117	8,820	7,856	Price is agreed periodically, with reference to purchase volume or market price
Other expenses	76	85	181	152	Agreed price
Dividend income	153,624	140,118	153,624	140,118	At the declared rate
Interest income	15	15	30	30	Contractual interest rate
<u>Transaction with related companies</u>					
Sales of goods	208,434	180,576	419,460	355,332	Mostly agreed price with agreed margin
Purchases of goods and raw materials	79,621	76,709	174,794	153,675	Price is agreed periodically, with reference to purchase volume or market price
Other expenses	4,930	2,363	7,160	4,130	Price as stipulated in the agreement and agreed price

(Unaudited but reviewed)

As at 30 June 2017 and 31 December 2016, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	30 June 2017	31 December 2016
<u>Trade accounts receivable - related parties (Note 3)</u>		
Related companies (hold the Company's shares and/or have common shareholders and directors)	126,606	124,750
Total trade accounts receivable - related parties	126,606	124,750
<u>Trade and other payables - related parties (Note 9)</u>		
Associated company	999	1,905
Related companies (hold the Company's shares and/or have common shareholders and directors)	50,060	50,332
Total trade and other payables - related parties	51,059	52,237
<u>Liabilities under finance lease agreements - related party (Note 10)</u>		
Major shareholder (hold the Company's shares and has common shareholders)	3,040	3,743
Total liabilities under finance lease agreements - related party	3,040	3,743

Loans to related party - Associated company

As at 30 June 2017 and 31 December 2016, the balance of loans between the Company and an associated company and the movement are as follows:

	(Unit: Thousand Baht)			
Company's name	Balance as at 31 December 2016	Increase during the period	Decrease during the period	Balance as at 30 June 2017
Thai Instant Products Co., Ltd.	1,000	1,000	(1,000)	1,000
Total	1,000	1,000	(1,000)	1,000

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2017 and 2016, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	Short-term employee benefits	7.2	7.0	14.4
Post-employment benefits and other long-term benefits	0.3	0.3	0.6	0.6
Total	7.5	7.3	15.0	14.4

6. Investments in associated companies**6.1 Details of investments in associated companies**

(Unit: Thousand Baht)

Company's name	Type of business	Country of incorporation	Paid-up capital	Investment					
				Shareholding percentage		Financial statements in which the equity method is applied		Separate financial statements	
				30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016
				(%)	(%)				
President Bakery Public Co., Ltd.	Manufacturing and sales of bakery products	Thailand	450,000	37.515	37.515	2,373,650	2,289,087	425,170	425,170
Thai Instant Products Co., Ltd.	Manufacturing and sales of products from rice, tapioca, corn and other agriculture crops	Thailand	240,000	25	25	14,534	15,309	21,500	21,500
Total						2,388,184	2,304,396	446,670	446,670

6.2 Share of comprehensive income

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied		Separate financial statements	
	Share of profit (loss) from investments in associated companies for the six-month periods ended 30 June		Dividend received for the six-month periods ended 30 June	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
President Bakery Public Co., Ltd.	237,751	246,461	153,624	140,118
Thai Instant Products Co., Ltd.	(775)	(793)	-	-
Total	236,976	245,668	153,624	140,118

6.3 Fair value of investments

As at 30 June 2017, the fair value of investment in an associated company that is a listed company on the Stock Exchange of Thailand, calculated based on the closing price of the shares as quoted on the Stock Exchange of Thailand and in proportion to the Company's shareholding, was approximately Baht 10,804 million (31 December 2016: Baht 10,804 million).

7. Other long-term investments

	30 June 2017		31 December 2016	
	Cost/ Carrying value	Fair value	Cost/ Carrying value	Fair value
(Unit: Thousand Baht)				
Other long-term investments				
Investment in debt security held to maturity				
BOT bond No. 1/2 years/2015 due A.D. 2017	-	-	4,800	4,800
Government bond FY. B.E.2550 due A.D. 2019	4,800	4,800	-	-
	<u>4,800</u>	<u>4,800</u>	<u>4,800</u>	<u>4,800</u>
Investments in private fund				
Fixed deposits				
12-month fixed deposits	7,500	7,500	12,500	12,500
14-month fixed deposits	2,500	2,500	-	-
	<u>10,000</u>	<u>10,000</u>	<u>12,500</u>	<u>12,500</u>
Available-for-sale investments				
Government bond	2,280	2,292	555	575
Bank bond	3,005	3,005	4,786	4,786
Local corporate bond	60,808	61,411	55,629	56,017
Units of investments in local open-end fund	17,104	17,168	17,193	17,444
Local marketable equity securities	11,169	11,612	11,278	11,844
	<u>94,366</u>	<u>95,488</u>	<u>89,441</u>	<u>90,666</u>
Add: Revaluation surplus on changes in value of investments	1,122	-	1,225	-
	<u>95,488</u>	<u>95,488</u>	<u>90,666</u>	<u>90,666</u>
Total	105,488	105,488	103,166	103,166
Less: Classified as current investments (Note 2)	(13,033)	(13,033)	(21,400)	(21,400)
Other long-term investments in private fund	<u>92,455</u>	<u>92,455</u>	<u>81,766</u>	<u>81,766</u>
Total other long-term investments - net	<u>97,255</u>	<u>97,255</u>	<u>86,566</u>	<u>86,566</u>

(Unaudited but reviewed)

The amounts of surplus (deficit) on changes in value of available-for-sale investments in the statements of changes in shareholders' equity are summarised as follows:

	(Unit: Thousand Baht)	
	30 June	31 December
	2017	2016
Surplus on changes in value of available-for-sale investments	1,122	1,225
Less: Deferred tax effect	(224)	(245)
Surplus on changes in value of available-for-sale investments in the separate financial statements	898	980
Surplus on changes in value of available-for-sale investments - portion of the associated company	3,043	2,607
Surplus on changes in value of available-for-sale investments in the financial statements in which the equity method is applied	<u>3,941</u>	<u>3,587</u>

As at 30 June 2017 and 31 December 2016, the Company had pledged investment in debt security held to maturity to guarantee the electricity use as required in the normal course of the Company's business.

In 2014, the Company had set up a private fund managed by asset management companies for managing its investments. During the period, such asset management companies invested in fixed deposits at financial institutions, common stocks of companies listed on the Stock Exchange of Thailand, open-end fund of an asset management company, Bank of Thailand bonds and corporate bonds. These investments are classified as available-for-sale investments. During the period, the Company recognised return on such investments of Baht 1.69 million (2016: Baht 0.75 million) in profit or loss.

As at 30 June 2017, the Company had assessed the fair value of available-for-sale securities by referring to the value quoted by the asset management companies in which the fair value had decreased by approximately Baht 0.10 million (2016: increase of Baht 1.78 million). The change in the fair value of such securities is shown as other comprehensive income in the statement of comprehensive income.

8. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 31 December 2016	829,933
Acquisitions during the period - at cost	23,231
Disposal during the period - net book value at disposal date	(172)
Depreciation for the period	<u>(46,685)</u>
Net book value as at 30 June 2017	<u><u>806,307</u></u>

9. Trade and other payables

	(Unit: Thousand Baht)	
	30 June 2017	31 December 2016
Related parties (Note 5)		
Trade payables	47,854	48,767
Other payables	<u>3,205</u>	<u>3,470</u>
	51,059	52,237
Unrelated parties		
Trade payables	49,121	35,039
Other payables	14,553	10,624
Payables for purchases of assets	4,121	3,329
Accrued expenses	<u>32,295</u>	<u>15,787</u>
Total trade and other payables	<u><u>151,149</u></u>	<u><u>117,016</u></u>

(Unaudited but reviewed)

10. Liabilities under finance lease agreements

(Unit: Thousand Baht)

	30 June 2017	31 December 2016
Liabilities under finance lease agreements		
- related party (Note 5)		
Liabilities under finance lease agreements	3,183	3,959
Less: Deferred interest expenses	(143)	(216)
Net	3,040	3,743
Less: Portion due within one year	(1,610)	(1,954)
Liabilities under finance lease agreements - related party		
- net of current portion	<u>1,430</u>	<u>1,789</u>

During the year 2013 and 2015, the Company had entered into the finance lease agreements with a leasing company for lease of motor vehicles for use in operations, whereby it was committed to pay rental on a monthly basis. The terms of the agreements are generally 4 years. Finance lease agreements are non-cancellable.

11. Provision for long-term employee benefits

Movements in provision for long-term employee benefits are shown as follows:

(Unit: Thousand Baht)

	Provision for employee retirement benefits	Other long-term employee benefits	Total
Defined benefit obligation as at			
31 December 2016	60,998	10,432	71,430
Current service cost	3,786	1,722	5,508
Interest cost	724	129	853
Defined benefit obligation as at			
30 June 2017	<u>65,508</u>	<u>12,283</u>	<u>77,791</u>

Long-term employee benefit expenses included in the profit or loss for the three-month and six-month periods ended 30 June 2017 amounted to Baht 3.2 million and Baht 6.4 million, respectively (2016: Baht 3 million and Baht 6 million, respectively).

12. 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 2017 and 2016 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Interim corporate income tax charge	5,039	5,153	9,381	8,747
Deferred tax:				
Relating to origination and reversal of temporary differences	(578)	(591)	(1,199)	(1,213)
Income tax expenses reported in profit or loss	<u>4,461</u>	<u>4,562</u>	<u>8,182</u>	<u>7,534</u>

13. Earnings per share

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

14. Operating segment information

The one reportable segment of the Company is manufacture and sales of semi-instant foods and the single geographical area of its operations is in Thailand. The distribution channels are both domestic and overseas markets, which could be summarised as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 June				For the six-month periods ended 30 June			
	2017		2016		2017		2016	
	(Million Baht)	(%)	(Million Baht)	(%)	(Million Baht)	(%)	(Million Baht)	(%)
Revenue from domestic sales	214	59	182	53	426	60	359	56
Revenue from export sales	150	41	164	47	282	40	287	44
Total revenue from sales	<u>364</u>	<u>100</u>	<u>346</u>	<u>100</u>	<u>708</u>	<u>100</u>	<u>646</u>	<u>100</u>

Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

The revenue from domestic sales for the three-month and six-month periods ended 30 June 2017 were from a main domestic customer, in amount of Baht 196 million and Baht 396 million or representing about 92% and 93% of total revenue from domestic sales for the periods, respectively (2016: Baht 170 million and Baht 334 million or representing about 93% and 93% of total revenue from domestic sales for the periods, respectively).

15. Dividends

Dividend payment for the six-month periods ended 30 June 2017 and 2016 consist of the following:

	Approved by	Total dividends	Dividend per share	Payment date
		(Thousand Baht)	(Baht)	
<u>Year 2017</u>				
Dividend for the second-half of 2016	Annual General Meeting of the shareholders No. 1/2017 on 25 April 2017	182,639	1.22	24 May 2017
<u>Year 2016</u>				
Dividend for the second-half of 2015	Annual General Meeting of the shareholders No. 1/2016 on 27 April 2016	164,674	1.10	26 May 2016

16. Commitments and contingent liabilities

As at 30 June 2017, the Company and its associated company had outstanding commitments and contingent liabilities as follows:

16.1 Capital commitments

The Company

The Company had total commitments of approximately Baht 1 million (31 December 2016: Baht 5.5 million) in respect of agreements for building improvement and assembly of machinery.

Associated company

As at 30 June 2017, the associated company had capital commitments in respect of procurement agreements for production machinery and equipment of approximately Baht 0.2 million and Yen 321.3 million, totaling approximately Baht 101.8 million (31 December 2016: Baht 16.1 million, Yen 342 million and GBP 0.1 million, totaling approximately Baht 128.9 million).

16.2 Operating lease commitments

The Company

The Company has entered into several lease agreements in respect of the office rental and related services agreements and trademark rental agreement the Company made with a related company, which the terms of the agreements are generally 3 years, and the residence rental and security service with lessors, which the terms of the agreements are generally between 1 month and 3 years.

Future minimum lease and related service payments required under these non-cancellable operating lease and service contracts were as follows:

	(Unit: Million Baht)	
	30 June 2017	31 December 2016
Payable:		
Less than 1 year	2.7	3.3
1 to 3 years	1.3	1.8

Associated company

The associated company and its joint venture have entered into several lease agreements in respect of the lease of land, office building space and related services. The terms of the agreements are generally between 1 and 15 years.

As at 30 June 2017, future minimum lease and related service payments under these non-cancellable operating lease contracts were as follows:

	(Unit: Million Baht)			
	Associated company		Associated company's joint venture	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
Payable:				
Less than 1 year	17.6	15.4	10.7	9.2
1 to 5 years	9.7	9.9	13.5	8.1
Over 5 years	0.1	0.3	-	-

16.3 Long-term service commitments

Associated company

The associated company entered into a consulting service agreement with an overseas company for consulting service in respect of the manufacture and marketing of products for a period of 1 year, commencing from 1 November 2015 to 31 October 2016. The agreement is automatically renewed for every 1 year. The associated company is committed to pay service fee on the basis and at the rate as stipulated under the agreement. The service fees for the three-month and six-month periods ended 30 June 2017 amounted to approximately Baht 0.1 million and Baht 0.3 million, respectively (2016: Baht 0.1 million and Baht 0.3 million, respectively).

Moreover, the associated company's joint venture 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, its joint venture is to pay an annual license fee as stipulated in the agreement. The license fees for the three-month and six-month periods ended 30 June 2017 amounted to approximately Baht 0.6 million and Baht 1.1 million, respectively (2016: Baht 0.6 million and Baht 1.2 million, respectively).

16.4 Long-term purchase commitments

Associated company

The associated company has commitments under natural gas purchase agreement for periods of 5 - 7 years. Under the agreement, the associated company is committed to purchase natural gas at a minimum quantity at the price stipulated in the agreement.

No.	Period (Years)	Expiry date	Average minimum purchase quantity (Million BTU)
1	7	30 November 2017	39,273 per annum
2	5	31 December 2018	223 per day
3	7	30 November 2020	23,385 per annum

16.5 Guarantees

The Company

As at 30 June 2017, the Company had commitment to pay a guarantee fee to the local branch of a foreign bank for bank guarantee issued by bank to guarantee an AEO class importer and exporter in the amount of Baht 1 million (31 December 2016: Baht 1 million).

Associated company

As at 30 June 2017, the associated company had outstanding bank guarantees of approximately Baht 27.3 million issued by the banks on behalf of the associated company in respect of certain performance bonds as required in the normal course of the associated company's business. These included letters of guarantee amounting to 23.3 million to guarantee electricity use, Baht 4.0 million to guarantee contractual performance under the natural gas purchase agreement.

Moreover, the associated company had pledged its fixed deposit of Baht 36.3 million as a guarantee of retroactive tax assessment of the associated company.

16.6 Litigation

Associated company

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

Currently, petitions for the Court of First Instance to consider civil cases are in the process of being filed and in some case is waiting for appeal. Settlements have been negotiated for some of the cases. In which compensation being paid by the insurance company. As at 30 June 2017, total claims had decreased to be Baht 9 million.

The associated company has partial insurance coverage for the losses arising from these claims and the management of the associated company believes that it will not suffer any material losses as a result of this litigation. Therefore, the associated company has not set aside provision for the contingent liabilities in the accounts.

- b) In 2016, the associated company was being sued from Department of Empowerment of Persons with Disabilities for funding to the fund for Empowerment of Persons with Disabilities of Baht 21.6 million. Currently, the case is in the process of consideration by the Civil Court. The management of the associated company has assessed and believes that it will not suffer any material losses; therefore no provision for contingent liabilities is set aside.

17. Assets and liabilities denominated in foreign currencies

As at 30 June 2017, there were financial assets and liabilities denominated in foreign currencies as follows:

Foreign currency	Financial assets (Thousand)	Financial liabilities (Thousand)	Average exchange rate as at 30 June 2017	
			Buying	Selling
			(Baht per 1 foreign currency unit)	
US dollar	1,090	269	33.7340	34.1483
Singapore dollar	124	-	24.3151	-
Japanese Yen	-	5,158	-	0.307136
Canada dollar	-	1	-	26.4046
Euro	-	1	-	39.2127

As at 30 June 2017, the Company had no outstanding forward exchange contracts.

18. Fair value of financial instruments

As of 30 June 2017, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied and separate financial statements		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Equity instruments	11,612	10,181	21,793
Debt instruments	-	73,695	73,695

Valuation techniques and inputs to Level 2 valuation

The fair value of investments in debt instruments has been determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.

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

19. Approval of financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 August 2017.