

Tipco Foods Public Company Limited and its subsidiaries
Report and interim consolidated financial statements
For the three-month period ended 31 March 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Tipco Foods Public Company Limited

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

Scope of review

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

Conclusion

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

Emphasis of matter

I draw attention to Note 6 to the interim financial statements relating to the transfer of the processed fruit segment to a subsidiary in 2017. My conclusion is not qualified in respect of this matter.

Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 14 May 2018

Tipco Foods Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2018

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2018</u> (Unaudited but reviewed)	<u>31 December 2017</u> (Audited)	<u>31 March 2018</u> (Unaudited but reviewed)	<u>31 December 2017</u> (Audited)
Assets					
Current assets					
Cash and cash equivalents		99,965	199,464	31,687	64,661
Current investment		4,928	4,907	-	-
Trade and other receivables	3, 4	462,755	573,738	43,850	39,580
Short-term loans to related party	4	-	-	52,000	8,000
Inventories	5	1,127,922	915,877	45,814	50,202
Biological assets		1,047	2,953	-	-
Advanced payments		25,779	10,851	6,176	4,150
Other current assets		87,938	73,437	20,819	36,798
Total current assets		<u>1,810,334</u>	<u>1,781,227</u>	<u>200,346</u>	<u>203,391</u>
Non-current assets					
Investments in subsidiaries	6	-	-	1,615,337	1,615,337
Investment in associate	7	3,030,079	3,030,378	644,930	644,930
Investment property- Land awaiting sale		7,270	7,270	7,270	7,270
Property, plant and equipment	8	2,050,781	1,970,631	451,382	367,072
Intangible assets		68,411	72,458	32,742	33,547
Deferred tax assets - net	12	52,110	56,798	12,099	13,677
Other non-current assets		38,710	19,667	24,350	4,283
Total non-current assets		<u>5,247,361</u>	<u>5,157,202</u>	<u>2,788,110</u>	<u>2,686,116</u>
Total assets		<u>7,057,695</u>	<u>6,938,429</u>	<u>2,988,456</u>	<u>2,889,507</u>

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

Tipco Foods Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2018

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2018</u>	<u>31 December 2017</u>	<u>31 March 2018</u>	<u>31 December 2017</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions		760,504	720,845	110,000	140,000
Trade and other payables	4, 9	750,159	805,381	47,456	102,650
Current portion of long-term loans from financial institutions	10	212,500	197,500	101,200	86,200
Income tax payable		8,986	3,961	-	-
Other current liabilities		66,653	43,572	11,015	4,254
Total current liabilities		<u>1,798,802</u>	<u>1,771,259</u>	<u>269,671</u>	<u>333,104</u>
Non-current liabilities					
Long-term loans from financial institutions - net of current portion	10	819,809	709,450	625,629	487,445
Provision for dismantling cost		1,655	1,255	-	-
Provision for long-term employee benefits		85,940	85,849	21,945	23,174
Total non-current liabilities		<u>907,404</u>	<u>796,554</u>	<u>647,574</u>	<u>510,619</u>
Total liabilities		<u>2,706,206</u>	<u>2,567,813</u>	<u>917,245</u>	<u>843,723</u>

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

Tipco Foods Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2018

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>31 March 2018</u>	<u>31 December 2017</u>	<u>31 March 2018</u>	<u>31 December 2017</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
500,000,000 ordinary shares of Baht 1 each	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Issued and fully paid				
482,579,640 ordinary shares of Baht 1 each	482,580	482,580	482,580	482,580
Non-controlling interests of subsidiary acquired by the Company at price higher than book value	(80,767)	(80,767)	-	-
Non-controlling interest in subsidiary of the associated company acquired at price lower than book value	1,494	1,494	-	-
Change in the interest in subsidiaries of the associated company which did not result in a loss of control of the associate	(135,833)	(135,833)	-	-
Capital reserve for share-based payment transactions of the associate	38,784	36,872	-	-
Retained earnings				
Appropriated - statutory reserve	50,000	50,000	50,000	50,000
Unappropriated	4,205,645	4,155,881	1,538,631	1,513,204
Other components of shareholders' equity	<u>(210,414)</u>	<u>(139,611)</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>4,351,489</u>	<u>4,370,616</u>	<u>2,071,211</u>	<u>2,045,784</u>
Total liabilities and shareholders' equity	<u>7,057,695</u>	<u>6,938,429</u>	<u>2,988,456</u>	<u>2,889,507</u>
	-	-	-	-

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

Directors

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2018

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

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Continued operation					
Profit or loss:					
Revenues					
Sales and service income		978,345	1,267,401	95,069	96,181
Other income					
Dividend income from subsidiaries	6	-	-	27,392	-
Management income	4	-	-	19,032	6,703
Others		24,373	18,574	3,657	10,480
Total revenues		1,002,718	1,285,975	145,150	113,364
Expenses					
Cost of sales and services		761,301	853,094	62,342	60,390
Selling expenses		160,171	200,012	5,561	609
Administrative expenses		109,280	107,780	44,113	55,753
Other expenses					
Reversal of allowance for impairment loss on machinery	8	(29,000)	-	-	-
Loss on fair value of biological assets		1,906	996	-	-
Total expenses		1,003,658	1,161,882	112,016	116,752
Profit (loss) before share of profit from investment in associate, finance cost and income tax		(940)	124,093	33,134	(3,388)
Share of profit from investment in associate	7	71,904	294,542	-	-
Profit (loss) before finance cost and income tax		70,964	418,635	33,134	(3,388)
Finance cost		(11,472)	(11,347)	(6,129)	(7,562)
Profit (loss) before income tax		59,492	407,288	27,005	(10,950)
Income tax	12	(9,728)	(19,777)	(1,578)	(16,209)
Profit (loss) from continued operation for the period		49,764	387,511	25,427	(27,159)
Discontinued operation					
(Transfer segment to a subsidiary)					
Profit from discontinued operation for the period	6	-	-	-	118,925
Profit for the period		49,764	387,511	25,427	91,766
Continued operation					
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Share of comprehensive income in associate		(70,803)	(52,542)	-	-
Other comprehensive income for the period		(70,803)	(52,542)	-	-
Total comprehensive income for the period		(21,039)	334,969	25,427	91,766

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2018

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit attributable to:				
Equity holders of the Company				
Profit from continued operation	49,764	386,380	25,427	(27,159)
Profit from discontinued operation (Transfer segment to a subsidiary)	-	-	-	118,925
	<u>49,764</u>	<u>386,380</u>	<u>25,427</u>	<u>91,766</u>
Non-controlling interests of the subsidiaries				
Profit from continued operation	-	1,131		
	<u>-</u>	<u>1,131</u>		
	<u>49,764</u>	<u>387,511</u>		
	-	-		
Total comprehensive income attributable to:				
Equity holders of the Company				
Profit from continued operation	(21,039)	333,838	25,427	(27,159)
Profit from discontinued operation (Transfer segment to a subsidiary)	-	-	-	118,925
	<u>(21,039)</u>	<u>333,838</u>	<u>25,427</u>	<u>91,766</u>
Non-controlling interests of the subsidiaries				
Profit from continued operation	-	1,131		
	<u>-</u>	<u>1,131</u>		
	<u>(21,039)</u>	<u>334,969</u>		
	-	-		
Earnings per share (Baht)				
Basic earnings per share				
Profit attributable to equity holders of the Company				
Profit per share from continued operation	0.10	0.80	0.05	(0.06)
Profit per share from discontinued operation (Transfer segment to a subsidiary)	-	-	-	0.25
	<u>0.10</u>	<u>0.80</u>	<u>0.05</u>	<u>0.19</u>

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Consolidated financial statements												
	Equity attributable to owners of the Company												
	Issued and paid-up share capital	Non-controlling interests of subsidiary acquired by the Company at price higher than book value	Non-controlling interest of subsidiary of the associated company acquired at price lower than book value	Change in the interest in subsidiaries of the associated company which did not result in a loss of control of the associate	Capital reserve for share-based payment transactions of the associate	Other components of equity						Equity attributable to non-controlling interests of the subsidiaries	Total
						Retained earnings		Share of comprehensive income in associate	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Total equity attributable to non-controlling interests of the subsidiaries		
Appropriated statutory reserve	Unappropriated	comprehensive income	comprehensive income	comprehensive income	comprehensive income								
Balance as at 1 January 2017	482,580	-	1,494	(135,833)	28,434	50,000	3,650,873	(3,216)	(3,216)	4,074,332	368,102	4,442,434	
Profit for the period	-	-	-	-	-	-	386,380	-	-	386,380	1,131	387,511	
Other comprehensive income for the period	-	-	-	-	-	-	-	(52,542)	(52,542)	(52,542)	-	(52,542)	
Total comprehensive income for the period	-	-	-	-	-	-	386,380	(52,542)	(52,542)	333,838	1,131	334,969	
Acquisition of non-controlling interests of subsidiary	-	(80,767)	-	-	-	-	-	-	-	(80,767)	(369,233)	(450,000)	
Share-based payment transactions of associate	-	-	-	-	2,359	-	-	-	-	2,359	-	2,359	
Balance as at 31 March 2017	<u>482,580</u>	<u>(80,767)</u>	<u>1,494</u>	<u>(135,833)</u>	<u>30,793</u>	<u>50,000</u>	<u>4,037,253</u>	<u>(55,758)</u>	<u>(55,758)</u>	<u>4,329,762</u>	<u>-</u>	<u>4,329,762</u>	
Balance as at 1 January 2018	482,580	(80,767)	1,494	(135,833)	36,872	50,000	4,155,881	(139,611)	(139,611)	4,370,616	-	4,370,616	
Profit for the period	-	-	-	-	-	-	49,764	-	-	49,764	-	49,764	
Other comprehensive income for the period	-	-	-	-	-	-	-	(70,803)	(70,803)	(70,803)	-	(70,803)	
Total comprehensive income for the period	-	-	-	-	-	-	49,764	(70,803)	(70,803)	(21,039)	-	(21,039)	
Share-based payment transactions of associate	-	-	-	-	1,912	-	-	-	-	1,912	-	1,912	
Balance as at 31 March 2018	<u>482,580</u>	<u>(80,767)</u>	<u>1,494</u>	<u>(135,833)</u>	<u>38,784</u>	<u>50,000</u>	<u>4,205,645</u>	<u>(210,414)</u>	<u>(210,414)</u>	<u>4,351,489</u>	<u>-</u>	<u>4,351,489</u>	

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Separate financial statements			Total shareholders' equity
	Issued and paid-up share capital	Retained earnings		
		Appropriated statutory reserve	Unappropriated	
Balance as at 1 January 2017	482,580	50,000	1,238,757	1,771,337
Profit for the period	-	-	91,766	91,766
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	91,766	91,766
Balance as at 31 March 2017	<u>482,580</u>	<u>50,000</u>	<u>1,330,523</u>	<u>1,863,103</u>
Balance as at 1 January 2018	482,580	50,000	1,513,204	2,045,784
Profit for the period	-	-	25,427	25,427
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	25,427	25,427
Balance as at 31 March 2018	<u>482,580</u>	<u>50,000</u>	<u>1,538,631</u>	<u>2,071,211</u>

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries**Cash flow statement****For the three-month period ended 31 March 2018**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:				
Profit (loss) before income tax from continued operation	59,492	407,288	27,005	(10,950)
Profit before income tax from discontinued operation (Transfer segment to a subsidiary)	-	-	-	118,925
Profit before income tax expenses	59,492	407,288	27,005	107,975
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	64,595	62,156	8,133	28,339
Reversal of cost of inventories to net realisable value	(2,038)	(19,769)	(232)	(3,945)
Loss from inventory destruction	2,161	11,549	-	-
Change in fair value of biological assets	1,906	996	-	-
Unrealised (gain) loss on exchange	(1,507)	(1,809)	23	(1,716)
Changes in fair value of forward exchange contracts	2,063	857	224	1,233
Changes in fair value of interest rate swap contract	(276)	-	(276)	-
(Gain) loss on sales and written-off machinery and equipment	13	(7,669)	31	(5,406)
Reversal of allowance for impairment loss on machinery	(29,000)	-	-	-
Provision for long-term employee benefits	2,575	2,649	756	1,886
Provision for dismantling cost	44	62	-	-
Dividend income from subsidiaries	-	-	(27,392)	-
Share of profit from investment in associate	(71,904)	(294,542)	-	-
Interest income	(34)	(52)	(169)	(30)
Interest expenses	11,526	11,115	6,191	7,419
Profit from operating activities before changes in operating assets and liabilities	39,616	172,831	14,294	135,755
(Increase) decrease in operating assets				
Trade and other receivables	110,953	188,629	(4,293)	118,601
Inventories	(212,167)	(212,532)	4,619	(207,002)
Other current assets	(27,375)	(17,611)	14,406	(7,179)
Other non-current assets	(24,082)	428	(20,067)	652
Increase (decrease) in operating liabilities				
Trade and other payables	(42,717)	(3,336)	(54,852)	4,983
Other current liabilities	29,918	18,225	6,813	8,624
Other non-current liabilities	(2,128)	(803)	(1,985)	(211)
Cash flows from (used in) operating activities	(127,982)	145,831	(41,065)	54,223
Cash paid for interest expenses	(11,478)	(11,199)	(6,098)	(7,412)
Cash paid for corporate income tax	(806)	(784)	(452)	(670)
Net cash flows from (used in) operating activities	(140,266)	133,848	(47,615)	46,141

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the three-month period ended 31 March 2018**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from investing activities:				
Cash paid for investment in subsidiary	-	-	-	(450,000)
Increase in current investment	(21)	(22)	-	-
Increase in short-term loans to related parties	-	-	(44,000)	-
Cash received from sales of machinery and equipment	1,076	12,619	1,006	5,406
Cash paid for acquisition of land and equipment	(118,213)	(45,830)	(93,017)	(23,464)
Cash paid for acquisition of intangible assets	(7,127)	(6,801)	(93)	(370)
Dividend received from subsidiaries	-	-	27,392	-
Interest received	34	52	169	30
Net cash flows used in investing activities	(124,251)	(39,982)	(108,543)	(468,398)
Cash flows from financing activities:				
Cash paid to acquisition of non-controlling interests of subsidiary	-	(450,000)	-	-
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	39,659	411,069	(30,000)	453,069
Cash paid under finance lease agreements	-	(158)	-	-
Cash received from long-term loan	163,484	-	163,484	-
Repayment of long-term loans	(38,125)	(42,875)	(10,300)	(22,875)
Net cash flows from (used in) financing activities	165,018	(81,964)	123,184	430,194
Net increase (decrease) in cash and cash equivalents	(99,499)	11,902	(32,974)	7,937
Cash and cash equivalents at beginning of period	199,464	58,983	64,661	25,296
Cash and cash equivalents at end of period	99,965	70,885	31,687	33,233
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions:				
Acquisition of equipment for which cash has not been paid	3,701	8,062	1,937	2,471
Acquisition of intangible assets for which cash has not been paid	-	15,040	-	-

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

Tipco Foods Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month periods ended 31 March 2018

1. General information

1.1 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.

1.2 Basis of consolidation

The consolidated interim financial statements include the financial statements of Tipco Foods Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017.

1.3 New financial reporting standards

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

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

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

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

TFRS 15 Revenue from Contracts with Customers

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

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

2. Significant accounting policies

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

(Unaudited but reviewed)

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017 (Audited)	31 March 2018	31 December 2017 (Audited)
<u>Trade receivables - related parties</u> (Note 4)				
Aged on the basis of due dates				
Not yet due	85	2,769	33,394	25,112
Past due				
Up to 3 months	84	435	-	167
Total trade receivables - related parties	169	3,204	33,394	25,279
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	384,197	428,697	950	10,110
Past due				
Up to 3 months	44,468	59,003	-	-
3 - 6 months	351	142	-	-
6 - 12 months	30	12	-	-
Over 12 months	751	751	-	-
Total	429,797	488,605	950	10,110
Less: Allowance for doubtful accounts	(751)	(751)	-	-
Total trade receivables - unrelated parties, net	429,046	487,854	950	10,110
Total trade receivables - net	429,215	491,058	34,344	35,389
<u>Other receivables</u>				
Amounts due from related parties (Note 4)	163	100	8,041	2,742
Amounts due from unrelated parties	27,569	79,007	10	1,363
Total amount due from	27,732	79,107	8,051	4,105
Advance to employees	2,992	641	1,451	56
Accrued income	2,816	2,932	4	30
Total other receivables	33,540	82,680	9,506	4,191
Total trade and other receivables - net	462,755	573,738	43,580	39,580

(Unaudited but reviewed)

4. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	94	97	Cost plus certain margin
Management income	-	-	19	7	As agreed
Dividend income	-	-	27	-	
Purchases of goods	-	-	-	7	Cost plus certain margin
<u>Transactions with related companies</u>					
Sales of goods	-	1	-	-	Market price
Rental and service expenses	10	11	3	4	Market price

The balances of the accounts as at 31 March 2018 and 31 December 2017 between the Company and its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	(Audited)		(Audited)	
<u>Trade and other receivables - related parties</u> (Note 3)				
Subsidiaries	-	-	41,435	28,021
Associate	74	1,341	-	-
Related companies (common shareholders and directors)	258	1,963	-	-
Total trade and other receivables - related parties	332	3,304	41,435	28,021

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
	(Audited)		(Audited)	
<u>Short-term loan to related parties</u>				
Subsidiaries	-	-	52,000	8,000
Total short-term loan to related parties	-	-	52,000	8,000
<u>Prepaid expenses - related parties</u>				
Related companies (common shareholders and directors)	2,499	615	1,391	494
Total prepaid expenses - related parties	2,499	615	1,391	494
<u>Retentions - related parties</u>				
Related companies (common shareholders and directors)	8,098	8,128	2,828	2,828
Total retentions - related parties	8,098	8,128	2,828	2,828
<u>Trade and other payables - related parties</u> (Note 9)				
Subsidiaries	-	-	139	26,556
Associate	-	824	-	554
Related companies (common shareholders and directors)	4,291	2,210	1,283	485
Total trade and other payables - related parties	4,291	3,034	1,422	27,595

Loan to related parties

As at 31 March 2018 and 31 December 2017, the balances of loan between the Company and the related company and the movements were as follows:

(Unit: Thousand Baht)

Short-term loan to related parties	Related by	Separate financial statements			
		Balance as at 31 December 2017	Increase during the period	Decrease during the period	Balance as at 31 March 2018
		(Audited)			
Tipco Retail Co., Ltd.	Subsidiary	8,000	22,000	-	30,000
Tipco Pineapple Co., Ltd.	Subsidiary	-	22,000	-	22,000
Tipco Biotech Co., Ltd.	Subsidiary	-	5,000	(5,000)	-
Total		8,000	49,000	(5,000)	52,000

(Unaudited but reviewed)

Directors and management's benefits

For the three-month periods ended 31 March 2018 and 2017, the Company and its subsidiaries had employee benefit expenses of their directors and management as detailed below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Short-term employee benefits	14	13	10	10
Post-employment benefits	-	1	-	1
Total	<u>14</u>	<u>14</u>	<u>10</u>	<u>11</u>

5. Inventories

Movements in the reduction of cost to net realisable value of inventories account during the three-month period ended 31 March 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2018	78,437		892	
Reversal of reduction of cost to net realisable value of inventory account during the period	(2,038)		(232)	
Balance as at 31 March 2018	<u>76,399</u>		<u>660</u>	

6. Investments in subsidiaries

During the current quarter, the Company received dividends from Tipco F&B Company Limited and Tipco Biotech Company Limited amounting to Baht 20 million and Baht 7 million, respectively.

Partial business transfer to subsidiary in 2017

According to the extraordinary shareholders' meeting No. 1/2018 of the Company relating to the Company's restructuring plan by conducting a partial business transfer of the processed fruit segment to a newly incorporated subsidiary, in October 2017, the Company completed the partial business transfer. As a result, the Company classified the operating results of such segment, for the three-month period ended 31 March 2017, as discontinued operation and separately presented as "Profit for the period from discontinued operation" in the statement of comprehensive income of separate financial statements. However, such presentation has no effect on the consolidated statement of comprehensive income.

(Unaudited but reviewed)

The operating results of the processed fruit segment as presented under “Profit for the period from discontinued operation” in the separate statement of comprehensive income for the three-month period ended 31 March 2017 are detailed below.

(Unit: Thousand Baht)

Revenues	
Sales	572,715
Other income	415
Total revenues	<u>573,130</u>
Expenses	
Cost of sales	418,681
Selling expenses	21,940
Administrative expenses	13,584
Total expenses	<u>454,205</u>
Profit for the period from discontinued operations	<u>118,925</u>
Earnings per share (Baht)	
Basic earnings per share from discontinued operation	<u>0.25</u>

The revenues and expenses were allocated in accordance with bases and assumptions determined by the Company’s management.

The Company did not present separate cash flows from the discontinued operation since the Company was unable to clearly distinguish these cash flows.

7. Investment in associate

7.1 Details of associate:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Cost	644,390	644,930	644,390	644,930
Carrying amounts based on equity method	3,030,079	3,030,378	-	-

(Unaudited but reviewed)

7.2 Share of profit and dividend received

During the three-month periods ended 31 March 2018 and 2017, the Company has recognised its share of profit from investment in associate in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associate during the period		Dividend received during the period by the Company	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Tipco Asphalt Plc.	71,904	294,542	-	-

8. Property, plant and equipment

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

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	1,970,631	367,072
Acquisitions during period - at cost	111,381	92,638
Disposals/written-off during period - net book value at disposal/written-off date	(1,089)	(1,037)
Depreciation for the period	(59,142)	(7,291)
Reversal of allowance for impairment loss of machinery	29,000	-
Net book value as at 31 March 2018	2,050,781	451,382

During the current quarter, a subsidiary company reversed impairment loss of the machinery amounting to Baht 29 million and presented in the consolidated profit or loss.

(Unaudited but reviewed)

9. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
Trade payables - related parties (Note 4)	-	-	106	3,680
Trade payables - unrelated parties	339,624	304,269	23,343	25,854
Amounts due to related parties (Note 4)	4,291	3,034	1,316	23,915
Accrued expenses	236,204	351,603	13,432	33,640
Others	170,400	146,475	9,259	15,561
Total trade and other payables	<u>750,159</u>	<u>805,381</u>	<u>47,456</u>	<u>102,650</u>

10. Long-term loans

Movements in the long-term loan account during the three-month period ended 31 March 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2018	906,950		573,645	
Addition	163,484		163,484	
Repayments	(38,125)		(10,300)	
Balance as at 31 March 2018	<u>1,032,309</u>		<u>726,829</u>	
Less: Current portion	(212,500)		(101,200)	
Long-term loans - net of current portion	<u>819,809</u>		<u>625,629</u>	

In February 2018, the Company entered into a loan agreement with a local bank for credit facilities of Baht 500 million, with a term of 6 years, to use as working capital or use for construction of a new plant. The loan is subject to interest rate with referenced to THBFIX and the repayment schedule is on a quarterly basis. The first repayment needs to be made within the 13 months after the first drawdown date. In March 2018, the Company drew down such loan of Baht 163 million. Such loan is secured by the mortgage of its land and building relating to the loan. In addition, the loan agreement also contains certain restrictive covenants pertaining to, among other things, the maintenance of interest bearing debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements and the prohibition from creating lien over related assets.

As at 31 March 2018, the long-term credit facilities of the Company which has not yet been drawn down amounted to Baht 337 million.

Loan covenants

The loan agreements of the Company and its subsidiaries contained certain restrictive covenants as were disclosed in the financial statements for the year ended 31 December 2017 except the additional covenants under the new loan agreement as described above.

11. Credit facilities

The credit facilities of the Company and its subsidiaries granted by financial institutions are secured by the following collaterals:

- a) The guarantees by the Company and a subsidiary.
- b) The mortgages of the assets of the Company of which the net book value as at 31 March 2018 and 31 December 2017 are summarised below.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
		(Audited)		(Audited)
Land and Land improvement	73	47	26	-
Buildings and complement	244	134	115	-
Machinery and equipment	116	125	-	-

- c) The prohibition from creating lien over assets of the Company.
- d) The Company and a subsidiary guarantee the bank guarantees issued by the banks to other subsidiaries of the Group.

(Unaudited but reviewed)

12. Income tax

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current income tax:				
Current income tax charge	(5,040)	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,688)	(6,886)	(1,578)	(3,318)
Utilisation of tax loss carried forward during the period	-	(12,891)	-	(12,891)
Income tax reported in the statement of comprehensive income	<u>(9,728)</u>	<u>(19,777)</u>	<u>(1,578)</u>	<u>(16,209)</u>

(Unaudited but reviewed)

13. Segment information

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month periods ended 31 March 2018 and 2017, respectively.

(Unit: Million Baht)

	Products of vegetable & fruit		Beverage		Others		Consolidation	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues from sales of goods and rendering of services	359	570	589	674	30	23	978	1,267
Gross profit	14	163	194	245	9	6	217	414
Other incomes							24	19
Selling expenses							(160)	(200)
Administrative expenses							(82)	(109)
Profit (loss) before share of profit from investment in associate, finance cost and income tax							(1)	124
Share of profit from investment in associate							72	295
Profit before finance cost and income tax							71	419
Finance cost							(11)	(11)
Income tax							(10)	(20)
Profit for the period							50	388

(Unaudited but reviewed)

Geographic segment information for the three-month periods 31 March 2018 and 2017 is as follows:

	(Unit: Million Baht)					
	Domestic sales		Export sales		Consolidation	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues from the sale of goods and the rendering of services	565	662	413	605	978	1,267
Gross profit	193	251	24	163	217	414

Transfer prices between the segments are set out in Note 4 to the interim financial statements.

14. Commitments and contingent liabilities

14.1 Capital commitments

The Company and its subsidiaries had outstanding capital commitments relating to the construct of buildings and complement, the purchase of machinery and equipment and computer software as follows:

Foreign currency	(Unit: Million)			
	Consolidated financial statements		Separate financial statements	
	<u>31 March 2018</u>	<u>31 December 2017</u>	<u>31 March 2018</u>	<u>31 December 2017</u>
		(Audited)		(Audited)
Baht	106	263	68	239
Euro	2	3	2	3

14.2 Operating lease commitments

The Company and its subsidiaries have entered into several agreements in respect of the lease of buildings, warehouses, motor vehicles, office equipment, and other service agreements.

Future minimum rental and service fees payable under these agreements are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>31 March 2018</u>	<u>31 December 2017</u>	<u>31 March 2018</u>	<u>31 December 2017</u>
		(Audited)		(Audited)
Payable within:				
1 year	64	65	18	18
2 to 5 years	83	74	6	3
More than 5 years	1	1	-	-

14.3 Bank guarantees

The outstanding bank guarantees issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business are summarised below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
		(Audited)		(Audited)
Bank guarantees	33	33	14	14

15. Foreign currency risk

The balances of financial assets and liabilities of the Company and its subsidiaries denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	31 March	31 December	31 March	31 December	31 March	31 December
	2018	2017	2018	2017	2018	2017
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		(Audited)
US Dollar	4	4	1	1	31.23	32.68
JPY	-	-	0.2	-	0.29	0.29
Euro	0.1	-	0.2	-	38.44	39.03

The Company and its subsidiaries had outstanding forward exchange contracts which maturity date within one year are summarised below.

Foreign currency	As at 31 March 2018					
	Consolidated		Separate		Contractual exchange rate	
	Sold	Bought	Sold	Bought	Sold	Bought
	Amount	amount	amount	amount		
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	5	4	-	-	30.98 - 33.02	32.55
Euro	-	1	-	1	-	38.58 - 39.25

(Unaudited but reviewed)

As at 31 December 2017 (Audited)						
Foreign currency	Consolidated		Separate		Contractual exchange rate	
	Sold	Bought	Sold	Bought	Sold	Bought
	amount	amount	amount	amount		
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	2	4	-	-	32.49 - 34.02	32.55
Euro	-	1	-	1	-	39.56

16. Events after the reporting period

The Annual General Meeting of the shareholders No.1/2018 held on 10 April 2018 approved the payment of dividends for the year 2017 of Baht 0.75 per share or a total of Baht 361,934,730. However, during the year 2017, the Company paid an interim dividend of Baht 0.25 per share. Thus, a final dividend payment for the year 2017 is Baht 0.50 per share or Baht 241,289,820.

The Company already paid such dividend on 20 April 2018.

17. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 14 May 2018.