

Tipco Foods Public Company Limited and its subsidiaries  
Report and interim consolidated financial statements  
For the three-month and nine-month periods ended  
30 September 2017

## **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 30 September 2017, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2017, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-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 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*.

**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. My conclusion is not qualified in respect of this matter.

Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 14 November 2017

**Tipco Foods Public Company Limited and its subsidiaries**

**Statement of financial position**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>30 September 2017</b>	<b>31 December 2016</b>	<b>30 September 2017</b>	<b>31 December 2016</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,072,258	58,983	33,922	25,296
Current investment		3,889	3,847	-	-
Trade and other receivables	3, 4	529,816	689,864	41,057	317,129
Short-term loan to related party	4	-	-	3,000	-
Inventories	5	879,574	882,246	52,519	433,587
Biological assets		2,379	2,801	-	-
Advanced payments		24,471	14,189	11,174	7,583
Other current assets		58,885	46,582	15,672	13,032
		<u>2,571,272</u>	<u>1,698,512</u>	<u>157,344</u>	<u>796,627</u>
Assets held for sale	12	-	-	1,072,886	-
<b>Total current assets</b>		<u>2,571,272</u>	<u>1,698,512</u>	<u>1,230,230</u>	<u>796,627</u>
<b>Non-current assets</b>					
Restricted bank deposits		1,016	1,016	-	-
Investments in subsidiaries	6	-	-	1,915,337	465,337
Investment in associate	7	2,973,035	2,894,859	644,930	644,930
Investment properties		7,270	7,270	7,270	7,270
Property, plant and equipment	8	1,961,060	2,023,191	334,363	761,469
Intangible assets		77,258	68,100	34,778	35,954
Deferred tax assets - net	13	56,522	97,890	15,810	54,217
Other non-current assets		19,867	17,983	5,255	6,117
<b>Total non-current assets</b>		<u>5,096,028</u>	<u>5,110,309</u>	<u>2,957,743</u>	<u>1,975,294</u>
<b>Total assets</b>		<u>7,667,300</u>	<u>6,808,821</u>	<u>4,187,973</u>	<u>2,771,921</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)**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>30 September 2017</b>	<b>31 December 2016</b>	<b>30 September 2017</b>	<b>31 December 2016</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
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 interest of subsidiary acquired by the Company at price higher than book value	6	-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 associate		34,913	28,434	-	-
Retained earnings					
Appropriated - statutory reserve		50,000	50,000	50,000	50,000
Unappropriated		4,126,396	3,650,873	1,555,554	1,238,757
Other components of shareholders' equity		<u>(65,434)</u>	<u>(3,216)</u>	<u>-</u>	<u>-</u>
Equity attributable to owners of the Company		<u>4,413,349</u>	<u>4,074,332</u>	<u>2,088,134</u>	<u>1,771,337</u>
Non-controlling interests of the subsidiaries	6	<u>-</u>	<u>368,102</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>4,413,349</u>	<u>4,442,434</u>	<u>2,088,134</u>	<u>1,771,337</u>
<b>Total liabilities and shareholders' equity</b>		<u>7,667,300</u>	<u>6,808,821</u>	<u>4,187,973</u>	<u>2,771,921</u>
		-	-	-	-

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

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Directors  
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**Tipco Foods Public Company Limited and its subsidiaries**  
**Statement of comprehensive income**  
**For the three-month period ended 30 September 2017**

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

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Continued operation</b>					
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income		1,230,571	1,176,078	106,643	102,968
Other income					
Dividend income from subsidiary	6	-	-	10,304	-
Dividend income from associate	7	-	-	110,964	110,964
Others		26,968	25,481	6,008	6,148
<b>Total revenues</b>		<u>1,257,539</u>	<u>1,201,559</u>	<u>233,919</u>	<u>220,080</u>
<b>Expenses</b>					
Cost of sales and services		892,621	868,327	70,396	63,268
Selling expenses		210,051	242,179	49,646	1,353
Administrative expenses		124,191	108,461	40,189	51,042
<b>Total expenses</b>		<u>1,226,863</u>	<u>1,218,967</u>	<u>160,231</u>	<u>115,663</u>
<b>Profit (loss) before share of profit from investment in associate, finance cost and income tax</b>					
		30,676	(17,408)	73,688	104,417
Share of profit from investment in associate	7	93,548	75,935	-	-
<b>Profit before finance cost and income tax</b>		<u>124,224</u>	<u>58,527</u>	<u>73,688</u>	<u>104,417</u>
Finance cost		(12,707)	(9,353)	(9,368)	(5,440)
<b>Profit before income tax</b>		<u>111,517</u>	<u>49,174</u>	<u>64,320</u>	<u>98,977</u>
Income tax	13	(6,191)	(1,589)	(3,529)	505
<b>Profit from continued operation for the period</b>		<u>105,326</u>	<u>47,585</u>	<u>60,791</u>	<u>99,482</u>
<b>Discontinued operation (Transfer segment to a subsidiary)</b>					
Profit (loss) from discontinued operation for the period	12	-	-	67,704	(23,735)
<b>Profit for the period</b>		<u>105,326</u>	<u>47,585</u>	<u>128,495</u>	<u>75,747</u>
<b>Continued operation</b>					
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Share of comprehensive income in associate		(14,038)	(20,219)	-	-
<b>Other comprehensive income for the period</b>		<u>(14,038)</u>	<u>(20,219)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u>91,288</u>	<u>27,366</u>	<u>128,495</u>	<u>75,747</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 comprehensive income (continued)**

**For the three-month period ended 30 September 2017**

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

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Profit attributable to:</b>					
Equity holders of the Company					
Profit from continued operation		105,326	45,054	60,791	99,482
Profit (loss) from discontinued operation (Transfer segment to a subsidiary)	12	-	-	67,704	(23,735)
		<u>105,326</u>	<u>45,054</u>	<u>128,495</u>	<u>75,747</u>
Non-controlling interests of the subsidiaries					
Profit from continued operation		-	2,531		
		-	2,531		
		<u>105,326</u>	<u>47,585</u>		
		-	-		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company					
Profit from continued operation		91,288	24,835	60,791	99,482
Profit (loss) from discontinued operation (Transfer segment to a subsidiary)	12	-	-	67,704	(23,735)
		<u>91,288</u>	<u>24,835</u>	<u>128,495</u>	<u>75,747</u>
Non-controlling interests of the subsidiaries					
Profit from continued operation		-	2,531		
		-	2,531		
		<u>91,288</u>	<u>27,366</u>		
		-	-		
<b>Earnings per share (Baht)</b>					
Basic earnings per share					
Profit attributable to equity holders of the Company					
Profit per share from continued operation		0.22	0.09	0.13	0.21
Profit (loss) per share from discontinued operation (Transfer segment to a subsidiary)	12	-	-	0.14	(0.05)
		<u>0.22</u>	<u>0.09</u>	<u>0.27</u>	<u>0.16</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 comprehensive income**

For the nine-month period ended 30 September 2017

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

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Continued operation</b>					
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income		3,782,586	3,961,555	318,522	287,914
Other income					
Dividend income from subsidiary	6	-	-	10,304	-
Dividend income from associate	7	-	-	332,893	258,917
Others		71,780	58,287	28,870	19,553
<b>Total revenues</b>		<u>3,854,366</u>	<u>4,019,842</u>	<u>690,589</u>	<u>566,384</u>
<b>Expenses</b>					
Cost of sales and services		2,656,276	2,892,920	204,005	180,193
Selling expenses		561,326	648,393	52,896	3,421
Administrative expenses		347,792	311,694	150,265	147,130
<b>Total expenses</b>		<u>3,565,394</u>	<u>3,853,007</u>	<u>407,166</u>	<u>330,744</u>
<b>Profit before share of profit from investment in associate, finance cost and income tax</b>					
Share of profit from investment in associate	7	469,884	528,172	-	-
<b>Profit before finance cost and income tax</b>		<u>758,856</u>	<u>695,007</u>	<u>283,423</u>	<u>235,640</u>
Finance cost		(39,127)	(30,093)	(27,021)	(15,953)
<b>Profit before income tax</b>		<u>719,729</u>	<u>664,914</u>	<u>256,402</u>	<u>219,687</u>
Income tax	13	(45,436)	(9,489)	(38,407)	(4,056)
<b>Profit from continued operation for the period</b>		<u>674,293</u>	<u>655,425</u>	<u>217,995</u>	<u>215,631</u>
<b>Discontinued operation (Transfer segment to a subsidiary)</b>					
Profit from discontinued operation for the period	12	-	-	296,441	151,402
<b>Profit for the period</b>		<u>674,293</u>	<u>655,425</u>	<u>514,436</u>	<u>367,033</u>
<b>Continued operation</b>					
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Share of comprehensive income in associate		(62,218)	(46,090)	-	-
<b>Other comprehensive income for the period</b>		<u>(62,218)</u>	<u>(46,090)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u>612,075</u>	<u>609,335</u>	<u>514,436</u>	<u>367,033</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 comprehensive income (continued)**

**For the nine-month period ended 30 September 2017**

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

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Profit attributable to:</b>					
Equity holders of the Company					
Profit from continued operation		673,162	646,210	217,995	215,631
Profit from discontinued operation (Transfer segment to a subsidiary)	12	-	-	296,441	151,402
		<u>673,162</u>	<u>646,210</u>	<u>514,436</u>	<u>367,033</u>
Non-controlling interests of the subsidiaries					
Profit from continued operation		<u>1,131</u>	<u>9,215</u>		
		<u>1,131</u>	<u>9,215</u>		
		<u>674,293</u>	<u>655,425</u>		
		-	-		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company					
Profit from continued operation		610,944	600,120	217,995	367,033
Profit from discontinued operation (Transfer segment to a subsidiary)	12	-	-	296,441	151,402
		<u>610,944</u>	<u>600,120</u>	<u>514,436</u>	<u>518,435</u>
Non-controlling interests of the subsidiaries					
Profit from continued operation		<u>1,131</u>	<u>9,215</u>		
		<u>1,131</u>	<u>9,215</u>		
		<u>612,075</u>	<u>609,335</u>		
		-	-		
<b>Earnings per share (Baht)</b>					
Basic earnings per share					
Profit attributable to equity holders of the Company					
Profit per share from continued operation		1.39	1.34	0.45	0.45
Profit per share from discontinued operation (Transfer segment to a subsidiary)	12	-	-	0.62	0.31
		<u>1.39</u>	<u>1.34</u>	<u>1.07</u>	<u>0.76</u>

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

(Unaudited but reviewed)

## Tippo Foods Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>												
Equity attributable to owners of the Company												
	Change in the interest					Other component of shareholder's equity			Equity			
	Issued and paid-up share capital	Non-controlling interest of subsidiary acquired by the Company at price higher than book value	Non-controlling interest in 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	Retained earnings		Share of comprehensive income in associate	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
					Appropriated statutory reserve	Unappropriated						
<b>Balance as at 1 January 2016</b>	482,580	-	1,494	(73,901)	18,078	50,000	3,081,058	6,110	6,110	3,565,419	415,360	3,980,779
Cumulative effect of change in accounting policy for agriculture	-	-	-	-	-	-	2,012	-	-	2,012	-	2,012
Profit for the period	-	-	-	-	-	-	646,210	-	-	646,210	9,215	655,425
Other comprehensive income for the period	-	-	-	-	-	-	-	(46,090)	(46,090)	(46,090)	-	(46,090)
Total comprehensive income for the period	-	-	-	-	-	-	646,210	(46,090)	(46,090)	600,120	9,215	609,335
Change in the interest in subsidiaries of the associated company which did not result in a loss of control of the associate	-	-	-	(61,969)	-	-	-	-	-	(61,969)	-	(61,969)
Share-based payment transactions of the associate	-	-	-	-	7,933	-	-	-	-	7,933	-	7,933
Dividend paid (Note 14)	-	-	-	-	-	-	(230,734)	-	-	(230,734)	-	(230,734)
<b>Balance as at 30 September 2016</b>	<b>482,580</b>	<b>-</b>	<b>1,494</b>	<b>(135,870)</b>	<b>26,011</b>	<b>50,000</b>	<b>3,498,546</b>	<b>(39,980)</b>	<b>(39,980)</b>	<b>3,882,781</b>	<b>424,575</b>	<b>4,307,356</b>
<b>Balance as at 1 January 2017</b>	<b>482,580</b>	<b>-</b>	<b>1,494</b>	<b>(135,833)</b>	<b>28,434</b>	<b>50,000</b>	<b>3,650,873</b>	<b>(3,216)</b>	<b>(3,216)</b>	<b>4,074,332</b>	<b>368,102</b>	<b>4,442,434</b>
Profit for the period	-	-	-	-	-	-	673,162	-	-	673,162	1,131	674,293
Other comprehensive income for the period	-	-	-	-	-	-	-	(62,218)	(62,218)	(62,218)	-	(62,218)
Total comprehensive income for the period	-	-	-	-	-	-	673,162	(62,218)	(62,218)	610,944	1,131	612,075
Acquisition of non-controlling interests of subsidiary (Note 6)	-	(80,767)	-	-	-	-	-	-	-	(80,767)	(369,233)	(450,000)
Share-based payment transactions of the associate	-	-	-	-	6,479	-	-	-	-	6,479	-	6,479
Dividend paid (Note 14)	-	-	-	-	-	-	(197,639)	-	-	(197,639)	-	(197,639)
<b>Balance as at 30 September 2017</b>	<b>482,580</b>	<b>(80,767)</b>	<b>1,494</b>	<b>(135,833)</b>	<b>34,913</b>	<b>50,000</b>	<b>4,126,396</b>	<b>(65,434)</b>	<b>(65,434)</b>	<b>4,413,349</b>	<b>-</b>	<b>4,413,349</b>

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 nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	<b>Separate financial statements</b>			<b>Total</b>	
	<b>Issued and paid-up</b>	<b>Retained earnings</b>			<b>shareholders'equity</b>
		<b>Appropriated</b>	<b>Unappropriated</b>		
<b>share capital</b>	<b>statutory reserve</b>				
<b>Balance as at 1 January 2016</b>	482,580	50,000	1,102,488	1,635,068	
Total comprehensive income for the period	-	-	367,033	367,033	
Dividend paid (Note 14)	-	-	(230,734)	(230,734)	
<b>Balance as at 30 September 2016</b>	<u>482,580</u>	<u>50,000</u>	<u>1,238,787</u>	<u>1,771,367</u>	
<b>Balance as at 1 January 2017</b>	482,580	50,000	1,238,757	1,771,337	
Total comprehensive income for the period	-	-	514,436	514,436	
Dividend paid (Note 14)	-	-	(197,639)	(197,639)	
<b>Balance as at 30 September 2017</b>	<u>482,580</u>	<u>50,000</u>	<u>1,555,554</u>	<u>2,088,134</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 nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Cash flows from operating activities:</b>				
Profit before tax from continued operation	719,729	664,914	256,402	219,687
Profit before tax from discontinued operation (Transfer segment to a subsidiary)	-	-	296,441	151,402
Profit before income tax	719,729	664,914	552,843	371,089
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	190,679	186,011	85,447	86,753
Reversal of allowance for doubtful account	-	(2)	-	-
Reduction of cost of inventories to net realisable value (reversal)	(28,495)	12,904	(15,602)	13,422
Loss from stock destruction	28,424	15,812	13,569	7,931
Change in fair value of biological assets	422	1,553	-	-
Unrealised gain on exchange	(1,482)	(206)	(1,613)	(165)
Changes in fair value of forward exchange contracts	(1,033)	(392)	(1,275)	(398)
Loss (gain) on sales of land, machinery and equipment	552	(3,995)	(5,512)	(312)
Loss on written-off of equipment and intangible assets	3,627	1,144	-	-
Allowance for impairment loss of equipment	1,409	-	1,409	-
Provision for long-term employee benefits	7,946	7,069	5,659	4,288
Provision for dismantling cost	146	247	-	-
Dividend income from subsidiary	-	-	(10,304)	-
Dividend income from associate	-	-	(332,893)	(258,917)
Share of profit from investment in associate	(469,884)	(528,172)	-	-
Interest income	(182)	-	(171)	-
Interest expenses	37,068	30,093	26,591	15,953
Profit from operating activities before changes in operating assets and liabilities	488,926	386,980	318,148	239,644
(Increase) decrease in operating assets				
Trade and other receivables	161,254	410,642	88,442	124,635
Inventories	2,743	27,798	(84,651)	37,962
Other current assets	(16,618)	(71,922)	(11,887)	(50,433)
Other non-current assets	(1,883)	2,476	854	3,326
Increase (decrease) in operating liabilities				
Trade and other payables	(201,245)	178,307	(119,410)	(21,211)
Other current liabilities	(9,162)	17,319	(10,149)	22,302
Other non-current liabilities	(1,926)	184	(345)	-
<b>Cash flows from operating activities</b>	<b>422,089</b>	<b>951,784</b>	<b>181,002</b>	<b>356,225</b>
Cash paid for interest expenses	(36,289)	(30,971)	(25,945)	(16,416)
Cash (paid) received for corporate income tax	(6,295)	(5,311)	(1,252)	2,056
<b>Net cash flows from operating activities</b>	<b>379,505</b>	<b>915,502</b>	<b>153,805</b>	<b>341,865</b>

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 nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Cash flows from investing activities:</b>				
Cash paid for investments in subsidiaries	-	-	(450,000)	-
Cash paid for investments in newly corporate subsidiary	-	-	(1,000,000)	-
Increase in current investment	(42)	(44)	-	-
Increase in short-term loan to related party	-	-	(3,000)	(3,000)
Cash received from sales of land, machinery and equipment	20,236	4,739	5,534	610
Cash paid for acquisition of land, machinery and equipment	(138,420)	(130,187)	(64,463)	(40,549)
Cash paid for acquisition of intangible assets	(28,776)	(9,281)	(1,789)	(6,227)
Dividend received from subsidiary	-	-	10,304	-
Dividend received from associate	332,893	258,917	332,893	258,917
Interest received	182	-	171	-
<b>Net cash flows from (used in) investing activities</b>	<u>186,073</u>	<u>124,144</u>	<u>(1,170,350)</u>	<u>209,751</u>
<b>Cash flows from financing activities:</b>				
Cash paid to acquisition of non-controlling interests of a subsidiary	(450,000)	-	-	-
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	1,564,435	(1,052,818)	1,291,435	(617,589)
Cash paid under finance lease agreements	(474)	(1,406)	-	(932)
Cash receipts from long-term loans	-	480,500	-	480,500
Repayment of long-term loans	(468,625)	(106,300)	(68,625)	(46,300)
Dividend paid	(197,639)	(230,734)	(197,639)	(230,734)
<b>Net cash flows from (used in) financing activities</b>	<u>447,697</u>	<u>(910,758)</u>	<u>1,025,171</u>	<u>(415,055)</u>
<b>Net increase in cash and cash equivalents</b>	<u>1,013,275</u>	<u>128,888</u>	<u>8,626</u>	<u>136,561</u>
Cash and cash equivalents at beginning of period	<u>58,983</u>	<u>76,356</u>	<u>25,296</u>	<u>39,155</u>
<b>Cash and cash equivalents at end of period</b>	<u>1,072,258</u>	<u>205,244</u>	<u>33,922</u>	<u>175,716</u>
	-	-	-	-
<b>Supplemental cash flows information</b>				
Non-cash transactions:				
Purchase of equipment for which cash has not been paid	20,273	9,333	2,963	3,451

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 and nine-month periods ended 30 September 2017**

**1. General information**

**1.1 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 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 2016, except the change in percentage of shareholding in a subsidiary and investments in the new subsidiary as described in Note 6 to the interim financial statements.

### **1.3 New financial reporting standards**

During the period, the Company and its subsidiaries adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which were 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 did not have any significant impact on the financial statements of the Company and its subsidiaries. However, one standard involves changes to key principles, which is summarised below.

#### **TAS 27 (revised 2016) Separate Financial Statements**

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

This standard did not have any significant impact on the financial statements of the Company and its subsidiaries because the management decided to continue accounting for such investments under the cost method in the separate financial statements.

### **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 2016.



(Unaudited but reviewed)

**3. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016 (Audited)	30 September 2017	31 December 2016 (Audited)
<b><u>Trade receivables - related parties</u></b> (Note 4)				
Aged on the basis of due dates				
Not yet due	122	2,637	31,910	20,611
Past due				
Up to 3 months	51	12	-	-
Total trade receivables - related parties	173	2,649	31,910	20,611
<b><u>Trade receivables - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	395,295	518,858	2,509	232,785
Past due				
Up to 3 months	71,490	54,661	366	37,859
3 - 6 months	24	4,172	-	4,144
6 - 12 months	4	-	-	-
Over 12 months	751	7,235	-	6,479
Total	467,564	584,926	2,875	281,267
Less: Allowance for doubtful accounts	(751)	(7,230)	-	(6,479)
Total trade receivables - unrelated parties, net	466,813	577,696	2,875	274,788
Total trade receivables - net	466,986	580,345	34,785	295,399
<b><u>Other receivables</u></b>				
Amounts due from related parties (Note 4)	135	476	29	18,327
Amounts due from unrelated parties	52,322	103,871	12	3,227
Less: Allowance for doubtful accounts	-	(70)	-	(70)
Total amount due from, net	52,457	104,277	41	21,484
Advance to employees	7,232	709	6,109	154
Accrued income	3,141	4,533	122	92
Total other receivables - net	62,830	109,519	6,272	21,730
Total trade and other receivables - net	529,816	689,864	41,057	317,129

(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 30 September				Transfer pricing policy
	Consolidated financial		Separate		
	statements		financial statements		
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	101	103	Cost plus certain margin
Service income	-	-	4	6	As agreed
Dividend income	-	-	10	-	
Purchases of goods	-	-	3	2	Cost plus certain margin
<b><u>Transactions with associate</u></b>					
Dividend income	-	-	111	111	
<b><u>Transactions with related companies</u></b>					
Rental and service expenses	12	13	5	6	Market price

(Unit: Million Baht)

	For the nine-month periods ended 30 September				Transfer pricing policy
	Consolidated financial		Separate		
	statements		financial statements		
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	303	292	Cost plus certain margin
Rental income	-	-	1	1	Contract price
Service income	-	-	15	15	As agreed
Dividend income	-	-	10	-	
Purchases of goods	-	-	13	11	Cost plus certain margin
<b><u>Transactions with associate</u></b>					
Dividend income	-	-	333	259	
<b><u>Transactions with related companies</u></b>					
Sales of goods	1	-	-	-	Market price
Rental and service expenses	34	37	13	17	Market price



(Unaudited but reviewed)

### Loan to related party

As at 30 September 2017 and 31 December 2016, 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 party	Related by	Separate financial statements		
		Balance as at 31 December 2016	Increase during the period	Balance as at 30 September 2017
		(Audited)		
Tipco Retail Co., Ltd.	Subsidiary	-	3,000	3,000

### Directors and management's benefits

For the three-month and nine-month periods ended 30 September 2017 and 2016, the Company and its subsidiaries had employee benefit expenses of their directors and management as detailed below.

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	6.6	9.6	6.6	7.4
Post-employment benefits	0.4	0.2	0.3	0.2
Total	7.0	9.8	6.9	7.6

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	22.0	34.9	19.7	27.7
Post-employment benefits	1.1	0.7	1.0	0.6
Total	23.1	35.6	20.7	28.3

(Unaudited but reviewed)

## 5. Inventories

Movements in the reduction of cost to net realisable value of inventories account during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Balance as at 1 January 2017</b>	49,531	30,749
Reversal of reduction of cost to net realisable value of inventory account during the period	(28,495)	(15,602)
Classified as assets held for sale (Note 12)	-	(14,207)
<b>Balance as at 30 September 2017</b>	<u>21,036</u>	<u>940</u>

## 6. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)	
	Cost	
	30 September 2017	31 December 2016
		(Audited)
Tipco F&B Company Limited	729,050	279,050
Tipco Retail Company Limited	25,500	25,500
Tipco Biotech Company Limited	160,787	160,787
Tipco Pineapple Company Limited	1,000,000	-
Total	<u>1,915,337</u>	<u>465,337</u>

During the current quarter, the Company received dividends from Tipco Biotech Company Limited amounting to Baht 10.3 million.

### Investment in Tipco F&B Company Limited ("TFB")

The Board of Directors Meeting No.2/2017 held on 21 February 2017 passed a resolution approving the Company's acquisition of 50 percent of ordinary shares of TFB at a price of Baht 450 million. Subsequently, on 23 February 2017, the Company entered into Share Purchase Agreement with Suntory Beverage & Food Asia Pte. Ltd., to acquire ordinary shares of such company. The Company paid for the shares and received the transfer of such shares on 13 March 2017.

(Unaudited but reviewed)

As a result of the transactions, the shareholding of the Company in TFB increased from 50 percent to 100 percent and the Company recorded the effect of the change in TFB interest under the caption of “Non-controlling interests of subsidiary acquired by the Company at price higher than book value” in the consolidated shareholders’ equity. The details are as follows:

	(Unit: Thousand Baht)
	Consolidated financial statement
Purchase price	450,000
Less: Non-controlling interests of subsidiary adjusted	(369,233)
Non-controlling interests of subsidiary acquired by the Company at price higher than book value	<u>80,767</u>

Investment in Tipco Pineapple Company Limited (“Tipco Pineapple”)

On 5 January 2017, the extraordinary shareholders’ meeting No. 1/2017 of the Company passed a resolution to approve the Company’s restructuring plan by conducting a partial business transfer of the processed fruit segment to a newly incorporated subsidiary. Subsequently, in March 2017, the Company invested in Tipco Pineapple Company Limited, the new company incorporated in Thailand with the registered capital of Baht 0.1 million, and principally engaged in the manufacture and distribution of canned fruit, fruit juice and dried fruit. As a result of the investment, the Company has 100 percent of shareholding in Tipco Pineapple.

On 11 April 2017, the Company entered into the partial business transfer agreement with Tipco Pineapple to transfer the above mentioned segment to Tipco Pineapple.

On 27 September 2017, the extraordinary shareholders’ meeting No. 2/2017 of Tipco Pineapple passed a resolution to approve the increase in its registered and paid up capital of Baht 999,900,000, through the issue of 99,990,000 ordinary shares of Baht 10 each. The Company has invested in such new shares in full. As a result of the capital increase, Tipco Pineapple’s registered and paid-up capital consists of 100 million shares of Baht 10 each, totaling Baht 1,000 million. Tipco Pineapple completed the share increase process and registered the new share capital with the Ministry of Commerce on 27 September 2017.

(Unaudited but reviewed)

On 2 October 2017, the Company has completed the partial business transfer process and received such transferred amount from Tipco Pineapple of approximately Baht 647 million on the same date. On 30 September 2017, the Company therefore reclassified such business segment as a disposal group classified as held for sale and separately presented as “Assets held for sale” and “Liabilities directly associated with the assets held for sale” (Note 12). In addition, the Company also classified the operating results of such segment as discontinued operation and separately presented as “Profit (loss) for the period from discontinued operation” in the statement of comprehensive income of separate financial statements. However, such presentation has no effect on consolidated statement of financial position and consolidated statement of comprehensive income.

## 7. Investments in associate

### 7.1 Details of associate:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016 (Audited)	30 September 2017	31 December 2016 (Audited)
Cost	644,930	644,930	644,930	644,930
Carrying amounts based on equity method	2,973,035	2,894,859	-	-

### 7.2 Share of profit and dividend received

During the three-month and nine-month periods ended 30 September 2017 and 2016, 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	For the three-month periods ended 30 September			
	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>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Tipco Asphalt Plc	93,548	75,935	110,964	110,964

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods ended 30 September				
Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in		Dividend received	
	associate during the period		during the period by the Company	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Tipco Asphalt Plc	469,884	528,172	332,893	258,917

## 8. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Net book value as at 1 January 2017</b>	2,023,191	761,469
Acquisitions during period - at cost	129,621	64,849
Disposals/written-off during period - net book value at disposal/written-off date	(13,383)	(22)
Depreciation for the period	(176,960)	(82,895)
Allowance for impairment loss	(1,409)	(1,409)
Classified as assets held for sale (Note 12)	-	(407,629)
<b>Net book value as at 30 September 2017</b>	<b>1,961,060</b>	<b>334,363</b>

## 9. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)	(Audited)	
Trade payables - related parties (Note 4)	-	1,084	52	2,415
Trade payables - unrelated parties	156,228	306,025	22,713	135,814
Amounts due to related parties (Note 4)	4,564	7,593	1,458	2,121
Accrued expenses	328,557	362,908	64,137	93,483
Others	165,369	181,516	4,723	7,463
<b>Total trade and other payables</b>	<b>654,718</b>	<b>859,126</b>	<b>93,083</b>	<b>241,296</b>



(Unaudited but reviewed)

## 10. Long-term loans

Movements in the long-term loan account during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Balance as at 1 January 2017</b>	948,450	548,450
Repayments	(468,625)	(68,625)
Classified as liabilities directly associated with assets held for sale (Note 12)	-	(350,000)
<b>Balance as at 30 September 2017</b>	479,825	129,825
Less: Current portion	(137,250)	(37,080)
<b>Long-term loans - net of current portion</b>	<b>342,575</b>	<b>92,745</b>

On 25 April 2017, Tipco F&B Company Limited made a repayment of the outstanding long-term loan to the bank.

With regard to the partial business transfer as mentioned in Note 6 to interim financial statements, the Company has entered into the addendum to the agreement to revise the credit facilities with the bank by transferring the long-term loan of Baht 350 million (Note 12) to Tipco Pineapple Company Limited and changing in the mortgages of the assets of the Company. The Company is currently in the process to comply with such addendum.

### 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 2016 except the change in assets mortgaged as disclosed 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 mortgages of the assets of the Company of which the net book value as at 30 September 2017 and 31 December 2016 are summarised below.

	(Unit: Million Baht)	
	Consolidated /Separate financial statements	
	30 September 2017	31 December 2016
		(Audited)
Land	47	47
Building and complement	141	157
Machinery and equipment	135	154

(Unaudited but reviewed)

- b) The Company and a subsidiary guarantee the bank guarantees issued by the banks to other subsidiaries of the Group.

## 12. Assets held for sale

As disclosed in Note 6 to the interim financial statements, during the current period, the Company reclassified the processed fruit segment as a disposal group classified as held for sale in separate statement of financial position and reclassified operating results of such segment as discontinued operation in the statement of comprehensive income of separate financial statements.

The amount of assets and liabilities included in the processed fruit segment as at 30 September 2017 are as follows:

	(Unit: Thousand Baht)
<b>Assets</b>	
Trade and other receivables	188,955
Inventories	467,752
Other current assets	8,183
Property, plant and equipment (Note 8)	407,629
Other non-current assets	367
<b>Total assets held for sale</b>	<u>1,072,886</u>
<b>Liabilities</b>	
Trade and other payables	29,492
Other current liabilities	10,071
Long-term loan (Note 10)	350,000
Provision for long-term employee benefits	36,523
<b>Total liabilities directly associated with the assets held for sale</b>	<u>426,086</u>
<b>Net assets directly associated with disposal group</b>	<u><u>646,800</u></u>

(Unaudited but reviewed)

The operating results of assets held for sale as presented under “Profit for the period from discontinued operation” in the separate statement of comprehensive income are detailed below.

	(Unit: Thousand Baht)	
	For the three-month periods ended	
	30 September	
	<u>2017</u>	<u>2016</u>
<b>Revenues</b>		
Sales	557,828	424,244
Other income	21,658	16,393
<b>Total revenues</b>	<u>579,486</u>	<u>440,637</u>
<b>Expenses</b>		
Cost of sales	452,628	435,263
Selling expenses	25,304	15,262
Administrative expenses	33,850	13,847
<b>Total expenses</b>	<u>511,782</u>	<u>464,372</u>
<b>Profit (loss) for the period from discontinued operations</b>	<u>67,704</u>	<u>(23,735)</u>
<b>Earnings per share (Baht)</b>		
Basic earnings (loss) per share from discontinued operation	<u>0.14</u>	<u>(0.05)</u>

	(Unit: Thousand Baht)	
	For the nine-month periods ended	
	30 September	
	<u>2017</u>	<u>2016</u>
<b>Revenues</b>		
Sales	1,703,987	1,809,568
Other income	32,828	34,075
<b>Total revenues</b>	<u>1,736,815</u>	<u>1,843,643</u>
<b>Expenses</b>		
Cost of sales	1,303,929	1,567,954
Selling expenses	70,826	84,985
Administrative expenses	65,619	39,302
<b>Total expenses</b>	<u>1,440,374</u>	<u>1,692,241</u>
<b>Profit for the period from discontinued operations</b>	<u>296,441</u>	<u>151,402</u>
<b>Earnings per share (Baht)</b>		
Basic earnings per share from discontinued operation	<u>0.62</u>	<u>0.31</u>

The revenues and expenses were allocated in accordance with bases 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.

(Unaudited but reviewed)

### 13. Income tax

Income tax for the three-month and nine-month period ended 30 September 2017 and 2016 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Current income tax:</b>				
Current income tax charge	(1,610)	(2,504)	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(3,661)	915	(2,609)	505
Utilisation of tax loss carried forward during the period	(920)	-	(920)	-
<b>Income tax reported in the statement of comprehensive income</b>	<b><u>(6,191)</u></b>	<b><u>(1,589)</u></b>	<b><u>(3,529)</u></b>	<b><u>505</u></b>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Current income tax:</b>				
Current income tax charge	(4,068)	(6,484)	-	-
<b>Deferred tax:</b>				
Reversal of temporary differences	(9,547)	(786)	(6,586)	(1,837)
Utilisation of tax loss carried forward during the period	(31,821)	(2,219)	(31,821)	(2,219)
<b>Income tax reported in the statement of comprehensive income</b>	<b><u>(45,436)</u></b>	<b><u>(9,489)</u></b>	<b><u>(38,407)</u></b>	<b><u>(4,056)</u></b>

(Unaudited but reviewed)

#### 14. Dividend

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend</u>
		<u>(Million Baht)</u>	<u>per share</u>
			<u>(Baht per share)</u>
Final dividends for 2015	Annual General Meeting of the shareholders on 22 April 2016	120.1	0.25
Interim dividends for 2016	Board of Directors' meeting on 10 August 2016	<u>110.6</u>	<u>0.23</u>
Total for the nine-month period ended 30 September 2016		<u>230.7</u>	<u>0.48</u>
Final dividends for 2016	Annual General Meeting of the shareholders on 24 April 2017	77.1	0.16
Interim dividends for 2017	Board of Directors' meeting on 10 August 2017	<u>120.5</u>	<u>0.25</u>
Total for the nine-month period ended 30 September 2017		<u>197.6</u>	<u>0.41</u>

(Unaudited but reviewed)

## 15. Segment information

The following table present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2017 and 2016, respectively.

(Unit: Million Baht)

	For the three-month periods ended 30 September							
	Products of		Beverage		Others		Consolidation	
	vegetable & fruit							
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues from sales of goods and rendering of services	578	426	640	745	13	5	1,231	1,176
<b>Gross profit</b>	120	76	220	239	(2)	(7)	338	308
Other incomes							26	25
Selling expenses							(210)	(242)
Administrative expenses							(124)	(108)
<b>Profit (loss) before share of profit from investment in associate, finance cost and income tax</b>							30	(17)
Share of profit from investment in associate							94	76
<b>Profit before finance cost and income tax</b>							124	59
Finance cost							(13)	(9)
Income tax							(6)	(2)
<b>Profit for the period</b>							105	48

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Products of		Beverage		Others		Consolidation	
	vegetable & fruit							
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues from sales of goods and rendering of services	1,733	1,799	1,973	2,091	77	72	3,783	3,962
<b>Gross profit</b>	432	256	677	792	17	21	1,126	1,069
Other incomes							71	58
Selling expenses							(561)	(648)
Administrative expenses							(348)	(312)
<b>Profit before share of profit from investment in associate, finance cost and income tax</b>							288	167
Share of profit from investment in associate							470	528
<b>Profit before finance cost and income tax</b>							758	695
Finance cost							(39)	(30)
Income tax							(45)	(10)
<b>Profit for the period</b>							674	655

(Unaudited but reviewed)

Geographic segment information for the three-month and nine-month periods ended 30 September 2017 and 2016 is as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 September					
	Domestic sales		Export sales		Consolidation	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues from the sale of goods and the rendering of services	<u>594</u>	<u>666</u>	<u>637</u>	<u>510</u>	<u>1,231</u>	<u>1,176</u>
Gross profit	<u>201</u>	<u>275</u>	<u>137</u>	<u>33</u>	<u>338</u>	<u>308</u>

(Unit: Million Baht)

	For the nine-month periods ended 30 September					
	Domestic sales		Export sales		Consolidation	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues from the sale of goods and the rendering of services	<u>1,891</u>	<u>1,944</u>	<u>1,892</u>	<u>2,018</u>	<u>3,783</u>	<u>3,962</u>
Gross profit	<u>668</u>	<u>734</u>	<u>458</u>	<u>335</u>	<u>1,126</u>	<u>1,069</u>

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

## 16. Commitments and contingent liabilities

### 16.1 Capital commitments

The Company and its subsidiaries had outstanding capital commitments relating to the purchase land, furniture, equipment and computer software as follows:

(Unit: Million Baht)

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>30 September 2017</u>	<u>31 December 2016</u>	<u>30 September 2017</u>	<u>31 December 2016</u>
		(Audited)		(Audited)
Baht	<u>16</u>	<u>6</u>	<u>5</u>	<u>1</u>



## 16.2 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	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
Payable within:				
1 year	66	71	27	24
2 to 5 years	76	96	9	26
More than 5 years	2	11	-	-

## 16.3 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	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
Bank guarantees	33	44	8	19

## 17. Foreign currency risk

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

	Consolidated financial statements				Average exchange rate	
	Financial assets		Financial liabilities		30 September	31 December
Foreign currency	30 September 2017	31 December 2016	30 September 2017	31 December 2016	2017	2016
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	(Audited)
		(Audited)		(Audited)		
US Dollar	6	7	1	1	33.37	35.83
Euro	-	-	-	2	39.31	37.76
Yen	-	-	1	-	0.30	0.31

(Unaudited but reviewed)

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	30 September	31 December	30 September	31 December	30 September	31 December
	2017	2016	2017	2016	2017	2016
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	(Audited)
		(Audited)		(Audited)		(Audited)
US Dollar	5	7	-	-	33.37	35.83

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

Foreign currency	As at 30 September 2017					
	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold	Bought	Sold	Bought	Sold	Bought
	Amount	amount	amount	amount		
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	1.9	-	0.3	-	32.90 - 33.93	-
Euro	-	1.1	-	1.0	-	39.56 - 40.05

Foreign currency	As at 31 December 2016 (Audited)					
	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold	Bought	Sold	Bought	Sold	Bought
	amount	amount	amount	amount		
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	0.4	0.3	0.4	-	34.86 - 34.93	35.63 - 35.91
Euro	-	0.1	-	-	-	37.65 - 37.90

## 18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 14 November 2017.