

Patum Rice Mill and Granary Public Company Limited  
and its subsidiaries  
Review report and interim financial statements  
For the three-month and nine-month period ended  
30 September 2016

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Patum Rice Mill and Granary Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Patum Rice Mill and Granary Public Company Limited and its subsidiaries as at 30 September 2016, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2016, and the 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 Patum Rice Mill and Granary 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.

Nonglak Pumnoi

Certified Public Accountant (Thailand) No. 4172

EY Office Limited

Bangkok: 7 November 2016

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 September 2016**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	3	19,928	22,620	6,338	6,967
Trade and other receivables	2, 4	194,343	675,187	220,497	663,746
Inventories	5	267,687	240,053	146,648	147,995
Short-term loan to a subsidiary	2	-	-	14,500	6,500
Current portion of long-term loan to other person	9	2,850	-	-	-
Other current assets		53,029	51,780	19,846	16,369
<b>Total current assets</b>		<b>537,837</b>	<b>989,640</b>	<b>407,829</b>	<b>841,577</b>
<b>Non-current assets</b>					
Investments in subsidiaries	6	-	-	1,089,574	1,133,074
Investment in parent company					
- available-for-sale security	7	7,638,518	7,039,418	7,256,018	6,686,918
Long-term investments - available-for-sale securities	8	38,962	33,949	-	-
Other long-term investments		3,408	3,408	4	4
Long-term loan to other person - net of current portion	9	19,420	-	-	-
Investment properties	10	42,344	39,889	29,526	29,526
Property, plant and equipment	11	264,432	320,958	160,773	171,946
Prepaid rental fee	2	372,121	388,986	-	-
Intangible asset		5,626	6,477	3,602	4,344
Deferred tax assets	14	3,118	3,078	1,862	1,701
Goodwill	6	53,421	53,421	-	-
Other non-current assets		13,809	14,949	-	-
<b>Total non-current assets</b>		<b>8,455,179</b>	<b>7,904,533</b>	<b>8,541,359</b>	<b>8,027,513</b>
<b>Total assets</b>		<b>8,993,016</b>	<b>8,894,173</b>	<b>8,949,188</b>	<b>8,869,090</b>

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

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 September 2016**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from banks	12	557,170	993,122	557,170	993,122
Short-term loans from subsidiaries	2	-	-	303,620	271,620
Trade and other payables	2	191,896	231,008	210,281	241,862
Current portion of liabilities under financial lease	13	297	297	297	297
Dividend payable	21	168,000	-	168,000	-
Income tax payable		529	3,870	-	3,316
Other current liabilities		12,393	16,640	2,628	5,494
<b>Total current liabilities</b>		<b>930,285</b>	<b>1,244,937</b>	<b>1,241,996</b>	<b>1,515,711</b>
<b>Non-current liabilities</b>					
Provision for long-term employee benefits		15,306	14,786	9,312	8,507
Liabilities under finance lease - net					
of current portion	13	472	694	472	694
Deferred tax liabilities	14	1,319,405	1,198,582	1,269,689	1,155,869
Other non-current liabilities		3,176	3,309	-	-
<b>Total non-current liabilities</b>		<b>1,338,359</b>	<b>1,217,371</b>	<b>1,279,473</b>	<b>1,165,070</b>
<b>Total liabilities</b>		<b>2,268,644</b>	<b>2,462,308</b>	<b>2,521,469</b>	<b>2,680,781</b>

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

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 September 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital					
Registered share capital					
900,000,000 ordinary shares of Baht 1 each		900,000	900,000	900,000	900,000
Issued and fully paid-up share capital					
600,000,000 ordinary shares of Baht 1 each		600,000	600,000	600,000	600,000
Share premium		160,000	160,000	160,000	160,000
Retained earnings					
Appropriated - statutory reserve		90,000	90,000	90,000	90,000
Unappropriated		482,411	642,914	498,964	714,833
Other components of shareholders' equity		5,359,560	4,877,272	5,078,755	4,623,476
Equity attributable to owners of the Company		6,691,971	6,370,186	6,427,719	6,188,309
Non-controlling interests of the subsidiaries		32,401	61,679	-	-
<b>Total shareholders' equity</b>		<b>6,724,372</b>	<b>6,431,865</b>	<b>6,427,719</b>	<b>6,188,309</b>
<b>Total liabilities and shareholders' equity</b>		<b>8,993,016</b>	<b>8,894,173</b>	<b>8,949,188</b>	<b>8,869,090</b>
		-	-	-	-

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

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Directors  
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(Unaudited but reviewed)

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries****Statement of comprehensive income****For the three-month period ended 30 September 2016**

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

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>Profit or loss:</b>					
<b><u>Continuing operations</u></b>					
<b>Revenues</b>					
Revenues from sales	2, 16	465,197	495,063	398,514	409,648
Revenues form services	2, 16	2,183	2,044	-	-
Dividend income	16	2,795	656	-	73
Other income	2, 16	7,026	5,641	3,975	8,345
<b>Total revenues</b>		<b>477,201</b>	<b>503,404</b>	<b>402,489</b>	<b>418,066</b>
<b>Expenses</b>					
Cost of sales	2, 16	373,493	399,063	321,820	333,338
Cost of services	16	1,756	1,661	-	-
Selling expenses	2, 16	64,622	63,242	48,685	48,951
Administrative expenses	2, 16	27,948	28,584	18,079	16,447
Allowance for investment in subsidiary		-	-	43,500	-
<b>Total expenses</b>		<b>467,819</b>	<b>492,550</b>	<b>432,084</b>	<b>398,736</b>
<b>Profit (loss) before finance cost and income tax expenses</b>		<b>9,382</b>	<b>10,854</b>	<b>(29,595)</b>	<b>19,330</b>
Finance cost	2, 16	(2,892)	(4,176)	(6,739)	(4,652)
<b>Profit (loss) before income tax expenses</b>		<b>6,490</b>	<b>6,678</b>	<b>(36,334)</b>	<b>14,678</b>
Income tax expenses	14, 16	432	(3,433)	69	(3,352)
<b>Profit (loss) for the period from continuing operations</b>		<b>6,922</b>	<b>3,245</b>	<b>(36,265)</b>	<b>11,326</b>
<b><u>Discontinued operations</u></b>					
Loss for the period from discontinued operations	15	-	(1,384)	-	-
<b>Profit (loss) for the period</b>		<b>6,922</b>	<b>1,861</b>	<b>(36,265)</b>	<b>11,326</b>
<b>Other comprehensive income:</b>					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Gain (loss) on change in value of available-for sale investment					
- net of income tax		440,771	(722,858)	417,339	(682,919)
<b>Other comprehensive income for the period</b>		<b>440,771</b>	<b>(722,858)</b>	<b>417,339</b>	<b>(682,919)</b>
<b>Total comprehensive income for the period</b>		<b>447,693</b>	<b>(720,997)</b>	<b>381,074</b>	<b>(671,593)</b>

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

(Unaudited but reviewed)

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the three-month period ended 30 September 2016**

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

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>Net income (loss) attributable to:</b>					
<b>Equity holders of the parent</b>					
Income (loss) for the year from continuing operations		9,051	7,944	(36,265)	11,326
Loss for the year from discontinued operations		-	(1,012)	-	-
Income (loss) for the year for equity holder of the parent		<u>9,051</u>	<u>6,932</u>	<u>(36,265)</u>	<u>11,326</u>
<b>Minority interests of subsidiaries</b>					
Loss for the year from continuing operations		(2,129)	(4,699)		
Loss for the year from discontinued operations		-	(372)		
Loss for the year for minority interest of subsidiary		<u>(2,129)</u>	<u>(5,071)</u>		
		<u>6,922</u>	<u>1,861</u>		
<b>Total comprehensive income (loss) attributable to:</b>					
<b>Equity holders of the parent</b>					
Total comprehensive income (loss) for the year from continuing operations		449,464	(713,929)	381,074	(671,593)
Total comprehensive loss for the year from discontinued operations		-	(1,012)	-	-
Total comprehensive income (loss) for the year for equity holder of the parent		<u>449,464</u>	<u>(714,941)</u>	<u>381,074</u>	<u>(671,593)</u>
<b>Minority interests of subsidiaries</b>					
Total comprehensive loss for the year from continuing operations		(1,771)	(5,684)		
Total comprehensive loss for the year from discontinued operations		-	(372)		
Total comprehensive loss for the year for minority interest of subsidiary		<u>(1,771)</u>	<u>(6,056)</u>		
		<u>447,693</u>	<u>(720,997)</u>		
<b>Earning per share</b>					
18					
<b>Basic earnings per share</b>					
Basic earning per share from continuing operations		<u>0.02</u>	<u>0.01</u>	<u>(0.06)</u>	<u>0.02</u>
Basic earning per share from discontinued operations		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net basic earnings per share</b>		<u>0.02</u>	<u>0.01</u>	<u>(0.06)</u>	<u>0.02</u>

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

(Unaudited but reviewed)

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries****Statement of comprehensive income****For the nine-month period ended 30 September 2016**

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

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>Profit or loss:</b>					
<b><u>Continuing operations</u></b>					
<b>Revenues</b>					
Revenues from sales	2, 16	1,378,789	1,517,050	1,195,560	1,280,153
Revenues form services	2, 16	6,569	6,060	-	-
Dividend income	16	168,613	151,180	156,502	142,348
Other income	2, 16	21,182	31,725	15,252	34,248
<b>Total revenues</b>		<b>1,575,153</b>	<b>1,706,015</b>	<b>1,367,314</b>	<b>1,456,749</b>
<b>Expenses</b>					
Cost of sales	2, 16	1,108,542	1,246,675	983,455	1,066,185
Cost of services	16	5,333	5,645	-	-
Selling expenses	2, 16	177,623	200,069	132,327	159,089
Administrative expenses	2, 16	101,378	80,278	66,034	55,151
Allowance for investment in subsidiary		-	-	43,500	-
<b>Total expenses</b>		<b>1,392,876</b>	<b>1,532,667</b>	<b>1,225,316</b>	<b>1,280,425</b>
<b>Profit before finance cost and income tax expenses</b>		<b>182,277</b>	<b>173,348</b>	<b>141,998</b>	<b>176,324</b>
Finance cost	2, 16	(10,839)	(11,449)	(22,028)	(14,071)
<b>Profit before income tax expenses</b>		<b>171,438</b>	<b>161,899</b>	<b>119,970</b>	<b>162,253</b>
Income tax expenses	14, 16	(564)	(4,620)	161	(3,715)
<b>Profit for the period from continuing operations</b>		<b>170,874</b>	<b>157,279</b>	<b>120,131</b>	<b>158,538</b>
<b><u>Discontinued operations</u></b>					
Loss for the period from discontinued operations	15	(8,084)	(3,541)	-	-
<b>Profit for the period</b>		<b>162,790</b>	<b>153,738</b>	<b>120,131</b>	<b>158,538</b>
<b>Other comprehensive income:</b>					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Gain on change in value of available-for sale investment					
- net of income tax		483,290	(285,378)	455,279	(265,580)
<b>Other comprehensive income for the period</b>		<b>483,290</b>	<b>(285,378)</b>	<b>455,279</b>	<b>(265,580)</b>
<b>Total comprehensive income for the period</b>		<b>646,080</b>	<b>(131,640)</b>	<b>575,410</b>	<b>(107,042)</b>

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



(Unaudited but reviewed)

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries****Statement of comprehensive income (continued)****For the nine-month period ended 30 September 2016**

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

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>Net income (loss) attributable to:</b>					
<b>Equity holders of the parent</b>					
Income for the year from continuing operations		182,408	165,920	120,131	158,538
Loss for the year from discontinued operations		(6,911)	(2,945)	-	-
Income for the year for equity holder of the parent		175,497	162,975	120,131	158,538
<b>Minority interests of subsidiaries</b>					
Loss for the year from continuing operations		(11,534)	(8,641)		
Loss for the year from discontinued operations		(1,173)	(596)		
Loss for the year for minority interest of subsidiary		(12,707)	(9,237)		
		162,790	153,738		
<b>Total comprehensive income (loss) attributable to:</b>					
<b>Equity holders of the parent</b>					
Total comprehensive income (loss) for the year from continuing operations		664,696	(118,008)	575,410	(107,042)
Total comprehensive loss for the year from discontinued operations		(6,911)	(2,945)	-	-
Total comprehensive income (loss) for the year for equity holder of the parent		657,785	(120,953)	575,410	(107,042)
<b>Minority interests of subsidiaries</b>					
Total comprehensive loss for the year from continuing operations		(10,532)	(10,091)		
Total comprehensive loss for the year from discontinued operations		(1,173)	(596)		
Total comprehensive loss for the year for minority interest of subsidiary		(11,705)	(10,687)		
		646,080	(131,640)		
<b>Earning per share</b>					
18					
<b>Basic earnings per share</b>					
Basic earning per share from continuing operations		0.30	0.28	0.20	0.26
Basic earning per share from discontinued operations		(0.01)	(0.01)	-	-
<b>Net basic earnings per share</b>		0.29	0.27	0.20	0.26

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

(Unaudited but reviewed)

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries****Statement of cash flow****For the nine-month period ended 30 September 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from operating activities</b>				
Income before tax from continuing operations	171,438	161,899	119,970	162,253
Loss before tax from discontinued operations	(8,084)	(3,541)	-	-
Adjustments to reconcile profit before tax				
to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	35,017	34,931	14,141	14,113
(Gain) loss on sales of machinery and equipment	16,245	3,698	(20)	(95)
Allowance for investment in subsidiary	-	-	43,500	-
Amortisation of prepaid rental fee	16,865	16,475	-	-
Allowance for doubtful debts (Reversal)	1,700	(8)	1,700	(8)
Allowance for diminution in value of inventories (Reversal)	-	(6,500)	300	(5,100)
Provision for long-term employee benefits	520	1,887	805	1,376
Dividend income	(168,613)	(151,180)	(156,502)	(142,348)
Interest income	(971)	(303)	(594)	(7,339)
Interest expenses	10,839	11,627	22,028	14,071
Income from operating activities before changes				
in operating assets and liabilities	74,956	68,985	45,328	36,923
Operating assets (increase) decrease				
Trade and other accounts receivable	479,144	68,256	441,707	66,339
Inventories	(27,634)	(81,332)	1,047	52,220
Other current assets	9,840	(3,053)	(532)	4,294
Prepaid rental fee	-	(173,190)	-	-
Other non-current assets	1,139	386	-	-
Operating liabilities increase (decrease)				
Trade and other accounts payable	(38,861)	(11,381)	(30,699)	106,989
Other current liabilities	(8,190)	(1,356)	(3,654)	(1,132)
Other non-current liabilities	(133)	(74)	-	-
<b>Cash flows from (used in) operating activities</b>	<b>490,261</b>	<b>(132,759)</b>	<b>453,197</b>	<b>265,633</b>
Cash paid for corporate income tax	(11,089)	(3,991)	(6,262)	(4,145)
<b>Net cash flows from (used in) operating activities</b>	<b>479,172</b>	<b>(136,750)</b>	<b>446,935</b>	<b>261,488</b>

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

(Unaudited but reviewed)

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries****Statement of cash flow (continued)****For the nine-month period ended 30 September 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from investing activities</b>				
Cash paid for purchase of current investments	-	(44,133)	-	-
Cash paid for increase share capital in a subsidiary	(17,573)	-	-	(250,000)
Cash received from reduction of capital of related company	-	170	-	57
Cash received from loan to a subsidiary	-	-	16,500	262,880
Increase in short-term loan to a subsidiary	-	-	(24,500)	(262,880)
Increase in long-term loans to person	(22,270)	-	-	-
Cash received from sales of equipment	13,953	404	21	404
Cash received from dividends	168,613	151,180	156,502	142,348
Cash received from interest income	971	353	571	6,379
Purchases of intangible assets	(421)	(1,623)	(102)	(144)
Purchases of plant and equipment	(9,873)	(35,795)	(2,126)	(2,363)
<b>Net cash flows from (used in) investing activities</b>	<b>133,400</b>	<b>70,556</b>	<b>146,866</b>	<b>(103,319)</b>
<b>Cash flows from financing activities</b>				
Increase in bank overdrafts	48	10,172	48	10,172
Cash received from short-term loans from banks	2,125,500	1,521,000	2,125,500	1,521,000
Repayment of short-term loans from banks	(2,561,500)	(1,317,000)	(2,561,500)	(1,317,000)
Repayment of short-term loans from related persons	-	(1,000)	-	-
Cash received from short-term loans from related parties	-	-	102,600	118,620
Repayment of short-term loans from related parties	-	-	(70,600)	(315,120)
Repayment of liabilities under finance lease	(222)	(124)	(222)	(124)
Cash paid for dividends	(168,000)	(150,000)	(168,000)	(150,000)
Cash paid for interest expenses	(11,090)	(11,045)	(22,256)	(13,958)
<b>Net cash flows from (used in) financing activities</b>	<b>(615,264)</b>	<b>52,003</b>	<b>(594,430)</b>	<b>(146,410)</b>
Net increase (decrease) in cash and cash equivalents	(2,692)	(14,191)	(629)	11,759
Cash and cash equivalents as at beginning of period	22,620	46,601	6,967	4,429
<b>Cash and cash equivalents as at end of period</b>	<b>19,928</b>	<b>32,410</b>	<b>6,338</b>	<b>16,188</b>
	-	-	-	-

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

(Unaudited but reviewed)

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries****Statement of changes in shareholders' equity**

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

Consolidated financial statements								
Equity attributable to the owners of the Company								
	Issued and fully paid-up share capital	Share premium	Retained earnings		Surplus on change in value of available-for-sale investment	Total equity attributable to the owners 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 2015</b>	600,000	160,000	90,000	612,439	5,083,082	6,545,521	66,461	6,611,982
Profit (loss) for the period	-	-	-	162,975	-	162,975	(9,237)	153,738
Other comprehensive income for the period	-	-	-	-	(283,928)	(283,928)	(1,450)	(285,378)
Total comprehensive income for the period	-	-	-	162,975	(283,928)	(120,953)	(10,687)	(131,640)
Dividends (Note 21)	-	-	-	(300,000)	-	(300,000)	-	(300,000)
<b>Balance as at 30 September 2015</b>	<u>600,000</u>	<u>160,000</u>	<u>90,000</u>	<u>475,414</u>	<u>4,799,154</u>	<u>6,124,568</u>	<u>55,774</u>	<u>6,180,342</u>
<b>Balance as at 1 January 2016</b>	600,000	160,000	90,000	642,914	4,877,272	6,370,186	61,679	6,431,865
Decrease in non-controlling interests of subsidiaries								
from increase in proportion of shareholding	-	-	-	-	-	-	(17,573)	(17,573)
Profit (loss) for the period	-	-	-	175,497	-	175,497	(12,707)	162,790
Other comprehensive income for the period	-	-	-	-	482,288	482,288	1,002	483,290
Total comprehensive income for the period	-	-	-	175,497	482,288	657,785	(11,705)	646,080
Dividends (Note 21)	-	-	-	(336,000)	-	(336,000)	-	(336,000)
<b>Balance as at 30 September 2016</b>	<u>600,000</u>	<u>160,000</u>	<u>90,000</u>	<u>482,411</u>	<u>5,359,560</u>	<u>6,691,971</u>	<u>32,401</u>	<u>6,724,372</u>
	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the nine-month period ended 30 September 2016**

(Unit: Thousand Baht)

	Separate financial statements					Total Shareholders' equity
	Issued and fully paid-up share capital	Share premium	Retained earnings		Surplus on changes in value of available-for-sale investments	
			Appropriated - statutory reserve	Unappropriated		
<b>Balance as at 1 January 2015</b>	600,000	160,000	90,000	703,083	4,813,176	6,366,259
Profit for the period	-	-	-	158,538	-	158,538
Other comprehensive income for the period	-	-	-	-	(265,580)	(265,580)
Total comprehensive income for the period	-	-	-	158,538	(265,580)	(107,042)
Dividends (Note 21)	-	-	-	(300,000)	-	(300,000)
<b>Balance as at 30 September 2015</b>	<u>600,000</u>	<u>160,000</u>	<u>90,000</u>	<u>561,621</u>	<u>4,547,596</u>	<u>5,959,217</u>
<b>Balance as at 1 January 2016</b>	600,000	160,000	90,000	714,833	4,623,476	6,188,309
Profit for the period	-	-	-	120,131	-	120,131
Other comprehensive income for the period	-	-	-	-	455,279	455,279
Total comprehensive income for the period	-	-	-	120,131	455,279	575,410
Dividends (Note 21)	-	-	-	(336,000)	-	(336,000)
<b>Balance as at 30 September 2016</b>	<u>600,000</u>	<u>160,000</u>	<u>90,000</u>	<u>498,964</u>	<u>5,078,755</u>	<u>6,427,719</u>
	-	-	-	-	-	-

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

**Patum Rice Mill and Granary Public Company Limited and its subsidiaries**

**Notes to interim financial statements**

**For the three-month and nine-month periods ended 30 September 2016**

**1. General information**

**1.1 Corporate information**

Patum Rice Mill and Granary Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is MBK Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the processing and packaging of rice and related business. Its registered office address is 88, Moo 2, Tiwanont Road, Bangkadee Sub-District, Muang District, Pathumthani 12000 and the second factory is located at 109/3, Moo 14, Mitraparp Road Km.199, Lardbuakhow Sub-District, Sikhiu District, Nakornratchasima 30340.

On 9 August 2016 the meeting of the Board of Directors No. 1/2559 of Sima Pac Company Limited approved its cessation of its manufacturer and distributor of plastic bag business and the sale of the assets of these businesses. The subsidiary sold its machinery and vehicles in March 2016. The operating results of the discontinued operations are presented in Note 15 to the consolidated financial statements.

**1.2 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2015) “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.

### 1.3 Basis of consolidation

The consolidated financial statements include the financial statements of Patum Rice Mill and Granary Public Company Limited (“the Company”) and its subsidiary companies (“the subsidiaries”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2015.

The consolidated interim financial statements include the account balances of the Company and its subsidiaries (“the Group”). Material intercompany transactions and balances have been eliminated. The Company’s percentages of shareholding in subsidiaries are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			30 September	31 December
			2016	2015
<b>Directly owned</b>			%	%
PRG Granary Co., Ltd.	Warehouse rental	Thailand	99.99	99.99
MBK Food and Entertainment Co., Ltd.	Food center	Thailand	75.00	75.00
MBK Food Island Co., Ltd.	Food Center	Thailand	99.99	99.99
MBK Food System Co., Ltd.	Restaurant	Thailand	55.00	55.00
<b>Indirectly owned</b>				
Owned by PRG Granary Co., Ltd.				
Ratchsima Rice Co., Ltd.	Distribution and packaging rice, plant rental	Thailand	99.99	99.99
Sima Pac Co., Ltd.	Manufacturer and distributor of plastic bag and factory building rental	Thailand	99.99	49.99
Owned by Ratchsima Rice Co., Ltd.				
Innofood (Thailand) Co., Ltd.	Distributor of rice and development of product from rice	Thailand	99.99	99.99
Owned by MBK Food and Entertainment Co., Ltd.				
MBK Restaurant Group Co., Ltd.	Restaurant	Thailand	99.99	99.99

On 29 February 2016, the Board of director Meeting of PRG Granary Company Limited, a subsidiary, passed a resolution granting approval for the company to acquired 250,000 ordinary shares of Sima Pac Company Limited, representing a 50 percent of its registered capital, from the other existing shareholders at 70.29376 Baht per share, or for a total of Baht 17,573,440. The Group’s total shareholding in this company increased from 49.99 percent to 99.99 of the group percent.

## 1.4 New financial reporting standards

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

## 1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015.

## 2. Related party transactions

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

(Unit: Thousand Baht)

	For the three-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2016	2015	2016	2015	
<b>Transactions with parent company</b>					
Sales	414	274	238	97	Market price or prices which approximated market
Service income	-	71	-	-	Contact price and the rate which approximated cost
Service expenses	18,252	17,189	116	112	Contract price
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Rental income	-	-	1,775	3,243	Contract price
Service income	-	-	334	1,299	Contract price
Interest income	-	-	223	3,665	MLR of a commercial bank
Purchase of raw materials	-	-	226,986	191,173	Market price or prices which approximated market prices
Sales	-	-	31,119	4,050	Market price or prices which approximated market prices



(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2016	2015	2016	2015	
<b>Transactions with subsidiaries</b>					
<b>(continued)</b>					
Rental expenses	-	-	1,344	1,344	Contract rate with reference to the rates charged to third parties
Service expenses	-	-	2,403	3,952	Market price or prices which approximated market prices
Interest expenses	-	-	3,848	476	Market price or prices which approximated market prices
<b>Transactions with related companies</b>					
Sales	452	447	321	235	Market price or prices which approximated market prices
Service income	15	15	-	-	Contract price and the rate which approximated cost
Service expenses	2,430	2,892	1,174	1,088	Contract price

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2016	2015	2016	2015	
<b>Transactions with parent company</b>					
Sales	1,228	1,217	417	384	Market price or prices which approximated market
Service income	-	200	-	-	Contract price and the rate which approximated cost
Service expenses	54,663	54,737	457	411	Contract price
Prepaid rental payment	-	173,190	-	-	Contract price
Dividend income	164,752	149,993	156,502	142,348	Declared rate
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Rental income	-	-	5,356	5,412	Contract price
Service income	-	-	1,798	3,371	Contract price
Interest income	-	-	571	7,316	MLR of a commercial bank
Purchase of raw materials	-	-	622,483	585,887	Market price or prices which approximated market prices
Sales	-	-	102,583	36,298	Market price or prices which approximated market prices

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2016	2015	2016	2015	
<b>Transactions with subsidiaries</b>					
<b>(continued)</b>					
Rental expenses	-	-	4,032	4,032	Contract rate with reference to the rates charged to third parties
Service expenses	-	-	8,489	12,189	Market price or prices which approximated market prices
Interest expenses	-	-	11,190	2,621	Market price or prices which approximated market prices
<b>Transactions with related companies</b>					
Sales	1,251	1,089	841	735	Market price or prices which approximated market prices
Service income	45	45	-	-	Contract price and the rate which approximated cost
Service expenses	7,515	11,001	3,541	5,249	Contract price

The outstanding balances of the above transactions have been presented in the statements of financial position as at 30 September 2016 and 31 December 2015 as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
<b>Trade and other receivables - related parties</b>				
Parent company	366	1,274	224	804
Subsidiaries	-	-	31,167	1,435
Related parties (under common control)	278	125	219	123
Total	644	1,399	31,610	2,362
<b>Trade and other payables - related parties</b>				
Parent company	1,361	1,357	-	2
Subsidiaries	-	-	122,784	73,990
Related parties (under common control)	669	1,018	-	76
Total	2,030	2,375	122,784	74,068

**Short-term loan to a subsidiary**

Movements of short-term loan to a subsidiary as at 30 September 2016 was as follows:

(Unit: Thousand Baht)

	Separate financial statements			Balance as at 30 September 2016
	Balance as at 31 December 2015	During the period		
		Increase	Decrease	
<b>Short-term loan to a subsidiary</b>				
MBK Food and Entertainment Company Limited	6,500	24,500	(16,500)	14,500
	<u>6,500</u>	<u>24,500</u>	<u>(16,500)</u>	<u>14,500</u>

Short-term loan to a subsidiary carries interest at MLR rate of a local commercial bank and due at call.

**Short-term loans from subsidiaries**

Movements of short-term loans from subsidiaries as at 30 September 2016 were as follows:

(Unit: Thousand Baht)

	Separate financial statements			Balance as at 30 September 2016
	Balance as at 31 December 2015	During the period		
		Increase	Decrease	
<b>Short-term loans from subsidiaries</b>				
MBK Food System Co., Ltd.	10,400	1,000	(6,400)	5,000
MBK Food Island Co., Ltd.	81,800	29,200	-	111,000
PRG Granary Co., Ltd.	179,420	72,400	(64,200)	187,620
	<u>271,620</u>	<u>102,600</u>	<u>(70,600)</u>	<u>303,620</u>

**Prepaid rental fee**

On 2 April 2013, MBK Food Island Company Limited, a subsidiary, entered into a long-term space rental agreement, a long-term building equipment and systems rental agreement, and a long-term promotion and development space agreement with MBK Public Company Limited, for periods of 20 years (from 21 April 2013 to 20 April 2033). Under these agreements the Company is required to pay prepaid rental fees over the terms of the contracts, totaling Baht 260 million. As at the date of the agreements date, the subsidiary classified the leases as operating leases, for which the rental payments are recognised as an expense on a straight-line basis over the lease period.

(Unaudited but reviewed)

On 29 October 2014, MBK Food Island Company Limited, a subsidiary, entered into a long-term space rental agreement, a long-term building equipment and systems rental agreement, and a long-term promotion and development space agreement with MBK Public Company Limited, for periods of 18 years (from 1 September 2014 to 20 April 2033). Under these agreements the Company is required to pay prepaid rental fees over the terms of the contracts, totaling Baht 176 million. As at the date of the agreements date, the subsidiary classified the leases as operating leases, for which the rental payments are recognised as an expense on a straight-line basis over the lease period.

	(Unit: Thousand Baht)	
	30 September 2016	31 December 2015
Prepaid rental fee - Beginning of period/year	388,986	237,933
Prepaid rental fee increase	-	173,190
Less: Amortisation	(16,865)	(22,137)
Net book value	372,121	388,986
Amortisation for the period/year	16,865	22,137

### Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2016, the Group had employee benefit expenses payable to its directors and management as below.

	(Unit: Million Baht)			
	For the three-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Short-term employee benefits	5.6	4.6	5.6	4.6
Post-employment benefits	0.1	0.1	0.1	0.1
Total	5.7	4.7	5.7	4.7

	(Unit: Million Baht)			
	For the nine-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Short-term employee benefits	19.3	17.3	19.3	17.3
Post-employment benefits	0.3	0.3	0.3	0.3
Total	19.6	17.6	19.6	17.6

**3. Cash and cash equivalents**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Cash on hand	1,483	1,998	90	110
Bank deposits	18,445	20,622	6,248	6,857
<b>Total</b>	<b>19,928</b>	<b>22,620</b>	<b>6,338</b>	<b>6,967</b>

Bank deposits include savings accounts and fixed deposits. The savings account carried interest 0.13 - 0.50 percent per annum (31 December 2015: 0.13 - 0.40 percent per annum).

**4. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
<b>Trade receivables - related parties</b>				
Aged on the basis of due dates				
Not yet due	602	1,321	446	1,050
Past due				
Up to 3 months	39	29	30,372	217
3 - 6 months	3	-	3	-
<b>Total trade receivables - related parties</b>	<b>644</b>	<b>1,350</b>	<b>30,821</b>	<b>1,267</b>
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	159,281	623,078	157,824	618,090
Past due				
Up to 3 months	30,436	33,892	30,436	32,088
3 - 6 months	414	2,393	415	874
6 - 12 months	1,412	125	1,412	125
Over 12 months	588	750	588	750
<b>Total</b>	<b>192,131</b>	<b>660,238</b>	<b>190,675</b>	<b>651,927</b>
Less: Allowance for doubtful debts	(2,450)	(750)	(2,450)	(750)
<b>Total trade receivables - unrelated parties, net</b>	<b>189,681</b>	<b>659,488</b>	<b>188,225</b>	<b>651,177</b>
<b>Total trade receivables - net</b>	<b>190,325</b>	<b>660,838</b>	<b>219,046</b>	<b>652,444</b>
<b>Other receivables</b>				
Other receivables - related parties	-	49	789	1,094
Other receivables - unrelated parties	4,018	14,300	662	10,208
<b>Total other receivables</b>	<b>4,018</b>	<b>14,349</b>	<b>1,451</b>	<b>11,302</b>
<b>Total trade and other receivables - net</b>	<b>194,343</b>	<b>675,187</b>	<b>220,497</b>	<b>663,746</b>

(Unaudited but reviewed)

**5. Inventories**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Cost	268,568	240,934	147,398	148,445
Less: Diminution in value of inventories	(881)	(881)	(750)	(450)
Inventories - net	<u>267,687</u>	<u>240,053</u>	<u>146,648</u>	<u>147,995</u>

Movements in diminution in value of inventories during the three-month and nine-month periods ended 30 September 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2016	881	450
Decreased in diminution in value of inventories	-	300
Balance as at 30 September 2016	<u>881</u>	<u>750</u>

The Company has pledged inventories of the Company and its subsidiaries' approximately Baht 247 million (31 December 2015: Baht 215 million) (Separate financial statements: Baht 134 million (31 December 2015: Baht 135 million)) to secure a loan facility from a bank, as discussed in Note 12.

**6. Investments in subsidiaries**

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

Company's name	(Unit: Thousand Baht)							
	Paid up capital		Shareholding		Cost		Dividend income for the	
			percentage				nine-month periods ended	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	30 September 2015
			%	%				
PRG Granary Co., Ltd.	500,000	500,000	99.99	99.99	489,637	489,637	-	-
MBK Food and Entertainment Co., Ltd.	50,000	50,000	75.00	75.00	84,752	84,752	-	-
MBK Food Island Co., Ltd.	500,000	500,000	99.99	99.99	498,685	498,685	-	-
MBK Food System Co., Ltd.	109,091	109,091	55.00	55.00	60,000	60,000	-	-
Investments in subsidiaries					1,133,074	1,133,074		
Less: Allowance for investment in subsidiary					(43,500)	-		
Investments in subsidiaries - net					<u>1,089,574</u>	<u>1,133,074</u>	<u>-</u>	<u>-</u>

**Goodwill**

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 September 2016	31 December 2015
Innofood (Thailand) Co., Ltd.	240	240
MBK Food and Entertainment Co., Ltd.	53,181	53,181
Goodwill	53,421	53,421

**Sima Pac Company Limited**

On 29 February 2016, the Board of director Meeting of PRG Granary Company Limited, a subsidiary, passed a resolution granting approval for the company to acquired 250,000 ordinary shares of Sima Pac Company Limited, representing a 50 percent of its registered capital, from the other existing shareholders at 70.29376 Baht per share, or for a total of Baht 17,573,440. The Group's total shareholding in this company increased from 49.99 percent to 99.99 of the group percent.

Estimates of fair values of the assets acquired and the liabilities assumed on the acquisition date (1 March 2016) of Sima Pac Company Limited are presented below.

	(Unit: Baht)
Cash and cash equivalents	6,783,511
Trade and other receivables	2,081,387
Inventories	7,270,549
Other current assets	767,049
Building and equipment - net	24,493,338
Total assets	41,395,834
Trade and other payables	4,345,096
Deposit and unearned revenue	921,160
Other current liabilities	110,350
Provision for long-term employee benefits	872,348
Total liabilities	6,248,954
Net assets value	35,146,880
Shareholding percentage	50%
Net assets value	17,573,440

**7. Investment in parent company - available-for-sale security**

(Unit: Thousand Baht)

		Consolidated financial statements					
Nature of business	Shareholding percentage		Investments		Dividend income for the nine-month periods ended		
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	30 September 2015	
	%	%					
MBK Public Company Limited	Property rental and development	26.47	26.47	955,416	955,416	<u>164,752</u>	<u>149,775</u>
Add: Unrealised gain on change in value of investment				<u>6,683,102</u>	<u>6,084,002</u>		
				<u>7,638,518</u>	<u>7,039,418</u>		

(Unit: Thousand Baht)

		Separate financial statements					
Nature of business	Shareholding percentage		Investments		Dividend income for the nine-month periods ended		
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	30 September 2015	
	%	%					
MBK Public Company Limited	Property rental and development	25.14	25.14	907,574	907,574	<u>156,502</u>	<u>142,275</u>
Add: Unrealised gain on change in value of investment				<u>6,348,444</u>	<u>5,779,344</u>		
				<u>7,256,018</u>	<u>6,686,918</u>		

Although the Company invests more than 20% in the ordinary shares of the parent company and has certain common directors, the investment in parent company is long-term investment in marketable equity security and is not classified as associate because the Company has no ultimately significant influence in participating in the finance and operation policy decisions of the parent company.

As at 30 September 2016, the Company has pledged its investment in the listed security of parent company and entered into a negative pledge agreement on such listed securities totalling 318 million shares, with value at end of reporting period amounting to Baht 4,865 million (31 December 2015: 318 million shares, Baht 4,484 million) to secure bank overdraft and short-term loan facilities from banks, as discussed in Note 12.



**8. Long-term investment - available-for-sale securities**

Long-term investment - available-for-sale securities as at 30 September 2016 and 31 December 2015 comprise the following:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 September 2016	31 December 2015
<b>Available-for-sale securities</b>		
Equity securities	44,134	44,134
Add: Unrealised loss on changes in value of investment	(5,172)	(10,185)
Long-term investment - available-for-sale securities	<u>38,962</u>	<u>33,949</u>

**9. Long-term loan to other person**

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 September 2016	31 December 2015
Loan	22,270	-
Less: Current portion	(2,850)	-
Net of current portion	<u>19,420</u>	<u>-</u>

Long-term loan to other person secured by the pledged/mortgaged of assets specified in the loan agreement and carried interest at fixed rates. Long-term loan is mature within 7 years.

**10. Investment properties**

Movements of the investment properties account during the nine-month period ended 30 September 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2016</b>	39,889	29,526
Reclassification	3,858	-
Depreciation for the period	(1,403)	-
<b>Net book value as at 30 September 2016</b>	<u>42,344</u>	<u>29,526</u>

**11. Property, plant and equipment**

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2016</b>	320,958	171,946
Acquisitions during the period - at cost	9,873	2,125
Reclassification	(3,858)	-
Disposal during the period - net book value at disposal date	(30,198)	(1)
Depreciation for the period	(32,343)	(13,297)
<b>Net book value as at 30 September 2016</b>	<u>264,432</u>	<u>160,773</u>

On 22 March 2016, Sima Pac Company Limited, a subsidiary, ceased its manufacturing and distribution of plastic bag business. It sold machinery and vehicles with net book values of Baht 19.6 million and Baht 0.2 million, respectively, to an unrelated person and entered into an agreement leasing its factory building and equipment to that person. The subsidiary has classified the leased building as investment properties.

**12. Bank overdrafts and short-term loans from banks**

	(Unit: Thousand Baht)			
	Interest rate		Consolidated and Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	(% per annum)	(% per annum)		
Bank overdrafts	6.28	7.40	170	122
Short-term loans from banks	1.98 - 2.06	2 - 2.06	<u>557,000</u>	<u>993,000</u>
Total			<u>557,170</u>	<u>993,122</u>

Bank overdrafts and short-term loan facilities from banks of the Company are secured by the pledges of inventories of the Company and its subsidiaries and listed securities of the Company as discussed in Notes 5 and 7.

(Unaudited but reviewed)

**13. Long-term liabilities under financial lease agreement**

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	30 September 2016	31 December 2015
	Liabilities under finance lease agreement	799
Less: Deferred interest expenses	(30)	(40)
Total	769	991
Less: Current portion	(297)	(297)
Liabilities under finance lease agreements - net of current portion	472	694

The Company has entered into the finance lease agreement with leasing company for rental of motor vehicles for use in its operations, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally 4 years.

Future minimum lease payments required under finance lease agreement were as follows:

(Unit: Thousand Baht)

	As at 30 September 2016		
	Less than 1 year	1 - 4 years	Total
Future minimum lease payments	309	490	799
Less: Deferred interest expenses	(12)	(18)	(30)
Present value of future minimum lease payments	297	472	769

**14. Income tax**

Income tax expenses of the Group for the three-month and nine-month periods ended 30 September 2016 and 2015 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2016	2015	2016	2015
	<b>Current income tax:</b>			
Interim corporate income tax charge	290	(3,706)	(604)	(5,128)
Adjustment in respect of current income tax of previous period	-	156	-	156
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	142	117	40	352
<b>Income tax expense reported in profit or loss</b>	<b>432</b>	<b>(3,433)</b>	<b>(564)</b>	<b>(4,620)</b>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month period ended		For the nine-month period ended	
	30 September		30 September	
	2016	2015	2016	2015
<b>Current income tax:</b>				
Interim corporate income tax charge	-	(3,600)	-	(4,146)
Adjustment in respect of current income tax of previous period	-	156	-	156
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	69	92	161	275
<b>Income tax expense reported in profit or loss</b>	<b>69</b>	<b>(3,352)</b>	<b>161</b>	<b>(3,715)</b>

The movements on deferred income tax are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Deferred income tax asset</b>		
Balance as at 1 January 2016	3,078	1,701
Timing differences of rental expenses on a straight-line basis	(64)	-
Provision for long-term employee benefits	104	161
Balance as at 30 September 2016	<u>3,118</u>	<u>1,862</u>
<b>Deferred income tax liabilities</b>		
Balance as at 1 January 2016	1,198,582	1,155,869
Unrealised gain from investment in available-for-sale security	120,823	113,820
Balance as at 30 September 2016	<u>1,319,405</u>	<u>1,269,689</u>

**15. Discontinued operations of the subsidiary**

The discontinued operation transactions included in the income statements the three-month and nine-month periods ended 30 September 2016 and 2015 comprised the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month period ended		For the nine-month period ended	
	30 September		30 September	
	2016	2015	2016	2015
<b><u>Discontinued operations</u></b>				
<b>Revenues</b>				
Sales	-	10,784	22,732	36,056
Other income	-	140	2,260	281
<b>Total revenues</b>	-	10,924	24,992	36,337
<b>Expenses</b>				
Cost of sales	-	10,824	23,207	34,784
Selling expenses	-	505	374	1,194
Administrative expenses	-	930	2,492	3,709
Loss on sales of machinery and equipment	-	-	7,003	13
<b>Total expenses</b>	-	12,259	33,076	39,700
<b>Net loss for the period from discontinued operations before financial cost</b>	-	(1,335)	(8,084)	(3,363)
Financial cost	-	(49)	-	(178)
<b>Net loss for the period from discontinued operations</b>	-	(1,384)	(8,084)	(3,541)
<b>Basic loss per share</b>				
Net loss for the period from discontinued operations	-	(2.77)	(16.17)	(7.08)

The net cash flows for the nine-month periods ended 30 September 2016 and 2015 incurred by discontinued operations are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2016	2015
Cash flows from operating activities	10,043	6,499
Cash flows used in investing activities	(9,194)	(146)
Cash flows used in financing activities	(2,026)	(2,324)
Net increase (decrease) in cash	(1,177)	4,029

## 16. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on their products and services and have three reportable segments: (1) development of product from rice and rice packaging (2) manufacturing and distribution of plastic bag and (3) Food Center. These operations are mainly carried on in Thailand.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Group's financing activities (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

The following tables present revenue and profit information regarding the Group's operating segments for the three-month and nine-month periods ended 30 September 2016 and 2015, respectively.

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods ended 30 September

	Processing and packaging of rice		Manufacturing and distribution of plastic bag		Food center		Elimination of inter- segment revenues		Consolidated financial statements	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue from external customers	369,269	407,095	-	10,784	98,111	90,012	-	-	467,380	507,891
Inter-segment revenues	71	26	-	5,231	-	-	(71)	(5,257)	-	-
Total revenues*	<u>369,340</u>	<u>407,121</u>	<u>-</u>	<u>16,015</u>	<u>98,111</u>	<u>90,012</u>	<u>(71)</u>	<u>(5,257)</u>	<u>467,380</u>	<u>507,891</u>
Segment gross profit (loss)**	<u>80,544</u>	<u>87,158</u>	<u>-</u>	<u>657</u>	<u>11,587</u>	<u>9,301</u>	<u>-</u>	<u>(773)</u>	<u>92,131</u>	<u>96,343</u>
Unallocated income (expenses):										
Dividend income									2,795	656
Other income									7,026	5,781
Selling expenses									(64,622)	(63,747)
Administrative expenses									(27,948)	(29,514)
Finance cost									(2,892)	(4,225)
Profit before income tax expenses									<u>6,490</u>	<u>5,294</u>
Income tax expenses									<u>432</u>	<u>(3,433)</u>
Profit for the period									<u>6,922</u>	<u>1,861</u>

\* Total revenues for the three-month period ended 30 September 2015 included revenues of discontinued operations in manufacturer and distributor of plastic bag business about Baht 16,015,072.

\*\* Segment gross profit for the three-month period ended 30 September 2015 included segment operation profit of discontinued operations in manufacturer and distributor of plastic bag business about Baht 656,978.

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Processing and packaging of rice		Manufacturing and distribution of plastic bag		Food center		Elimination of inter- segment revenues		Consolidated financial statements	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue from external customers	1,099,060	1,244,638	22,732	36,056	286,298	278,472	-	-	1,408,090	1,559,166
Inter-segment revenues	186	76	4,338	15,640	-	-	(4,524)	(15,716)	-	-
Total revenues*	1,099,246	1,244,714	27,070	51,696	286,298	278,472	(4,524)	(15,716)	1,408,090	1,559,166
Segment gross profit (loss)**	235,943	239,725	204	3,826	34,322	31,266	538	2,755	271,007	272,062
Unallocated income (expenses):										
Dividend income									168,613	151,180
Other income									23,442	32,006
Selling expenses									(177,997)	(201,263)
Administrative expenses									(110,872)	(84,000)
Finance cost									(10,839)	(11,627)
Profit before income tax expenses									163,354	158,358
Income tax expenses									(564)	(4,620)
Profit for the period									162,790	153,738

\* Total revenues included revenues of discontinued operations in manufacturer and distributor of plastic bag business about Baht 27,070,050 (2015: Baht 51,695,991).

\*\* Segment gross profit (losses) included segment operation profit (losses) of discontinued operations in manufacturer and distributor of plastic bag business about Baht 204,691 (2015: Baht 3,825,978).



(Unaudited but reviewed)

The following table presents segment assets of the Group's operating segments as at 30 September 2016 and 31 December 2015:

(Unit: Thousand Baht)

	Processing and		Manufacturing and		Food center		Elimination of inter-		Consolidated	
	packaging of rice		distribution of plastic bag				segment revenues		financial statements	
	30	31	30	31	30	31	30	31	30	31
	September	December	September	December	September	December	September	December	September	December
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Property, plant and equipment	197,501	209,768	-	24,962	66,931	86,228	-	-	264,432	320,958
Prepaid rental fee	-	-	-	-	372,121	388,986	-	-	372,121	388,986
Unallocated assets										
- Investment in parent company - available-for-sale security									7,638,518	7,039,418
- Long-term investments - available-for-sale security									38,962	33,949
- Other assets									678,983	1,110,862
Total assets									8,993,016	8,894,173

Transfer prices between business segments are as set out in Note 2.

**17. Commitments and contingent liabilities****17.1 Operating lease commitments**

The Group has entered into several lease agreements in respect of the lease of building space and equipment. As at 30 September 2016, future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)
Payable:	
In up to 1 year	54
In over 1 and up to 5 years	113
Over 5 years	144

**17.2 Long-term service commitments**

A subsidiary has entered into license and technical assistance agreements with an overseas related company for the use of a trademark, training and providing of information related to restaurant business operation. Under the conditions of the license agreement, the subsidiary is to pay royalty fee at the rate as stipulated in the agreement.

A subsidiary has entered into business management contract with an unrelated individual relating to the business of the subsidiary. Under the conditions of the contract, the subsidiary is to pay compensation to the individual at a stipulated rate.

**17.3 Guarantees**

As at 30 September 2016, there were outstanding bank guarantees of approximately Baht 27 million (31 December 2015: Baht 53 million) (Separate financial statements: Baht 26 million (31 December 2015: Baht 52 million)) issued by the banks on behalf of the Company and its subsidiaries in respect of utilities payment of the Company and its subsidiaries.

**18. Earnings per share**

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

**19. Foreign currency risk**

The Group is exposed to foreign currency risk arising mainly from trading transactions that are denominated in foreign currencies. The Group seeks to migrate this risk by entering into forward exchange contracts when it considers appropriate. The forward contracts mature within one year.

The balances of financial assets denominated in foreign currencies as at 30 September 2016 are summarised below.

Currency	Financial assets	Exchange rate as at 30 September 2016
	(Thousand)	(Baht per 1 foreign currency unit)
US dollar	1,596	34.4290

Forward exchange contracts which remained outstanding as at 30 September 2016 are summarised below.

Currency	Sold amount	Forward contract exchange rate	Maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	2,175	34.6200 - 35.7287	26 October 2016 - 4 April 2017

**20. Fair value of financial instruments**

The Group uses the market approach to measure their assets that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Group endeavors to use relevant observable inputs as much as possible. TFRS 13 Fair Value Measurement establishes a fair value hierarchy categorising such inputs into three levels as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets

Level 2 - Use of other observable inputs for such assets, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

(Unaudited but reviewed)

As of 30 September 2016, the Group had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	7,677,480	-	-	7,677,480

(Unit: Thousand Baht)

	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	7,256,018	-	-	7,256,018

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

## 21. Dividend

	Approved by	Total dividend (Million Baht)	Dividend (Baht per share)	Dividend payment date
Interim dividend on the six-month period ended 30 June 2016	Board of Director Meeting on 29 September 2016	168	0.28	27 October 2016
Final dividends on the six-month period ended 31 December 2015	Annual General Meeting of the shareholders on 26 April 2016	168	0.28	12 May 2016
		<u>336</u>		
Interim dividend on the six-month period ended 30 June 2015	Board of Director Meeting on 28 September 2015	150	0.25	26 October 2015
Final dividends on the six-month period ended 31 December 2014	Annual General Meeting of the shareholders on 9 April 2015	150	0.25	28 April 2015
		<u>300</u>		

**22. Events after the reporting period**

On 29 September 2016, the Extraordinary General Meeting of the shareholders of Sima Pac Company Limited, a subsidiary of PRG Granary Company Limited's subsidiary (a subsidiary of the Company), passed a resolution granting approval for Sima Pac Company Limited to increase its registered capital from Baht 50 million to Baht 150 million, through the issuance of 1,000,000 new preference shares with a par value of Baht 100 each, totaling Baht 100 million, with all shares to be allocated to PRG Granary Company Limited. PRG Granary Company Limited paid in the called-up share subscription on 19 October 2016 and the share capital increase was registered with the Ministry of Commerce on 20 October 2016.

On 27 October 2016, the meeting of the Board of Directors No. 10/59 approved a subsidiary's cessation of its restaurant business since 31 October 2017 and the sale of the assets of these businesses and the subsidiary is in process of negotiated with a purchaser.

**23. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Audit Committee of the Company on 7 November 2016.