

Patum Rice Mill and Granary Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month and six-month period ended
30 June 2015

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 June 2015, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2015, the related consolidated statement of changes in shareholders' equity, and cash flows for the six-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: 11 August 2015

Patum Rice Mill and Granary Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	29,833	46,601	9,918	4,429
Trade and other receivables	2, 4	323,235	271,276	315,233	261,086
Inventories	5	366,996	168,720	103,044	149,128
Short-term loan to a subsidiary	2	-	-	244,380	-
Other current assets		64,470	57,276	19,661	21,106
Total current assets		784,534	543,873	692,236	435,749
Non-current assets					
Investments in subsidiaries	6	-	-	883,074	883,074
Investment in parent company					
- available-for-sale security	7	7,838,218	7,289,043	7,445,718	6,924,043
Long-term investments - available-for-sale securities	8	41,808	-	-	-
Other long-term investments		3,578	3,578	61	61
Investment properties	9	39,987	40,720	30,663	30,766
Property, plant and equipment	10	323,107	325,523	178,955	185,918
Prepaid rental fee	2	400,311	237,933	-	-
Intangible asset		6,891	6,299	4,687	5,100
Deferred tax assets	13	4,238	3,829	3,246	3,063
Goodwill	6	53,421	53,421	-	-
Other non-current assets		15,336	16,205	-	-
Total non-current assets		8,726,895	7,976,551	8,546,404	8,032,025
Total assets		9,511,429	8,520,424	9,238,640	8,467,774

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 June 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	11	906,060	513,076	906,060	513,076
Short-term loans from related persons	2	3,000	4,000	-	-
Short-term loans from subsidiaries	2	-	-	89,000	302,120
Trade and other payables	2	149,555	103,157	133,541	63,129
Current portion of liabilities under financial lease	12	298	-	298	-
Income tax payable		1,547	2,192	964	418
Other current liabilities		14,984	12,646	3,265	4,165
Total current liabilities		1,075,444	635,071	1,133,128	882,908
Non-current liabilities					
Provision for long-term employee benefits		20,585	19,285	16,230	15,313
Liabilities under finance lease - net					
of current portion	12	843	-	843	-
Deferred tax liabilities	13	1,359,914	1,250,544	1,307,629	1,203,294
Other non-current liabilities		3,304	3,542	-	-
Total non-current liabilities		1,384,646	1,273,371	1,324,702	1,218,607
Total liabilities		2,460,090	1,908,442	2,457,830	2,101,515

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 June 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Registered share capital	14				
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		618,482	612,438	700,295	703,083
Other components of shareholders' equity		5,521,027	5,083,083	5,230,515	4,813,176
Equity attributable to owners of the Company		6,989,509	6,545,521	6,780,810	6,366,259
Non-controlling interests of the subsidiaries		61,830	66,461	-	-
Total shareholders' equity		7,051,339	6,611,982	6,780,810	6,366,259
Total liabilities and shareholders' equity		9,511,429	8,520,424	9,238,640	8,467,774
		-	-	-	-

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

.....
Directors
.....

(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 June 2015

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

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Sales					
Revenues from sales	2, 15	608,260	440,287	499,988	363,874
Revenues form services	2, 15	2,042	2,964	-	-
Dividend income	2, 15	150,524	149,795	142,275	142,282
Other income	2, 15	19,218	10,701	23,723	10,503
Total revenues		780,044	603,747	665,986	516,659
Expenses					
Cost of sales	2, 15	511,411	372,235	425,742	299,175
Cost of services	15	2,042	3,440	-	-
Selling expenses	2, 15	85,257	46,891	71,243	40,746
Administrative expenses	2, 15	28,771	27,357	21,016	18,485
Fair value loss on trading investments		470	-	-	-
Total expenses		627,951	449,923	518,001	358,406
Profit before finance cost and income tax expenses		152,093	153,824	147,985	158,253
Finance cost	2, 15	(4,305)	(3,372)	(4,718)	(3,281)
Profit before income tax expenses		147,788	150,452	143,267	154,972
Income tax expenses		100	(654)	407	90
Profit for the period		147,888	149,798	143,674	155,062
Other comprehensive income:					
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		677,120	79,880	644,979	75,880
Other comprehensive income for the period		677,120	79,880	644,979	75,880
Total comprehensive income for the period		825,008	229,678	788,653	230,942

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 June 2015

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

Note	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit attributable to:				
Equity holders of the Company	150,563	154,414	<u>143,674</u>	<u>155,062</u>
Non-controlling interest of the subsidiaries	<u>(2,675)</u>	<u>(4,616)</u>		
	<u>147,888</u>	<u>149,798</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	828,148	234,294	<u>788,653</u>	<u>230,942</u>
Non-controlling interests of the subsidiaries	<u>(3,140)</u>	<u>(4,616)</u>		
	<u>825,008</u>	<u>229,678</u>		
Earnings per share				
	17			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.25</u>	<u>0.26</u>	<u>0.24</u>	<u>0.26</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 six-month period ended 30 June 2015

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

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Sales					
Revenues from sales	2, 15	1,047,259	856,644	870,505	703,427
Revenues form services	2, 15	4,016	6,075	-	-
Dividend income	2, 15	150,524	149,795	142,275	142,282
Other income	2, 15	26,225	15,748	25,903	16,797
Total revenues		1,228,024	1,028,262	1,038,683	862,506
Expenses					
Cost of sales	2, 15	871,572	729,557	732,847	583,433
Cost of services	2, 15	3,984	6,075	-	-
Selling expenses	2, 15	137,516	91,381	110,138	82,410
Administrative expenses	2, 15	54,486	46,680	38,704	31,023
Total expenses		1,067,558	873,693	881,689	696,866
Profit before finance cost and income tax expenses		160,466	154,569	156,994	165,640
Finance cost	2, 15	(7,402)	(7,849)	(9,419)	(7,639)
Profit before income tax expenses		153,064	146,720	147,575	158,001
Income tax expenses		(1,187)	(606)	(363)	180
Profit for the period		151,877	146,114	147,212	158,181
Other comprehensive income:					
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		437,480	239,640	417,339	227,640
Other comprehensive income for the period		437,480	239,640	417,339	227,640
Total comprehensive income for the period		589,357	385,754	564,551	385,821

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 six-month period ended 30 June 2015

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

Note	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit attributable to:				
Equity holders of the Company	156,043	152,772	147,212	158,181
Non-controlling interest of the subsidiaries	(4,166)	(6,658)		
	<u>151,877</u>	<u>146,114</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	593,988	392,412	564,551	385,821
Non-controlling interests of the subsidiaries	(4,631)	(6,658)		
	<u>589,357</u>	<u>385,754</u>		
Earnings per share				
	17			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.26</u>	<u>0.25</u>	<u>0.25</u>	<u>0.26</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

Cash flow statement

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit (loss) before tax	153,064	146,720	147,575	158,001
Adjustments to reconcile profit before tax				
to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	22,715	16,651	9,361	9,389
(Gain) loss on sales of equipment	28	(208)	(95)	2
Amortisation of prepaid rental fee	10,813	6,442	-	-
Reversal of allowance for doubtful debts	(8)	(503)	(8)	(103)
Allowance for diminution in value of inventories (reversal)	(6,500)	6,376	(5,100)	6,630
Provision for long-term employee benefits	1,300	1,137	917	900
Dividend income	(150,524)	(149,795)	(142,275)	(142,282)
Interest income	(270)	(1,105)	(3,673)	(9,502)
Interest expenses	7,402	7,849	9,419	7,639
Income from operating activities before changes				
in operating assets and liabilities	38,020	33,564	16,121	30,674
Operating assets (increase) decrease				
Trade and other accounts receivable	(51,951)	63,252	(53,287)	58,224
Inventories	(191,776)	93,948	51,184	87,696
Other current assets	(6,800)	56,527	3,106	54,932
Prepaid rental fee	(173,191)	-	-	-
Other non-current assets	869	(2,840)	-	-
Operating liabilities increase (decrease)				
Trade and other accounts payable	46,392	4,848	70,997	13,664
Other current liabilities	2,338	6,156	(901)	(375)
Other non-current liabilities	(237)	(4,472)	-	-
Cash flows from (used in) operating activities	(336,336)	250,983	87,220	244,815
Cash paid for corporate income tax	(2,634)	(6,472)	(1,661)	(862)
Net cash flows from (used in) operating activities	(338,970)	244,511	85,559	243,953

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

Cash flow statement (continued)

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Cash paid for purchase of current investments	(44,134)	-	-	-
Cash received from loan to a subsidiary	-	-	15,000	10,950
Increase in short-term loan to a subsidiary	-	-	(259,380)	(5,400)
Cash received from long-term loans to subsidiary	-	-	-	20,800
Increase in long-term loans to subsidiary	-	-	-	(4,700)
Proceeds from sales of equipment	404	261	404	5
Cash received from dividends	150,524	149,795	142,275	142,282
Cash received from interest income	270	1,069	2,727	8,089
Purchases of intangible assets	(1,429)	(346)	(129)	-
Purchases of plant and equipment	(17,971)	(24,453)	(873)	(452)
Net cash flows from (used in) investing activities	87,664	126,326	(99,976)	171,574
Cash flows from financing activities				
Decrease in bank overdrafts	2,484	(2,237)	2,484	(1,855)
Cash received from short-term loans from banks	943,000	295,000	943,000	295,000
Repayment of short-term loans from banks	(552,500)	(607,000)	(552,500)	(607,000)
Repayment of short-term loans from related persons	(1,000)	(2,000)	-	-
Cash received from short-term loans from related company	-	-	78,000	45,500
Repayment of short-term loans from related company	-	-	(291,120)	(4,500)
Cash paid for financial lease agreement	(49)	-	(49)	-
Cash paid for dividends	(150,000)	(135,000)	(150,000)	(135,000)
Cash paid for interest expenses	(7,397)	(8,299)	(9,909)	(8,065)
Net cash flows from (used in) financing activities	234,538	(459,536)	19,906	(415,920)
Net increase (decrease) in cash and cash equivalents	(16,768)	(88,699)	5,489	(393)
Cash and cash equivalents as at beginning of period	46,601	145,606	4,429	6,628
Cash and cash equivalents as at end of period	29,833	56,907	9,918	6,235
	-	-	-	-

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 six-month period ended 30 June 2015

(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	
		statutory reserve	Unappropriated					
Balance as at 1 January 2014	600,000	160,000	90,000	569,202	4,843,443	6,262,645	64,460	6,327,105
Total comprehensive income for the period	-	-	-	152,772	239,640	392,412	(6,658)	385,754
Dividend paid (Note 20)	-	-	-	(135,000)	-	(135,000)	-	(135,000)
Balance as at 30 June 2014	<u>600,000</u>	<u>160,000</u>	<u>90,000</u>	<u>586,974</u>	<u>5,083,083</u>	<u>6,520,057</u>	<u>57,802</u>	<u>6,577,859</u>
Balance as at 1 January 2015	600,000	160,000	90,000	612,439	5,083,082	6,545,521	66,461	6,611,982
Total comprehensive income for the period	-	-	-	156,043	437,945	593,988	(4,631)	589,357
Dividend paid (Note 20)	-	-	-	(150,000)	-	(150,000)	-	(150,000)
Balance as at 30 June 2015	<u>600,000</u>	<u>160,000</u>	<u>90,000</u>	<u>618,482</u>	<u>5,521,027</u>	<u>6,989,509</u>	<u>61,830</u>	<u>7,051,339</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 six-month period ended 30 June 2015

(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		
Balance as at 1 January 2014	600,000	160,000	90,000	653,271	4,585,536	6,088,807
Total comprehensive income for the period	-	-	-	158,181	227,640	385,821
Dividend paid (Note 20)	-	-	-	(135,000)	-	(135,000)
Balance as at 30 June 2014	<u>600,000</u>	<u>160,000</u>	<u>90,000</u>	<u>676,452</u>	<u>4,813,176</u>	<u>6,339,628</u>
Balance as at 1 January 2015	600,000	160,000	90,000	703,083	4,813,176	6,366,259
Total comprehensive income for the period	-	-	-	147,212	417,339	564,551
Dividend paid (Note 20)	-	-	-	(150,000)	-	(150,000)
Balance as at 30 June 2015	<u>600,000</u>	<u>160,000</u>	<u>90,000</u>	<u>700,295</u>	<u>5,230,515</u>	<u>6,780,810</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 six-month period ended 30 June 2015

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.

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 2014) “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 2014.

The consolidated interim financial statements include the account balances of the Company and its subsidiaries. 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 June 2015	31 December 2014
Directly owned			%	%
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	99.98	99.98
MBK Food System Co., Ltd.	Restaurant	Thailand	60.00	60.00
Indirectly owned				
Owned by PRG Granary Co., Ltd.				
Ratchsima Rice Co., Ltd.	Distributor of rice, plant and machinery rental	Thailand	99.99	99.99
Sima Pac Co., Ltd.*	Manufacturer and distributor of plastic bag	Thailand	49.99	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. (Formerly known as “MBK Suki Number One Co., Ltd.)	Restaurant	Thailand	99.99	99.99

* The Company has the ability to control the financial and operating policies of Sima Pac Co., Ltd. through the Board of Directors of this company.

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 2015. 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. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognises actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognised actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the financial statements of the Company and its subsidiaries.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the financial statements of the Company and its subsidiaries.

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 2014.

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 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2015	2014	2015	2014	
Transactions with parent company					
Sales	437	549	92	70	Market price or prices which approximated market
Service expenses	19,332	14,959	180	229	Contract price
Transactions with subsidiaries					
(eliminated from the consolidated financial statements)					
Rental income	-	-	1,083	181	Contract price
Service income	-	-	662	399	Contract price
Interest income	-	-	2,623	4,584	MLR of a commercial bank
Purchase of raw materials	-	-	196,411	138,639	Market price or prices which approximated market prices
Sales	-	-	43	-	Market price or prices which approximated market prices
Rental expenses	-	-	1,762	886	Contract rate with reference to the rates charged to third parties
Service expenses	-	-	3,559	-	Market price or prices which approximated market prices
Interest income	-	-	2,623	4,584	MLR of a commercial bank
Interest expenses	-	-	474	-	Market price or prices which approximated market prices

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2015	2014	2015	2014	
Transactions with related companies					
Sales	350	236	274	236	Market price or prices which approximated market prices
Service expenses	3,626	1,987	1,931	1,750	Contract price

(Unit: Thousand Baht)

	For the six-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2015	2014	2015	2014	
Transactions with parent company					
Sales	943	866	287	1,319	Market price or prices which approximated market
Service expenses	37,548	29,548	299	672	Contract price
Prepaid rental fee payment	173,190	-	-	-	Contract price
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Rental income	-	-	2,169	422	Contract price
Service income	-	-	2,072	747	Contract price
Interest income	-	-	3,651	9,469	MLR of a commercial bank
Purchase of raw materials	-	-	394,714	230,148	Market price or prices which approximated market prices
Sales	-	-	32,248	172	Market price or prices which approximated market prices
Rental expense	-	-	2,688	1,775	Contract rate with reference to the rates charged to third parties
Service expenses	-	-	8,237	-	Market price or prices which approximated market prices
Interest expenses	-	-	2,145	-	MLR of a commercial bank
Transactions with related companies					
Sales	642	1,343	500	820	Market price or prices which approximated market prices
Service income	30	30	-	-	Contract price and the rate which approximated cost
Dividend income	149,775	149,775	142,275	142,275	Declared rate
Rental and service expenses	8,045	3,096	6,568	3,181	Contract price

(Unaudited but reviewed)

The outstanding balances of the above transactions have been presented in the statements of financial position as at 30 June 2015 and 31 December 2014 as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Trade and other receivables - related parties				
Parent company	240	1,582	62	815
Subsidiaries	-	-	3,364	472
Related parties (under common control)	85	167	83	134
Total	<u>325</u>	<u>1,749</u>	<u>3,509</u>	<u>1,421</u>
Trade and other payables - related parties				
Parent company	1,693	6,325	-	-
Subsidiaries	-	-	39,716	15,450
Related parties (under common control)	3,226	377	1,935	270
Total	<u>4,919</u>	<u>6,702</u>	<u>41,651</u>	<u>15,720</u>

Short-term loan to a subsidiary

Movement of short-term loan to a subsidiary as at 30 June 2015 was as follows:

(Unit: Thousand Baht)

	Separate financial statements			Balance as at 30 June 2015
	Balance as at 31 December 2014	During the period		
		Increase	Decrease	
Short-term loan to a subsidiary				
PRG Granary Company Limited	<u>-</u>	<u>259,380</u>	<u>(15,000)</u>	<u>244,380</u>

Short-term loan to PRG Granary Company Limited carries interest at MLR rate of a local commercial bank and due at call.

Short-term loans from related persons

Short-term loans from related persons amounting to Baht 3 million are loans from directors of Sima Pac Company Limited, a subsidiary, carry interest at MLR rate of a local commercial bank and due at call.

As at 30 June 2015, the outstanding balance and movement of short-term loans from related persons are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			Balance as at 30 June 2015
	Balance as at 31 December 2014	During the period		
		Increase	Decrease	
	2014	Increase	Decrease	
Short-term loans from related persons				
Sima Pac Co., Ltd.	4,000	-	(1,000)	3,000

Short-term loans from subsidiaries

Movements of short-term loans from subsidiaries as at 30 June 2015 were as follows:

(Unit: Thousand Baht)

	Related by	Separate financial statements			Balance as at 30 June 2015
		Balance as at 31 December 2014	During the period		
			Increase	Decrease	
		2014	Increase	Decrease	
Short-term loans from subsidiaries					
MBK Food and Entertainment Co., Ltd.	Subsidiary	34,500	39,000	(66,500)	7,000
MBK Food System Co., Ltd.	Subsidiary	22,000	-	(13,000)	9,000
MBK Food Island Co., Ltd.	Subsidiary	235,000	36,500	(198,500)	73,000
PRG Granary Co., Ltd.	Subsidiary	4,620	-	(4,620)	-
MBK Restaurant Group Co., Ltd. (Formerly known as "MBK Suki Number One Co., Ltd.")	Subsidiary	6,000	2,500	(8,500)	-
		<u>302,120</u>	<u>78,000</u>	<u>(291,120)</u>	<u>89,000</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 June 2015	31 December 2014
Prepaid rental fee - Beginning of period/year	237,933	250,924
Prepaid rental fee increase	173,190	-
Less: Accumulated amortisation	(10,812)	(12,991)
Net book value	400,311	237,933
Amortisation for the period/year	10,812	12,991

Directors and management's remuneration

During the three-month and six-month period ended 30 June 2015, the Company and its subsidiaries had meeting allowance of directors, salaries, bonus, and provision for post-employee benefits of their key management personnel recognised as expenses totalling Baht 7.1 million and Baht 12.8 million respectively (2014: Baht 8.4 million and Baht 12.1 million respectively).

3. Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
Cash on hand	1,657	2,554	110	110
Bank deposits	28,176	44,047	9,808	4,319
Total	29,833	46,601	9,918	4,429

Bank deposits include savings accounts and fixed deposits. The savings account carried interest 0.38 percent per annum (31 December 2014: 0.38 percent per annum).

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	319	1,124	157	950
Past due				
Up to 3 months	-	7	-	7
Total trade receivables - related parties	<u>319</u>	<u>1,131</u>	<u>157</u>	<u>957</u>
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	165,088	227,395	158,920	225,434
Past due				
Up to 3 months	133,413	29,108	132,182	25,061
3 - 6 months	471	1,189	246	1,189
6 - 12 months	744	103	744	103
Over 12 months	911	962	911	962
Total	<u>300,627</u>	<u>258,757</u>	<u>293,003</u>	<u>252,749</u>
Less: Allowance for doubtful debts	<u>(992)</u>	<u>(1,000)</u>	<u>(992)</u>	<u>(1,000)</u>
Total trade receivables - unrelated parties, net	<u>299,635</u>	<u>257,757</u>	<u>292,011</u>	<u>251,749</u>
Total trade receivables - net	<u>299,954</u>	<u>258,888</u>	<u>292,168</u>	<u>252,706</u>
Other receivables				
Other receivables - related parties	6	618	3,352	464
Other receivables - unrelated parties	<u>23,275</u>	<u>11,770</u>	<u>19,713</u>	<u>7,916</u>
Total other receivables	<u>23,281</u>	<u>12,388</u>	<u>23,065</u>	<u>8,380</u>
Total trade and other receivables - net	<u><u>323,235</u></u>	<u><u>271,276</u></u>	<u><u>315,233</u></u>	<u><u>261,086</u></u>

5. Inventories

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Cost	367,577	175,801	103,494	154,678
Less: Diminution in value of inventories	(581)	(7,081)	(450)	(5,550)
Inventories - net	<u>366,996</u>	<u>168,720</u>	<u>103,044</u>	<u>149,128</u>

Movements in diminution in value of inventories during the three-month and six-month period ended 30 June 2015 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2015	7,081	5,550
Decreased in diminution in value of inventories	(6,500)	(5,100)
Balance as at 30 June 2015	<u>581</u>	<u>450</u>

The Company has pledged inventories of approximately Baht 90 million (31 December 2014: Baht 141 million) to secure a loan facility from a bank, as discussed in Note 11.

6. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid up capital		Shareholding percentage		Cost		Dividend income for the six-month periods ended	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	30 June 2014
			%	%				
PRG Granary Co., Ltd.	250,000	250,000	99.99	99.99	239,637	239,637	-	-
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.	100,000	100,000	60.00	60.00	60,000	60,000	-	-
Total					<u>883,074</u>	<u>883,074</u>	<u>-</u>	<u>-</u>

Acquisition of subsidiaries during the year 2014**MBK Restaurant Group Company Limited (Formerly known as “MBK Suki Number One Company Limited”)**

On 2 October 2014, a meeting of the Board of the Directors of MBK Food and Entertainment Company Limited passed a resolution to approve the purchase of 100,000 ordinary shares of MBK Restaurant Group Company Limited from MBK Public Company Limited at a price of 86.95 Baht per share, or for a total of Baht 8.69 million.

Estimates of fair values of the assets acquired and the liabilities assumed on the acquisition date of MBK Restaurant Group Company Limited are presented below.

	(Unit: Baht)
Cash and cash equivalents	8,106,261
Trade and other receivables	526,339
Other current assets	184,092
Other non-current assets	4,000
Total assets	<u>8,820,692</u>
Trade and other payables	126,027
Total liabilities	<u>126,027</u>
Net assets value	<u>8,694,665</u>
Cost of business combination	8,694,665
Less: Net assets value	<u>(8,694,665)</u>
Goodwill	<u><u>-</u></u>
Net cash reconciliation	
Cash paid for acquisition of the subsidiary	8,694,665
Less: Cash and cash equivalents of the subsidiary	<u>8,106,261</u>
Net cash paid for acquisition of the subsidiary	<u><u>588,404</u></u>

As required by Thai financial reporting standard, the Company measured the fair value of identifiable assets and liabilities on the acquisition date. A fair value adjustment is in the process of being prepared and will be completed within a period of 12 months from the acquisition date, as required under Thai Financial Reporting Standard No. 3 (Revised 2014).

On 21 October 2014, the Extraordinary General Meeting of shareholders of MBK Food Island Company Limited passed a resolution to approve for the company to increase its registered capital from Baht 1.5 million to Baht 500 million, through the issuance of 4,985,000 new ordinary shares with a par value of Baht 100 each, amounting to Baht 498.5 million. The share allocation to the Company totaled 4,985,000 new ordinary shares with a par value of Baht 100 each, amounting to Baht 498.5 million. The Company paid in the called-up share subscription on 21 October 2014 and the subsidiary registered the paid up capital with the Ministry of Commerce on 24 October 2014.

On 21 October 2014, the Extraordinary General Meeting of shareholders of MBK Food System Company Limited passed a resolution to approve for the company to increase its registered capital from Baht 60 million to Baht 100 million, through the issuance of 400,000 new ordinary shares with a par value of Baht 100 each, amounting to Baht 40 million. The share allocation to the Company totaled 240,000 new ordinary, amounting to Baht 24 million, or 60% of total new shares. The Company paid in the called-up share subscription on 21 October 2014 and the subsidiary registered the paid up capital with the Ministry of Commerce on 24 October 2014. However, the Company's shareholding interest remains no change.

Goodwill

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2015	31 December 2014
Innofood (Thailand) Co., Ltd.	240	240
MBK Food and Entertainment Co., Ltd.	53,181	53,181
Goodwill	53,421	53,421

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

(Unit: Thousand Baht)

Nature of business	Consolidated financial statements					
	Shareholding percentage		Investments		Dividend income for the six-month periods ended	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	30 June 2014
MBK Public Company Limited	26.47	26.47	955,416	955,416	149,775	149,775
Add: Unrealised gain on change in value of investment			6,882,802	6,333,627		
			7,838,218	7,289,043		

(Unit: Thousand Baht)

		Separate financial statements					
Nature of business	Shareholding percentage		Investments		Dividend income for the six-month periods ended		
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	30 June 2014	
	%	%					
MBK Public Company Limited	Property rental and development	25.14	25.14	907,574	907,574	142,275	142,275
Add: Unrealised gain on change in value of investment				6,538,144	6,016,469		
				<u>7,445,718</u>	<u>6,924,043</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 June 2015, 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 4,993 million (31 December 2014: 348 million shares, Baht 5,081 million) to secure bank overdraft and short-term loan facilities from banks, as discussed in Note 11.

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

Long-term investment - available-for-sale securities as at 30 June 2015 and 31 December 2014 comprise the following:

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2015	31 December 2014
Available-for-sale securities		
Equity securities	44,133	-
Add: Unrealised loss on changes in value of investment	(2,325)	-
Long-term investment - available-for-sale securities	<u>41,808</u>	<u>-</u>

During the period, the Company reclassified investments in trading securities with a fair value of Baht 30 million at the date of reclassification, as available-for-sale investments in order to comply with the Company's investment policy. An unrealised loss of Baht 0.5 million was recognised in other comprehensive income.

9. Investment properties

Movements of the investment properties account during the six-month period ended 30 June 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2015	40,720	30,766
Depreciation for the period	(733)	(103)
Net book value as at 30 June 2015	<u>39,987</u>	<u>30,663</u>

10. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2015	325,523	185,918
Acquisitions during the period - at cost	19,161	2,063
Disposal during the period - net book value at disposal date	(322)	(309)
Depreciation for the period	(21,255)	(8,717)
Net book value as at 30 June 2015	<u>323,107</u>	<u>178,955</u>

11. Bank overdrafts and short-term loans from banks

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
	30 June	31 December	30 June	31 December	30 June	31 December
	2015	2014	2015	2014	2015	2014
	(% per	(% per				
	annum)	annum)				
Bank overdrafts	7.37	7.43	2,560	76	2,560	76
Short-term loans from banks	1.94 - 2.05	2.39 - 2.40	903,500	513,000	903,500	513,000
Total			<u>906,060</u>	<u>513,076</u>	<u>906,060</u>	<u>513,076</u>

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

(Unaudited but reviewed)

12. Long-term liabilities under financial lease agreement

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	30 June 2015	31 December 2014
	_____	_____
Liabilities under finance lease agreement	1,186	-
Less: Deferred interest expenses	(45)	-
Total	1,141	-
Less: Current portion	298	-
Liabilities under finance lease agreements - net of current portion	<u>843</u>	<u>-</u>

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 June 2015		
	Less than 1 year	1 - 4 years	Total
	_____	_____	_____
Future minimum lease payments	310	876	1,186
Less: Deferred interest expenses	(12)	(33)	(45)
Present value of future minimum lease payments	<u>298</u>	<u>843</u>	<u>1,141</u>

13. Corporate income tax/Deferred income tax

Income tax expenses of the Company and its subsidiaries for the three-month and six-month periods ended 30 June 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2015	2014	2015	2014
	_____	_____	_____	_____
Current income tax:				
Interim corporate income tax charge	(20)	(766)	(1,422)	(831)
Deferred tax:				
Relating to origination and reversal of temporary differences	120	112	235	225
Income tax expense reported in profit or loss	<u>100</u>	<u>(654)</u>	<u>(1,187)</u>	<u>(606)</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2015	2014	2015	2014
Current income tax:				
Interim corporate income tax charge	315	-	(546)	-
Deferred tax:				
Relating to origination and reversal of temporary differences and others	92	90	183	180
Income tax expense reported in profit or loss	407	90	(363)	180

The movements on deferred income tax are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Deferred income tax asset		
Balance as at 1 January 2015	3,829	3,063
Provision for long-term employee benefits	409	183
Balance as at 30 June 2015	<u>4,238</u>	<u>3,246</u>

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Deferred income tax liabilities		
Balance as at 1 January 2015	1,250,544	1,203,294
Unrealised gain from investment in available-for-sale security	109,370	104,335
Balance as at 30 June 2015	<u>1,359,914</u>	<u>1,307,629</u>

14. Share capital

On 30 April 2014, the Annual General Meeting of the Company's shareholders passed a resolution to approve the change of the par value of the Company's shares from Baht 10 each to Baht 1 each. Therefore, the registered ordinary shares would be changed from 90,000,000 shares to 900,000,000 shares and the paid-up ordinary shares would be changed from 60,000,000 shares to 600,000,000 shares. On 14 May 2014, the Company registered the share capital with the Ministry of Commerce.

15. 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 Company and its subsidiaries are 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 Company and its subsidiaries' 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 Company and its subsidiaries' operating segments for the three-month and six-month periods ended 30 June 2015 and 2014, respectively.

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods ended 30 June

	Processing and packaging of rice		Manufacturing and distribution of plastic bag		Food center		Elimination of inter-segment revenues		Consolidated financial statements	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenue from external customers	506,841	363,702	11,733	8,997	91,728	70,552	-	-	610,302	443,251
Inter-segment revenues	27	-	3,887	3,376	-	-	(3,913)	(3,376)	-	-
Total revenues	506,868	363,702	15,619	12,373	91,728	70,552	(3,913)	(3,376)	610,302	443,251
Segment gross profit (loss)	86,504	64,145	938	(1,804)	10,026	4,967	619	(458)	96,849	67,576
Unallocated income (expenses):										
Dividend income									150,524	149,795
Other income									18,748	10,701
Selling expenses									(85,257)	(46,891)
Administrative expenses									(28,771)	(27,357)
Finance cost									(4,305)	(3,372)
Net profit before income tax expenses									147,788	150,452
Income tax expenses									100	(654)
Net profit for the period									147,888	149,798

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June									
	Processing and packaging of rice		Manufacturing and distribution of plastic bag		Food center		Elimination of inter-segment revenues		Consolidated financial statements	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenue from external customers	837,543	703,255	25,272	25,726	188,460	133,738	-	-	1,051,275	862,719
Inter-segment revenues	50	-	10,409	6,082	-	-	(10,459)	(6,082)	-	-
Total revenues	<u>837,593</u>	<u>703,255</u>	<u>35,681</u>	<u>31,808</u>	<u>188,460</u>	<u>133,738</u>	<u>(10,459)</u>	<u>(6,082)</u>	<u>1,051,275</u>	<u>862,719</u>
Segment gross profit (loss)	<u>152,567</u>	<u>120,145</u>	<u>3,169</u>	<u>(2,327)</u>	<u>21,965</u>	<u>8,906</u>	<u>1,982</u>	<u>(363)</u>	<u>175,719</u>	<u>127,087</u>
Unallocated income (expenses):										
Dividend income									150,524	149,795
Other income									26,225	15,748
Selling expenses									(137,516)	(91,381)
Administrative expenses									(54,486)	(46,680)
Finance cost									(7,402)	(7,849)
Net profit before income tax expenses									<u>153,064</u>	<u>146,720</u>
Income tax expenses									<u>(1,187)</u>	<u>(606)</u>
Net profit for the period									<u>151,877</u>	<u>146,114</u>

The following table presents segment assets of the Company and its subsidiaries' operating segments as at 30 June 2015 and 31 December 2014:

	(Unit: Thousand Baht)									
	Processing and packaging of rice		Manufacturing and distribution of plastic bag		Food center		Elimination of inter-segment revenues		Consolidated financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Property, plant and equipment	220,061	228,144	27,672	30,346	75,374	67,033	-	-	323,107	325,523
Prepaid rental fee	-	-	-	-	400,311	237,933	-	-	400,311	237,933
Unallocated assets										
- Investment in parent company - available-for-sale security									7,838,218	7,289,043
- Long-term investments - available-for-sale security									41,808	-
- Other assets									907,985	667,925
Total assets									<u>9,511,429</u>	<u>8,520,424</u>

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

16. Commitments and contingent liabilities**16.1 Capital commitments**

As at 30 June 2015, a subsidiary had capital commitments of approximately Baht 4 million (31 December 2014: Baht 4 million) relating to design and decoration of space.

16.2 Operating lease commitments

A subsidiary has entered into several lease agreements in respect of the lease of building space and equipment. The terms of the agreements are 3 and 20 years.

As at 30 June 2015, future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)
Payable:	
In up to 1 year	68
In over 1 and up to 5 years	112
In over 5 years	231

16.3 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.

16.4 Guarantees

As at 30 June 2015, there were outstanding bank guarantees of approximately Baht 23 million (31 December 2014: Baht 19 million) (Separate financial statements: Baht 22 million (31 December 2014: Baht 18 million)) issued by the banks on behalf of the Company and its subsidiaries in respect of utilities payment of the Company and its subsidiaries.

17. 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, after adjusting the number of ordinary shares in proportion to the change in the par value of the shares from Baht 10 to Baht 1 per share as discussed in Note 14, because these change were occurred after the end of the reporting period but before the financial statements were authorised for issue. The number of ordinary shares of the prior year used for the calculation, as presented for comparative purposes, has been adjusted in proportion to the change in the par value of the shares as a result of the change in the par value of the shares had been occurred at the beginning of the earliest period reported.

The following table sets forth the computation of basic earnings per share for the six-month periods ended 30 June 2015 and 2014:

	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2015	2014	2015	2014	2015	2014
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Consolidated						
financial statements	156,043	152,772	600,000	600,000	<u>0.26</u>	<u>0.25</u>
Separate						
financial statements	147,212	158,181	600,000	600,000	<u>0.25</u>	<u>0.26</u>

18. 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 June 2015 are summarised below.

Currency	Financial assets	Exchange rate
	(Thousand)	as at 30 June 2015
		(Baht per 1 foreign currency unit)
US dollar	1,116	33.5330

Forward exchange contracts which remained outstanding as at 30 June 2015 are summarised below.

Currency	Sold amount (Thousand)	Forward contract exchange rate (Baht per 1 foreign currency unit)	Maturity date
US dollar	1,697	32.5515 - 33.8316	27 July 2015 - 28 December 2015

19. Fair value of financial instruments

The Company and its subsidiaries use 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 Company and its subsidiaries endeavor 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

As of 30 June 2015, the Company and its subsidiaries 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
Financial assets measured at fair value				
Available-for-sale investments				
Equity instruments	7,880,026	-	-	7,880,026

	(Unit: Thousand Baht)			
	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments				
Equity instruments	7,445,718	-	-	7,445,718

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

20. Dividend

	Approved by	Total dividend (Million Baht)	Dividend (Baht per share)	Dividend payment date
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
Final dividends on the six-month period ended 31 December 2013	Annual General Meeting of the shareholders on 30 April 2014	135	2.25	15 May 2014

21. Approval of interim financial statements

These interim financial statements were authorised by the Audit Committee of the Company on 11 August 2015.