

Lam Soon (Thailand) Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month and six-month periods ended
30 June 2013

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Lam Soon (Thailand) Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Lam Soon (Thailand) Public Company Limited and its subsidiaries as at 30 June 2013, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2013, the related consolidated statements 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 Lam Soon (Thailand) Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Emphasis of matter

I draw attention to Note 3 to the financial statements regarding the change in accounting policy as a result of the adoption of Thai Accounting Standard 12 Income Taxes. My conclusion is not qualified in respect of this matter.

Other matter

The consolidated statement of financial position of Lam Soon (Thailand) Public Company Limited and its subsidiaries, and the separate statement of financial position of Lam Soon (Thailand) Public Company Limited as at 31 December 2012 (before restatement) were audited by another auditor of our firm who expressed an unqualified opinion on those statements, under his report dated 22 February 2013. The consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2012, the consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended of Lam Soon (Thailand) Public Company Limited and its subsidiaries, and the separate financial statements of Lam Soon (Thailand) Public Company Limited for the same periods (before restatement) were also reviewed by the aforementioned auditor who concluded, under his report dated 10 August 2012, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

Ernst & Young Office Limited

Bangkok: 9 August 2013

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2013

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	Note	30 June 2013	31 December 2012	1 January 2012	30 June 2013	31 December 2012	1 January 2012
	(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited) (Restated)		
Assets							
Current assets							
Cash and cash equivalents	5	438,026	259,266	508,343	151,194	54,862	220,122
Trade and other receivables	4, 6	746,009	901,753	1,070,064	655,067	822,071	987,829
Short-term loans to related parties	4	-	-	-	-	-	-
Inventories	7	1,378,840	1,566,558	1,599,361	628,884	775,711	1,031,793
Other current assets		46,856	57,582	57,091	18,386	18,048	20,963
Total current assets		2,609,731	2,785,159	3,234,859	1,453,531	1,670,692	2,260,707
Non-current assets							
Investments in subsidiaries	8	-	-	-	1,312,491	1,312,491	1,312,479
Investment in associated company	9	-	-	-	-	-	-
Other long-term investments		927	1,011	809	927	1,011	809
Investment properties	10	52,114	52,487	53,238	10,816	11,658	13,357
Property, plant and equipment	11	1,839,165	1,865,231	1,875,950	617,839	639,101	698,074
Cost of forest land rights and cost of palm plantation	12	255,283	264,913	291,054	254	260	272
Goodwill		196,376	196,376	196,376	-	-	-
Intangible assets	13	13,193	14,353	16,112	2,291	2,693	3,093
Deferred tax assets	3	39,216	36,198	41,116	13,683	11,454	18,739
Other non-current assets		3,698	2,028	2,619	1,582	517	454
Total non-current assets		2,399,972	2,432,597	2,477,274	1,959,883	1,979,185	2,047,277
Total assets		5,009,703	5,217,756	5,712,133	3,413,414	3,649,877	4,307,984

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

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2013

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	Note	30 June 2013	31 December 2012	1 January 2012	30 June 2013	31 December 2012	1 January 2012
		(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited) (Restated)	
Liabilities and shareholders' equity							
Current liabilities							
Short-term loans from							
financial institutions	14	1,411,723	1,688,974	2,200,011	370,000	600,000	1,415,000
Trade and other payables	4, 15	327,869	317,492	438,561	333,159	393,875	460,208
Short-term loan from related party	4	50,000	50,000	50,000	-	-	-
Current portion of liabilities under							
finance lease agreements		-	135	1,037	-	-	567
Current portion of long-term loans	17	50,980	67,880	68,080	35,000	40,000	40,000
Income tax payable		72,740	51,113	65,941	33,250	10,913	-
Other current liabilities	16	133,163	182,955	176,594	90,088	112,536	116,046
Total current liabilities		2,046,475	2,358,549	3,000,224	861,497	1,157,324	2,031,821
Non-current liabilities							
Liabilities under finance lease agreements							
- net of current portion		-	-	135	-	-	-
Long-term loans - net of							
current portion	17	-	17,140	85,020	-	15,000	55,000
Provision for land rental charge		20,468	20,468	20,468	-	-	-
Provision for long-term							
employee benefits	18	90,306	71,788	56,984	54,952	43,887	43,358
Total non-current liabilities		110,774	109,396	162,607	54,952	58,887	98,358
Total liabilities		2,157,249	2,467,945	3,162,831	916,449	1,216,211	2,130,179

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

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2013

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	As at	As at	As at	As at	As at	As at
	30 June 2013	31 December 2012	1 January 2012	30 June 2013	31 December 2012	1 January 2012
	(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited) (Restated)	
Shareholders' equity						
Share capital						
Registered						
820,000,000 ordinary shares						
of Baht 1 each	820,000	820,000	820,000	820,000	820,000	820,000
Issued and fully paid-up						
820,000,000 ordinary shares						
of Baht 1 each	820,000	820,000	820,000	820,000	820,000	820,000
Paid-in capital						
Share premium	241,970	241,970	241,970	241,970	241,970	241,970
Premium on treasury stock	5,269	5,269	5,269	5,269	5,269	5,269
Retained earnings						
Appropriated - statutory reserve	103,071	103,071	103,071	82,000	82,000	82,000
Unappropriated	1,345,479	1,259,630	1,049,529	1,348,200	1,284,833	1,029,133
Other components of shareholders' equity	511	579	418	(474)	(406)	(567)
Equity attributable to owners of the Company	2,516,300	2,430,519	2,220,257	2,496,965	2,433,666	2,177,805
Non-controlling interests of the subsidiaries	336,154	319,292	329,045	-	-	-
Total shareholders' equity	2,852,454	2,749,811	2,549,302	2,496,965	2,433,666	2,177,805
Total liabilities and shareholders' equity	5,009,703	5,217,756	5,712,133	3,413,414	3,649,877	4,307,984
	-	-	-	-	-	-

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

Directors

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 June 2013**

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

Note	Consolidated financial statements		Separate financial statements	
	<u>2013</u>	<u>2012</u> (Restated)	<u>2013</u>	<u>2012</u> (Restated)
Profit or loss:				
Revenues				
Sales	1,697,301	1,912,607	1,372,609	1,600,593
Dividend income	171	84	68,186	113,442
Other income	30,969	21,812	30,898	27,252
Total revenues	1,728,441	1,934,503	1,471,693	1,741,287
Expenses				
Cost of sales	1,378,474	1,625,413	1,211,809	1,522,355
Selling expenses	143,122	135,014	86,440	84,375
Administrative expenses	47,292	49,360	28,568	31,956
Total expenses	1,568,888	1,809,787	1,326,817	1,638,686
Profit before finance cost and				
income tax expenses	159,553	124,716	144,876	102,601
Finance cost	(13,562)	(19,101)	(3,675)	(10,202)
Profit before income tax expenses	145,991	105,615	141,201	92,399
Income tax expenses	19 (30,704)	(29,152)	(17,037)	1,232
Profit for the period	115,287	76,463	124,164	93,631
Other comprehensive income:				
Loss on changes in value of				
available-for-sale investments	(100)	(13)	(100)	(13)
Income tax effect on changes in value of				
available-for-sale investments	19 20	3	20	3
Other comprehensive income for the period	(80)	(10)	(80)	(10)
Total comprehensive income for the period	115,207	76,453	124,084	93,621

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 June 2013

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

Note	Consolidated financial statements		Separate financial statements	
	<u>2013</u>	<u>2012</u> (Restated)	<u>2013</u>	<u>2012</u> (Restated)
Profit attributable to:				
Profit of equity holders of the Company	96,148	44,761	<u>124,164</u>	<u>93,631</u>
Profit of non-controlling interests of the subsidiaries	<u>19,139</u>	<u>31,702</u>		
	<u>115,287</u>	<u>76,463</u>		
Total comprehensive income attributable to:				
Profit of equity holders of the Company	96,068	44,751	<u>124,084</u>	<u>93,621</u>
Profit of non-controlling interests of the subsidiaries	<u>19,139</u>	<u>31,702</u>		
	<u>115,207</u>	<u>76,453</u>		
Basic earnings per share				
	20			
Profit attributable to equity holders of the Company (Baht)	<u>0.12</u>	<u>0.05</u>	<u>0.15</u>	<u>0.11</u>

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries**Statement of comprehensive income (continued)****For the six-month period ended 30 June 2013**

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

Note	Consolidated financial statements		Separate financial statements	
	<u>2013</u>	<u>2012</u> (Restated)	<u>2013</u>	<u>2012</u> (Restated)
Profit or loss:				
Revenues				
Sales	3,501,066	3,803,044	2,889,486	3,218,640
Dividend income	175	84	68,190	113,442
Other income	66,869	41,907	59,366	56,795
Total revenues	3,568,110	3,845,035	3,017,042	3,388,877
Expenses				
Cost of sales	2,793,730	3,156,122	2,520,498	2,995,872
Selling expenses	279,071	269,447	167,581	168,120
Administrative expenses	99,858	100,051	62,083	63,865
Total expenses	3,172,659	3,525,620	2,750,162	3,227,857
Profit before finance cost and income tax expenses				
Finance cost	(28,524)	(39,581)	(8,516)	(22,154)
Profit before income tax expenses	366,927	279,834	258,364	138,866
Income tax expenses	19 (71,057)	(55,254)	(31,037)	2,154
Profit for the period	295,870	224,580	227,327	141,020
Other comprehensive income:				
Gain (loss) on changes in value of				
available-for-sale investments	(84)	56	(84)	56
Income tax effect on changes in value of				
available-for-sale investments	19 16	(11)	16	(11)
Other comprehensive income for the period	(68)	45	(68)	45
Total comprehensive income for the period	295,802	224,625	227,259	141,065

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the six-month period ended 30 June 2013

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

Note	Consolidated financial statements		Separate financial statements	
	<u>2013</u>	<u>2012</u> (Restated)	<u>2013</u>	<u>2012</u> (Restated)
Profit attributable to:				
Profit of equity holders of the Company	249,809	163,405	<u>227,327</u>	<u>141,020</u>
Profit of non-controlling interests of the subsidiaries	<u>46,061</u>	<u>61,175</u>		
	<u>295,870</u>	<u>224,580</u>		
Total comprehensive income attributable to:				
Profit of equity holders of the Company	249,741	163,450	<u>227,259</u>	<u>141,065</u>
Profit of non-controlling interests of the subsidiaries	<u>46,061</u>	<u>61,175</u>		
	<u>295,802</u>	<u>224,625</u>		
Basic earnings per share				
	20			
Profit attributable to equity holders of the parent (Baht)	<u>0.30</u>	<u>0.20</u>	<u>0.28</u>	<u>0.17</u>

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of cash flows

For the six-month period ended 30 June 2013

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cash flows from operating activities				
Profit before tax	366,927	279,834	258,364	138,866
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	127,904	122,867	43,130	43,154
Increase in allowance for doubtful accounts	469	125	-	-
Increase (decrease) in allowance for diminution in inventory value	745	1,604	-	(1,545)
Gain on disposals of property, plant and equipment	(7,699)	(411)	(2,565)	(88)
Loss on write off of cost of palm plantation	-	7	-	-
Unrealised loss (gain) on exchange	427	(128)	128	8
Reserve for long-term employee benefits	20,170	20,330	11,947	12,318
Dividend income from subsidiary	-	-	(68,015)	(113,358)
Dividend income from other companies	(175)	(84)	(175)	(84)
Interest expenses	27,267	37,367	7,667	20,738
Income from operating activities before changes in operating assets and liabilities	536,035	461,511	250,481	100,009
Decrease (increase) in operating assets				
Trade and other receivables	156,067	116,714	166,840	124,830
Inventories	189,058	97,739	146,827	290,559
Other current assets	11,721	902	1,069	8,414
Other non-current assets	(1,670)	976	(1,065)	(239)
Increase (decrease) in operating liabilities				
Trade and other payables	12,103	(79,481)	(61,780)	(139,016)
Other current liabilities	(49,800)	24,042	(22,153)	(10,453)
Cash paid for long-term employee benefits	(1,652)	-	(882)	-
Cash from operating activities	851,862	622,403	479,337	374,104
Cash paid for interest expenses	(27,381)	(36,840)	(7,922)	(20,813)
Cash paid for corporate income tax	(53,851)	(68,035)	(12,320)	(967)
Net cash from operating activities	770,630	517,528	459,095	352,324

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the six-month period ended 30 June 2013**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash flows from investing activities				
Acquisition of investment in subsidiary from				
non-controlling interest	-	(12)	-	(12)
Dividend received from subsidiary	-	-	68,015	113,358
Dividend received from other companies	175	84	175	84
Acquisitions of property, plant and equipment	(87,600)	(105,629)	(19,520)	(12,152)
Increase in cost of palm plantation	(7,148)	(3,195)	-	-
Proceeds from disposals of property,				
plant and equipment	8,054	485	2,567	121
Increase in intangible assets	(232)	(597)	-	(434)
Net cash from (used in) investing activities	(86,751)	(108,864)	51,237	100,965
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans				
from financial institutions	(277,745)	(424,530)	(230,000)	(525,000)
Repayment of liabilities under				
finance lease agreements	(135)	(905)	-	(567)
Repayment of long-term loans	(34,040)	(34,040)	(20,000)	(20,000)
Dividend paid	(193,199)	(114,078)	(164,000)	(65,439)
Net cash used in financing activities	(505,119)	(573,553)	(414,000)	(611,006)
Net increase (decrease) in cash and				
cash equivalents	178,760	(164,889)	96,332	(157,717)
Cash and cash equivalents at beginning				
of the period	259,266	508,343	54,862	220,122
Cash and cash equivalents at end				
of the period	438,026	343,454	151,194	62,405

Supplementary disclosures of cash flows information

Non-cash transactions

Acquisitions of property, plant and equipment that

have not been paid	9,267	34,516	2,685	1,996
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Transferred nursery to inventory account	2,085	2,519	-	-
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The accompanying notes are an integral part of the financial statements.

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2013

	Consolidated financial statements								
	Equity attributable to owners of the Company					Other components of shareholders' equity			
	Issued and paid up share capital	Share premium	Premium on treasury stock	Retained earnings		Other comprehensive income	Deficit on changes in value of available-for-sale investments	Other changes by the owners	Total other components of shareholders' equity
				Appropriated - statutory reserve	Unappropriated				
Balance as at 1 January 2012									
- as previously reported	820,000	241,970	5,269	103,071	1,010,014	(709)	985	2,180,220	
Cumulative effect of the change in accounting policies due to the adoption of income taxes (Note 3)	-	-	-	-	39,515	142	-	1,672	
Balance as at 1 January 2012									
- as restated	820,000	241,970	5,269	103,071	1,049,529	(567)	985	4,187,157	
Total comprehensive income for the period (restated)	-	-	-	-	163,405	45	-	-	
Reversal of prior year dividend	-	-	-	-	3,199	-	-	-	
Dividend paid (Note 22)	-	-	-	-	(65,599)	-	-	-	
Acquisition of investment in subsidiary from non-controlling interest	-	-	-	-	-	-	-	-	
Decrease in minority interests from dividend payment in subsidiary	-	-	-	-	-	-	-	-	
Balance as at 30 June 2012	820,000	241,970	5,269	103,071	1,150,534	(522)	985	4,187,157	

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

Lam Soon (Thailand) Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the six-month period ended 30 June 2013

	Consolidated financial statements							
	Equity attributable to owners of the Company					Other components of shareholders' equity		
	Issued and paid up share capital	Share premium	Premium on treasury stock	Retained earnings		Other comprehensive income on changes in value of available-for-sale investments	Other changes by the owners Surplus from change in shareholding in subsidiary	Total oth componen sharehold equity
				Appropriated - statutory reserve	Unappropriated			
Balance as at 1 January 2013 - as previously reported	820,000	241,970	5,269	103,071	1,225,397	(508)	985	4
Cumulative effect of the change in accounting policies due to the adoption of income taxes (Note 3)	-	-	-	-	34,233	102	-	1
Balance as at 1 January 2013 - as restated	820,000	241,970	5,269	103,071	1,259,630	(406)	985	5
Total comprehensive income for the period	-	-	-	-	249,809	(68)	-	(
Reversal of prior year dividend	-	-	-	-	40	-	-	
Dividend paid (Note 22)	-	-	-	-	(164,000)	-	-	
Decrease in minority interests from dividend payment in subsidiary	-	-	-	-	-	-	-	
Balance as at 30 June 2013	820,000	241,970	5,269	103,071	1,345,479	(474)	985	5

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

Lam Soon (Thailand) Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the six-month period ended 30 June 2013

	Separate financial statements					Other share Other compreh income Deficit on chang in value available-for investmen
	Issued and paid up share capital	Share premium	Premium on treasury stock	Retained earnings		
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2012 - as previously reported	820,000	241,970	5,269	82,000	1,010,536	(
Cumulative effect of the change in accounting policies due to the adoption of income taxes (Note 3)	-	-	-	-	18,597	
Balance as at 1 January 2012 - as restated	820,000	241,970	5,269	82,000	1,029,133	(
Total comprehensive income for the period (restated)	-	-	-	-	141,020	
Reversal of prior year dividend	-	-	-	-	3,199	
Dividend paid (Note 22)	-	-	-	-	(65,599)	
Balance as at 30 June 2012	<u>820,000</u>	<u>241,970</u>	<u>5,269</u>	<u>82,000</u>	<u>1,107,753</u>	(
Balance as at 1 January 2013 - as previously reported	820,000	241,970	5,269	82,000	1,273,481	(
Cumulative effect of the change in accounting policies due to the adoption of income taxes (Note 3)	-	-	-	-	11,352	
Balance as at 1 January 2013 - as restated	820,000	241,970	5,269	82,000	1,284,833	(
Total comprehensive income for the period	-	-	-	-	227,327	
Reversal of prior year dividend	-	-	-	-	40	
Dividend paid (Note 22)	-	-	-	-	(164,000)	
Balance as at 30 June 2013	<u>820,000</u>	<u>241,970</u>	<u>5,269</u>	<u>82,000</u>	<u>1,348,200</u>	(

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

Lam Soon (Thailand) Public Company Limited and its subsidiaries
Notes to interim financial statements
For the three-month and six-month periods ended 30 June 2013

1. General information

1.1 Corporate information

Lam Soon (Thailand) Public Company Limited is a public company incorporated and domiciled in Thailand. Its major shareholder is Lam Soon Holding Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of palm oil and its registered office address is at 64, Soi Bangna-Trad 25, Bangna, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 (revised 2009) "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 interim consolidated financial statements include the financial statements of Lam Soon (Thailand) Public Company Limited (herein after called "the Company") and the financial statements of its subsidiaries (herein after called "the subsidiaries"), all of which were incorporated in Thailand, and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2012. There have been no changes in the composition of the group during the current period.

1.4 Application of new accounting standards during the period

The Federation of Accounting Professions issued the following accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance, all of which are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company and its subsidiaries have changed this accounting policy in this current period and restated the prior year's financial statements, presented as comparative information, as though the Company and its subsidiaries had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 3 to the 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 2012, except for the change in the accounting policies due to the adoption of TAS 12 Income Taxes as follows:

Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

2. New accounting standards issued during the period and not yet effective

The Federation of Accounting Professions has issued notifications, which have been published in the Royal Gazette during the current period, mandating the use of financial reporting standard, accounting standard interpretation and financial reporting standard interpretations as follows:

	<u>Effective date</u>
Financial Reporting Standard:	
TFRS 4 Insurance Contracts	1 January 2016
Accounting Standard Interpretation:	
TSIC 29 Service Concession Arrangements: Disclosures	1 January 2014
Financial Reporting Standard Interpretations:	
TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4 Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7 Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2014
TFRIC 10 Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12 Service Concession Arrangements	1 January 2014
TFRIC 13 Customer Loyalty Programmes	1 January 2014

The management of the Company has assessed the effect of the above financial reporting standard, accounting standard interpretation and financial reporting standard interpretations and believes that they are not relevant to the business of the Company, except TFRIC 1, TFRIC 10 and TFRIC 13, for which the management is still evaluating the first-year impact to the financial statements and has yet to reach a conclusion.

3. Cumulative effect of the change in accounting policies due to the adoption of new accounting standard

During the current period, the Company and its subsidiaries made the change described in Note 1.5 to the financial statements to its significant accounting policies, as a result of the adoption of TAS 12 Income Taxes. The cumulative effect of the change in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	As at	As at	As at	As at	As at	As at
	30 June 2013	31 December 2012	1 January 2012	30 June 2013	31 December 2012	1 January 2012
Statements of financial position						
Increase in deferred tax assets	39,216	36,198	41,116	13,683	11,454	18,739
Increase in other components of shareholders' equity	118	102	142	118	102	142
Increase in unappropriated retained earnings of the Company	37,073	34,233	39,515	13,565	11,352	18,597
Increase in non-controlling interests of the subsidiaries	2,025	1,863	1,459	-	-	-

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended		For the three-month periods ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Statements of comprehensive income				
Profit or loss:				
Decrease in income tax expenses	1,420	1,785	1,018	1,232
Increase in profit attributable to equity holders of the Company	1,355	1,684	1,018	1,232
Increase in profit attributable to non- controlling interest of the subsidiaries	65	101	-	-
Increase in basic earnings per share (Baht)	0.002	0.002	0.001	0.001
Other comprehensive income:				
Decrease in income tax effect on changes in value of available-for-sale investments	20	3	20	3

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the six-month periods ended		For the six-month periods ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Statements of comprehensive income				
Profit or loss:				
Decrease in income tax expenses	3,002	3,430	2,213	2,154
Increase in profit attributable to equity holders of the Company	2,840	3,227	2,213	2,154
Increase in profit attributable to non-controlling interest of the subsidiaries	162	203	-	-
Increase in basic earnings per share (Baht)	0.003	0.004	0.003	0.003
Other comprehensive income:				
Decrease (increase) in income tax effect on changes in value of available-for-sale investments	16	(11)	16	(11)

4. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 30 June				Pricing policy
	Consolidated financial statements		Separate financial statements		
	2013	2012	2013	2012	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Purchase of raw material	-	-	283.7	310.2	Market price on the contract date
Purchase of goods and services	-	-	170.7	184.0	Market price less fixed margin
Sales of goods and services	-	-	0.4	0.4	Market price
Rental income	-	-	0.6	0.5	Market price/Contract price
Selling and administrative service income	-	-	19.0	20.0	Actual charge
<u>Transactions with related companies</u>					
Sales of goods	5.4	6.0	-	-	Price approximates market price
Purchase of goods	0.3	5.9	5.7	-	Selling price less marketing expenses and profit margin
Interest expenses	0.4	0.4	-	-	THBFIX + 0.50% per annum
<u>Transactions with jointly controlled entity</u>					
Land rental income	0.2	-	-	-	Agreed between the parties
Purchase of oil palm seeds and fresh fruit bunch	0.5	-	-	-	Market price

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Purchase of raw material	-	-	585.8	654.6	Market price on the contract date
Purchase of goods and services	-	-	367.2	404.1	Market price less fixed margin
Sales of goods and services	-	-	0.8	0.8	Market price
Rental income	-	-	1.1	1.1	Market price/Contract price
Selling and administrative service income	-	-	35.6	41.5	Actual charge
<u>Transactions with related companies</u>					
Sales of goods	10.3	8.9	-	-	Price approximates market price
Purchase of goods	3.4	12.1	5.7	-	Selling price less marketing expenses and profit margin
Interest expenses	0.8	0.8	-	-	THBFIX + 0.50% per annum
<u>Transactions with jointly controlled entity</u>					
Land rental income	0.3	-	-	-	Agreed between the parties
Purchase of oil palm seeds and fresh fruit bunch	0.7	0.8	-	-	Market price

The balances of accounts as at 30 June 2013 and 31 December 2012 between the Company and the related parties are detailed as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<u>Trade and other receivables - related parties</u> (Note 6)				
Subsidiary	-	-	17,845	18,547
Associated companies	452	452	-	-
Related companies (related by common shareholders)	24,372	23,935	3	17
Total trade and other receivables - related parties	24,824	24,387	17,848	18,564
Less: Allowance for doubtful accounts	(20,780)	(20,780)	-	-
Total trade accounts receivable - related parties, net	4,044	3,607	17,848	18,564

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
<u>Short-term loans to related parties</u>				
Associated companies	40,286	40,286	-	-
Related companies (related by common shareholders)	5,325	5,325	-	-
Total short-term loans to related parties	45,611	45,611	-	-
Less: Allowance for doubtful accounts	(45,611)	(45,611)	-	-
Total short-term loans to related parties, net	-	-	-	-
<u>Trade and other payables - related parties</u> (Note 15)				
Subsidiary	-	-	188,319	204,558
Related companies (related by common shareholders)	322	8,567	725	839
Total trade and other payables - related parties	322	8,567	189,044	205,397
<u>Short-term loan from related party</u>				
Related company (related by common shareholders)	50,000	50,000	-	-
Total short-term loan from related party	50,000	50,000	-	-

As at 30 June 2013 and 31 December 2012, the balance of short-term loans between the Company and the related party and the movements are as follows:

(Unit: Thousand Baht)

Company's name	Related by	Consolidated financial statements		
		Balance as at 31 December 2012	Increase/ (decrease)	Balance as at 30 June 2013
Lam Soon Holding Co., Ltd.	Related company by common shareholders	50,000	-	50,000
Total		50,000	-	50,000

Short-term loans to related parties

Short-term loans to associated and related companies of subsidiary carry interest at a rate of 7% per annum and are repayable on demand. Recognition of interest on these loans as income on an accrual basis has ceased from the date the Central Bankruptcy Court accepted the bankruptcy suits which the subsidiary brought against the associated and related companies. Currently, this case is in state of the Legal Execution Department.

Short-term loan from related party

Short-term loan from related company of subsidiary carries interest at a rate of THBFIX + 0.5% per annum and is repayable on demand.

Selling and administrative service income

On 7 November 2011, the Company and Universal Food Public Company Limited (“UFC”), a subsidiary, entered into a memorandum related to the agency agreement (dated 27 February 2006) whereby both parties agreed to change the terms and conditions on dealer compensation to comply with the general practice in the industry. In addition, the Company and UFC had on 29 December 2011 agreed to extend the agreement for another 5 years, starting from 1 January 2012 and expiring on 31 December 2016.

Directors and management’s benefits

During the three-month and six-month periods ended 30 June 2013, the Company and its subsidiaries have short-term employee benefits, post-employment benefits and other long-term benefits payable to their directors and management totaling Baht 33.0 million and Baht 68.5 million, respectively (2012: Baht 31.0 million and Baht 64.3 million, respectively) and for the Company totaling Baht 17.3 million and Baht 38.8 million, respectively (2012: Baht 20.5 million and Baht 41.0 million, respectively).

5. Cash and cash equivalents

As at 30 June 2013 and 31 December 2012, cash and cash equivalents consist of the followings:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Cash	2,780	1,644	1,865	825
Bank deposits	385,260	147,676	149,329	54,037
Investment in Bank of Thailand Bond	49,986	109,946	-	-
Total	438,026	259,266	151,194	54,862

As at 30 June 2013, bank deposits in savings account, fixed deposits and investment in Bank of Thailand Bond carried interest between 0.10 and 2.70 percent per annum (31 December 2012: between 0.10 and 2.72 percent per annum).

6. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	4,031	3,594	-	-
Past due				
3 - 6 months	-	1	-	-
6 - 12 months	1	12	-	-
Over 12 months	464	452	-	-
Total	4,496	4,059	-	-
Less: Allowance for doubtful accounts	(452)	(452)	-	-
Total trade receivables - related parties, net	4,044	3,607	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Post dated cheques receivable	52,665	51,174	50,451	51,174
Cheque returned	13,525	12,839	8,562	7,876
Not yet due	567,817	729,343	511,878	681,796
Past due				
Up to 3 months	108,068	107,636	73,900	70,371
3 - 6 months	1,081	8,474	126	147
6 - 12 months	11,768	478	239	355
Over 12 months	19,830	19,618	2,892	2,617
Total	774,754	929,562	648,048	814,336
Less: Allowance for doubtful accounts	(34,343)	(34,306)	(10,829)	(10,829)
Total trade receivables - unrelated parties, net	740,411	895,256	637,219	803,507
Total trade receivables - net	744,455	898,863	637,219	803,507
Other receivables				
Other receivables - related parties	-	-	4,868	4,370
Other receivables - unrelated parties	46	1,113	-	-
Accrued income - related parties	-	-	12,980	14,194
Accrued income - unrelated parties	980	1,006	-	-
Advances - related parties	20,328	20,328	-	-
Advances - unrelated parties	528	771	-	-
Total	21,882	23,218	17,848	18,564
Less: Allowance for doubtful accounts	(20,328)	(20,328)	-	-
Total other receivables - net	1,554	2,890	17,848	18,564
Total trade and other receivables - net	746,009	901,753	655,067	822,071

7. Reduction of inventory to net realisable value

Movements in the reduction of inventory to net realisable value account during the six-month period ended 30 June 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2012	12,452	119
The reduction of inventory value recorded during the period	745	-
Balance as at 30 June 2013	<u>13,197</u>	<u>119</u>

8. Investments in subsidiaries

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

Company's name	Paid-up share capital		Shareholding percentage		Cost		(Unit: Thousand Baht)	
	30	31	30	31	30	31	Dividend received for the six-month period ended 30 June	
	June 2013	December 2012	June 2013	December 2012	June 2013	December 2012	2013	2012
			Percent	Percent				
United Palm Oil Industry Public Company Limited	324,050	324,050	69.96	69.96	748,344	748,344	68,015	113,358
Universal Food Public Company Limited	525,000	525,000	98.76	98.76	585,243	585,243	-	-
Total					1,333,587	1,335,587	68,015	113,358
Less: Allowance for diminution in value of investments					(21,096)	(21,096)	-	-
Total investments in subsidiaries - net					<u>1,312,491</u>	<u>1,312,491</u>	<u>68,015</u>	<u>113,358</u>

As at 30 June 2013, the fair value of the investment in United Palm Oil Industry Public Company Limited, calculated based on the latest bid price of the shares on the last trading day of the period as quoted on the Stock Exchange of Thailand and in proportion to the Company's shareholding, was approximately Baht 2,494 million.

9. Investment in associated company

Company's name	Nature of business	Country of incorporation	Consolidated financial statements			
			Paid-up capital		Shareholding percentage	
			31		31	
			30 June 2013	December 2012	30 June 2013	December 2012
		(Million Baht)	(Million Baht)	(%)	(%)	
Union Fresh Co., Ltd.	Dormant	Thailand	30	30	40	40

(Unit: Thousand Baht)

Company's name	Consolidated financial statements							
	Cost		Allowance for diminution in value of investment		Carrying amounts based on cost method - net		Carrying amounts based on equity method	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Union Fresh Co., Ltd.	12,000	12,000	(12,000)	(12,000)	-	-	-	-

10. Investment properties

Movements in the investment property account during the six-month period ended 30 June 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2012	52,487	11,658
Depreciation for the period	(373)	(842)
Balance as at 30 June 2013	<u>52,114</u>	<u>10,816</u>

As at 30 June 2013, the allowance for impairment loss on investment properties - land and building of the subsidiary was Baht 9 million (31 December 2012: Baht 9 million).

11. Property, plant and equipment

Movements in the property, plant and equipment account during the six-month period ended 30 June 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2012	1,865,231	639,101
Acquisitions during the period - at cost	84,948	20,620
Disposals during the period - net book value at disposal date	(355)	(2)
Depreciation for the period	(111,446)	(41,880)
Interest capitalised to assets	787	-
Net book value as at 30 June 2013	<u>1,839,165</u>	<u>617,839</u>

During the three-month and six-month periods ended 30 June 2013, the subsidiary capitalised interest amounting to Baht 0.45 million and Baht 0.8 million, respectively, to the costs of plant enlargement and machinery installation. These borrowing costs arose on loans obtained for general purpose but used in these projects, and were determined based on the weighted average rate of these loans, at 3.24% to 3.55% per annum.

The majority of land and buildings of the subsidiary were mortgaged and pledged with a bank to secure credit facilities granted by bank and letters of guarantees issued by bank.

12. Cost of forest land rights and cost of palm plantation

Movements in the cost of forest land rights and cost of palm plantation account during the six-month period ended 30 June 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2012	264,913	260
Acquisitions during the period - at cost	7,148	-
Amortisation for the period	(14,693)	(6)
Transferred to inventory account	(2,085)	-
Net book value as at 30 June 2013	<u>255,283</u>	<u>254</u>

13. Intangible assets

Movements in the intangible asset account during the six-month period ended 30 June 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2012	14,353	2,693
Acquisitions during the period - at cost	232	-
Amortisation for the period	(1,392)	(402)
Net book value as at 30 June 2013	<u>13,193</u>	<u>2,291</u>

14. Short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Short-term loans from financial institutions	2.0 - 3.75	2.0 - 4.0	1,411,723	1,688,974	370,000	600,000
Total			<u>1,411,723</u>	<u>1,688,974</u>	<u>370,000</u>	<u>600,000</u>

There is no collateral on short-term loans from financial institutions of the Company and its subsidiary.

15. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Trade payables - related parties	317	7,765	189,022	205,324
Trade payables - unrelated parties	262,706	238,227	120,104	148,033
Other payables - related parties	-	748	-	-
Other payables - unrelated parties	62,389	63,496	22,781	34,753
Advances received from related parties	5	54	22	73
Other payables for purchase of machineries	2,452	7,202	1,230	5,692
Total trade and other payables	<u>327,869</u>	<u>317,492</u>	<u>333,159</u>	<u>393,875</u>

16. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Accrued dividend	3,465	3,141	597	572
Accrued expenses	71,176	114,202	41,830	61,594
Advance income	25,505	22,928	25,505	22,928
Others	33,017	42,684	22,156	27,442
Total other current liabilities	133,163	182,955	90,088	112,536

17. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Long-term loans	50,980	85,020	35,000	55,000
Less: Current portion	(50,980)	(67,880)	(35,000)	(40,000)
Long-term loans - net of current portion	-	17,140	-	15,000

Movements in the long-term loan account during the six-month period ended 30 June 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial	financial
	statements	statements
Balance as at 31 December 2012	85,020	55,000
Less: Repayments during the period	(34,040)	(20,000)
Balance as at 30 June 2013	50,980	35,000

Long-term loans of the subsidiary are secured by the mortgage of land and buildings thereon, as discussed in Note 11, and a negative pledge of machinery of the subsidiary.

(Unaudited but reviewed)

The loan agreements contain covenants that, among other things, require the Company and its subsidiary to maintain such as dividend payments, the proportion of shareholding of the major shareholders and the maintenance of certain financial ratios.

18. Provision for long-term employee benefits

(Unit: Thousand Baht)

	Consolidated financial statements		
	Provision for employee retirement benefit	Other long- term employee benefits	Total
Defined benefit obligations at beginning of period	134,633	4,897	139,530
Current service cost	6,245	203	6,448
Interest cost	2,370	54	2,424
Benefits paid during the year	(1,652)	-	(1,652)
Defined benefit obligations at end of period	141,596	5,154	146,750
Unrecognised transitional provisions	(54,497)	(1,947)	(56,444)
Provision for long-term employee benefits at end of period	87,099	3,207	90,306

(Unit: Thousand Baht)

	Separate financial statements		
	Provision for employee retirement benefit	Other long- term employee benefits	Total
Defined benefit obligations at beginning of period	77,808	4,897	82,705
Current service cost	3,760	203	3,963
Interest cost	1,451	54	1,505
Benefits paid during the year	(882)	-	(882)
Defined benefit obligations at end of period	82,137	5,154	87,291
Unrecognised transitional provisions	(30,392)	(1,947)	(32,339)
Provision for long-term employee benefits at end of period	51,745	3,207	54,952

Long-term employee benefit expenses included in the profit or loss for the three-month and six-month periods ended 30 June 2013 amounted to Baht 10.1 million and Baht 20.2 million, respectively (the Company only: Baht 5.9 million and Baht 11.9 million, respectively).

19. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2013 and 2012 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u> (Restated)	<u>2013</u>	<u>2012</u> (Restated)
Current income tax:				
Interim corporate income tax charge	32,124	30,937	18,055	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,420)	(1,785)	(1,018)	(1,232)
Income tax expenses reported in the profit or loss	<u>30,704</u>	<u>29,152</u>	<u>17,037</u>	<u>(1,232)</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u> (Restated)	<u>2013</u>	<u>2012</u> (Restated)
Current income tax:				
Interim corporate income tax charge	74,059	58,684	33,250	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(3,002)	(3,430)	(2,213)	(2,154)
Income tax expenses reported in the profit or loss	<u>71,057</u>	<u>55,254</u>	<u>31,037</u>	<u>(2,154)</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2013 and 2012 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		(Restated)
Deferred tax relating to the changes in value of available-for-sale investments	20	3	20	3

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		(Restated)
Deferred tax relating to the changes in value of available-for-sale investments	16	(11)	16	(11)

20. 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.

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		(Restated)
Profit for the period attributable to equity holders of the Company (Thousand Baht)	96,148	44,761	124,164	93,631
Weighted average number of ordinary shares (Thousand shares)	820,000	820,000	820,000	820,000
Basic earnings per share (Baht)	0.12	0.05	0.15	0.11

(Unaudited but reviewed)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u> (Restated)	<u>2013</u>	<u>2012</u> (Restated)
Profit for the period attributable to equity holders of the Company (Thousand Baht)	249,809	163,405	227,327	141,020
Weighted average number of ordinary shares (Thousand shares)	820,000	820,000	820,000	820,000
Basic earnings per share (Baht)	0.30	0.20	0.28	0.17

21. Operating 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 two reportable segments which these activities are carried on exclusively in the single geographic area of Thailand as follows:

- (1) manufacture and distribution of palm oil products
- (2) manufacture and distribution of processed fruits and vegetables.

During the periods, there were no material activities pertaining to the generation of electricity from biogases segment and the production and distribution of oil palm seeds segment of the Company and its subsidiary. Accordingly, most of the revenues, profit and assets as reflected in these financial statements pertain to the industry segment and geographic area mentioned above.

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.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Inter-segment revenues are eliminated on consolidation.

(Unaudited but reviewed)

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 2013 and 2012.

(Unit: Million Baht)

	Consolidated for the three-month periods ended 30 June									
	Manufacture and distribution						Adjustments and			
	Palm oil		Processed fruits		Total segments		eliminations		Consolidated	
	products		and vegetables							
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenue										
External customers	1,406	1,437	291	476	1,697	1,913	-	-	1,697	1,913
Inter-segment	284	310	176	184	460	494	(460)	(494)	-	-
Total revenue	<u>1,690</u>	<u>1,747</u>	<u>467</u>	<u>660</u>	<u>2,157</u>	<u>2,407</u>	<u>(460)</u>	<u>(494)</u>	<u>1,697</u>	<u>1,913</u>
Results										
Segment profit	217	193	94	87	311	280	8	7	319	287
Unallocated income and expenses										
Other income									31	22
Selling expenses									(143)	(135)
Administrative expenses									(47)	(49)
Finance cost									(14)	(19)
Profit before income tax expenses									146	106
Income tax expenses									(31)	(30)
Profit for the period									<u>115</u>	<u>76</u>

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated for the six-month periods ended 30 June										
	Manufacture and distribution						Adjustments and		Consolidated	
	Palm oil products		Processed fruits and vegetables		Total segments		eliminations			
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenue										
External customers	2,772	2,818	729	985	3,501	3,803	-	-	3,501	3,803
Inter-segment	586	655	372	404	958	1,059	(958)	(1,059)	-	-
Total revenue	<u>3,358</u>	<u>3,473</u>	<u>1,101</u>	<u>1,389</u>	<u>4,459</u>	<u>4,862</u>	<u>(958)</u>	<u>(1,059)</u>	<u>3,501</u>	<u>3,803</u>
Results										
Segment profit	541	445	175	195	716	640	(9)	7	707	647
Unallocated income and expenses										
Other income									67	42
Selling expenses									(279)	(269)
Administrative expenses									(100)	(100)
Finance cost									(28)	(40)
Profit before income tax expenses									367	280
Income tax expenses									(71)	(55)
Profit for the period									<u>296</u>	<u>225</u>

22. Dividend paid

During the six-month periods ended 30 June 2013 and 2012, the Company and its subsidiary had dividend payments as follows:

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
<u>The Company</u>			
<u>For the year 2013</u>			
Dividend on 2012 profit	Annual General Meeting of the shareholders on 26 April 2013	164.00	0.20
<u>For the year 2012</u>			
Dividend on 2011 profit	Annual General Meeting of the shareholders on 27 April 2012	65.60	0.08

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
<u>Subsidiary</u>			
<u>For the year 2013</u>			
Final dividend on 2012 profit	Annual General Meeting of the shareholders on 26 April 2013	97.21	0.30
<u>For the year 2012</u>			
Final dividend on 2011 profit	Annual General Meeting of the shareholders on 27 April 2012	162.00	0.50

23. Commitments and contingent liabilities

As at 30 June 2013, the Company and its subsidiaries had the following outstanding commitments and contingent liabilities.

23.1 Capital commitments

The Company and its subsidiaries had capital commitments relating to the purchase of machineries, equipment, vehicles and construction of buildings amounting to approximately Baht 46.1 million and Euro 0.1 million (the Company only: Baht 3.3 million).

23.2 Long-term service commitments

Under the agreement with a foreign shareholder in relation to the use of trademark in the production and distribution of oil palm seed, the jointly controlled entity of a subsidiary is obliged to pay royalty calculated as a percentage of the net annual sales of the products, as defined in the agreement. The jointly controlled entity and such foreign shareholder are also required to comply with conditions stipulated in the contract.

23.3 Operating lease commitments

As at 30 June 2013, the Company and its subsidiaries had commitments relating to lease and service agreements whereby future payments are required in the following amounts:

	<u>Million Baht</u>
Payable within:	
Up to 1 year	12.5
In over 1 and up to 5 years	2.6

23.4 Guarantees

As at 30 June 2013, there were outstanding bank guarantees of approximately Baht 20.4 million issued by the banks on behalf of the Company and its subsidiaries to guarantee electricity usage and others (the Company only: Baht 10.1 million).

23.5 Contingent liabilities

- (1) In January 2006, the Company was sued by the Metropolitan Electricity Authority (MEA) for payment of additional electricity expenses totaling approximately Baht 7.1 million for the 18-month period from 30 June 2002 to 30 November 2003. In October 2005, MEA received Baht 2.9 million from the bank which was guarantor for electricity payment, leaving an outstanding payable amount of Baht 4.2 million. In September 2006, the Civil Court judged that the Company was liable for the electric payment of November 2003 plus interest of approximately Baht 0.5 million to the plaintiff. The Company filed an appeal against the judgment with the Appeal Court. On 16 February 2011, the Appeal Court dismissed this case. However, the Company countersued to recover the guarantee amount from the MEA because the Company did not have any outstanding late electricity payments due to the MEA as per the guarantee issued by the bank, but the claim made was a retrospective claim for additional payments. In October 2006, the Civil Court delivered the judgment ordering the MEA to refund the Baht 2.9 million guarantee plus interest to the Company. In January 2011, the Appeal Court issued a new ruling ordering the MEA to refund Baht 2.5 million to the Company after deducting the electricity fee for the period from 5 to 30 November 2003 of approximately Baht 0.4 million. Currently, the cases are under the consideration of the Supreme Court.

- (2) In 2004, a subsidiary received a letter of invitation from the Agricultural Land Reform Office (ALRO) concerning the issue of land overlapping with ALRO land. On 6 October 2004, the subsidiary attended a fact-finding consultation meeting with the ALRO and handed over various relevant documents for use by ALRO in considering this issue. The result of this matter is not known at this time.

- (3) On 11 April 2008, a subsidiary met with the working committee responsible for reviewing practical methods and negotiations for distributing land belonging to holders of large plots in land reform areas to farmers, which had been set up by the Surat Thani Land Reform Commission. The purpose of meeting was to find a practical solution to the land issue arising as a result of the subsidiary holding land amounting to approximately 1,210 rai in designated forest areas and another 276 rai in land reform areas. These land plots represent 3 percent of the total planted area of the subsidiary. The 276 rai in land reform areas represents a large landholding and a holding in excess of the area that can be owned under Section 30 of the Land Reform for Agriculture Act.

On 29 August 2008, the subsidiary entered into a memorandum of negotiation, agreeing to transfer land in land reform areas to the custody of ALRO for development for agricultural use; with the subsidiary signalling its intention to allow ALRO to take approximately 80 rai of land into the land reform program. However, on 17 September 2009, the subsidiary received notice from ALRO to vacate a total of approximately 133 rai of land in land reform areas and demolish all construction thereon, within 30 days from receipt of the notice, since the subsidiary has no land ownership documents. The cost of this land and the net book value of the palm plantation development on such land amounted to approximately Baht 0.2 million. The subsidiary had already set aside full allowance for impairment loss on the cost of these assets in 2009.

At present, the subsidiary is in the process of negotiating with the relevant government agencies concerning the land in designated forest areas.

- (4) In 2008, the subsidiaries received notification from the Surat Thani Provincial Office of Natural Resources, ordering it to enter into a memorandum of acknowledgement and consent to comply with the conditions of the Forestry Department regulation concerning permission to exploit National Reserved Forest land B.E. 2548, to lodge an application for permission to gather forest produce in accordance with Section 15 of the National Reserved Forest Act B.E. 2507, and to pay official royalty fees at the rate of 10 percent of the market price of oil palm and forest maintenance fees, at a rate of double the official royalty fees, when harvesting the oil palm crops planted.

On 6 August 2009, the subsidiaries entered into a memorandum of acknowledgement and consent to comply with the conditions stipulated by the Forestry Department. On 18 December 2009, the subsidiaries lodged an application for permission to gather forest produce in a National Reserved Forest. At present, the relevant government agencies are processing the application.

24. Financial instruments

24.1 Foreign currency assets and liabilities

The Company's and its subsidiaries' financial assets and liabilities denominated in foreign currencies as at 30 June 2013 are summarised below.

Foreign currency	Financial assets	Financial liabilities	Average exchange rate as at 30 June 2013
	(Million)	(Million)	(Baht per 1 foreign currency unit)
US dollars	2.8	0.6	31.1271
Euro	0.1	-	40.6169

24.2 Forward exchange contracts

As at 30 June 2013, the Company and its subsidiaries had outstanding forward exchange contracts, of which details are presented below.

Foreign currency	Sold amount	Contractual exchange rate of sold amount	Maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollars	4.3	28.60 - 31.20	In December 2013
Euro	0.1	37.95 - 41.20	In June 2014

As at 30 June 2013, the subsidiary had unrealised loss on forward exchange contracts to present them at fair value totaling Baht 6.5 million.

24.3 Interest rate swap agreement

The subsidiary entered into an interest rate swap agreement with a lender bank covering a period from January 2009 to February 2014, whereby the subsidiary agreed to swap the floating interest rate of THBFIX plus an applicable margin per annum on Baht 140 million loans for a fixed annual interest rate.

As at 30 June 2013, the subsidiary had unrealised loss on interest rate swap agreement to present it at fair value totaling Baht 0.1 million.

25. Approval of interim financial statements

These interim financial statements were authorised for issue on 9 August 2013 by the Company's audit committees under authority delegated by the board of directors of the Company.