

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 2015

## **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 2015, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2015, 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 12 to the financial statements regarding a permit from the Royal Forest Department granted to a subsidiary for the exploitation or inhabitation in the National Reserved Forests which had expired in January 2015. The subsidiary has used the land of 13,030 rai for palm oil plantation. The subsidiary is requesting the government unit to grant a permit to exploit or inhabit in such land, and the request is under the consideration of such government unit. My conclusion is not qualified in respect of this matter.

Kamontip Lertwitworatep  
Certified Public Accountant (Thailand) No. 4377

EY Office Limited  
Bangkok: 14 August 2015

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statements of financial position**

**As at 30 June 2015**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited) (Restated)	30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	3	233,596	212,800	82,308	27,893
Trade and other receivables	2, 4	1,022,135	902,094	858,269	816,939
Short-term loans to related parties	2	-	-	-	-
Inventories	5	1,668,771	1,294,624	900,833	629,345
Other current assets		44,928	38,502	12,658	12,453
<b>Total current assets</b>		<b>2,969,430</b>	<b>2,448,020</b>	<b>1,854,068</b>	<b>1,486,630</b>
<b>Non-current assets</b>					
Investment in associated company	6	-	-	-	-
Investments in subsidiaries	7	-	-	1,312,871	1,312,491
Investments in joint venture	8	34,216	39,684	-	-
Other long-term investments		3,867	3,940	3,867	3,940
Long-term loan to unrelated party	9	63,000	-	-	-
Investment properties	10	84,245	86,530	7,419	8,261
Property, plant and equipment	11	2,195,438	2,085,550	696,284	608,464
Cost of forest land rights and cost of palm plantation	12	208,263	212,051	230	236
Goodwill		196,376	196,376	-	-
Intangible assets		9,036	8,270	5,377	5,065
Deferred tax assets		36,597	35,605	7,221	8,181
Other non-current assets		9,090	7,570	491	518
<b>Total non-current assets</b>		<b>2,840,128</b>	<b>2,675,576</b>	<b>2,033,760</b>	<b>1,947,156</b>
<b>Total assets</b>		<b>5,809,558</b>	<b>5,123,596</b>	<b>3,887,828</b>	<b>3,433,786</b>

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

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 June 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	13	1,715,000	1,230,000	525,000	140,000
Trade and other payables	2, 14	662,996	429,034	529,869	414,468
Short-term loan from related party	2	-	10,000	-	-
Current portion of long-term loan	15	100,000	100,000	-	-
Income tax payable		52,748	41,317	21,693	22,680
Other current liabilities		83,138	89,249	45,781	51,386
<b>Total current liabilities</b>		<b>2,613,882</b>	<b>1,899,600</b>	<b>1,122,343</b>	<b>628,534</b>
<b>Non-current liabilities</b>					
Long-term loan - net of current portion	15	25,000	75,000	-	-
Provision for long-term employee benefits		56,127	55,133	25,661	30,454
<b>Total non-current liabilities</b>		<b>81,127</b>	<b>130,133</b>	<b>25,661</b>	<b>30,454</b>
<b>Total liabilities</b>		<b>2,695,009</b>	<b>2,029,733</b>	<b>1,148,004</b>	<b>658,988</b>

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

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statements of financial position (continued)**

**As at 30 June 2015**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at <u>30 June 2015</u> (Unaudited but reviewed)	As at <u>31 December 2014</u> (Audited) (Restated)	As at <u>30 June 2015</u> (Unaudited but reviewed)	As at <u>31 December 2014</u> (Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
820,000,000 ordinary shares of Baht 1 each	<u>820,000</u>	<u>820,000</u>	<u>820,000</u>	<u>820,000</u>
Issued and fully paid-up				
820,000,000 ordinary shares of Baht 1 each	820,000	820,000	820,000	820,000
Paid-in surplus				
Share premium	241,970	241,970	241,970	241,970
Premium on treasury stock	5,269	5,269	5,269	5,269
Retained earnings				
Appropriated - statutory reserve	103,071	103,071	82,000	82,000
Unappropriated	1,614,737	1,582,268	1,590,266	1,625,182
Other components of shareholders' equity	<u>(6,212)</u>	<u>1,362</u>	<u>319</u>	<u>377</u>
Equity attributable to owners of the Company	2,778,835	2,753,940	2,739,824	2,774,798
Non-controlling interests of the subsidiaries	<u>335,714</u>	<u>339,923</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>	<u>3,114,549</u>	<u>3,093,863</u>	<u>2,739,824</u>	<u>2,774,798</u>
<b>Total liabilities and shareholders' equity</b>	<u>5,809,558</u>	<u>5,123,596</u>	<u>3,887,828</u>	<u>3,433,786</u>

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

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Directors  
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## Lam Soon (Thailand) Public Company Limited and its subsidiaries

## Statements 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 (Restated)	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales		2,121,586	2,276,666	1,663,072	1,687,433
Dividend income		153	-	34,160	90,686
Other income		29,764	29,440	27,645	34,954
<b>Total revenues</b>		<b>2,151,503</b>	<b>2,306,106</b>	<b>1,724,877</b>	<b>1,813,073</b>
<b>Expenses</b>					
Cost of sales		1,726,541	1,784,410	1,490,113	1,522,421
Selling expenses		177,219	166,085	110,489	104,963
Administrative expenses		53,229	61,585	26,605	31,948
<b>Total expenses</b>		<b>1,956,989</b>	<b>2,012,080</b>	<b>1,627,207</b>	<b>1,659,332</b>
<b>Profit before share of profit (loss) from investment in joint venture, finance cost and income tax expenses</b>					
		194,514	294,026	97,670	153,741
Share of profit (loss) from investment in joint venture	8	(819)	2,179	-	-
<b>Profit before finance cost and income tax expenses</b>					
		193,695	296,205	97,670	153,741
Finance cost		(11,502)	(13,188)	(2,607)	(3,428)
<b>Profit before income tax expenses</b>					
		182,193	283,017	95,063	150,313
Income tax expenses	16	(42,465)	(46,750)	(11,095)	(10,529)
<b>Profit for the period</b>		<b>139,728</b>	<b>236,267</b>	<b>83,968</b>	<b>139,784</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Gain (loss) on changes in value of available-for-sale investments		(169)	1,864	(169)	1,864
Income tax reflect	16	34	(372)	34	(372)
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax</i>					
		(135)	1,492	(135)	1,492
<b>Other comprehensive income for the period</b>		<b>(135)</b>	<b>1,492</b>	<b>(135)</b>	<b>1,492</b>
<b>Total comprehensive income for the period</b>		<b>139,593</b>	<b>237,759</b>	<b>83,833</b>	<b>141,276</b>

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

(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statements of comprehensive income (continued)**

**For the three-month period ended 30 June 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
<b>Profit or loss attributable to:</b>				
Equity holders of the Company	129,988	189,181	<u>83,968</u>	<u>139,784</u>
Non-controlling interests of the subsidiaries	<u>9,740</u>	<u>47,086</u>		
	<u>139,728</u>	<u>236,267</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	129,853	190,673	<u>83,833</u>	<u>141,276</u>
Non-controlling interests of the subsidiaries	<u>9,740</u>	<u>47,086</u>		
	<u>139,593</u>	<u>237,759</u>		
<b>Basic earnings per share</b>	17			
Profit attributable to equity holders of the Company	<u>0.16</u>	<u>0.23</u>	<u>0.10</u>	<u>0.17</u>

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

## Lam Soon (Thailand) Public Company Limited and its subsidiaries

## Statements 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 (Restated)	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales		4,270,967	4,364,074	3,346,244	3,503,837
Dividend income		153	-	34,160	90,686
Other income		53,051	43,867	56,788	61,564
<b>Total revenues</b>		<b>4,324,171</b>	<b>4,407,941</b>	<b>3,437,192</b>	<b>3,656,087</b>
<b>Expenses</b>					
Cost of sales		3,597,236	3,645,317	3,009,545	3,241,071
Selling expenses		333,459	309,104	213,849	209,374
Administrative expenses		112,837	115,936	57,971	63,438
<b>Total expenses</b>		<b>4,043,532</b>	<b>4,070,357</b>	<b>3,281,365</b>	<b>3,513,883</b>
<b>Profit before share of profit from investment in joint venture, finance cost and income tax expenses</b>					
		280,639	337,584	155,827	142,204
Share of profit from investment in joint venture	8	157	2,144	-	-
<b>Profit before finance cost and income tax expenses</b>					
		280,796	339,728	155,827	142,204
Finance cost		(22,662)	(26,273)	(4,080)	(5,906)
<b>Profit before income tax expenses</b>					
		258,134	313,455	151,747	136,298
Income tax expenses	16	(58,420)	(50,758)	(22,668)	(9,352)
<b>Profit for the period</b>		<b>199,714</b>	<b>262,697</b>	<b>129,079</b>	<b>126,946</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Gain (loss) on changes in value of available-for-sale investments		(73)	1,886	(73)	1,886
Income tax reflect	16	15	(377)	15	(377)
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax</i>					
		(58)	1,509	(58)	1,509
<b>Other comprehensive income for the period</b>		<b>(58)</b>	<b>1,509</b>	<b>(58)</b>	<b>1,509</b>
<b>Total comprehensive income for the period</b>		<b>199,656</b>	<b>264,206</b>	<b>129,021</b>	<b>128,455</b>

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



(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statements of comprehensive income (continued)**

**For the six-month period ended 30 June 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
<b>Profit or loss attributable to:</b>				
Equity holders of the Company	196,464	206,172	<u>129,079</u>	<u>126,946</u>
Non-controlling interests of the subsidiaries	<u>3,250</u>	<u>56,525</u>		
	<u>199,714</u>	<u>262,697</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	196,406	207,681	<u>129,021</u>	<u>128,455</u>
Non-controlling interests of the subsidiaries	<u>3,250</u>	<u>56,525</u>		
	<u>199,656</u>	<u>264,206</u>		
<b>Basic earnings per share</b>				
		17		
Profit attributable to equity holders of the Company	<u>0.24</u>	<u>0.25</u>	<u>0.16</u>	<u>0.15</u>

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

(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries****Cash flow statements****For the six-month period ended 30 June 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>				
Profit before tax	258,134	313,455	151,747	136,298
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	119,660	132,973	42,480	41,012
Share of profit from investment in joint venture	(157)	(2,144)	-	-
Increase (decrease) in allowance for doubtful accounts	(394)	5,737	(382)	158
Increase (decrease) in allowance for diminution in inventory value	593	(20,068)	300	-
Decrease in allowance for impairment loss of assets	-	(2,200)	-	-
Gain on disposals of property, plant and equipment	(1,176)	(1,551)	(669)	(674)
Loss on write-off of cost of palm plantation	3,278	-	-	-
Unrealised loss (gain) on exchange	(882)	1,338	39	(34)
Provision for long-term employee benefits	16,002	19,192	8,962	11,947
Dividend income from subsidiary	-	-	(34,007)	(90,686)
Dividend income from other companies	(153)	-	(153)	-
Interest expenses	21,035	24,758	2,961	4,918
Profit from operating activities before changes in operating assets and liabilities	415,940	471,490	171,278	102,939
Decrease (increase) in operating assets				
Trade and other receivables	(118,821)	(55,501)	(41,037)	30,286
Inventories	(368,638)	(431,722)	(271,788)	(429,506)
Other current assets	(9,053)	1,693	1,229	1,469
Other non-current assets	(1,142)	3,810	27	-
Increase (decrease) in operating liabilities				
Trade and other payables	213,636	38,503	94,336	(53,762)
Other current liabilities	(7,053)	6,633	(6,060)	(6,082)
Provision for long-term employee benefits	(15,008)	(2,198)	(13,755)	(187)
Cash from (used in) operating activities	109,861	32,708	(65,770)	(354,843)
Cash paid for interest expenses	(21,486)	(25,118)	(2,958)	(4,631)
Cash paid for income tax	(45,339)	(35,089)	(24,114)	(17,805)
<b>Net cash from (used in) operating activities</b>	<b>43,036</b>	<b>(27,499)</b>	<b>(92,842)</b>	<b>(377,279)</b>

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

(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries****Cash flow statements (continued)****For the six-month period ended 30 June 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Cash flows from investing activities</b>				
Increase in investment in subsidiary	(390)	-	(380)	-
Dividend received from subsidiary	-	-	34,007	90,686
Dividend received from other companies	153	-	153	-
Dividend received from joint venture	5,625	-	-	-
Increase in other long-term investment	-	(1,951)	-	(1,951)
Increase in long-term loan to unrelated party	(63,000)	-	-	-
Acquisitions of property, plant and equipment	(199,871)	(52,800)	(108,597)	(21,061)
Proceeds from disposals of property, plant and equipment	1,807	3,944	1,295	708
Increase in cost of palm plantation	(11,925)	(12,250)	-	-
Increase in intangible assets	(1,660)	(2,172)	(681)	(192)
<b>Net cash from (used in) investing activities</b>	<b>(269,261)</b>	<b>(65,229)</b>	<b>(74,203)</b>	<b>68,190</b>
<b>Cash flows from financing activities</b>				
Increase in short-term loans from financial institutions	485,000	428,283	385,000	510,000
Decrease in short-term loan from related party	(10,000)	(10,000)	-	-
Repayment of long-term loans	(50,000)	(92,140)	-	(15,000)
Dividend paid	(177,979)	(202,933)	(163,540)	(164,000)
<b>Net cash from financing activities</b>	<b>247,021</b>	<b>123,210</b>	<b>221,460</b>	<b>331,000</b>
<b>Net increase in cash and cash equivalents</b>	<b>20,796</b>	<b>30,482</b>	<b>54,415</b>	<b>21,911</b>
Cash and cash equivalents at beginning of the period	212,800	225,216	27,893	46,880
<b>Cash and cash equivalents at end of the period</b> <b>(Note 3)</b>	<b>233,596</b>	<b>255,698</b>	<b>82,308</b>	<b>68,791</b>

**Supplementary disclosures of cash flows information**

## Non-cash transactions

## Acquisitions of plant and equipment

that have not been paid

Transferred palm nursery to inventory account

Dividend payable

30,719	26,258	26,700	2,031
6,102	11,560	-	-
4,742	-	1,480	-

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statements 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											
					Other components of equity						
					Other comprehensive income		Other changes by the owners		Equity		
					Surplus (deficit) on changes in value of		Surplus from change in shareholding in subsidiary		Total equity attributable to non-controlling interests of the subsidiaries		
Issued and paid up share capital		Share premium	Premium on treasury stock	Appropriated - statutory reserve	Unappropriated	available-for-sale investments	shareholding in subsidiary	Total other components of shareholders' equity	shareholders of the Company	interests of the subsidiaries	Total shareholders' equity
<b>Balance as at 1 January 2014</b>	820,000	241,970	5,269	103,071	1,349,238	(545)	985	440	2,519,988	331,843	2,851,831
Profit for the period	-	-	-	-	206,172	-	-	-	206,172	56,525	262,697
Other comprehensive income for the period	-	-	-	-	-	1,509	-	1,509	1,509	-	1,509
Total comprehensive income for the period	-	-	-	-	206,172	1,509	-	1,509	207,681	56,525	264,206
Reversal of prior year dividend	-	-	-	-	12	-	-	-	12	-	12
Dividend paid (Note 19)	-	-	-	-	(164,000)	-	-	-	(164,000)	-	(164,000)
Decrease in non-controlling interests from dividend payment of subsidiary	-	-	-	-	-	-	-	-	-	(38,933)	(38,933)
<b>Balance as at 30 June 2014</b>	<b>820,000</b>	<b>241,970</b>	<b>5,269</b>	<b>103,071</b>	<b>1,391,422</b>	<b>964</b>	<b>985</b>	<b>1,949</b>	<b>2,563,681</b>	<b>349,435</b>	<b>2,913,116</b>

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

(Unaudited but reviewed)

## Lam Soon (Thailand) Public Company Limited and its subsidiaries

## Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Consolidated financial statements											
Equity attributable to the owners of the Company											
					Other components of equity						
					Other comprehensive income		Other changes by the owners		Equity		
					Surplus (deficit) on changes in value of		Surplus from change in shareholding in subsidiary		Total equity attributable to non-controlling interests of the subsidiaries		
Issued and paid up share capital	Share premium	Premium on treasury stock	Appropriated - statutory reserve	Retained earnings - Unappropriated	available-for-sale investments	in value of	change in	Total other components of equity	Total equity attributable to the Company	Total equity attributable to non-controlling interests of the subsidiaries	
<b>Balance as at 1 January 2015</b>	820,000	241,970	5,269	103,071	1,582,268	377	985	1,362	2,753,940	339,923	3,093,863
Profit for the period	-	-	-	-	196,464	-	-	-	196,464	3,250	199,714
Other comprehensive income for the period	-	-	-	-	-	(58)	-	(58)	(58)	-	(58)
Total comprehensive income for the period	-	-	-	-	196,464	(58)	-	(58)	196,406	3,250	199,656
Reversal of prior year dividend	-	-	-	-	5	-	-	-	5	-	5
Dividend paid (Note 19)	-	-	-	-	(164,000)	-	-	-	(164,000)	-	(164,000)
Acquisition of investment in subsidiary from non-controlling interests	-	-	-	-	-	-	(7,516)	(7,516)	(7,516)	7,126	(390)
Decrease in non-controlling interests from dividend payment of subsidiary	-	-	-	-	-	-	-	-	-	(14,585)	(14,585)
<b>Balance as at 30 June 2015</b>	<b>820,000</b>	<b>241,970</b>	<b>5,269</b>	<b>103,071</b>	<b>1,614,737</b>	<b>319</b>	<b>(6,531)</b>	<b>(6,212)</b>	<b>2,778,835</b>	<b>335,714</b>	<b>3,114,549</b>

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Separate financial statements								
					Other components of equity			
					Other			
					comprehensive			
					income			
					Surplus (deficit)			
					on changes		Total other	
					in value of		components of	
					available-for-sale		shareholders'	
					investments		equity	
					Total		shareholders'	
					equity		equity	
Issued and	Share premium	Premium on	Retained earnings					
paid up		treasury stock	Appropriated -	Unappropriated				
share capital			statutory reserve					
<b>Balance as at 1 January 2014</b>	820,000	241,970	5,269	82,000	1,506,288	(545)	(545)	2,654,982
Profit for the period	-	-	-	-	126,946	-	-	126,946
Other comprehensive income for the period	-	-	-	-	-	1,509	1,509	1,509
Total comprehensive income for the period	-	-	-	-	126,946	1,509	1,509	128,455
Reversal of prior year dividend	-	-	-	-	12	-	-	12
Dividend paid (Note 19)	-	-	-	-	(164,000)	-	-	(164,000)
<b>Balance as at 30 June 2014</b>	<b>820,000</b>	<b>241,970</b>	<b>5,269</b>	<b>82,000</b>	<b>1,469,246</b>	<b>964</b>	<b>964</b>	<b>2,619,449</b>

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Separate financial statements								
					Other components of equity			
					Other			
					comprehensive			
					income			
					Surplus (deficit)			
					on changes		Total other	
					in value of		components of	
					available-for-sale		shareholders'	
					investments		equity	
					Total		shareholders'	
					equity		equity	
Issued and	Share premium	Premium on	Retained earnings					
paid up		treasury stock	Appropriated -	Unappropriated				
share capital			statutory reserve					
<b>Balance as at 1 January 2015</b>	820,000	241,970	5,269	82,000	1,625,182	377	377	2,774,798
Profit for the period	-	-	-	-	129,079	-	-	129,079
Other comprehensive income for the period	-	-	-	-	-	(58)	(58)	(58)
Total comprehensive income for the period	-	-	-	-	129,079	(58)	(58)	129,021
Reversal of prior year dividend	-	-	-	-	5	-	-	5
Dividend paid (Note 19)	-	-	-	-	(164,000)	-	-	(164,000)
<b>Balance as at 30 June 2015</b>	<b>820,000</b>	<b>241,970</b>	<b>5,269</b>	<b>82,000</b>	<b>1,590,266</b>	<b>319</b>	<b>319</b>	<b>2,739,824</b>

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 2015**

**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. The registered office of the Company 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 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 interim consolidated financial statements include the financial statements of Lam Soon (Thailand) Public Company Limited (herein after called “the Company”) and its subsidiaries (herein after called “the subsidiaries”), 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 2014. There have been no changes in the composition of the group during the current period except for the additional investment in Universal Food Public Company Limited as discussed in Note 7 to the financial statements.



#### **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 recognise 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 recognise 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 Company's and its subsidiaries' financial statements.

**TFRS 11 Joint Arrangements**

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

As a result of the adoption of this standard, a subsidiary has had to change the method used to account for its investment in a joint venture from the proportionate consolidation method to the equity method. The Company has restated the prior period's financial statements, presented as comparative information, to reflect the effect of the change.

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

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
	<u>As at 31 December 2014</u>
<b>Statement of financial position:</b>	
Increase in investment in joint venture	39,684
Decrease in current assets	(26,014)
Decrease in non-current assets	(19,025)
Decrease in current liabilities	(4,493)
Decrease in non-current liabilities	(862)

(Unit: Thousand Baht)

	Consolidated financial statements	
	For the three-month period ended 30 June 2014	For the six-month period ended 30 June 2014
<b>Statements of comprehensive income</b>		
<b>Profit or loss:</b>		
Decrease in revenue	(5,467)	(5,783)
Decrease in expenses	3,288	3,639
Increase in share of profit from investment in joint venture	2,179	2,144

**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 Company's and its subsidiaries' 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 2014, except for the changes in accounting policies as a result of the adoption of new and revised standards, as discussed in Note 1.4 to the financial statements.

## 2. 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		Separate		
	financial statements		financial statements		
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Purchase of raw material	-	-	186.9	288.1	Market price on the contract date
Purchase of goods and services	-	-	157.6	174.6	Market price less fixed margin
Sales of goods and services	-	-	0.4	1.0	Market price
Rental income	-	-	0.5	0.6	Market price/Contract price
Selling and administrative service income	-	-	17.1	22.7	Actual charge
Dividend income	-	-	34.0	90.6	At the declared rate
<u>Transactions with related companies</u>					
Sales of goods	22.3	7.2	-	-	Price approximates market price
Purchase of goods	0.4	0.3	-	-	Selling price less marketing expenses and profit margin
Interest expenses	-	0.3	-	-	THBFIX + 0.50% per annum
Other expenses	1.4	-	-	-	Actual charge
<u>Transactions with jointly controlled entity</u>					
Land rental income	0.2	0.2	-	-	Agreed between the parties
Purchase of oil palm seeds and fresh fruit bunch	1.1	0.3	-	-	Market price

(Unit: Million Baht)

	For the six-month periods ended 30 June				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Purchase of raw material	-	-	371.0	439.1	Market price on the contract date
Purchase of goods and services	-	-	336.8	383.7	Market price less fixed margin
Sales of goods and services	-	-	0.7	1.3	Market price
Rental income	-	-	1.0	1.1	Market price/Contract price
Selling and administrative service income	-	-	36.2	41.2	Actual charge
Dividend income	-	-	34.0	90.6	At the declared rate
<u>Transactions with related companies</u>					
Sales of goods	32.9	15.1	-	-	Price approximates market price
Purchase of goods	1.1	0.7	-	-	Selling price less marketing expenses and profit margin
Interest expenses	-	0.5	-	-	THBFIX + 0.50% per annum
Other expenses	1.4	-	-	-	Actual charge
<u>Transactions with jointly controlled entity</u>					
Land rental income	0.5	0.3	-	-	Agreed between the parties
Purchase of oil palm seeds and fresh fruit bunch	5.1	0.5	-	-	Market price

(Unaudited but reviewed)

The balances of accounts as at 30 June 2015 and 31 December 2014 between the Company and the related parties are detailed as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
		(Restated)		
<b><u>Trade and other receivables - related parties</u></b> (Note 4)				
Subsidiaries	-	-	12,216	14,162
Associated company	452	452	-	-
Related companies (related by common shareholders)	37,855	25,617	-	5
<b>Total trade and other receivables - related parties</b>	38,307	26,069	12,216	14,167
Less: Allowance for doubtful accounts	(20,780)	(20,780)	-	-
<b>Total trade and other receivables - related parties - net</b>	17,527	5,289	12,216	14,167
<b><u>Short-term loans to related parties</u></b>				
Associated company	40,286	40,286	-	-
Related companies (related by common shareholders)	5,325	5,325	-	-
<b>Total short-term loans to related parties</b>	45,611	45,611	-	-
Less: Allowance for doubtful accounts	(45,611)	(45,611)	-	-
<b>Total short-term loans to related parties - net</b>	-	-	-	-
<b><u>Trade and other payables - related parties</u></b> (Note 14)				
Subsidiaries	-	-	130,766	140,208
Related companies (related by common shareholders)	967	699	-	-
<b>Total trade and other payables - related parties</b>	967	699	130,766	140,208
<b><u>Short-term loan from related party</u></b>				
Related company (related by major shareholder)	-	10,000	-	-
<b>Total short-term loan from related party</b>	-	10,000	-	-

Movements in short-term loan from related party during six-month period ended 30 June 2015 are summarised below.

(Unit: Thousand Baht)

		Consolidated financial statements		
Company's name	Related by	Balance as at 31 December 2014	Decrease during the period	Balance as at 30 June 2015
Lam Soon Holding Co., Ltd.	Major shareholder	10,000	(10,000)	-
Total		<u>10,000</u>	<u>(10,000)</u>	<u>-</u>

#### 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 the 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 THBFX + 0.50% 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. 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 2015, 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 33.6 million and Baht 73.1 million, respectively (2014: Baht 34.7 million and Baht 71.1 million, respectively) and for the Company totaling Baht 18.9 million and Baht 43.0 million, respectively (2014: Baht 22.0 million and Baht 44.0 million, respectively).

### 3. Cash and cash equivalents

As at 30 June 2015 and 31 December 2014, cash and cash equivalents consist of the following:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
		(Restated)		
Cash	4,585	3,863	1,866	1,017
Bank deposits	229,011	208,937	80,442	26,876
Total	233,596	212,800	82,308	27,893

As at 30 June 2015, bank deposits in savings account carried interest between 0.25 and 0.85 percent per annum (31 December 2014: between 0.10 and 1.25 percent per annum).

### 4. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
		(Restated)		
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	17,514	1,013	-	17
Past due				
Up to 3 months	-	4,260	-	-
Over 12 months	452	452	-	-
Total	17,966	5,725	-	17
Less: Allowance for doubtful accounts	(452)	(452)	-	-
Total trade receivables - related parties - net	17,514	5,273	-	17



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
		(Restated)		
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Post dated cheques receivable	36,399	43,909	36,399	43,909
Cheque returned	13,374	13,792	8,410	8,828
Not yet due	696,917	715,650	605,627	664,764
Past due				
Up to 3 months	242,403	124,651	200,953	89,940
3 - 6 months	11,823	2,647	77	625
6 - 12 months	11,807	5,068	114	179
Over 12 months	27,603	28,714	2,146	2,846
Total	1,040,326	934,431	853,726	811,091
Less: Allowance for doubtful accounts	(42,833)	(43,227)	(10,436)	(10,818)
Total trade receivables - unrelated parties - net	997,493	891,204	843,290	800,273
Total trade receivables - net	1,015,007	896,477	843,290	800,290
<u>Other receivables</u>				
Other receivables - related parties	13	16	1,440	5,483
Other receivables - unrelated parties	4,032	4,196	2,763	2,499
Accrued income - related parties	-	-	10,776	8,667
Accrued income - unrelated parties	2,264	927	-	-
Advances - related parties	20,328	20,328	-	-
Advances - unrelated parties	819	478	-	-
Total	27,456	25,945	14,979	16,649
Less: Allowance for doubtful accounts	(20,328)	(20,328)	-	-
Total other receivables - net	7,128	5,617	14,979	16,649
<b>Total trade and other receivables - net</b>	<b>1,022,135</b>	<b>902,094</b>	<b>858,269</b>	<b>816,939</b>

## 5. 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 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Balance as at 31 December 2014</b>	25,249	107
The reduction of inventory value recorded during the period	593	300
<b>Balance as at 30 June 2015</b>	<u>25,842</u>	<u>407</u>

## 6. Investment in associated company

Company's name	Nature of business	Country of incorporation	Consolidated financial statements			
			Paid-up capital		Shareholding percentage	
			30 June 2015	31 December 2014	30 June 2015	31 December 2014
			(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 method - net		Carrying amounts based on equity method	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Union Fresh Co., Ltd.	12,000	12,000	(12,000)	(12,000)	-	-	-	-

## 7. 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) Dividend received for the six-month period ended 30 June	
	30 June	31 December	30 June	31 December	30 June	31 December	2015	2014
	2015	2014	2015	2014	2015	2014		
			Percent	Percent				
United Palm Oil Industry Public Company Limited	324,050	324,050	69.96	69.96	748,344	748,344	34,007	90,686
Universal Food Public Company Limited	525,000	525,000	98.83	98.76	585,243	585,243	-	-
<b>Total</b>					<b>1,333,587</b>	<b>1,333,587</b>	<b>34,007</b>	<b>90,686</b>
Less: Allowance for diminution in value of investments					(21,096)	(21,096)	-	-
<b>Total investments in subsidiaries - net</b>					<b>1,312,491</b>	<b>1,312,491</b>	<b>34,007</b>	<b>90,686</b>

During the period, the Company acquired the additional investment totaling Baht 0.38 million in Universal Food Public Company Limited from the non-controlling interests. As a result, the Company's shareholding in that subsidiary increased to 98.83 percent.

As at 30 June 2015, 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 1,757 million (31 December 2014: Baht 2,256 million).

## 8. Investment in joint venture

### 8.1 Details of investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by the subsidiary and other company. Details of this investment are as follows:

Jointly controlled entity	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		30 June	31	30 June	31	30 June	31
		2015	December	2015	December	2015	December
			2014		2014		2014
		%	%				(Restated)
Siam Elite Palm Co., Ltd.	Production and distribution of oil palm seeds	50	50	25,000	25,000	34,216	39,684

(Unaudited but reviewed)

Total	<u>25,000</u>	<u>25,000</u>	<u>34,216</u>	<u>39,684</u>
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## 8.2 Share of profit (loss) and dividend received

During the three-month and six-month periods ended 30 June 2015 and 2014, the subsidiary had recognised its share of profit (loss) from investment in the joint venture in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Jointly controlled entity	Consolidated financial statements			
	Share of profit(loss) from investment in joint venture			
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		(Restated)
Siam Elite Palm Co., Ltd.	<u>(819)</u>	<u>2,179</u>	<u>157</u>	<u>2,144</u>
Total	<u>(819)</u>	<u>2,179</u>	<u>157</u>	<u>2,144</u>

During the current period, the subsidiary received dividend from the joint venture of Baht 5.6 million.

## 9. Long-term loan to unrelated party

As at 30 June 2015, a subsidiary of subsidiary had long-term loan to other company of Baht 63 million. The loan has no collateral and carries interest at a rate of THBFIX + 1% per annum and is repayable at the end of June and December each year (the last payment is June 2040).

## 10. Investment properties

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

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Balance as at 31 December 2014</b>	<u>86,530</u>	<u>8,261</u>
Depreciation for the period	<u>(2,285)</u>	<u>(842)</u>
<b>Balance as at 30 June 2015</b>	<u>84,245</u>	<u>7,419</u>

As at 30 June 2015, the allowance for impairment loss on investment properties - land and building of the subsidiary was Baht 46.5 million (31 December 2014: Baht 46.5 million).

**11. Property, plant and equipment**

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<hr/>	<hr/>
<b>Net book value as at 31 December 2014</b>	2,085,550	608,464
Acquisitions during the period - at cost	220,450	129,709
Disposals during the period - net book value at disposal date	(631)	(626)
Depreciation for the period	(110,148)	(41,263)
Interest capitalised to assets	217	-
<b>Net book value as at 30 June 2015</b>	<hr/> <hr/> 2,195,438	<hr/> <hr/> 696,284

During the current period, the subsidiary capitalised interest amounting to Baht 0.2 million (2014: Baht 0.2 million) 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 interest rate of these loans between 2.59% and 3.14% per annum (2014: 2.84% and 3.40% per annum).

**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 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<hr/>	<hr/>
<b>Net book value as at 31 December 2014</b>	212,051	236
Acquisitions during the period - at cost	11,925	-
Disposals during the period - net book value at disposal date	(3,278)	-
Amortisation for the period	(6,333)	(6)
Transferred to inventory account	(6,102)	-
<b>Net book value as at 30 June 2015</b>	<hr/> <hr/> 208,263	<hr/> <hr/> 230

A permit from the Royal Forest Department granted to a subsidiary for the exploitation or inhabitation in the National Reserved Forests had expired in January 2015. The subsidiary has used the land of 13,030 rai for palm oil plantation. The subsidiary is requesting the government unit to grant a permit to exploit or inhabit in such land, and the request is under the consideration of such government unit.

### 13. Short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	30	31	30	31	30	31
June	December	June	December	June	December	
2015	2014	2015	2014	2015	2014	
Short-term loans from financial institutions	1.95 - 4.65	2.30 - 4.75	1,715,000	1,230,000	525,000	140,000
Total			1,715,000	1,230,000	525,000	140,000

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

### 14. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
2015	2014	2015	2014	
				(Restated)
Trade payables - related parties	344	-	130,740	140,195
Trade payables - unrelated parties	446,961	245,652	284,487	172,367
Other payables - related parties	616	457	-	-
Other payables - unrelated parties	55,124	50,582	32,144	31,664
Advance received from related parties	7	242	26	13
Other payables for purchase of machineries	30,719	9,923	26,700	5,588
Accrued expenses	129,225	122,178	55,772	64,641
Total trade and other payables	662,996	429,034	529,869	414,468

**15. Long-term loan**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
Long-term loan	125,000	175,000	-	-
Less: Current portion	(100,000)	(100,000)	-	-
Long-term loan - net of current portion	25,000	75,000	-	-

Movements in the long-term loan account during the six-month period ended 30 June 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial	financial
	statements	statements
<b>Balance as at 31 December 2014</b>	175,000	-
Less: Repayments during the period	(50,000)	-
<b>Balance as at 30 June 2015</b>	125,000	-

The loan is unsecured.

The loan agreement contains covenant that requires the subsidiary to maintain the proportion of shareholding of the major shareholders.

**16. 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 2015 and 2014 are made up as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	34,930	48,556	9,299	11,735
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	<u>7,535</u>	<u>(1,806)</u>	<u>1,796</u>	<u>(1,206)</u>
<b>Income tax expenses reported in the profit or loss</b>	<u>42,465</u>	<u>46,750</u>	<u>11,095</u>	<u>10,529</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	59,397	54,462	21,693	11,735
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	<u>(977)</u>	<u>(3,704)</u>	<u>975</u>	<u>(2,383)</u>
<b>Income tax expenses reported in the profit or loss</b>	<u>58,420</u>	<u>50,758</u>	<u>22,668</u>	<u>9,352</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax relating to the changes in value of available-for-sale investments	<u>(34)</u>	<u>372</u>	<u>(34)</u>	<u>372</u>



(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax relating to the changes in value of available-for-sale investments	<u>(15)</u>	<u>377</u>	<u>(15)</u>	<u>377</u>

## 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.

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit for the period attributable to equity holders of the Company (Thousand Baht)	129,988	189,181	83,968	139,784
Weighted average number of ordinary shares (Thousand shares)	820,000	820,000	820,000	820,000
Basic earnings per share (Baht)	0.16	0.23	0.10	0.17

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit for the period attributable to equity holders of the Company (Thousand Baht)	196,464	206,172	129,079	126,946
Weighted average number of ordinary shares (Thousand shares)	820,000	820,000	820,000	820,000
Basic earnings per share (Baht)	0.24	0.25	0.16	0.15

## 18. Operating segment Information

The Company and its subsidiaries are organised into business units based on their products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Company's and its subsidiaries' operating segments for the three-month and six-month periods ended 30 June 2015 and 2014.

(Unit: Million Baht)

	Consolidated for the three-month periods ended 30 June									
	Manufacture and distribution						Adjustments and		Consolidated	
	Palm oil products		Processed fruits and vegetables		Total segments		eliminations			
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Revenue</b>	(Restated)									
External customers	1,565	1,719	557	557	2,122	2,276	-	-	2,122	2,276
Inter-segment	187	288	158	175	345	463	(345)	(463)	-	-
Total revenue	<u>1,752</u>	<u>2,007</u>	<u>715</u>	<u>732</u>	<u>2,467</u>	<u>2,739</u>	<u>(345)</u>	<u>(463)</u>	<u>2,122</u>	<u>2,276</u>
<b>Operating results</b>										
Segment profit	222	371	182	149	404	520	(9)	(27)	395	493
Unallocated income and expenses										
Other income									30	29
Selling expenses									(177)	(166)
Administrative expenses									(53)	(62)
Share of profit (loss) from investment in joint venture									(1)	2
Finance cost									(12)	(13)
Profit before income tax expenses									182	283
Income tax expenses									(42)	(47)
Profit for the period									<u>140</u>	<u>236</u>

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated for the six-month periods ended 30 June

	Manufacture and distribution						Adjustments and		Consolidated	
	Palm oil		Processed fruits		Total segments		eliminations			
	products		and vegetables							
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Revenue</b>										(Restated)
External customers	3,231	3,347	1,040	1,017	4,271	4,364	-	-	4,271	4,364
Inter-segment	371	439	337	384	708	823	(708)	(823)	-	-
Total revenue	<u>3,602</u>	<u>3,786</u>	<u>1,377</u>	<u>1,401</u>	<u>4,979</u>	<u>5,187</u>	<u>(708)</u>	<u>(823)</u>	<u>4,271</u>	<u>4,364</u>
<b>Operating results</b>										
Segment profit	352	496	331	254	683	750	(9)	(31)	674	719
Unallocated income and expenses										
Other income									53	44
Selling expenses									(333)	(309)
Administrative expenses									(113)	(116)
Share of profit from investment in joint venture									-	2
Finance cost									(23)	(26)
Profit before income tax expenses									258	314
Income tax expenses									(58)	(51)
Profit for the period									<u>200</u>	<u>263</u>

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

(Unit: Million Baht)

	Manufacture and distribution			Adjustments and	Consolidated
	Palm oil products	Processed fruits and vegetables	Total segments		
<b>Segment assets</b>					
As at 30 June 2015	<u>5,571</u>	<u>1,535</u>	<u>7,106</u>	<u>(1,296)</u>	<u>5,810</u>
As at 31 December 2014	<u>4,949</u>	<u>1,405</u>	<u>6,354</u>	<u>(1,230)</u>	<u>5,124</u>

**19. Dividend paid**

During the six-month periods ended 30 June 2015 and 2014, the Company and its subsidiary had dividend payments as follows:

	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
		(Million Baht)	(Baht)
<b><u>The Company</u></b>			
<b><u>For the year 2015</u></b>			
Dividend on 2014 profit	Annual General Meeting of the shareholders on 24 April 2015	164.00	0.20
<b><u>For the year 2014</u></b>			
Dividend on 2013 profit	Annual General Meeting of the shareholders on 25 April 2014	164.00	0.20
<b><u>Subsidiary</u></b>			
<b><u>For the year 2015</u></b>			
Final dividend in respect of October to December 2014 profit	Annual General Meeting of the shareholders on 24 April 2015	48.61	0.15
<b><u>For the year 2014</u></b>			
Final dividend in respect of October to December 2013 profit	Annual General Meeting of the shareholders on 25 April 2014	129.62	0.40

**20. Commitments and contingent liabilities****20.1 Capital commitments**

As at 30 June 2015, the Company and its subsidiaries had capital commitments relating to the construction of buildings and purchase of machineries, equipment and motor vehicles amounting to approximately Baht 56 million, Singapore Dollar 0.3 million, Japanese Yen 0.2 million and Euro 35,000, totaling Baht 67.3 million (the Company only: Baht 4 million, Singapore Dollar 0.3 million, Japanese Yen 0.2 million and Euro 2,400, totaling Baht 13.7 million).

## 20.2 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, equipment and motor vehicles. The terms of the agreements are generally between 1 and 5 years. Operating lease agreements are non-cancelable.

In addition, a subsidiary has entered into several lease agreements in respect of land. The terms of the agreements is 14 years and 15 years. The subsidiary required to comply with conditions stipulated in the contracts.

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

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statement</u>	<u>financial statement</u>
Payable:		
In up to 1 year	22.6	4.6
In over 1 year and up to 5 years	62.8	0.5
In over 5 years	24.7	-

## 20.3 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.

## 20.4 Guarantees

As at 30 June 2015, there were outstanding bank guarantees of approximately Baht 16.1 million issued by the banks on behalf of the Company and its subsidiaries to guarantee electricity usage and others (the Company only: Baht 9.1 million).

## 20.5 Contingent liabilities

(1) In 2004, a subsidiary received a letter of invitation from the Agricultural Land Reform Office (ALRO) concerning the issue of land overlapping with the 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 the ALRO in considering this issue.

On 15 October 2005, the subsidiary submitted related documents to the ALRO to verify the right over the land.

Subsequently, the ALRO sent a letter to the subsidiary regarding the distribution of land. The land of 4,994.10 rai had been distributed. However, the subsidiary found that the distribution of the land of about 1,459 rai, with the cost of land and the net book value of the oil palm on such land as at 30 June 2015 totalling Baht 10 million, was in conflict with the subsidiary's land title deed. The subsidiary is now processing with the ALRO to nullify the status of being land under Sor Por Kor.

- (2) 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 has 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.

- (3) In 2008, two subsidiaries of subsidiary 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 subsidiary entered into a memorandum of acknowledgement and consent to comply with the conditions stipulated by the Forestry Department. On 18 December 2009, the subsidiary lodged an application for permission to gather forest produce in a National Reserved Forest.

On 8 July 2014, a permit from the Royal Forest Department granted to a subsidiary for the exploitation in the National Reserved Forests expired. As a result, the royalties payable to the Royal Forest Department are terminated. On 11 December 2014, the subsidiary entered into a lease agreement for half of the land that was under the expired permit for land exploitation. The agreement is effective from 9 July 2014 to 8 July 2029.

On 27 April 2015, a subsidiary was granted a permission to gather forest product in the National Reserved Forest.

## 21. Financial instruments

### 21.1 Foreign currency assets and liabilities

The Group's financial assets and liabilities denominated in foreign currencies as at 30 June 2015 are summarised below.

Foreign currency	Financial assets (Million)	Financial liabilities (Million)	Average exchange rate as at 30 June 2015 (Baht per 1 foreign currency unit)
US dollars	4.3	0.8	33.7768
Euro	0.4	-	37.4610

### 21.2 Forward exchange contracts

As at 30 June 2015, the Company and its subsidiary had outstanding forward exchange contracts, of which details are presented below.

Foreign currency	Sold amount (Million)	Contractual exchange rate of sold amount (Baht per 1 foreign currency unit)	Maturity date
US dollars	1.4	32.70 - 34.06	Within January 2016
Euro	0.1	37.93	Within December 2015

### 21.3 Fair value of financial instruments

The Company and its subsidiaries use the market approach to measure their assets and liabilities 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 or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, 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 and separate financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	3,867	-	-	3,867

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

**22. Approval of interim financial statements**

These interim financial statements were authorised for issue on 14 August 2015 by the Company's audit committees under authority delegated by the board of directors of the Company.