

## **AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of Univanich Palm Oil Public Company Limited

I have reviewed the interim consolidated financial information of Univanich Palm Oil Public Company Limited and its subsidiaries, and the interim separate financial information of Univanich Palm Oil Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2017, and the related consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated and separate statements of changes in equity, and cash flows for the for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### *Scope of review*

I conducted my review in accordance with the 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 consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

**Chaisiri Ruangritchai**

Certified Public Accountant (Thailand) No. 4526

Bangkok

11 August 2017

**UNIVANICH PALM OIL PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE  
FINANCIAL INFORMATION  
(UNAUDITED)**

**30 JUNE 2017**

**Univanich Palm Oil Public Company Limited**  
**Statement of Financial Position**  
**As at 30 June 2017**

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2017	2016	2017	2016
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	382,451	447,916	347,438	418,445
Short-term investments	7	220,000	1,320,000	220,000	1,320,000
Trade and other receivables, net	8	391,253	155,594	357,464	159,389
Short-term loans to a subsidiary	18 d)	-	-	33,815	-
Inventories, net	9	547,177	149,894	529,911	138,598
Biological assets	10	81,494	65,602	81,494	65,602
Other current assets		9,673	9,995	8,629	8,976
<b>Total current assets</b>		<b>1,632,048</b>	<b>2,149,001</b>	<b>1,578,751</b>	<b>2,111,010</b>
<b>Non-current assets</b>					
Investment in subsidiaries	11	-	-	6,480	6,480
Loans to contractors		1,306	1,719	1,306	1,719
Long-term loans to a subsidiary	18 e)	-	-	101,444	106,976
Property, plant and equipment, net	12	2,043,469	1,471,979	1,865,045	1,268,701
Prepayment of land rent	18 f)	13,432	13,579	-	-
Advance payment for purchase fixed asset		20,638	710	20,000	-
Deferred tax assets, net		67,591	72,193	39,541	45,062
Other non-current assets		14,010	14,010	14,010	14,010
<b>Total non-current assets</b>		<b>2,160,446</b>	<b>1,574,190</b>	<b>2,047,826</b>	<b>1,442,948</b>
<b>Total assets</b>		<b>3,792,494</b>	<b>3,723,191</b>	<b>3,626,577</b>	<b>3,553,958</b>

Director .....  
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The notes to interim financial information on pages 10 to 25 form an integral part of this interim financial information.

**Univanich Palm Oil Public Company Limited**  
**Statement of Financial Position**  
**As at 30 June 2017**

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade and other payables	13	61,656	57,472	59,773	54,770
Current portion of long-term loans	14	14,879	16,021	-	-
Income tax payable		44,553	29,140	44,553	29,123
Accrued expenses		42,110	36,463	34,513	28,114
Other current liabilities		7,809	2,564	4,394	1,673
<b>Total current liabilities</b>		<b>171,007</b>	<b>141,660</b>	<b>143,233</b>	<b>113,680</b>
<b>Non-current liabilities</b>					
Long term loans from financial institution	14	127,938	127,052	-	-
Employee benefit obligations		190,363	171,023	190,363	171,023
<b>Total non-current liabilities</b>		<b>318,301</b>	<b>298,075</b>	<b>190,363</b>	<b>171,023</b>
<b>Total liabilities</b>		<b>489,308</b>	<b>439,735</b>	<b>333,596</b>	<b>284,703</b>
<b>Equity</b>					
Share capital					
Registered share capital					
940,000,000 ordinary shares at par value					
of Baht 0.50 each					
		470,000	470,000	470,000	470,000
Issued and paid-up share capital					
940,000,000 ordinary shares paid-up					
of Baht 0.50 each					
		470,000	470,000	470,000	470,000
Premium on share capital		267,503	267,503	267,503	267,503
Retained earnings					
Appropriated					
Legal reserve					
		47,000	47,000	47,000	47,000
General reserve					
		20,000	20,000	20,000	20,000
Unappropriated					
		2,440,183	2,418,431	2,488,478	2,464,752
Other components of equity		4,696	1,384	-	-
<b>Total equity attributable to the owners of parent</b>		<b>3,249,382</b>	<b>3,224,318</b>	<b>3,292,981</b>	<b>3,269,255</b>
Non-controlling interests		53,804	59,138	-	-
<b>Total equity</b>		<b>3,303,186</b>	<b>3,283,456</b>	<b>3,292,981</b>	<b>3,269,255</b>
<b>Total liabilities and equity</b>		<b>3,792,494</b>	<b>3,723,191</b>	<b>3,626,577</b>	<b>3,553,958</b>

The notes to interim financial information on pages 10 to 25 form an integral part of this interim financial information.

**Univanich Palm Oil Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the three-month period ended 30 June 2017**

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Unaudited) 30 June 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Unaudited) 30 June 2016 Baht'000
<b>Notes</b>				
Sales	1,438,045	1,274,818	1,345,135	1,227,365
Gains on fair value re-measurement of biological assets	158,345	(19,601)	158,345	(19,601)
Cost of sales	(1,339,093)	(1,054,207)	(1,253,143)	(1,011,501)
<b>Gross profit</b>	<b>257,297</b>	<b>201,010</b>	<b>250,337</b>	<b>196,263</b>
Other income	2,805	9,828	4,249	10,514
Selling expenses	(31,268)	(19,225)	(30,354)	(18,203)
Administrative expenses	(46,405)	(41,882)	(42,272)	(35,665)
Finance cost	(2,226)	(2,248)	-	-
<b>Profit before income tax expense</b>	<b>180,203</b>	<b>147,483</b>	<b>181,960</b>	<b>152,909</b>
Income tax expense	15 (34,739)	(24,078)	(35,222)	(25,723)
<b>Profit for the period</b>	<b>145,464</b>	<b>123,405</b>	<b>146,738</b>	<b>127,186</b>
Other comprehensive income (expense):				
<i>Items that will be reclassified to profit or loss</i>				
- Exchange differences on translation financial statements	(72)	(576)	-	-
Total	(72)	(576)	-	-
<i>Items that will not be reclassified to profit or loss</i>				
- Remeasurements of post-employment benefit obligations	(5,405)	-	(5,405)	-
<u>Less</u> Income tax relating to remeasurements of post-employment benefit obligations	1,081	-	1,081	-
Total	(4,324)	-	(4,324)	-
<b>Total comprehensive income for the period</b>	<b>141,068</b>	<b>122,829</b>	<b>142,414</b>	<b>127,186</b>
Profit (loss) attributable to:				
Owners of the parent	145,828	124,478	146,738	127,186
Non-controlling interests	(364)	(1,073)	-	-
	<u>145,464</u>	<u>123,405</u>	<u>146,738</u>	<u>127,186</u>
Total comprehensive income (expense) attributable to:				
Owners of the parent	142,415	125,356	142,414	127,186
Non-controlling interests	(1,347)	(2,527)	-	-
	<u>141,068</u>	<u>122,829</u>	<u>142,414</u>	<u>127,186</u>
<b>Earnings per share for the owners of the parent</b>				
16 Basic earnings per share (Baht)	<u>0.16</u>	<u>0.13</u>	<u>0.16</u>	<u>0.14</u>

The notes to interim financial information on pages 10 to 25 form an integral part of this interim financial information.

Univanich Palm Oil Public Company Limited  
Statement of Comprehensive Income (Unaudited)  
For the six-month period ended 30 June 2017

	Consolidated financial information		Separate financial information		
	(Unaudited) 30 June 2017	(Unaudited) 30 June 2016	(Unaudited) 30 June 2017	(Unaudited) 30 June 2016	
	Notes	Baht'000	Baht'000	Baht'000	
Sales		2,467,648	2,074,210	2,339,220	1,997,088
Gains on fair value re-measurement of biological assets		337,619	11,973	337,619	11,973
Cost of sales		(2,384,457)	(1,779,115)	(2,265,698)	(1,703,690)
<b>Gross profit</b>		420,810	307,068	411,141	305,371
Other income		9,664	21,309	11,615	22,422
Selling expenses		(46,061)	(33,072)	(45,147)	(31,998)
Administrative expenses		(91,389)	(79,504)	(82,273)	(71,589)
Finance cost		(4,310)	(4,485)	-	-
<b>Profit before income tax expense</b>		288,714	211,316	295,336	224,206
Income tax expense	15	(48,089)	(36,426)	(51,086)	(38,833)
<b>Profit for the period</b>		240,625	174,890	244,250	185,373
Other comprehensive income (expense):					
<i>Items that will be reclassified     to profit or loss</i>					
- Exchange differences on translation financial statements		(371)	(733)	-	-
Total		(371)	(733)	-	-
<i>Items that will not be reclassified     to profit or loss</i>					
- Remeasurements of post-employment benefit obligations		(5,405)	-	(5,405)	-
Less Income tax relating to remeasurements of post-employment benefit obligations		1,081	-	1,081	-
Total		(4,324)	-	(4,324)	-
<b>Total comprehensive income for the period</b>		235,930	174,157	239,926	185,373
Profit (loss) attributable to:					
Owners of the parent		242,276	179,574	244,250	185,373
Non-controlling interests		(1,651)	(4,684)	-	-
		240,625	174,890	244,250	185,373
Total comprehensive income (expense) attributable to:					
Owners of the parent		241,264	180,448	239,926	185,373
Non-controlling interests		(5,334)	(6,291)	-	-
		235,930	174,157	239,926	185,373
<b>Earnings per share for the owners of the parent</b>	16				
Basic earnings per share (Baht)		0.26	0.19	0.26	0.20

The notes to interim financial information on pages 10 to 25 form an integral part of this interim financial information.

**Univanich Palm Oil Public Company Limited**  
**Statement of Changes in Equity (Unaudited)**  
**For the six-month period ended 30 June 2017**

Consolidated financial information (Unaudited)										
Attributable to owners of the parent										
Note	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings			Other components of equity		Total owners of the parent Baht'000	Non-controlling interests Baht'000	Total equity Baht'000
			Appropriated		Unappropriated	Other comprehensive income				
			Legal reserve Baht'000	General reserve Baht'000		Currency translation differences Baht'000				
<b>Opening balance</b>										
	470,000	267,503	47,000	20,000	2,410,377	(858)	3,214,022	71,179	3,285,201	
Dividend paid during the period	-	-	-	-	(216,200)	-	(216,200)	-	(216,200)	
Effect from the adoption of new accounting policy										
- Agriculture	-	-	-	-	29,414	-	29,414	-	29,414	
Total comprehensive income for the period	-	-	-	-	179,574	874	180,448	(6,291)	174,157	
<b>Closing balance</b>										
as at 30 June 2016	470,000	267,503	47,000	20,000	2,403,165	16	3,207,684	64,888	3,272,572	
<b>Opening balance</b>										
as at 1 January 2017	470,000	267,503	47,000	20,000	2,418,431	1,384	3,224,318	59,138	3,283,456	
Dividend paid during the period 17	-	-	-	-	(216,200)	-	(216,200)	-	(216,200)	
Total comprehensive income for the period	-	-	-	-	237,952	3,312	241,264	(5,334)	235,930	
<b>Closing balance</b>										
as at 30 June 2017	470,000	267,503	47,000	20,000	2,440,183	4,696	3,249,382	53,804	3,303,186	

The notes to interim financial information on pages 10 to 25 form an integral part of this interim financial information.

**Univanich Palm Oil Public Company Limited**  
**Statement of Changes in Equity (Unaudited)**  
**For the six-month period ended 30 June 2017**

<b>Separate financial information (Unaudited)</b>						
<b>Note</b>	<b>Retained earnings</b>					<b>Total equity</b>
	<b>Issued and paid-up share capital</b>	<b>Premium on share capital</b>	<b>Appropriated</b>		<b>Unappropriated</b>	
			<b>Legal reserve</b>	<b>General reserve</b>		
<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	
<b>Opening balance as at 1 January 2016</b>	470,000	267,503	47,000	20,000	2,440,417	3,244,920
Dividend paid during the period	-	-	-	-	(216,200)	(216,200)
Effect from the adoption of new accounting policy						
- Agriculture	-	-	-	-	29,414	29,414
Total comprehensive income for the period	-	-	-	-	185,373	185,373
<b>Closing balance as at 30 June 2016</b>	<b>470,000</b>	<b>267,503</b>	<b>47,000</b>	<b>20,000</b>	<b>2,439,004</b>	<b>3,243,507</b>
<b>Opening balance as at 1 January 2017</b>	470,000	267,503	47,000	20,000	2,464,752	3,269,255
Dividend paid during the period	-	-	-	-	(216,200)	(216,200)
Total comprehensive income for the period	-	-	-	-	239,926	239,926
<b>Closing balance as at 30 June 2017</b>	<b>470,000</b>	<b>267,503</b>	<b>47,000</b>	<b>20,000</b>	<b>2,488,478</b>	<b>3,292,981</b>

The notes to interim financial information on pages 10 to 25 form an integral part of this interim financial information.



**Univanich Palm Oil Public Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the six-month period ended 30 June 2017**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Notes</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Cash flows from operating activities</b>				
Profit before income tax expense	288,714	211,316	295,336	224,206
Adjustments to				
Gains on fair value re-measurement of biological assets	-	(11,973)	-	(11,973)
Allowance for net realisable value of inventories	9	14,205	-	-
Depreciation	12	69,310	67,843	57,864
Gain on disposals of property, plant and equipment	(1,827)	(3,999)	(1,827)	(3,999)
Unrealised (gain) loss on exchange rate	(10,560)	(4,248)	6,148	2,720
Amortisation on prepayment of land rent	147	147	-	-
Employee benefit obligations	14,130	9,661	14,130	9,661
Interest income	(7,731)	(14,325)	(7,723)	(14,302)
Interest expenses	4,310	4,485	-	-
	<u>370,698</u>	<u>258,907</u>	<u>378,133</u>	<u>259,645</u>
Cash flows before changes in working capital				
Changes in working capital				
- trade and other receivables	(239,751)	(41,326)	(198,075)	(31,210)
- inventories	(411,578)	(7,968)	(405,518)	(1,377)
- biological assets	(15,892)	(19,338)	(15,892)	(19,338)
- other current assets	317	818	347	1,097
- other non-current assets	-	(2,104)	-	(2,104)
- trade and other payables	5,043	(57,844)	5,781	(56,627)
- accrued expenses	6,599	(767)	6,399	(2,637)
- other current liabilities	5,227	(10,222)	2,721	(9,545)
- cash payment for employee benefit obligations	(195)	-	(195)	-
	<u>(279,532)</u>	<u>120,156</u>	<u>(226,299)</u>	<u>137,904</u>
<b>Cash generated from (used in) operations</b>	<u>(279,532)</u>	<u>120,156</u>	<u>(226,299)</u>	<u>137,904</u>
Income tax paid	(29,072)	(28,847)	(29,054)	(28,845)
	<u>(308,604)</u>	<u>91,309</u>	<u>(255,353)</u>	<u>109,059</u>
<b>Net cash generated from (used in) operating activities</b>	<u>(308,604)</u>	<u>91,309</u>	<u>(255,353)</u>	<u>109,059</u>

The notes to interim financial information on pages 10 to 25 form an integral part of this interim financial information.

**Univanich Palm Oil Public Company Limited**  
**Statement of Cash Flows (Unaudited) (Cont'd)**  
**For the six-month period ended 30 June 2017**

	Notes	Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		30 June	30 June	30 June	30 June
		2017	2016	2017	2016
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Cash flows from investing activities</b>					
Cash payments for purchases					
of property, plant and equipment		(661,596)	(94,213)	(674,986)	(97,775)
Short-term investments decrease		1,100,000	140,000	1,100,000	140,000
Cash receipts from settlement of					
loans to contractors		413	414	413	414
Payments of loan to a subsidiary	18 d)	-	-	(34,431)	-
Proceeds from disposals of property,					
plant and equipment		1,827	4,165	1,827	4,165
Advance payment for purchase machinery		-	(45)	-	-
Interest received		11,592	14,830	7,723	14,807
		<u>452,236</u>	<u>65,151</u>	<u>400,546</u>	<u>61,611</u>
<b>Net cash flows generated from investing activities</b>					
<b>Cash flows from financing activities</b>					
Cash receipts from loan from financial institution	14	18,449	-	-	-
Repayment of loan from financial institution	14	(8,145)	(7,867)	-	-
Dividends paid	17	(216,200)	(216,200)	(216,200)	(216,200)
Interest paid		(5,302)	(5,699)	-	-
		<u>(211,198)</u>	<u>(229,766)</u>	<u>(216,200)</u>	<u>(216,200)</u>
<b>Net cash flows used in financing activities</b>					
<b>Net decrease in cash and cash equivalents</b>					
Effect of exchange rate		2,101	687	-	-
Cash and cash equivalents at					
opening of the period		447,916	523,824	418,445	469,467
Cash and cash equivalents at					
closing of the period	6	<u>382,451</u>	<u>451,205</u>	<u>347,438</u>	<u>423,937</u>
<b>Non-cash transactions</b>					
Purchases of machinery and equipment not yet paid		4,362	5,230	3,204	3,982

The notes to interim financial information on pages 10 to 25 form an integral part of this interim financial information.

## **1 General information**

Univanich Palm Oil Public Company Limited (“the Company”) was formed on 26 December 1995 from the amalgamation, according to the Civil and Commercial Code, of Hup Huat Palm Oil Industry Company Limited, Siam Palm Oil and Refinery Industry Company Limited and Thai Oil Palm Industry and Estate Company Limited. The Company has assumed all of the assets, liabilities, rights and obligations of the companies amalgamated on the date of amalgamation. However, as at 30 June 2017, the names on some legal documents of the three amalgamated companies relating to assets assumed before the companies amalgamated have not been converted to the name of Univanich Palm Oil Public Company Limited. The Company is a public company limited, incorporated and domiciled in Thailand.

The Company’s head office is located at 258 Aoluk-Laemsak Road, Ampur Aoluk, Krabi province.

The Company has 4 branches located at the following addresses:

- 1) Plai Phraya Branch : 592 Aoluk-Prasaeng Road, Plaiphraya District, Krabi province.
- 2) Lamthap Branch : 142 Moo 1 Tambol Toongsaitong, Lamthap District, Krabi province.
- 3) Cha-Uat Branch : 173/2 Moo 6 Tambol Thapraja, Cha-Uat District, Nakhon Sri Thammarat province.
- 4) Chokvallapa Branch : 1/4 Moo 3 Tambol Khura, Khura Buri District , Phang-nga Province.

The Company has been listed on the Stock Exchange of Thailand since 25 November 2003. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The Group is engaged in oil palm plantations, crushing mills, oil palm research and seed businesses and electric power plant with methane capture biogas project.

This interim consolidated and separate financial information were authorised by the Board of Directors on 11 August 2017.

This interim consolidated and separate financial information has been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

This interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2016.

An English-language version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai-language. In the event of a conflict or a difference in interpretation between the two languages, the Thai-language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2016.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

## **2 Accounting policies (Cont'd)**

### **2.2 Revised accounting standards, revised financial reporting standards, and related interpretations**

The revised accounting standards and financial reporting standards being effective for the accounting periods beginning on or after 1 January 2017 do not significantly impact to the financial information being presented except TAS 41 (revised 2016), the amendments align with the accounting guidance for the measurement and recognition of bearer plants issued by the FAP in 2015 which have already been adopted by the Group.

## **3 Estimates**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2016.

## **4 Fair value estimation**

The below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) .
- Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Financial assets carried in the statement of financial position include cash and cash equivalents, short-term investments, trade and other receivables and long-term loans to a subsidiary. Financial liabilities carried in the statement of financial position include trade and other payables, income tax payable, accrued expenses and long-term loans from financial institution.

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair values of long-term loans to a subsidiary and long-term loans from financial institutions with interest charged at the floating rates, the carrying amount of such loans approximates the fair value within level 2 of the fair value hierarchy. The calculation of fair values are based on discounted cash flows using discount rates based upon market interest rates for borrowing in the same risk level at the date of the interim financial information.

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception. The fair value of foreign currency forward contracts is determined by the market rate of each agreement which is calculated by financial institutions dealing with the Group at the financial position date within level 2 of the fair value hierarchy as disclosed in Note 21.

For disclosure of biological assets that are measured at fair value, please see Note 10.

## 5 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Managing Director that makes strategic decisions which is reported as two operating segments information as follows:

1. Oil palm plantations, palm fruit processing, oil palm seed and seedling business
2. Electric power plant with methane capture biogas project

There was no material activity pertaining to the electric power plant with methane capture biogas project. The Group's total sales and total assets of the electric power plant with methane capture biogas project represented 0.75% and 1.73% of the total balance in the interim consolidated financial information, respectively. Therefore, the internal reporting is reported as one operating segment information and presented in the same manner as the interim financial information and reported to Managing Director for the purpose of assessment of operating performance by considering from profit before income tax expense.

The Group operated mainly in Thailand. It's total assets and revenue in Philippines are not material, therefore geographic information has not been presented.

## 6 Cash and cash equivalents

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Cash on hand	6,397	36	6,363	-
Deposits at banks				
- Current accounts	1,774	13,090	1,774	13,090
- Saving accounts	374,280	285,081	339,301	255,646
Investment in bonds	-	149,709	-	149,709
	<u>382,451</u>	<u>447,916</u>	<u>347,438</u>	<u>418,445</u>

## 7 Short-term investments

As at 30 June 2017, short-term investments represented fixed deposits with banks with maturity of five-month terms (31 December 2016: four-month to five-month terms), and carried interest at the rate of 1.20% - 1.53% per annum (31 December 2016: 1.20% - 1.53% per annum).

**Univanich Palm Oil Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2017**

**8 Trade and other receivables, net**

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Trade receivables	381,659	143,171	339,161	139,909
<u>Less</u> Allowance for doubtful accounts	(11,900)	(11,900)	(11,900)	(11,900)
Trade receivables, net	369,759	131,271	327,261	128,009
Amount due from related parties (Note 18 b)	-	-	10,406	8,670
Accrued interest income	1,283	5,144	1,283	5,144
Advance payment	8,012	9,147	7,261	8,453
Prepayments	12,199	10,032	11,253	9,113
	<u>391,253</u>	<u>155,594</u>	<u>357,464</u>	<u>159,389</u>

Trade receivable can be analysed by their age as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Outstanding up to 3 months	356,400	127,932	313,902	125,934
3 - 6 months	13,380	3,366	13,380	2,102
6 - 12 months	-	-	-	-
Over 12 months	11,879	11,873	11,879	11,873
Total	381,659	143,171	339,161	139,909
<u>Less</u> Allowance for doubtful accounts	(11,900)	(11,900)	(11,900)	(11,900)
Trade receivables, net	<u>369,759</u>	<u>131,271</u>	<u>327,261</u>	<u>128,009</u>

**Univanich Palm Oil Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2017**

**9 Inventories, net**

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Palm fruit	9,628	847	9,361	847
Palm oil	494,842	110,972	478,978	100,299
By products from palm oil production	19,050	10,852	17,915	10,229
Palm seeds and seedlings	4,721	3,636	4,721	3,636
Fertilizers and general supplies	35,541	25,987	35,541	25,987
	563,782	152,294	546,516	140,998
<u>Less</u> Allowance for obsolescence of general supplies	(2,400)	(2,400)	(2,400)	(2,400)
Allowance for net realisable value of inventories	(14,205)	-	(14,205)	-
	<u>547,177</u>	<u>149,894</u>	<u>529,911</u>	<u>138,598</u>

**10 Biological assets**

	Consolidated and Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Fresh fruit bunches growing on palm trees	13,137	21,227
Palm seeds	15,568	790
Seedlings	52,789	43,585
	<u>81,494</u>	<u>65,602</u>

Biological assets are measured at fair value less costs to sell, determined on the following basis:

- The fair value of FFB growing on palm trees is determined under the assumption that measurable value of FFB growing on palm trees is related to the increase in oil content, which accrues exponentially one month prior to harvest, as well as of the estimated oil palm fruit yield, and the estimated net cash flows are estimated using the estimated market price of the FFB growing on palm tree less costs to harvest and transport.
- The fair value of palm seeds for sale is determined based on the number of palm seeds expected to be sold and the estimated market prices less estimated costs to sell.
- The fair value of seedlings for sale is determined by the number of seedlings by age, their growth factor, culling rates, and the estimated net cash flows are estimated using expected output method and the estimated market price in each age group are expected to be sold, less estimated costs to sell.

The Group's finance department includes a team that performs the valuations of biological assets required for financial reporting purposes. The valuation processes has been prepared at least once every quarter, in line with the Group's quarterly reporting dates.

**Univanich Palm Oil Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2017**

**10 Biological assets (Cont'd)**

Management estimates the fair value of FFB growing on palm trees, palm seeds for sales and seedlings for sales. The fair value measurement of the Group's biological assets are categorised within Level 3 of the fair value hierarchy. The main inputs to the valuation model are unobservable, as they comprise production volume, yield per area, including their market prices never transacted.

During the period ended 30 June 2017, the change in biological assets arising from temporary differences between the tax bases and their carrying amounts of biological assets increased by Baht 28.71 million and the resulting tax effects of temporary differences which are recognised as deferred tax expense decreased by Baht 5.74 million which has been recorded in this interim financial information.

**11 Investment in subsidiaries**

	<b>Countries</b>	<b>Business</b>	<b>Paid-up capital</b>	<b>Proportion of ordinary shares directly held by parent (%)</b>	<b>Proportion of ordinary shares held by the group (%)</b>	<b>Proportion of shares held by non-controlling interests (%)</b>	<b>Cost Value Baht'000</b>
Univanich Agribusiness Corporation	Philippines	investment holding	9,000,000 Pesos	100	100	-	6,480
<b>Subsidiary of Univanich Agribusiness Corporation</b>							
Univanich Carmen Palm Oil Corporation	Philippines	Palm oil crushing mill	246,000,000 Pesos	51	51	49	-
							<u>6,480</u>

A summary of movements in investment in subsidiaries is as follows:

	<b>Separate financial information Baht'000</b>
<b>For the six-month period ended 30 June 2017</b>	
Opening net book value (Audited)	6,480
Payment for shares in subsidiaries	-
Closing net book value (Unaudited)	<u>6,480</u>

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.



**Univanich Palm Oil Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2017**

**12 Property, plant and equipment, net**

**For the six-month period ended 30 June 2017**

	<b>Consolidated financial information</b>		
	<b>Property, plant and equipment</b>	<b>Palm trees</b>	<b>Total</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Opening net book amount (Audited)	1,342,439	129,540	1,471,979
Additions	125,527	5,415	130,942
Acquisition of fixed assets (Note 22)	524,000	-	524,000
Depreciation charge	(63,949)	(5,361)	(69,310)
Currency translation differences	(14,142)	-	(14,142)
Closing net book amount (Unaudited)	<u>1,913,875</u>	<u>129,594</u>	<u>2,043,469</u>

**For the six-month period ended 30 June 2017**

	<b>Separate financial information</b>		
	<b>Property, plant and equipment</b>	<b>Palm trees</b>	<b>Total</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Opening net book amount (Audited)	1,139,161	129,540	1,268,701
Additions	124,793	5,415	130,208
Acquisition of fixed assets (Note 22)	524,000	-	524,000
Depreciation charge	(52,503)	(5,361)	(57,864)
Closing net book amount (Unaudited)	<u>1,735,451</u>	<u>129,594</u>	<u>1,865,045</u>

The Company's plantation has been made on the Company's own land, concession land and lease land. The land concessions were issued by the Government for development of oil palm plantation. Details of land under concession and under operating lease agreements as at 30 June 2017 are as follows:

<b>Name of estate</b>	<b>Type</b>	<b>Terms</b>	<b>Area per contract (Rai)</b>	<b>Planted area (Rai)</b>
TOPI	Concession	Renewed for 30 years from 19 November 1993	8,250	8,250
TOPI	Lease	Leased from Co-operative Promotion Department for 30 years, at the rates of Baht 100 to Baht 300 per Rai per year, commencing on 27 April 1994	2,500	2,500

On 22 April 1983, Univanich Palm Oil Public Company Limited's predecessor was granted a concession for the development of an oil palm plantation on 20,000 rai in Krabi Province. The concession known as the Chean Vanich Concession was for thirty years, from 22 April 1983 to 21 April 2013.

**12 Property, plant and equipment, net (Cont'd)**

On 1 July 2010, the Company commenced the due process to renew the land concession on 10,849 rai located in Tambon Plaipraya, Plaipraya District and Tambun Klongya, Aoluk District of Krabi Province (the Chean Vanich concession). Although the due process for this renewal was completed by 28 March 2012, approval by the Government authority has been delayed. Therefore, on 7 March 2013 the Company submitted a petition to the Administrative Court in Nakhon Sri Thammarat seeking a Court order that the renewal application on 10,849 rai should proceed for Cabinet endorsement according to the due process. On 11 May 2016, the Administrative Court in Nakhon Sri Thammarat judged that the Minister of Natural Resources must propose the Company's application to the Cabinet for approval within 60 days after final judgment. This final judgement was subject to 30 days appeal by the Minister of Natural Resources. No appeal was submitted. The final court judgment now directs the Minister of Natural Resources to submit the Company's application for renewal of the concession by 9 August 2016 for endorsement by the Cabinet. On 8 August 2016, the Director General of Forestry Department, as proxy of the Minister of Natural Resources and Environment requested the Court to grant an extension of 60 days for compliance with the judgment. The Court did not agree this request and has asked the Minister to proceed according to the Court's judgment, without further delay.

On 30 August 2013, the Government Forestry Department instructed the Company to cease operations within the Chean Vanich concession area. Therefore, on 20 December 2013 the Company submitted another petition to the Administrative Court in Nakhon Sri Thammarat seeking damage compensation for this unlawful restriction of the Company's activities in that area and appealing the Ministry of Natural Resources' claim that oil palm fruit from the Chean Vanich concession area is a natural forest product liable for forest royalty and maintenance fees. The Administrative Court accepted that second petition which is now under consideration by the Court.

On 11 June 2014, the Forestry Department of the Ministry of Natural Resources and Environment issued an annual royalty permit to the Company allowing the harvest of Forest Product (Oil Palm fruit) within the concession area. This annual royalty permit was renewed for another year on 11 June 2015, permitting the Company to continue operations within the Chean Vanich concession area. On 25 April 2016, the Company submitted a further application to renew the annual royalty permit and this is under consideration by the Forestry Department. When the current Royalty Permit expired on 11 June 2016, the Regional Director of the Forestry Department instructed that the Company must cease the Company plantation operations within the Chean Vanich concession area which has been shut-down since that date. On 25 August 2016 the Company filed a petition with the Administrative Court seeking compensation damages from the Director General and Department of Forestry. On 29 August 2016 the Forestry Department established a committee to consider the Company's application of 25 April 2016 to renew the Royalty Permit. As the present, the Company has received no further information on this matter and the Chean Vanich plantations remain closed. As at 30 June 2017, the Company has paid royalty and maintenance fees totaling Baht 13,405,742 for oil palm fruit harvested from the Chean Vanich concession area that is recorded as non-current assets in these interim consolidated financial information. This amount will be reclaimed by the Company if the Administrative Court rules in favour of the Company's additional petition appealing against forest royalty and maintenance fees, which was submitted to the Court on 20 December 2013.

Additional documents and aerial photographic surveys disclosed during the above legal actions concerning renewal of the Chean Vanich concession reveal that the Company or its predecessors, from whom the Company purchased the land, had occupied approximately 15,510 rai of this area before the Land Laws introduced in 1954. Survey maps reveal that the Government's Land Department "Walking Survey" had investigated and surveyed those occupied areas in 1977, before the announcement of the National Forest Reserve "Pa Plai Klong Phraya" in 1983. The Company claims ownership rights over that land by virtue of the Civil and Commercial Code, Section 1367 and Section 1336, having rights under the Land Code B.E. 2497, Section 4 and Section 27tri. Therefore the Company has applied to the Land Department to receive land titles over several blocks of this previously occupied and utilised the land. The Company has also submitted this matter to the Administrative Court in Nakhon Sri Thammarat seeking the Court's instruction to the Land Department to issue land ownership titles to the Company in those occupied areas.

**Univanich Palm Oil Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2017**

**13 Trade and other payables**

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Trade payables	26,519	26,049	26,522	26,044
Trade payables for purchase of palm fruits	12,383	8,160	11,830	8,153
Other payables for purchase of fixed assets	4,362	5,230	3,204	3,982
Deposit from customers	11,449	15,568	11,449	15,568
Others	6,943	2,465	6,768	1,023
	<u>61,656</u>	<u>57,472</u>	<u>59,773</u>	<u>54,770</u>

**14 Long-term loan from financial institution**

The subsidiary availed an interest-bearing loan with Land Bank of the Philippines (LBP) amounting to Peso 233,500,000. The proceeds of the loan were used to finance the construction of a palm oil mill and fabrication of certain machinery. The interest-bearing loan is payable for ten years with one year grace period on principal and bears interest at a variable rate subject to quarterly repricing, but not lower than 6.00% per annum which is payable in 36 equal quarterly payments. The loan with LBP is secured by parcels of land owned by a related party, which has the same director as the Group.

The movement in long-term loan from financial institutions is as follows:

	<b>Consolidated financial information Baht'000</b>
<b>For the six-month period ended 30 June 2017</b>	
Opening balance (Audited)	143,073
Addition	18,449
Repayment	(8,145)
Unrealised gain on exchange rate	(10,560)
Closing balance (Unaudited)	<u>142,817</u>

Maturity of long-term loan from financial institution is as follow:

	<b>Consolidated financial information Baht'000</b>
Long-term loan from financial institution	
- Within 1 year	14,879
- Later than 1 year but no later than 5 years	72,359
- Later than 5 years	55,579
Total long-term loan from financial institution	<u>142,817</u>

**Univanich Palm Oil Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2017**

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**15 Income tax expense**

The income tax expense is corporate income tax which calculated from the profit of Non-BOI activities.

The Group recognises income tax payable or receivable in future periods in respect of temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the interim financial information. The interim income tax expense is recognised based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used for the year 2017 is 15.84 % (The estimated tax rate for the prior interim period was 18.59%).

Income tax expense for the three-month and six-month period ended 30 June comprises the following:

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

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000
Current income tax expense for the period	30,713	29,416	30,192	29,395
Net movement of deferred income tax during the period	4,026	(5,338)	5,030	(3,672)
Income tax expense for the period	<u>34,739</u>	<u>24,078</u>	<u>35,222</u>	<u>25,723</u>

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

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000
Current income tax expense for the period	42,406	36,782	43,403	36,779
Net movement of deferred income tax during the period	5,683	(356)	7,683	2,054
Income tax expense for the period	<u>48,089</u>	<u>36,426</u>	<u>51,086</u>	<u>38,833</u>

**16 Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares issued during the period (2017: 940 million shares; 2016: 940 million shares).

There are no potential dilutive ordinary shares, warrants, in issue for the six-month periods ended 30 June 2017 and 2016.

**Univanich Palm Oil Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2017**

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**17 Dividend paid**

At the Annual General Shareholders' Meeting held on 28 April 2017, the Shareholders approved a dividend payment for the year ended 31 December 2016 of Baht 0.40 per share, totaling Baht 376,000,000. During 2016, the Company has already paid the interim dividend at Baht 0.17 per share, totaling Baht 159,800,000. Therefore, the remaining dividend to be paid is Baht 0.23 per share, totaling Baht 216,200,000. The Company paid the remaining dividend on 26 May 2017.

**18 Related party transactions**

Related parties are those parties connected with the Group and the Company through shareholders, common shareholders or directors. The significant investments in subsidiaries are described in Note 11.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Mr. Apirang Vanich and member of his family are major shareholders.

The following transactions were carried out with related parties:

a) Sales/Purchases of goods and services

For the three-month period ended 30 June

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000
Other income				
- Subsidiaries	-	-	1,328	691
Purchases of goods				
Other related parties - the same shareholders and directors	6,723	7,435	6,723	7,435
Purchases of services				
Other related parties - the same shareholders and directors	454	257	454	257

For the six-month period ended 30 June

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000
Other income				
- Subsidiaries	-	-	1,838	1,136
Interest income				
- Subsidiaries	-	-	122	-
Purchases of goods				
Other related parties - the same shareholders and directors	14,390	13,623	14,390	13,404
Purchases of services				
Other related parties - the same shareholders and directors	582	481	582	418

**Univanich Palm Oil Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2017**

**18 Related party transactions (Cont'd)**

a) Sales/Purchases of goods and services (Cont'd)

The policies for these related party transactions are as follows:

- Purchases of palm fruits are made in the normal course of business and at market prices.
- Purchases of services mainly comprise of port charges for export shipping which are made in the normal course of business and at market prices.

b) Amount due from /amount due to related parties

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
As at				
Amount due from related parties				
- Amount due from subsidiaries	-	-	8,551	6,579
- Accrued interest income from subsidiaries	-	-	122	-
- Advance to subsidiaries	-	-	1,733	2,091
	-	-	10,406	8,670

c) Outstanding balances arising from purchases of goods and services

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 30 June 2017 Baht'000	(Audited) 31 December 2016 Baht'000
As at				
Accrued expenses				
Other related parties				
- the same shareholders and directors	161	-	161	-
	161	-	161	-

d) Short-term loans to a subsidiary

On 25 April 2017, the Company has entered into a short-term loan agreement with Univanich Carmen Palm Oil Corporation, a subsidiary, for a maximum of USD 1 million with interest 2% per annum, for operating activities. The repayment of loan and interest will be due within 25 April 2018.

The movements in short-term loans to a subsidiary can be analysed as follow:

For the six-month period ended 30 June 2017	Separate financial information Baht'000
Opening balance (Audited)	-
Addition	34,431
Unrealised loss on exchange rate	(616)
Ending balance (Unaudited)	33,815

**18 Related party transactions (Cont'd)**

e) Long-term loans to a subsidiary

The Company has entered into a long-term loan agreement with Univanich Agribusiness Corporation, a subsidiary, for a maximum of USD 3 million, for investment in a joint venture business project to conduct a new palm oil mill factory. The repayment of principal will be due annually at the amount specified in the loan agreement. The first repayment is due after 5 years, commencing from the first draw-down date.

This loan is uncollateralised and interest-free

The movements in long-term loans to a subsidiary can be analysed as follow:

<b>For the six-month period ended 30 June 2017</b>	<b>Separate financial information Baht'000</b>
Opening balance (Audited)	106,976
Unrealised loss on exchange rate	(5,532)
Ending balance (Unaudited)	<u>101,444</u>

f) Prepayment of land rent

The subsidiary entered into an operating lease agreement with a related party, which has the same directors as the Group, relating to leases its land to construct a new palm oil mill factory and agreed for a lease term of 50 years and for a consideration of Pesos 20 million as full rental payment for the entire lease period which has been presented as prepayment of rental in the interim consolidated financial information.

<b>As at</b>	<b>Consolidated financial information</b>	
	<b>(Unaudited) 30 June 2017 Baht'000</b>	<b>(Audited) 31 December 2016 Baht'000</b>
Current portion of prepayment of land rent	295	295
Prepayment of land rent later than 1 year	<u>13,432</u>	<u>13,579</u>
	<u>13,727</u>	<u>13,874</u>

g) Key management compensation

Key management compensation expenses included the directors' remuneration which represents meeting fees and remuneration paid to the Company's Chairman, Directors and Audit Committee members as approved by the shareholders of the Company in the Annual General Shareholders' Meeting and the key management remuneration represents salary and other related benefits.

**18 Related party transactions (Cont'd)**

g) Key management compensation (Cont'd)

For the three-month period ended 30 June

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000
Short-term employee benefits	13,140	13,297	12,422	11,625
Post-employment benefits	5,631	2,894	5,631	2,894
	<u>18,771</u>	<u>16,191</u>	<u>18,053</u>	<u>14,519</u>

For the six-month period ended 30 June

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000	(Unaudited) 2017 Baht'000	(Unaudited) 2016 Baht'000
Short-term employee benefits	25,922	24,501	24,674	22,829
Post-employment benefits	8,525	5,788	8,525	5,788
	<u>34,447</u>	<u>30,289</u>	<u>33,199</u>	<u>28,617</u>

**19 Commitments**

**Commitments of the Company**

As at 30 June 2017, the Company had commitments relating to the cost of construction, purchases of machinery and equipment amounted to Baht 57.01 million, USD 2.99 million, and EUR 0.16 million (31 December 2016: Baht 53.71 million, USD 4.87 million, and EUR 0.16 million).

**Commitments of a subsidiary**

As at 30 June 2017, a subsidiary had no commitments relating to the cost of construction and the purchase of machinery (31 December 2016: Pesos 2.68 million).

**20 Letters of guarantee**

As at 30 June 2017, the Group had commitments under bank guarantees arising in the ordinary course of business amounted to Baht 4.86 million (31 December 2016: Baht 4.46 million).



**21 Foreign currency forward contracts**

As at 30 June 2017, the Group had outstanding foreign currency forward contracts to sell USD as follows:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>(Unaudited)</b> <b>30 June</b> <b>2017</b> <b>Baht'000</b>	<b>(Audited)</b> <b>31 December</b> <b>2016</b> <b>Baht'000</b>	<b>(Unaudited)</b> <b>30 June</b> <b>2017</b> <b>Baht'000</b>	<b>(Audited)</b> <b>31 December</b> <b>2016</b> <b>Baht'000</b>
Foreign currency forward contracts 2017: US Dollar 8.38 million at rates between Baht 33.82 and 34.46 = 1 US Dollar	284,760	-	284,760	-
	<u>284,760</u>	<u>-</u>	<u>284,760</u>	<u>-</u>

As at 30 June 2017, the Group has entered into in foreign currency forward contracts in order to protect the movements in exchange rates of foreign currency accounts receivable will be realised as a result of export sale commitment which will be delivered in August 2017.

**The fair value of the foreign currency forward contracts**

The net fair value of the open foreign currency forward contracts at each reporting date is as follows:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>(Unaudited)</b> <b>30 June</b> <b>2017</b> <b>Baht'000</b>	<b>(Audited)</b> <b>31 December</b> <b>2016</b> <b>Baht'000</b>	<b>(Unaudited)</b> <b>30 June</b> <b>2017</b> <b>Baht'000</b>	<b>(Audited)</b> <b>31 December</b> <b>2016</b> <b>Baht'000</b>
Unfavourable forward foreign exchange contracts, net	2,082	-	2,082	-
	<u>2,082</u>	<u>-</u>	<u>2,082</u>	<u>-</u>

The fair values of forward foreign exchange contracts have been calculated using rates quoted by the Group's bankers to terminate the contracts at 30 June 2017.

## **22 Business acquisitions**

On 2 May 2017, the Company entered into Asset Sale and Purchase Agreement with a third party, a limited company located in Phang Nga Province, Thailand, to acquire the operating assets which consist of land, palm oil crushing mill and other related assets without liabilities. Total considerations were Baht 524 million with effective from 2 May 2017. This acquisition is considered as business combination.

Details of the acquisition were as follows:

	<b>Consolidated and separate financial information</b>
	<b>Baht'000</b>
Considerations paid	524,000
Provisional amounts of fair value of net assets acquired	
- Property, plant and equipment	524,000
Net	<u><u>-</u></u>

As at 30 June 2017, the net assets from this acquisition are still in process to finalise the fair value of the net assets acquired. The Company recognised the assets acquired using provisional amount in this interim financial information. The adjusted differences between fair value of net assets and considerations paid will be adjusted with goodwill or gain from bargain purchase which will be made upon the completion of the process within the next twelve months after the acquisition date.

## **23 Event occurring after the reporting date**

At the Board of Directors' Meeting held on 11 August 2017, the Board of Directors passed a resolution to approve an interim dividend for the year ending 31 December 2017 of Baht 0.17 per share, totaling Baht 159,800,000. The Company will pay the interim dividend in September 2017.