

President Bakery Public Company Limited  
Review report and interim financial information  
For the three-month and nine-month periods ended  
30 September 2021

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

To the Shareholders of President Bakery Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of President Bakery Public Company Limited as at 30 September 2021, the related statements of comprehensive income for the three-month and nine-month periods then ended, and the related statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim financial statements. I have also reviewed the separate financial information of President Bakery Public Company Limited for the same periods (collectively "interim financial information"). 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.

Siriwan Nitdamrong

Certified Public Accountant (Thailand) No. 5906

EY Office Limited

Bangkok: 11 November 2021

**President Bakery Public Company Limited**

**Statements of financial position**

**As at 30 September 2021**

(Unit: Thousand Baht)

|   | Note | Financial statements in which |                   |                               |                   |
|---|------|-------------------------------|-------------------|-------------------------------|-------------------|
|   |      | the equity method is applied  |                   | Separate financial statements |                   |
|   |      | 30 September 2021             | 31 December 2020  | 30 September 2021             | 31 December 2020  |
|   |      | (Unaudited<br>but reviewed)   | (Audited)         | (Unaudited<br>but reviewed)   | (Audited)         |
| <b>Assets</b>                           |      |                               |                   |                               |                   |
| <b>Current assets</b>                   |      |                               |                   |                               |                   |
| Cash and cash equivalents               |      | 773,854                       | 368,353           | 773,854                       | 368,353           |
| Trade and other receivables             | 2, 3 | 659,054                       | 747,076           | 659,054                       | 747,076           |
| Inventories                             |      | 205,602                       | 168,312           | 205,602                       | 168,312           |
| Other current financial assets          | 5    | 3,774,684                     | 3,826,171         | 3,774,684                     | 3,826,171         |
| Other current assets                    |      | 17,992                        | 13,768            | 17,992                        | 13,768            |
| <b>Total current assets</b>             |      | <b>5,431,186</b>              | <b>5,123,680</b>  | <b>5,431,186</b>              | <b>5,123,680</b>  |
| <b>Non-current assets</b>               |      |                               |                   |                               |                   |
| Investment in joint venture             | 4.1  | 29,062                        | 29,819            | 5,850                         | 5,850             |
| Other non-current financial assets      | 5    | 1,883,730                     | 1,492,899         | 1,883,730                     | 1,492,899         |
| Property, plant and equipment           | 6    | 3,502,639                     | 3,621,434         | 3,502,639                     | 3,621,434         |
| Right-of-use assets                     | 7    | 8,995                         | 15,298            | 8,995                         | 15,298            |
| Advance payments for purchase of assets |      | 5,165                         | 542               | 5,165                         | 542               |
| Intangible assets                       |      | 11,581                        | 11,154            | 11,581                        | 11,154            |
| Other non-current assets                |      | 3,613                         | 4,061             | 3,613                         | 4,061             |
| <b>Total non-current assets</b>         |      | <b>5,444,785</b>              | <b>5,175,207</b>  | <b>5,421,573</b>              | <b>5,151,238</b>  |
| <b>Total assets</b>                     |      | <b>10,875,971</b>             | <b>10,298,887</b> | <b>10,852,759</b>             | <b>10,274,918</b> |

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

**President Bakery Public Company Limited**  
**Statements of financial position (continued)**  
**As at 30 September 2021**

(Unit: Thousand Baht)

|   | Note | Financial statements in which |                  |                               |                  |
|---|------|-------------------------------|------------------|-------------------------------|------------------|
|   |      | the equity method is applied  |                  | Separate financial statements |                  |
|   |      | 30 September 2021             | 31 December 2020 | 30 September 2021             | 31 December 2020 |
|   |      | (Unaudited<br>but reviewed)   | (Audited)        | (Unaudited<br>but reviewed)   | (Audited)        |
| <b>Liabilities and shareholders' equity</b> |      |                               |                  |                               |                  |
| <b>Current liabilities</b>                  |      |                               |                  |                               |                  |
| Trade and other payables                    | 3, 8 | 706,824                       | 574,305          | 706,824                       | 574,305          |
| Current portion of lease liabilities        | 9    | 6,561                         | 9,537            | 6,561                         | 9,537            |
| Corporate income tax payable                |      | 68,571                        | 109,301          | 68,571                        | 109,301          |
| Accrued expenses                            |      | 219,657                       | 223,742          | 219,657                       | 223,742          |
| Other current liabilities                   |      | 4,386                         | 2,527            | 4,386                         | 2,527            |
| <b>Total current liabilities</b>            |      | <b>1,005,999</b>              | <b>919,412</b>   | <b>1,005,999</b>              | <b>919,412</b>   |
| <b>Non-current liabilities</b>              |      |                               |                  |                               |                  |
| Lease liabilities - net of current portion  | 9    | 2,704                         | 6,082            | 2,704                         | 6,082            |
| Deferred tax liabilities                    |      | 23,358                        | 23,593           | 23,358                        | 23,593           |
| Provision for long-term employee benefits   | 10   | 93,794                        | 96,102           | 93,794                        | 96,102           |
| Other non-current liabilities               |      | 3,654                         | 3,830            | 3,654                         | 3,830            |
| <b>Total non-current liabilities</b>        |      | <b>123,510</b>                | <b>129,607</b>   | <b>123,510</b>                | <b>129,607</b>   |
| <b>Total liabilities</b>                    |      | <b>1,129,509</b>              | <b>1,049,019</b> | <b>1,129,509</b>              | <b>1,049,019</b> |

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

**President Bakery Public Company Limited**  
**Statements of financial position (continued)**  
**As at 30 September 2021**

(Unit: Thousand Baht)

|   | Financial statements in which |                         | Separate financial statements |                         |
|---|-------------------------------|-------------------------|-------------------------------|-------------------------|
|   | the equity method is applied  |                         |                               |                         |
|   | <u>30 September 2021</u>      | <u>31 December 2020</u> | <u>30 September 2021</u>      | <u>31 December 2020</u> |
|   | (Unaudited<br>but reviewed)   | (Audited)               | (Unaudited<br>but reviewed)   | (Audited)               |
| <b>Liabilities and shareholders' equity (continued)</b> |                               |                         |                               |                         |
| <b>Shareholders' equity</b>                             |                               |                         |                               |                         |
| Share capital   |                               |                         |                               |                         |
| Registered  |                               |                         |                               |                         |
| 450,000,000 ordinary shares of Baht 1 each              | <u>450,000</u>                | <u>450,000</u>          | <u>450,000</u>                | <u>450,000</u>          |
| Issued and fully paid-up                                |                               |                         |                               |                         |
| 450,000,000 ordinary shares of Baht 1 each              | 450,000                       | 450,000                 | 450,000                       | 450,000                 |
| Share premium   | 674,380                       | 674,380                 | 674,380                       | 674,380                 |
| Retained earnings                                       |                               |                         |                               |                         |
| Appropriated - statutory reserve                        | 45,000                        | 45,000                  | 45,000                        | 45,000                  |
| Unappropriated  | 8,439,042                     | 7,940,817               | 8,415,830                     | 7,916,848               |
| Other components of shareholders' equity                | <u>138,040</u>                | <u>139,671</u>          | <u>138,040</u>                | <u>139,671</u>          |
| <b>Total shareholders' equity</b>                       | <u>9,746,462</u>              | <u>9,249,868</u>        | <u>9,723,250</u>              | <u>9,225,899</u>        |
| <b>Total liabilities and shareholders' equity</b>       | <u>10,875,971</u>             | <u>10,298,887</u>       | <u>10,852,759</u>             | <u>10,274,918</u>       |

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

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Directors  
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**President Bakery Public Company Limited****Statements of comprehensive income****For the three-month period ended 30 September 2021**

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

|   | Note | Financial statements in which<br>the equity method is applied |                  | Separate financial statements |                  |
|---|------|---|------------------|-------------------------------|------------------|
|   |      | 2021  | 2020             | 2021                          | 2020             |
| <b>Profit or loss:</b>  |      |   |                  |                               |                  |
| <b>Revenues</b>   |      |   |                  |                               |                  |
| Sales   |      | 2,019,263   | 1,803,243        | 2,019,263                     | 1,803,243        |
| Other income  |      | 11,420  | 8,010            | 11,420                        | 8,010            |
| <b>Total revenues</b>   |      | <b>2,030,683</b>  | <b>1,811,253</b> | <b>2,030,683</b>              | <b>1,811,253</b> |
| <b>Expenses</b>   |      |   |                  |                               |                  |
| Cost of sales   |      | 1,034,320   | 941,753          | 1,034,320                     | 941,753          |
| Selling and distribution expenses   |      | 343,163   | 332,727          | 343,163                       | 332,727          |
| Administrative expenses   |      | 64,036  | 63,477           | 64,036                        | 63,477           |
| <b>Total expenses</b>   |      | <b>1,441,519</b>  | <b>1,337,957</b> | <b>1,441,519</b>              | <b>1,337,957</b> |
| <b>Operating profit</b>   |      | <b>589,164</b>  | <b>473,296</b>   | <b>589,164</b>                | <b>473,296</b>   |
| Share of profit (loss) from investment in joint venture   |      | (218)   | 1,657            | -                             | -                |
| Finance income  |      | 10,747  | 16,264           | 10,747                        | 16,264           |
| Finance cost  |      | (158)   | (197)            | (158)                         | (197)            |
| <b>Profit before income tax expenses</b>  |      | <b>599,535</b>  | <b>491,020</b>   | <b>599,753</b>                | <b>489,363</b>   |
| Income tax expenses   | 11   | (68,006)  | (60,208)         | (68,006)                      | (60,208)         |
| <b>Profit for the period</b>  |      | <b>531,529</b>  | <b>430,812</b>   | <b>531,747</b>                | <b>429,155</b>   |
| <b>Other comprehensive income:</b>  |      |   |                  |                               |                  |
| <i>Other comprehensive income to be reclassified to<br/>profit or loss in subsequent periods:</i>   |      |   |                  |                               |                  |
| Loss on change in value of debt investment designated<br>at fair value through other comprehensive income -<br>net of income tax          |      | (5,186)   | (2,985)          | (5,186)                       | (2,985)          |
| Other comprehensive income to be reclassified to<br>profit or loss in subsequent periods - net of income tax                              |      | (5,186)   | (2,985)          | (5,186)                       | (2,985)          |
| <i>Other comprehensive income not to be reclassified to<br/>profit or loss in subsequent periods:</i>                                     |      |   |                  |                               |                  |
| Gain (loss) on change in value of equity investment designated<br>at fair value through other comprehensive income -<br>net of income tax |      | 2,065   | (5,076)          | 2,065                         | (5,076)          |
| Other comprehensive income not to be reclassified to<br>profit or loss in subsequent periods - net of income tax                          |      | 2,065   | (5,076)          | 2,065                         | (5,076)          |
| <b>Other comprehensive income for the period</b>  |      | <b>(3,121)</b>  | <b>(8,061)</b>   | <b>(3,121)</b>                | <b>(8,061)</b>   |
| <b>Total comprehensive income for the period</b>  |      | <b>528,408</b>  | <b>422,751</b>   | <b>528,626</b>                | <b>421,094</b>   |
| <b>Earnings per share</b>   |      |   |                  |                               |                  |
| Basic earnings per share (Baht)   | 13   | 1.18  | 0.96             | 1.18                          | 0.95             |

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

**President Bakery Public Company Limited****Statements of comprehensive income****For the nine-month period ended 30 September 2021**

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

|   | Note | Financial statements in which |                  |                               |                  |
|---|------|-------------------------------|------------------|-------------------------------|------------------|
|   |      | the equity method is applied  |                  | Separate financial statements |                  |
|   |      | 2021                          | 2020             | 2021                          | 2020             |
| <b>Profit or loss:</b>  |      |                               |                  |                               |                  |
| <b>Revenues</b>   |      |                               |                  |                               |                  |
| Sales   |      | 5,310,344                     | 5,387,848        | 5,310,344                     | 5,387,848        |
| Other income  |      | 33,660                        | 32,137           | 35,386                        | 34,185           |
| <b>Total revenues</b>   |      | <b>5,344,004</b>              | <b>5,419,985</b> | <b>5,345,730</b>              | <b>5,422,033</b> |
| <b>Expenses</b>   |      |                               |                  |                               |                  |
| Cost of sales   |      | 2,762,530                     | 2,804,903        | 2,762,530                     | 2,804,903        |
| Selling and distribution expenses   |      | 997,269                       | 1,029,481        | 997,269                       | 1,029,481        |
| Administrative expenses   |      | 184,796                       | 194,588          | 184,796                       | 194,588          |
| <b>Total expenses</b>   |      | <b>3,944,595</b>              | <b>4,028,972</b> | <b>3,944,595</b>              | <b>4,028,972</b> |
| <b>Operating profit</b>   |      | <b>1,399,409</b>              | <b>1,391,013</b> | <b>1,401,135</b>              | <b>1,393,061</b> |
| Share of profit from investment in joint venture  | 4.2  | 969                           | 1,633            | -                             | -                |
| Finance income  |      | 34,308                        | 49,633           | 34,308                        | 49,633           |
| Finance cost  |      | (540)                         | (601)            | (540)                         | (601)            |
| <b>Profit before income tax expenses</b>  |      | <b>1,434,146</b>              | <b>1,441,678</b> | <b>1,434,903</b>              | <b>1,442,093</b> |
| Income tax expenses   | 11   | (158,235)                     | (158,342)        | (158,235)                     | (158,342)        |
| <b>Profit for the period</b>  |      | <b>1,275,911</b>              | <b>1,283,336</b> | <b>1,276,668</b>              | <b>1,283,751</b> |
| <b>Other comprehensive income:</b>  |      |                               |                  |                               |                  |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>                                       |      |                               |                  |                               |                  |
| Loss on change in value of debt investment designated at fair value through other comprehensive income - net of income tax          |      | (4,121)                       | (9,885)          | (4,121)                       | (9,885)          |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax                           |      | (4,121)                       | (9,885)          | (4,121)                       | (9,885)          |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>                                   |      |                               |                  |                               |                  |
| Gain (loss) on change in value of equity investment designated at fair value through other comprehensive income - net of income tax |      | 25,804                        | (15,470)         | 25,804                        | (15,470)         |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax                       |      | 25,804                        | (15,470)         | 25,804                        | (15,470)         |
| <b>Other comprehensive income for the period</b>  |      | <b>21,683</b>                 | <b>(25,355)</b>  | <b>21,683</b>                 | <b>(25,355)</b>  |
| <b>Total comprehensive income for the period</b>  |      | <b>1,297,594</b>              | <b>1,257,981</b> | <b>1,298,351</b>              | <b>1,258,396</b> |
| <b>Earnings per share</b>   |      |                               |                  |                               |                  |
| Basic earnings per share (Baht)   | 13   | 2.84                          | 2.85             | 2.84                          | 2.85             |

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

(Unaudited but reviewed)

**President Bakery Public Company Limited****Statements of cash flows****For the nine-month period ended 30 September 2021**

(Unit: Thousand Baht)

|   | Financial statements in which<br>the equity method is applied |                  | Separate financial statements |                  |
|---|---|------------------|-------------------------------|------------------|
|   | <u>2021</u>   | <u>2020</u>      | <u>2021</u>                   | <u>2020</u>      |
| <b>Cash flows from operating activities</b>   |   |                  |                               |                  |
| Profit before tax   | 1,434,146   | 1,441,678        | 1,434,903                     | 1,442,093        |
| Adjustments to reconcile profit before tax to net cash<br>provided by (paid from) operating activities: |   |                  |                               |                  |
| Depreciation and amortisation   | 323,843   | 371,518          | 323,843                       | 371,518          |
| Gain from disposals of property, plant and equipment  | (556)   | (1,827)          | (556)                         | (1,827)          |
| Provision for litigation  | -   | 7,700            | -                             | 7,700            |
| Share of profit from investment in joint venture  | (969)   | (1,633)          | -                             | -                |
| Gain on sales of other current financial assets   | (225)   | (344)            | (225)                         | (344)            |
| Loss (gain) on sales of other non-current financial assets  | (31,528)  | 2,426            | (31,528)                      | 2,426            |
| Gain (loss) from sales of equity investment not recognised in<br>profit or loss                         | 29,142  | (9,352)          | 29,142                        | (9,352)          |
| Loss on fair value reserve of financial assets  | 1,477   | -                | 1,477                         | -                |
| Unrealised loss on exchange   | 946   | 519              | 946                           | 519              |
| Gain on fair value adjustments of financial instruments   | (239)   | -                | (239)                         | -                |
| Provision for long-term employee benefits   | 6,064   | 6,619            | 6,064                         | 6,619            |
| Dividend income from listed equity investments  | (7,364)   | (2,261)          | (7,364)                       | (2,261)          |
| Dividend income from joint venture  | -   | -                | (1,726)                       | (2,048)          |
| Dividend income from non-listed equity investment   | (7,350)   | (4,800)          | (7,350)                       | (4,800)          |
| Finance income  | (34,308)  | (47,585)         | (34,308)                      | (47,585)         |
| Interest expenses   | 540   | 601              | 540                           | 601              |
| Profit from operating activities before changes in<br>operating assets and liabilities                  | 1,713,619   | 1,763,259        | 1,713,619                     | 1,763,259        |
| Decrease (increase) in operating assets   |   |                  |                               |                  |
| Trade and other receivables   | 133,501   | 154,705          | 133,501                       | 154,705          |
| Inventories   | (37,290)  | (8,080)          | (37,290)                      | (8,080)          |
| Other current assets  | (4,224)   | (5,503)          | (4,224)                       | (5,503)          |
| Other non-current assets  | 448   | 507              | 448                           | 507              |
| Increase (decrease) in operating liabilities  |   |                  |                               |                  |
| Trade and other payables  | 115,148   | (67,164)         | 115,148                       | (67,164)         |
| Other current liabilities   | (3,821)   | 7,616            | (3,821)                       | 7,616            |
| Provision for long-term employee benefits   | (8,372)   | (7,746)          | (8,372)                       | (7,746)          |
| Other non-current liabilities   | (176)   | 142              | (176)                         | 142              |
| Cash from operating activities  | 1,908,833   | 1,837,736        | 1,908,833                     | 1,837,736        |
| Cash paid for income tax  | (204,620)   | (222,878)        | (204,620)                     | (222,878)        |
| <b>Net cash from operating activities</b>   | <b>1,704,213</b>  | <b>1,614,858</b> | <b>1,704,213</b>              | <b>1,614,858</b> |

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

(Unaudited but reviewed)

**President Bakery Public Company Limited**  
**Statements of changes in shareholders' equity (continued)**  
**For the nine-month period ended 30 September 2021**

(Unit: Thousand Baht)

| Separate financial statements   |  |                  |                                     |                  |   |                  |
|---|--|------------------|-------------------------------------|------------------|---|------------------|
|   |  |                  |                                     |                  | <u>Other components of<br/>shareholders' equity</u> |                  |
|   |  |                  |                                     |                  | Other<br>comprehensive income -                     |                  |
|   |  |                  |                                     |                  | Fair value reserve of<br>financial assets at        |                  |
|   |  |                  |                                     |                  | FVOCI   |                  |
|   |  |                  |                                     |                  | Total   |                  |
| Note  | Issued and<br>paid-up<br>share capital | Share<br>premium | <u>Retained earnings</u>            |                  |   |                  |
|   |  |                  | Appropriated -<br>statutory reserve | Unappropriated   |   |                  |
| <b>Balance as at 1 January 2020</b>   | 450,000                                | 674,380          | 45,000                              | 7,167,246        | 142,668   | 8,479,294        |
| Profit for the period   | -                                      | -                | -                                   | 1,283,751        | -   | 1,283,751        |
| Other comprehensive income for the period   | -                                      | -                | -                                   | -                | (25,355)  | (25,355)         |
| Total comprehensive income for the period   | -                                      | -                | -                                   | 1,283,751        | (25,355)  | 1,258,396        |
| Dividend payment  | -                                      | -                | -                                   | (922,500)        | -   | (922,500)        |
| Transfer fair value reserve of equity instruments<br>designated at FVOCI to retained earnings | -                                      | -                | -                                   | (9,352)          | 9,352   | -                |
| <b>Balance as at 30 September 2020</b>  | <u>450,000</u>                         | <u>674,380</u>   | <u>45,000</u>                       | <u>7,519,145</u> | <u>126,665</u>                                      | <u>8,815,190</u> |
| <b>Balance as at 1 January 2021</b>   | 450,000                                | 674,380          | 45,000                              | 7,916,848        | 139,671   | 9,225,899        |
| Profit for the period   | -                                      | -                | -                                   | 1,276,668        | -   | 1,276,668        |
| Other comprehensive income for the period   | -                                      | -                | -                                   | -                | 21,683  | 21,683           |
| Total comprehensive income for the period   | -                                      | -                | -                                   | 1,276,668        | 21,683  | 1,298,351        |
| Dividend payment  | -                                      | -                | -                                   | (801,000)        | -   | (801,000)        |
| Transfer fair value reserve of equity instruments<br>designated at FVOCI to retained earnings | -                                      | -                | -                                   | 23,314           | (23,314)  | -                |
| <b>Balance as at 30 September 2021</b>  | <u>450,000</u>                         | <u>674,380</u>   | <u>45,000</u>                       | <u>8,415,830</u> | <u>138,040</u>                                      | <u>9,723,250</u> |

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

**President Bakery Public Company Limited****Statements of cash flows****For the nine-month period ended 30 September 2021**

(Unit: Thousand Baht)

|   | Financial statements in which<br>the equity method is applied |                  | Separate financial statements |                  |
|---|---|------------------|-------------------------------|------------------|
|   | <u>2021</u>   | <u>2020</u>      | <u>2021</u>                   | <u>2020</u>      |
| <b>Cash flows from operating activities</b>   |   |                  |                               |                  |
| Profit before tax   | 1,434,146   | 1,441,678        | 1,434,903                     | 1,442,093        |
| Adjustments to reconcile profit before tax to net cash<br>provided by (paid from) operating activities: |   |                  |                               |                  |
| Depreciation and amortisation   | 323,843   | 371,518          | 323,843                       | 371,518          |
| Gain from disposals of property, plant and equipment  | (556)   | (1,827)          | (556)                         | (1,827)          |
| Provision for litigation  | -   | 7,700            | -                             | 7,700            |
| Share of profit from investment in joint venture  | (969)   | (1,633)          | -                             | -                |
| Gain on sales of other current financial assets   | (225)   | (344)            | (225)                         | (344)            |
| Loss (gain) on sales of other non-current financial assets  | (31,528)  | 2,426            | (31,528)                      | 2,426            |
| Gain (loss) from sales of equity investment not recognised in<br>profit or loss                         | 29,142  | (9,352)          | 29,142                        | (9,352)          |
| Loss on fair value reserve of financial assets  | 1,477   | -                | 1,477                         | -                |
| Unrealised loss on exchange   | 946   | 519              | 946                           | 519              |
| Gain on fair value adjustments of financial instruments   | (239)   | -                | (239)                         | -                |
| Provision for long-term employee benefits   | 6,064   | 6,619            | 6,064                         | 6,619            |
| Dividend income from listed equity investments  | (7,364)   | (2,261)          | (7,364)                       | (2,261)          |
| Dividend income from joint venture  | -   | -                | (1,726)                       | (2,048)          |
| Dividend income from non-listed equity investment   | (7,350)   | (4,800)          | (7,350)                       | (4,800)          |
| Finance income  | (34,308)  | (47,585)         | (34,308)                      | (47,585)         |
| Interest expenses   | 540   | 601              | 540                           | 601              |
| Profit from operating activities before changes in<br>operating assets and liabilities                  | 1,713,619   | 1,763,259        | 1,713,619                     | 1,763,259        |
| Decrease (increase) in operating assets   |   |                  |                               |                  |
| Trade and other receivables   | 133,501   | 154,705          | 133,501                       | 154,705          |
| Inventories   | (37,290)  | (8,080)          | (37,290)                      | (8,080)          |
| Other current assets  | (4,224)   | (5,503)          | (4,224)                       | (5,503)          |
| Other non-current assets  | 448   | 507              | 448                           | 507              |
| Increase (decrease) in operating liabilities  |   |                  |                               |                  |
| Trade and other payables  | 115,148   | (67,164)         | 115,148                       | (67,164)         |
| Other current liabilities   | (3,821)   | 7,616            | (3,821)                       | 7,616            |
| Provision for long-term employee benefits   | (8,372)   | (7,746)          | (8,372)                       | (7,746)          |
| Other non-current liabilities   | (176)   | 142              | (176)                         | 142              |
| Cash from operating activities  | 1,908,833   | 1,837,736        | 1,908,833                     | 1,837,736        |
| Cash paid for income tax  | (204,620)   | (222,878)        | (204,620)                     | (222,878)        |
| <b>Net cash from operating activities</b>   | <b>1,704,213</b>  | <b>1,614,858</b> | <b>1,704,213</b>              | <b>1,614,858</b> |

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

**President Bakery Public Company Limited****Statements of cash flows (continued)**

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

|  | Financial statements in which<br>the equity method is applied |                  | Separate financial statements |                  |
|--|---|------------------|-------------------------------|------------------|
|  | 2021  | 2020             | 2021                          | 2020             |
| <b>Cash flows from investing activities</b>  |   |                  |                               |                  |
| Cash paid for other current financial assets   | (3,928,921)   | (3,519,884)      | (3,928,921)                   | (3,519,884)      |
| Cash paid for other non-current financial assets                                       | (2,138,393)   | (1,729,641)      | (2,138,393)                   | (1,729,641)      |
| Cash received from sales of other current financial assets                             | 4,229,901   | 2,675,041        | 4,229,901                     | 2,675,041        |
| Cash received from sales of other non-current financial assets                         | 1,483,931   | 1,953,595        | 1,483,931                     | 1,953,595        |
| Acquisitions of property, plant and equipment  | (185,086)   | (103,842)        | (185,086)                     | (103,842)        |
| Proceeds from disposals of property, plant and equipment                               | 941   | 3,259            | 941                           | 3,259            |
| Increase in advance payments for purchase of assets                                    | (4,623)   | (38)             | (4,623)                       | (38)             |
| Increase in intangible assets  | (1,802)   | (1,454)          | (1,802)                       | (1,454)          |
| Interest income  | 38,462  | 48,995           | 38,462                        | 48,995           |
| Dividend income from investments   | 6,881   | 2,333            | 6,881                         | 2,333            |
| Dividend income from joint venture   | 1,726   | 2,048            | 1,726                         | 2,048            |
| Dividend income from non-listed equity investment                                      | 7,350   | 4,800            | 7,350                         | 4,800            |
| <b>Net cash used in investing activities</b>   | <b>(489,633)</b>  | <b>(664,788)</b> | <b>(489,633)</b>              | <b>(664,788)</b> |
| <b>Cash flows from financing activities</b>  |   |                  |                               |                  |
| Decrease in liabilities under lease agreements   | (7,539)   | (18,737)         | (7,539)                       | (18,737)         |
| Cash paid for interest expenses  | (540)   | (601)            | (540)                         | (601)            |
| Cash paid for interest expenses  | (801,000)   | (922,500)        | (801,000)                     | (922,500)        |
| <b>Net cash used in financing activities</b>   | <b>(809,079)</b>  | <b>(941,838)</b> | <b>(809,079)</b>              | <b>(941,838)</b> |
| <b>Net increase in cash and cash equivalents</b>                                       | <b>405,501</b>  | <b>8,232</b>     | <b>405,501</b>                | <b>8,232</b>     |
| Cash and cash equivalents at beginning of period                                       | 368,353   | 366,620          | 368,353                       | 366,620          |
| <b>Cash and cash equivalents at end of period</b>                                      | <b>773,854</b>  | <b>374,852</b>   | <b>773,854</b>                | <b>374,852</b>   |
| <b>Supplementary disclosures of cash flows information</b>                             |   |                  |                               |                  |
| Non-cash related transactions  |   |                  |                               |                  |
| Other payables for purchases of machinery and equipment,<br>construction and retention | 27,139  | 3,505            | 27,139                        | 3,505            |
| Dividend receivable  | 526   | 33               | 526                           | 33               |
| Receivables from sales of financial assets   | 44,953  | 3,483            | 44,953                        | 3,483            |
| Payables from purchase of financial assets   | 6,517   | 2,521            | 6,517                         | 2,521            |
| Acquisition of right-of-use assets under lease contracts                               | 1,243   | -                | 1,243                         | -                |

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

## **President Bakery Public Company Limited**

### **Notes to interim financial statements**

**For the three-month and nine-month periods ended 30 September 2021**

#### **1. General information**

##### **1.1 Corporate information**

President Bakery Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Thai President Foods Public Company Limited, which is a public company incorporated in Thailand. The Company is principally engaged in the manufacture and sales of bakery products and its registered address is at No. 121/84-85, 29th Floor, RS Tower, Ratchadapisek Road, Dindaeng, Bangkok.

##### **1.2 Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 pandemic results in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

##### **1.3 Basis for preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 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.

## **1.4 New financial reporting standards**

### **a) Financial reporting standards that became effective in the current period**

During the period, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

Furthermore, the Company elected to adopt the amendments to TFRS 16 Leases relating to COVID-19-related rent concessions. These amendments provide a practical expedient that permits a lessee to not assess whether rent concessions are lease modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the conditions are met, i.e., the change in lease payments results in a revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease preceding the change; any reduction in lease payments affects only payments originally due on or before 30 June 2022; and there is no substantive change to other terms and conditions of the lease.

The Company applies the practical expedient to rent concessions that meet the above conditions. The adoption of this practical expedient does not have any significant impact on the Company's financial statements.

### **b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

**1.5 Significant accounting policies**

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

**2. Trade and other receivables**

|  | (Unit: Thousand Baht) |                     |
|--|-----------------------|---------------------|
|  | 30 September<br>2021  | 31 December<br>2020 |
| <u>Trade receivables - related party</u>     |                       |                     |
| Aged on the basis of due dates               |                       |                     |
| Not yet due                                  | 205                   | 354                 |
| Total trade receivables - related party      | 205                   | 354                 |
| <u>Trade receivables - unrelated parties</u> |                       |                     |
| Not yet due                                  | 506,294               | 431,796             |
| Past due                                     |                       |                     |
| Up to 3 months                               | 105,553               | 311,692             |
| 6 - 12 months                                | -                     | 13                  |
| Total trade receivables - unrelated parties  | 611,847               | 743,501             |
| Total trade receivables                      | 612,052               | 743,855             |
| <u>Other receivables</u>                     |                       |                     |
| Other receivables - related party            | 136                   | 180                 |
| Other receivables - unrelated parties        | 46,340                | 3,041               |
| Dividend receivable                          | 526                   | -                   |
| Total other receivables                      | 47,002                | 3,221               |
| Total trade and other receivables            | 659,054               | 747,076             |

### 3. Related party transactions

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

(Unit: Million Baht)

|  | For the three-month<br>periods ended<br>30 September |             | For the nine-month<br>periods ended<br>30 September |             | Pricing and lending policy   |
|--|--|-------------|---|-------------|--|
|  | <u>2021</u>  | <u>2020</u> | <u>2021</u>   | <u>2020</u> |  |
|  |  |             |   |             |  |
| <b>Transactions with related companies</b> |  |             |   |             |  |
| Purchase of goods                          | 144.9  | 130.3       | 372.7   | 379.6       | Agreed price which approximates the market price by reference to purchase volume |
| Dividend payment                           | 285.4  | 326.1       | 604.8   | 696.3       | At the declared rate   |
| Dividend income                            | -  | -           | 7.4   | 4.8         | At the declared rate   |
| <b>Transactions with joint venture</b>     |  |             |   |             |  |
| Sales of goods                             | 0.3  | 0.7         | 1.3   | 1.7         | Agreed price which approximates the market price                                 |
| Service income                             | 0.3  | 0.6         | 1.4   | 2.0         | Agreed rate which approximates the market rate                                   |
| Rental income                              | 0.1  | 0.1         | 0.4   | 0.4         | Agreed rate which approximates the market rate                                   |
| Dividend income                            | -  | -           | 1.7   | 2.0         | At the declared rate   |

(Unaudited but reviewed)

The balances of the accounts as at 30 September 2021 and 31 December 2020 between the Company and those related parties are as follows:

|   | (Unit: Thousand Baht) |                     |
|---|-----------------------|---------------------|
|   | 30 September<br>2021  | 31 December<br>2020 |
| <b>Trade and other receivables - related party (Note 2)</b>   |                       |                     |
| Joint venture (related by the Company holding interest in that company<br>and by common shareholders and common directors)  | 341                   | 534                 |
| Total trade and other receivables - related party   | 341                   | 534                 |
| <b>Trade and other payables - related parties (Note 8)</b>  |                       |                     |
| Related companies (related by having holding interest in the Company<br>and/or by common shareholders and common directors) | 142,057               | 128,411             |
| Connected companies (related by connected directors)  | 7,935                 | 4,799               |
| Total trade and other payables - related parties  | 149,992               | 133,210             |

### Directors' and management's remuneration

During the three-month and nine-month periods ended 30 September 2021 and 2020, the Company had employee benefit expenses payable to its directors and management as below.

|  | (Unit: Million Baht)                                 |             |   |             |
|--|--|-------------|---|-------------|
|  | For the three-month<br>periods ended 30<br>September |             | For the nine-month<br>periods ended 30<br>September |             |
|  | <u>2021</u>  | <u>2020</u> | <u>2021</u>   | <u>2020</u> |
| Short-term employee benefits                             | 14.3   | 11.9        | 41.0  | 35.1        |
| Post-employment benefits and<br>other long-term benefits | 0.3  | 0.3         | 1.0   | 1.0         |
| Total  | 14.6   | 12.2        | 42.0  | 36.1        |

#### 4. Investment in joint venture

##### 4.1 Details of investment in joint venture

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

| Joint venture                         | Nature of business                | Paid-up capital | Shareholding percentage |                | Financial statements in which the equity method is applied - carrying amount based on equity method |                | Separate financial statements - carrying amount based on cost method |                |
|---------------------------------------|-----------------------------------|-----------------|-------------------------|----------------|---|----------------|--|----------------|
|                                       |                                   |                 | Million Baht            | September 2021 | December 2020   | September 2021 | December 2020  | September 2021 |
|                                       |                                   |                 | Percent                 | Percent        | Thousand Baht   | Thousand Baht  | Thousand Baht  | Thousand Baht  |
| President Green House Foods Co., Ltd. | Operating the Japanese restaurant | 15              | 39                      | 39             | 29,062  | 29,819         | 5,850  | 5,850          |
| Total investment in joint venture     |                                   |                 |                         |                | 29,062  | 29,819         | 5,850  | 5,850          |

In May 2008, the Company, together with a foreign company and a local company, jointly established President Green House Foods Company Limited to operate a Japanese restaurant. The Company had invested in 585,000 ordinary shares of this company at par value Baht 10 per share, amounting to Baht 5.85 million, or equivalent to 39% interest, and has treated this investment as investment in joint venture.

##### 4.2 Share of comprehensive income and dividend received

During the periods, the Company recognised its share of comprehensive income from investment in the joint venture in the financial statements in which the equity method is applied and recognised dividend income in the separate financial statements in which the cost method is applied as follows:

(Unit: Thousand Baht)

| Joint venture                               | Financial statements in which the equity method is applied   |       | Separate financial statements                                      |       |
|---|--|-------|--|-------|
|   | Share of profit (loss) from investment in the joint venture during the nine-month periods ended 30 September |       | Dividend received during the nine-month periods ended 30 September |       |
|   | 2021   | 2020  | 2021   | 2020  |
| President Green House Foods Company Limited | 969  | 1,633 | 1,726  | 2,048 |
| Total                                       | 969  | 1,633 | 1,726  | 2,048 |

**5. Other financial assets**

As at 30 September 2021 and 31 December 2020, other financial assets, other than cash and cash equivalents, consisted of the following:

|  | (Unit: Thousand Baht) |                  |
|--|-----------------------|------------------|
|  | 30 September 2021     | 31 December 2020 |
| <u>Debt instruments at amortised cost</u>                  |                       |                  |
| Special saving account, deposit receipt and fixed deposits | 3,178,020             | 3,305,771        |
| Total debt instruments at amortised cost                   | 3,178,020             | 3,305,771        |
| <u>Debt instruments at FVOCI</u>                           |                       |                  |
| Bank of Thailand bond                                      | 1,102,862             | 832,612          |
| Corporate bond, note or debt instruments                   | 584,010               | 576,718          |
| Total debt instruments at FVOCI                            | 1,686,872             | 1,409,330        |
| <u>Equity instruments designated at FVOCI</u>              |                       |                  |
| Listed equity instrument                                   |                       |                  |
| PTT Public Co., Ltd.                                       | 15,475                | 19,452           |
| The Siam Commercial Bank Public Co., Ltd.                  | 15,043                | 5,373            |
| Others   | 261,492               | 203,566          |
| Non-listed equity instrument                               |                       |                  |
| President Flour Mills Co., Ltd.                            | 223,404               | 223,404          |
| Saha Capital Tower Co., Ltd.                               | 160,000               | 110,000          |
| Others   | 23,258                | 23,258           |
| Unit trust   | 31,383                | 18,916           |
| Total equity instruments designated at FVOCI               | 730,055               | 603,969          |
| <u>Financial assets at FVTPL</u>                           |                       |                  |
| Open-end fund  | 63,228                | -                |
| Derivative assets (Note 16)                                | 239                   | -                |
| Total financial assets at FVTPL                            | 63,467                | -                |
| <b>Total other financial assets</b>                        | <b>5,658,414</b>      | <b>5,319,070</b> |
| <b>Classified as:</b>                                      |                       |                  |
| Other current financial assets                             | 3,774,684             | 3,826,171        |
| Other non-current financial assets                         | 1,883,730             | 1,492,899        |
| <b>Total other current financial assets</b>                | <b>5,658,414</b>      | <b>5,319,070</b> |

(Unaudited but reviewed)

(Unit: Million Baht)

|                               | 30 September 2021 |              | 31 December 2020 |              |
|-------------------------------|-------------------|--------------|------------------|--------------|
|                               | Cost              | Fair value   | Cost             | Fair value   |
| <b>Financial assets</b>       |                   |              |                  |              |
| Quoted debt investments       | 1,684             | 1,687        | 1,396            | 1,409        |
| Non-listed equity investments | 250               | 407          | 200              | 357          |
| Listed equity investments     | 277               | 292          | 217              | 228          |
| Unit trust investments        | 33                | 31           | 21               | 19           |
| Opened - End Fund             | 65                | 63           | -                | -            |
| <b>Total</b>                  | <b>2,309</b>      | <b>2,480</b> | <b>1,834</b>     | <b>2,013</b> |

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Company considers these investments to be strategic in nature.

During the nine-month period ended 30 September 2021, the Company sold its equity interest in some listed equity investment as this investment no longer coincides with the Company's investment strategy. The fair value on the date of sale was totaling of Baht 493 million and the accumulated gain recognised in other comprehensive income net of income tax of Baht 23.3 million was transferred to retained earnings.

In addition, during the nine-month period ended 30 September 2021, the Company received dividends in the amount of Baht 7.4 million from listed equity investments.

During the nine-month period ended 30 September 2021, the Company received dividend income of Baht 7.4 million (2020: Baht 4.8 million) from President Flour Mills Company Limited.

## 6. Property, plant and equipment

Movements in the property, plant and equipment account during the nine-month period ended 30 September 2021 are summarised below.

(Unit: Thousand Baht)

|   |                  |
|---|------------------|
| Net book value as at 1 January 2021                           | 3,621,434        |
| Acquisitions during the period - at cost                      | 196,570          |
| Disposals during the period - net book value at disposal date | (385)            |
| Depreciation for the period                                   | (314,980)        |
| Net book value as at 30 September 2021                        | <u>3,502,639</u> |

**7. Right-of-use assets**

Movements in the right-of-use assets account during the nine-month period ended 30 September 2021 are summarised below.

|  | (Unit: Thousand Baht) |
|--|-----------------------|
| Net book value as at 1 January 2021    | 15,298                |
| Addition                               | 1,243                 |
| Disposals during the period            | (58)                  |
| Depreciation for the period            | (7,488)               |
| Net book value as at 30 September 2021 | <u>8,995</u>          |

**8. Trade and other payables**

|  | (Unit: Thousand Baht) |                     |
|--|-----------------------|---------------------|
|  | 30 September<br>2021  | 31 December<br>2020 |
| Trade payables - related parties                           | 149,736               | 132,925             |
| Trade payables - unrelated parties                         | 399,346               | 316,623             |
| Other payables - related party                             | 256                   | 285                 |
| Other payables - unrelated parties                         | 133,241               | 110,156             |
| Other payables for purchases of machinery<br>and equipment | 24,245                | 14,316              |
| Total trade and other payables                             | <u>706,824</u>        | <u>574,305</u>      |

**9. Liabilities under lease agreements**

|  | (Unit: Thousand Baht) |                     |
|--|-----------------------|---------------------|
|  | 30 September<br>2021  | 31 December<br>2020 |
| Liabilities under lease agreements                             | 9,695                 | 16,706              |
| Less: Deferred interest expenses                               | (430)                 | (1,087)             |
| Net  | 9,265                 | 15,619              |
| Less: Portion due within one year                              | (6,561)               | (9,537)             |
| Liabilities under lease agreements - net of current<br>portion | <u>2,704</u>          | <u>6,082</u>        |

**10. Provision for long-term employee benefits**

Movements in provision for long-term employee benefits during the nine-month period ended 30 September 2021 are shown as follows:

|  | (Unit: Thousand Baht)              |  |                |
|--|------------------------------------|--|----------------|
|  | Employee<br>retirement<br>benefits | Other<br>long-term<br>employee<br>benefits | Total          |
| <b>Provision for long-term employee benefits as at 1 January 2021</b>    | 90,254                             | 5,848                                      | 96,102         |
| Current service cost   | 4,176                              | 836  | 5,012          |
| Interest cost  | 983                                | 69   | 1,052          |
| Benefits paid during the period  | <u>(8,372)</u>                     | <u>-</u>                                   | <u>(8,372)</u> |
| <b>Provision for long-term employee benefits as at 30 September 2021</b> | <u>87,041</u>                      | <u>6,753</u>                               | <u>93,794</u>  |

Long-term employee benefit expenses included in the profit or loss for the three-month and nine-month periods ended 30 September 2021 amounted to Baht 2.1 million and Baht 6.1 million (2020: Baht 2.2 million and Baht 6.6 million).

**11. 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 nine-month periods ended 30 September 2021 and 2020 are made up as follows:

|  | (Unit: Thousand Baht)   |               |   |                |
|--|---|---------------|---|----------------|
|  | Financial statements in which the equity method is<br>applied and separate financial statements |               |   |                |
|  | For the three-month<br>periods ended 30<br>September  |               | For the nine-month<br>periods ended 30<br>September |                |
|  | <u>2021</u>   | <u>2020</u>   | <u>2021</u>   | <u>2020</u>    |
| <b>Current income tax:</b>                                       |   |               |   |                |
| Interim corporate income tax charge                              | 68,889  | 52,564        | 163,890   | 150,244        |
| Adjustment in respect of income tax of<br>previous year          | -   | 7,500         | -   | 7,500          |
| <b>Deferred tax:</b>   |   |               |   |                |
| Relating to origination and reversal of<br>temporary differences | <u>(883)</u>  | <u>144</u>    | <u>(5,655)</u>                                      | <u>598</u>     |
| <b>Income tax expenses reported in<br/>profit or loss</b>        | <u>68,006</u>   | <u>60,208</u> | <u>158,235</u>                                      | <u>158,342</u> |

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2021 and 2020 are as follows:

|  | (Unit: Thousand Baht)   |             |  |             |
|--|---|-------------|--|-------------|
|  | Financial statements in which the equity method is<br>applied and separate financial statements |             |  |             |
|  | For the three-month<br>periods ended 30 September   |             | For the nine-month<br>periods ended 30 September |             |
|  | <u>2021</u>   | <u>2020</u> | <u>2021</u>                                      | <u>2020</u> |
| Deferred tax relating to change in value<br>of investments | (1,953)   | (1,885)     | (408)  | (4,001)     |

## 12. Operating segment information

The one main reportable operating segment of the Company is manufacture and sales of bakery products in which revenue is recognised at a point in time and the single geographical area of its operations is Thailand. The distribution channels are through wholesale, retail and export. The wholesales for the three-month and nine-month period ended 30 September 2021 amounted to approximately Baht 1,894.3 million and Baht 4,925.1 million or 93.8% and 92.7% of total sales (2020: Baht 1,661.1 million and Baht 4,970.6 million or 92.1% and 92.3% total sales) which were from a main customer, representing about 50.3% and 47.7% of total sales (2020: 46.3% and 48.4% of total sales, respectively). Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

## 13. Earnings per share

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

|   | For the three-month periods ended 30 September                |             |                                  |             |
|---|---|-------------|----------------------------------|-------------|
|   | Financial statements in which<br>the equity method is applied |             | Separate<br>financial statements |             |
|   | <u>2021</u>   | <u>2020</u> | <u>2021</u>                      | <u>2020</u> |
| Profit for the period (Thousand Baht)                           | 531,529   | 430,812     | 531,747                          | 429,155     |
| Weighted average number of ordinary shares<br>(Thousand shares) | 450,000   | 450,000     | 450,000                          | 450,000     |
| Basic earnings per share (Baht)                                 | 1.18  | 0.96        | 1.18                             | 0.95        |

(Unaudited but reviewed)

|   | For the nine-month periods ended 30 September                 |             |                                  |             |
|---|---|-------------|----------------------------------|-------------|
|   | Financial statements in which<br>the equity method is applied |             | Separate<br>financial statements |             |
|   | <u>2021</u>   | <u>2020</u> | <u>2021</u>                      | <u>2020</u> |
| Profit for the period (Thousand Baht)                           | 1,275,911   | 1,283,336   | 1,276,668                        | 1,283,751   |
| Weighted average number of ordinary shares<br>(Thousand shares) | 450,000   | 450,000     | 450,000                          | 450,000     |
| Basic earnings per share (Baht)                                 | 2.84  | 2.85        | 2.84                             | 2.85        |

#### 14. Dividend payment

During the nine-month periods ended 30 September 2021 and 2020, the Company had dividend payments as follows:

|  | Approved by  | Total<br>dividends<br>(Thousand<br>Baht) | Dividend<br>per share<br>(Baht) | Paid on              |
|--|--|--|---------------------------------|----------------------|
| <b>For the year 2021</b>   |  |  |                                 |                      |
| Final dividends for 2020   | Annual General Meeting of<br>the shareholders on<br>19 April 2021                  | 423,000                                  | 0.94                            | 17 May 2021          |
| Interim dividend on the profit<br>for the six-month period ended<br>30 June 2021 | The meeting of the Company's<br>Board of directors No. 8/2021<br>on 23 August 2021 | 378,000                                  | 0.84                            | 22 September<br>2021 |
| Total dividend payments for 2021   |  | <u>801,000</u>                           | <u>1.78</u>                     |                      |
| <b>For the year 2020</b>   |  |  |                                 |                      |
| Interim dividend on the profit<br>for the last six-month period of<br>2019       | The meeting of the Company's<br>Board of directors No. 4/2020<br>on 8 April 2020   | 490,500                                  | 1.09                            | 7 May 2020           |
| Interim dividend on the profit<br>for the six-month period ended<br>30 June 2020 | The meeting of the Company's<br>Board of directors No. 9/2020<br>on 17 August 2020 | 432,000                                  | 0.96                            | 16 September<br>2020 |
| Total dividend payments for 2020   |  | <u>922,500</u>                           | <u>2.05</u>                     |                      |

## 15. Commitments and contingent liabilities

### 15.1 Capital commitments

As at 30 September 2021, the Company had capital commitments in respect of procurement agreements for production equipment of approximately Baht 18.6 million, AUD 0.03 million and USD 0.1 million, totaling approximately Baht 22.4 million.

### 15.2 Short-term lease and lease of the low-value assets and other service commitments

The Company and the joint venture have entered into several short-term contracts and lease of the low-value assets and related services. The terms of the agreements are generally between 1 and 3 years.

As at 30 September 2021, future lease and service fees payables under these lease and service contracts were as follows:

|                        | (Unit: Million Baht) |                      |
|------------------------|----------------------|----------------------|
|                        | <u>The Company</u>   | <u>Joint venture</u> |
| <u>Payable within:</u> |                      |                      |
| Less than 1 year       | 1.8                  | 7.3                  |
| 1 to 3 years           | 0.8                  | 1.1                  |

### 15.3 Long-term service commitments

The joint venture entered into license and technical assistance agreements with an overseas related company for the use of a trademark and the receipt of information related to operation and management of restaurants. Under the conditions of the license agreement, the joint venture is to pay an annual license fee as stipulated in the agreement. The license fees for the three-month and nine-month periods ended 30 September 2021 amounted to approximately Baht 0.2 million and Baht 0.9 million, respectively (2020: Baht 0.5 million and Baht 1.2 million, respectively).

### 15.4 Long-term purchase commitments

The Company has commitments under natural gas purchase agreement for period of 1 - 5 years. Under the agreement, the Company is committed to purchase natural gas at a minimum quantity at the price stipulated in the agreement.

| No. | Period  | Expired date     | Average minimum quantity purchase |
|-----|---------|------------------|-----------------------------------|
|     | (Years) |                  | (Million BTU)                     |
| 1   | 1       | 30 November 2021 | 47,986 per annum                  |
| 2   | 1       | 30 November 2021 | 26,256 per annum                  |
| 3   | 5       | 31 December 2023 | 296 per day                       |

**15.5 Guarantees**

As at 30 September 2021, there were outstanding bank guarantees of Baht 30.2 million issued by the banks on behalf of the Company in respect of certain performance bonds as required in the normal course of the Company's business. These included letters of guarantee amounting to Baht 26.0 million to guarantee electricity use, Baht 3.0 million to guarantee contractual performance under the natural gas purchase agreement and Baht 1.2 million to guarantee sales.

**15.6 Litigation**

In March 2020, the Company was sued by the Department of Empowerment of Persons with Disabilities which demanded that the Company contribute to the fund for Empowerment of Persons with Disabilities with an interest in a total amount of Baht 7.7 million. Subsequently on 20 August 2021, the Company paid such amount including interest up to the date of payment in a total amount of Baht 8.4 million.

**16. Foreign currency risk**

The Company's exposure to foreign currency risk arises mainly from material and machinery purchasing transactions that are denominated in foreign currencies.

The balances of financial liabilities denominated in foreign currencies as at 30 September 2021 are summarised below.

| Foreign currency | Amount    | Exchange rates as at<br>30 September 2021 |
|------------------|-----------|---|
|                  | (Million) | (Baht per foreign currency unit)          |
| Japanese Yen     | 6.0       | 0.3071                                    |
| US dollar        | 0.9       | 34.0908                                   |
| Yuan             | 0.3       | 5.3219                                    |

**Derivatives not designated as hedging instruments**

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to two months.

Forward exchange contracts outstanding as at 30 September 2021 (31 December 2020: Nil) are summarised below.

| Foreign currency | Bought amount | Contract exchange rate           | Maturity date       |
|------------------|---------------|----------------------------------|---------------------|
|                  | (Million)     | (Baht per foreign currency unit) |                     |
| US dollar        | 0.3           | 32.39 - 33.50                    | 6 - 29 October 2021 |

**17. Fair value of financial instruments**

As at 30 September 2021, the Company had assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

|  | Financial statements in which the equity method is applied<br>and Separate financial statements |           |         |           |
|--|---|-----------|---------|-----------|
|  | Level 1   | Level 2   | Level 3 | Total     |
| <b>Assets measured at fair value</b>                     |   |           |         |           |
| Financial assets measured at FVOCI                       |   |           |         |           |
| Listed equity instrument                                 | 292,010   | -         | -       | 292,010   |
| Debt instrument  | -   | 1,686,872 | -       | 1,686,872 |
| Non-listed equity instrument                             | -   | -         | 406,662 | 406,662   |
| Unit trust   | -   | 31,383    | -       | 31,383    |
| Financial assets at fair value through<br>profit or loss |   |           |         |           |
| Open-end fund  | -   | 63,228    | -       | 63,228    |
| Derivatives assets                                       |   |           |         |           |
| Foreign currency forward contracts                       | -   | 239       | -       | 239       |

During the current period, there were no change in the methods and assumptions used by the Company estimating the fair value of financial instruments and no transfer within the fair value hierarchy.

**18. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 November 2021.