

After You Public Company Limited and its subsidiaries  
Review report and interim consolidated financial statements  
For the three-month and six-month periods ended  
30 June 2018

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

To the Shareholders of After You Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of After You Public Company Limited and its subsidiaries as at 30 June 2018, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statement of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of After You Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

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

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 *Interim Financial Reporting*.

Sumalee Reewarabandith

Certified Public Accountant (Thailand) No. 3970

EY Office Limited

Bangkok: 10 August 2018

**After You Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 June 2018**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2018	31 December 2017	30 June 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		46,374	48,635	42,976	44,413
Current investments	4	364,501	463,346	364,501	463,346
Trade and other receivables	3, 5	3,658	11,101	3,894	15,166
Inventories		27,279	24,486	26,204	25,066
Other current assets		8,857	5,165	8,818	5,163
Total current assets		450,669	552,733	446,393	553,154
Non-current assets					
Restricted bank deposits		3,681	400	3,681	400
Investments in subsidiaries	6	-	-	1,999	1,000
Property, plant and equipment	7	454,164	436,797	454,134	436,762
Intangible assets		15,252	12,556	15,252	12,556
Advances for acquisition of assets		2,387	-	2,387	-
Rental deposits		29,662	28,379	29,662	28,379
Deferred tax assets		3,681	2,947	3,681	2,947
Total non-current assets		508,827	481,079	510,796	482,044
Total assets		959,496	1,033,812	957,189	1,035,198

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

**After You Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2018**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2018	31 December 2017	30 June 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	3	45,641	59,381	46,335	61,808
Current portion of liabilities under finance lease agreements	7	203	233	203	233
Income tax payable		13,220	15,143	12,794	14,697
Other current liabilities		9,924	8,613	9,872	8,491
Total current liabilities		68,988	83,370	69,204	85,229
Non-current liabilities					
Liabilities under finance lease agreements	7	53	155	53	155
Provision for decommissioning		10,046	9,119	10,046	9,119
Provision for long-term employee benefits		7,085	6,347	7,085	6,347
Other non-current liabilities		3,261	2,523	3,261	2,523
Total non-current liabilities		20,445	18,144	20,445	18,144
Total liabilities		89,433	101,514	89,649	103,373

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

**After You Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
815,625,000 ordinary shares of Baht 0.10 each	81,563	81,563	81,563	81,563
Issued and paid-up				
815,623,561 ordinary shares of Baht 0.10 each	81,562	81,562	81,562	81,562
Premium on ordinary shares	709,576	709,576	709,576	709,576
Retained earnings				
Appropriated - statutory reserve	8,156	8,156	8,156	8,156
Unappropriated	70,769	133,004	68,246	132,531
<b>Total shareholders' equity</b>	<b>870,063</b>	<b>932,298</b>	<b>867,540</b>	<b>931,825</b>
<b>Total liabilities and shareholders' equity</b>	<b>959,496</b>	<b>1,033,812</b>	<b>957,189</b>	<b>1,035,198</b>
	-	-	-	-

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

.....  
Directors  
.....

(Unaudited but reviewed)

## After You Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 30 June 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales income		205,979	173,964	205,979	173,964
Other income		3,227	2,188	3,165	2,200
<b>Total revenues</b>		<u>209,206</u>	<u>176,152</u>	<u>209,144</u>	<u>176,164</u>
<b>Expenses</b>					
Cost of sales		67,742	58,043	69,009	59,198
Selling expenses		67,681	53,581	67,681	53,581
Administrative expenses		38,601	26,022	38,542	25,981
<b>Total expenses</b>		<u>174,024</u>	<u>137,646</u>	<u>175,232</u>	<u>138,760</u>
<b>Profit before finance cost and income tax expenses</b>					
		35,182	38,506	33,912	37,404
Finance cost		(53)	(45)	(53)	(45)
<b>Profit before income tax expenses</b>		<u>35,129</u>	<u>38,461</u>	<u>33,859</u>	<u>37,359</u>
Income tax expenses	10	(6,193)	(6,998)	(5,944)	(6,748)
<b>Profit for the period</b>		<u>28,936</u>	<u>31,463</u>	<u>27,915</u>	<u>30,611</u>
<b>Other comprehensive income:</b>					
Other comprehensive income for the period		-	-	-	-
<b>Total comprehensive income for the period</b>		<u>28,936</u>	<u>31,463</u>	<u>27,915</u>	<u>30,611</u>
<b>Earnings per share</b>	11				
Basic earnings per share					(Unit: Baht)
Profit attributable to equity holders of the Company		<u>0.04</u>	<u>0.04</u>	<u>0.03</u>	<u>0.04</u>
Weighted average number of ordinary shares		<u>815,624</u>	<u>815,624</u>	<u>815,624</u>	<u>815,624</u>

(Unit: Thousand shares)

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

(Unaudited but reviewed)

## After You Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the six-month period ended 30 June 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales income		405,410	330,163	405,410	330,163
Other income		5,340	3,774	5,302	3,811
<b>Total revenues</b>		<u>410,750</u>	<u>333,937</u>	<u>410,712</u>	<u>333,974</u>
<b>Expenses</b>					
Cost of sales		132,417	113,029	134,963	115,308
Selling expenses		134,026	105,058	134,026	105,058
Administrative expenses		71,584	50,680	71,483	50,600
<b>Total expenses</b>		<u>338,027</u>	<u>268,767</u>	<u>340,472</u>	<u>270,966</u>
<b>Profit before finance cost and income tax expenses</b>		<u>72,723</u>	<u>65,170</u>	<u>70,240</u>	<u>63,008</u>
Finance cost		(122)	(546)	(122)	(546)
<b>Profit before income tax expenses</b>		<u>72,601</u>	<u>64,624</u>	<u>70,118</u>	<u>62,462</u>
Income tax expenses	10	(12,493)	(11,422)	(12,060)	(11,048)
<b>Profit for the period</b>		<u>60,108</u>	<u>53,202</u>	<u>58,058</u>	<u>51,414</u>
<b>Other comprehensive income:</b>					
Other comprehensive income for the period		-	-	-	-
<b>Total comprehensive income for the period</b>		<u>60,108</u>	<u>53,202</u>	<u>58,058</u>	<u>51,414</u>
<b>Earnings per share</b>	11				
Basic earnings per share					(Unit: Baht)
Profit attributable to equity holders of the Company		<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.06</u>
Weighted average number of ordinary shares		<u>815,624</u>	<u>815,624</u>	<u>815,624</u>	<u>815,624</u>

(Unit: Thousand shares)

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

(Unaudited but reviewed)

**After You Public Company Limited and its subsidiaries****Cash flow statement****For the six-month period ended 30 June 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
<b>Cash flows from operating activities</b>				
Profit before tax	72,601	64,624	70,118	62,462
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	26,176	16,165	26,171	16,159
Allowance for diminution in value of inventories (reversal)	(464)	219	(464)	219
Write-off obsolete inventories	204	43	204	43
Gain on a bargain purchase of investment in a subsidiary	(85)	-	-	-
Unrealised gain on changes in value of investments in securities held for trading	(191)	(1,308)	(191)	(1,308)
Gain on sales of investments in securities held for trading	(1,364)	-	(1,364)	-
Loss on sale of equipment	725	-	725	-
Write-off equipment	4,355	692	4,355	692
Write-off rental deposits	-	252	-	252
Loss on decommissioning of assets	210	-	210	-
Provision for long-term employee benefits	1,333	1,101	1,333	1,101
Interest income	(1,631)	(2,165)	(1,621)	(2,156)
Interest expense	122	152	122	152
Profit from operating activities before changes in operating assets and liabilities	101,991	79,775	99,598	77,616
Operating assets (increase) decrease				
Trade and other receivables	7,142	4,664	6,973	4,629
Inventories	(2,533)	2,403	(878)	3,039
Other current assets	(3,699)	1,080	(3,662)	1,274
Rental deposits	(1,283)	(3,772)	(1,283)	(3,772)
Other non-current assets	-	600	-	600
Operating liabilities increase (decrease)				
Trade and other payables	(15,648)	(21,290)	(17,382)	(22,235)
Other current liabilities	1,311	(10,533)	1,381	(10,737)
Other non-current liabilities	738	420	738	419
Cash flows from operating activities	88,019	53,347	85,485	50,833
Interest received	1,932	1,607	1,922	1,598
Interest paid	-	(253)	-	(253)
Cash paid for decommissioning of assets	-	(52)	-	(52)
Cash paid for long-term employee benefits	(595)	(516)	(595)	(516)
Cash paid for income tax	(15,145)	(10,316)	(14,690)	(9,577)
<b>Net cash flows from operating activities</b>	<b>74,211</b>	<b>43,817</b>	<b>72,122</b>	<b>42,033</b>

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



(Unaudited but reviewed)

**After You Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the six-month period ended 30 June 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
<b>Cash flows from investing activities</b>				
Acquisitions of investments in securities held for trading and held-to-maturity investments	(180,000)	(470,015)	(180,000)	(470,015)
Proceeds from sales of investments in securities held for trading and held-to-maturity investments	280,400	-	280,400	-
Increase in restricted bank deposits	(3,281)	-	(3,281)	-
Net cash from (paid for) investment in a subsidiary	86	-	(1,000)	-
Acquisitions of buildings and equipment	(44,535)	(81,381)	(44,535)	(81,381)
Acquisition of computer software	(3,580)	(2,229)	(3,580)	(2,229)
Advances paid for acquisition of assets	(3,176)	(11,284)	(3,176)	(11,284)
Proceed from sale of equipment	43	-	43	-
Dividend received	-	-	3,999	4,000
<b>Net cash flows from (used in) investing activities</b>	<b>45,957</b>	<b>(564,909)</b>	<b>48,870</b>	<b>(560,909)</b>
<b>Cash flows from financing activities</b>				
Decrease in liabilities under finance lease agreements	(141)	(249)	(141)	(249)
Repayment of long-term loans from bank	-	(66,312)	-	(66,312)
Dividend paid	(122,288)	(5,433)	(122,288)	(5,433)
<b>Net cash flows used in financing activities</b>	<b>(122,429)</b>	<b>(71,994)</b>	<b>(122,429)</b>	<b>(71,994)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,261)</b>	<b>(593,086)</b>	<b>(1,437)</b>	<b>(590,870)</b>
Cash and cash equivalents at beginning of period	48,635	628,398	44,413	625,023
<b>Cash and cash equivalents at end of period</b>	<b>46,374</b>	<b>35,312</b>	<b>42,976</b>	<b>34,153</b>
	-	-	-	-

**Supplemental cash flows information**

## Non-cash items

Transfer advances for acquisition of assets to building and equipment accounts	789	5,349	789	5,349
Increase in payables for construction and purchase of equipment	1,443	17,879	1,443	17,879
Transfer other current assets to advances for acquisition of assets account	-	(153)	-	(153)
Payables for decommissioning of assets	411	-	411	-
Increase in dividend payable	54	5	55	5

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

(Unaudited but reviewed)

**After You Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity**

**For the six-month period ended 30 June 2018**

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>					
	<b>Note</b>	<b>Issued and paid-up share capital</b>	<b>Premium on ordinary shares</b>	<b>Retained earnings</b>	
				<b>Appropriated - statutory reserve</b>	<b>Unappropriated Total</b>
<b>Balance as at 1 January 2017</b>		72,500	709,576	7,250	19,508
Profit for the period		-	-	-	53,202
Total comprehensive income for the period		-	-	-	53,202
Increased share capital	8	9,062	-	-	-
Dividend paid	9	-	-	-	(14,500)
<b>Balance as at 30 June 2017</b>		<b>81,562</b>	<b>709,576</b>	<b>7,250</b>	<b>58,210</b>
<b>Balance as at 1 January 2018</b>		81,562	709,576	8,156	133,004
Profit for the period		-	-	-	60,108
Total comprehensive income for the period		-	-	-	60,108
Dividend paid	9	-	-	-	(122,343)
<b>Balance as at 30 June 2018</b>		<b>81,562</b>	<b>709,576</b>	<b>8,156</b>	<b>70,769</b>
		-	-	-	-

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

(Unaudited but reviewed)

**After You Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity**

**For the six-month period ended 30 June 2018**

(Unit: Thousand Baht)

<b>Separate financial statements</b>					
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings	
				Appropriated - statutory reserve	Unappropriated
					Total
<b>Balance as at 1 January 2017</b>		72,500	709,576	7,250	18,758
Profit for the period		-	-	-	51,414
Total comprehensive income for the period		-	-	-	51,414
Increased share capital	8	9,062	-	-	-
Dividend paid	9	-	-	-	(14,500)
<b>Balance as at 30 June 2017</b>		<u>81,562</u>	<u>709,576</u>	<u>7,250</u>	<u>55,672</u>
<b>Balance as at 1 January 2018</b>		81,562	709,576	8,156	132,531
Profit for the period		-	-	-	58,058
Total comprehensive income for the period		-	-	-	58,058
Dividend paid	9	-	-	-	(122,343)
<b>Balance as at 30 June 2018</b>		<u>81,562</u>	<u>709,576</u>	<u>8,156</u>	<u>68,246</u>
		-	-	-	-

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

**After You Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month and six-month periods ended 30 June 2018**

**1. General information**

**1.1 Corporate information**

After You Public Company Limited (“the Company”) is a public limited company incorporated and domiciled in Thailand. The Company is principally engaged in operation of food and beverage outlets. The registered address of the Company, which is its head office, is at 1319/9 Soi Pattanakarn, Kwang Suanluang, Khet Suanluang, Bangkok. Its factory is located at 30/106 Moo1, Tumbon Kokkham, Amphur Muang Samut Sakorn, Samut Sakorn.

As at 30 June 2018, the Company has 30 branches (31 December 2017: 27 branches) in Bangkok, Samutprakan, Pathumthani, Nonthaburi, Nakorn Ratchasima, Chiang Mai and Udon Thani.

**1.2 Basis of 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.

**1.3 Basis of consolidation**

The interim consolidated financial statements include the financial statements of After You Public Company Limited and its subsidiaries (hereinafter called “the Group”), and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017, with no change in shareholding structure of subsidiaries during the current period except for the acquisition of investment in M&M 2007 Co., Ltd. (subsidiary), as described in Note 6 to the financial statements.

## **1.4 New financial reporting standards**

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

During the period, the Group has adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

### **(b) Financial reporting standard that will become effective in the future**

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarised below.

#### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Group is evaluating the impact of this standard to the financial statements in the year when it is adopted.

## **2. Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017.

### 3. Related party transactions

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

(Unit: Thousand Baht)

	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	For the three-month periods ended 30 June				
	2018	2017	2018	2017	
<b>Transactions with subsidiaries</b>					
(Eliminated from the consolidated financial statements)					
Purchase of raw materials	-	-	10,164	10,229	Cost plus margin
Service income	-	-	33	22	Rate stipulated in agreement
<b>Transactions with related parties</b>					
Purchase of raw materials	863	789	863	789	Cost plus margin
Other income	3	5	3	5	Agreed upon basis
<b>Transactions with related persons</b>					
Rental expense	424	424	394	394	Rate stipulated in agreement

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the six-month periods ended 30 June				
	2018	2017	2018	2017	
<b>Transactions with subsidiaries</b>					
(Eliminated from the consolidated financial statements)					
Purchase of raw materials	-	-	17,855	16,582	Cost plus margin
Service income	-	-	57	47	Rate stipulated in agreement
<b>Transactions with related parties</b>					
Purchase of raw materials	1,254	1,161	1,254	1,161	Cost plus margin
Other income	12	12	12	12	Agreed upon basis
<b>Transactions with related persons</b>					
Rental expense	848	848	788	788	Rate stipulated in agreement

(Unaudited but reviewed)

The balances of the accounts between the Group and those related parties are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
<b>Trade and other receivables (Note 5)</b>				
<u>Other receivables - related parties</u>				
Advances to subsidiaries	-	-	236	66
Other receivable - a subsidiary	-	-	-	3,999
Total	-	-	236	4,065
<b>Trade and other payables</b>				
<u>Trade payables - related parties</u>				
A subsidiary	-	-	4,400	5,951
Related company	154	27	154	27
Total	154	27	4,554	5,978

#### Directors and management's benefits

During the three-month and six-month periods ended 30 June 2018 and 2017, the Group had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	For the three-month	
	periods ended 30 June	
	2018	2017
Short-term employee benefits	3,771	3,371
Post-employment benefits	93	85
Other long-term benefits	13	13
Total	3,877	3,469

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	For the six-month	
	periods ended 30 June	
	2018	2017
Short-term employee benefits	7,318	6,763
Post-employment benefits	182	170
Other long-term benefits	25	26
Total	7,525	6,959

**4. Current investments**

(Unit: Thousand Baht)		
Consolidated/Separate		
financial statements		
	30 June 2018	31 December 2017
Investments in securities held for trading		
Unit trusts - fixed income fund	262,248	261,284
Add: Change in fair value	2,253	2,062
Total investments in securities held for trading	264,501	263,346
Investments in debt securities expected to be held to maturity		
Short-term derivative debentures	100,000	200,000
Total investments in debt securities expected to be held to maturity	100,000	200,000
Total	364,501	463,346

**5. Trade and other receivables**

(Unit: Thousand Baht)				
Consolidated		Separate		
financial statements		financial statements		
30 June	31 December	30 June	31 December	
2018	2017	2018	2017	
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Past due				
Up to 3 months	2,608	9,417	2,608	9,417
Total trade receivables - unrelated parties	2,608	9,417	2,608	9,417
<u>Other receivables</u>				
Advances to subsidiaries	-	-	236	66
Other receivable - a subsidiary	-	-	-	3,999
Other receivables - unrelated parties	1,050	1,684	1,050	1,684
Total other receivables	1,050	1,684	1,286	5,749
Total	3,658	11,101	3,894	15,166



## 6. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage (%)		Cost	
	30 June	31 December	30 June	31 December	30 June	31 December
	2018	2017	2018	2017	2018	2017
Aurum and Aurum Co., Ltd.	1,000.0	1,000.0	100.0	100.0	999.7	999.7
M&M 2007 Co., Ltd.	1,000.0	-	100.0	-	999.7	-
Total					1,999.4	999.7

During the current period, the Company acquired the ordinary shares of M&M 2007 Co., Ltd. from existing shareholders who are the shareholders of the Company. This company was incorporated in Thailand with a registered capital of Baht 1 million. The Company holds 100% of this company's shares.

During the six-month period ended 30 June 2017, the Company received dividend income from Aurum and Aurum Co., Ltd. amounting to Baht 4 million (2018: Nil).

## 7. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2018</b>	436,797	436,762
Acquisitions during the period - at cost	45,978	45,978
Transfer from advances for acquisition of assets	789	789
Estimated cost of assets decommissioning	1,015	1,015
Disposal/write-off during the period		
- net book value at disposal/write-off date	(5,123)	(5,123)
Depreciation for the period	(25,292)	(25,287)
<b>Net book value as at 30 June 2018</b>	454,164	454,134

As at 30 June 2018, the Company had equipment with net book value of Baht 0.6 million (31 December 2017: Baht 1.0 million) which were acquired under finance lease agreements.

## **8. Share capital**

On 27 April 2017, the Annual General Meeting of the Company's shareholders for the year 2017 passed a resolution to increase the Company's registered share capital by Baht 9,062,500.00, from the existing registered share capital of Baht 72,500,000.00 to Baht 81,562,500.00, by issuing up to 90,625,000 new ordinary shares with a par value of Baht 0.10, to accommodate the stock dividend payment for the year 2016.

The Company registered the increase in its registered capital with the Ministry of Commerce on 11 May 2017.

Subsequently, the Company paid the stock dividend of 90,623,561 new ordinary shares, as described in Note 9 to the financial statements, increasing the Company's issued and paid-up share capital to Baht 81,562,356.10. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 25 May 2017.

## **9. Dividends**

On 26 April 2018, the Annual General Meeting of the Company's shareholders for the year 2018 approved the dividend payment from the Company's operating results for the fiscal year ended 31 December 2017 at the rate of Baht 0.15 per share in the total amount of Baht 122.3 million. The dividends were paid in May 2018.

On 27 April 2017, the Annual General Meeting of the Company's shareholders for the year 2017 approved the dividend payment from the Company's operating results for the fiscal year ended 31 December 2016 in the amount of not exceeding Baht 92.9 million. The final dividend payment after deducting the interim dividend payment of Baht 78.4 million paid on 27 December 2016 is in the amount of not exceeding Baht 14.5 million, or at the rate of Baht 0.02 per share. The dividends were paid in stock dividends and cash dividends in May 2017 as follows.

- The Company paid the stock dividends by issuing 90,623,561 newly issued ordinary shares, with a par value of Baht 0.10 per share, to the Company's shareholders, at the ratio of every 8 existing shares for 1 stock dividend, in the total amount of Baht 9,062,356.10, or equivalent to the cash dividends at the rate of Baht 0.0125 per share. Any fractional shares therefrom received cash at the rate of Baht 0.0125 per share in lieu of the stock dividends.
- The Company paid cash dividends at the rate of Baht 0.0075 per share or in the total amount of Baht 5,437,479.75.

**10. Income tax**

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

Income tax expenses for the three-month and six-month periods ended 30 June 2018 and 2017 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2018	2017	2018	2017
<b>Current income tax</b>				
Interim corporate income tax charge	7,484	6,900	7,235	6,650
<b>Deferred tax</b>				
Relating to origination and reversal of temporary differences	(1,291)	98	(1,291)	98
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>6,193</u>	<u>6,998</u>	<u>5,944</u>	<u>6,748</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2018	2017	2018	2017
<b>Current income tax</b>				
Interim corporate income tax charge	13,227	11,357	12,794	10,983
<b>Deferred tax</b>				
Relating to origination and reversal of temporary differences	(734)	65	(734)	65
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>12,493</u>	<u>11,422</u>	<u>12,060</u>	<u>11,048</u>

**11. Earnings per share**

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, after adjusting the number of ordinary shares used to calculate earnings per share for the three-month and six-month periods ended 30 June 2017 in proportion to the change in the number of ordinary shares as a result of the distribution of the stock dividend of 90,623,561 shares on 11 May 2017 as if the stock dividend had been issued at the beginning of the earliest period reported.

**12. Segment information**

The Group is principally engaged in an operating segment which is food and beverage outlets. Its operations are carried on only in Thailand. 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 exclusively to the aforementioned reportable operating segment and geographical area.

**13. Commitments and contingent liabilities****13.1 Capital commitments**

As at 30 June 2018, the Group had capital commitments of Baht 18.4 million relating to construction of factory expansion, acquisition of equipment and improvement of new branch outlets (31 December 2017: Baht 9.0 million relating to implementation of computer software, acquisition of equipment and improvement of new branch outlets).

**13.2 Lease and service agreement commitments**

The Group has entered into several operating lease and service agreements relating to the leases of building spaces. The terms of the agreements are generally between 1 and 3 years.

Future minimum payments required under the above contracts are as follows.

(Unit: Million Baht)

Payable	Consolidated/Separate financial statements	
	30 June 2018	31 December 2017
In up to 1 year	58.1	62.7
In over 1 year and up to 3 years	48.5	60.6

**13.3 Commitment under purchase of raw material agreements**

The Company entered into memorandum and agreements to purchase raw materials from several unrelated companies, at prices and per conditions as stipulated in the memorandum and agreements. The terms of the memorandum and agreements are between 1 and 3 years.

**14. Fair value hierarchy**

The Group had the following assets those were measured or disclosed at fair value as level 2 (The fair values were measured or disclosed using other observable inputs for such assets, whether directly or indirectly).

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	30 June 2018	31 December 2017
<b>Assets measured at fair value</b>		
Investments in securities held for trading		
Unit trusts - fixed income fund	264,501	263,346
<b>Assets for which fair value are disclosed</b>		
Investments in debt securities expected		
to be held to maturity		
Short-term derivative debentures	100,246	200,742

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

**15. Approval of financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2018.