

Tipco Asphalt Public Company Limited and its subsidiaries
Review report and interim consolidated financial information
For the three-month period ended 31 March 2020

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Tipco Asphalt Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Tipco Asphalt Public Company Limited and its subsidiaries as at 31 March 2020, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Tipco Asphalt Public Company Limited for the same period (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*.



Building a better
working world

Emphasis of matter

I draw attention to Note 1.1 to the interim consolidated financial statements. The COVID-19 pandemic has impacted several sectors on a greater scale resulting to an overall global economic slowdown, and also fluctuations in global oil prices. The Group's management assessed the impact of those situations on overall operations and noted that they had an effect on the value of inventories and derivative on price hedging contracts. The Group's management already recorded an allowance for diminution in value of inventories and the fair value of derivatives to the interim consolidated financial statements. However, the fluctuations in oil prices was contingent upon measures for COVID-19 pandemic control implemented by each country and the length of the pandemic. My conclusion is not modified in respect of this matter.

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 5 May 2020

Tipco Asphalt Public Company Limited and its subsidiaries

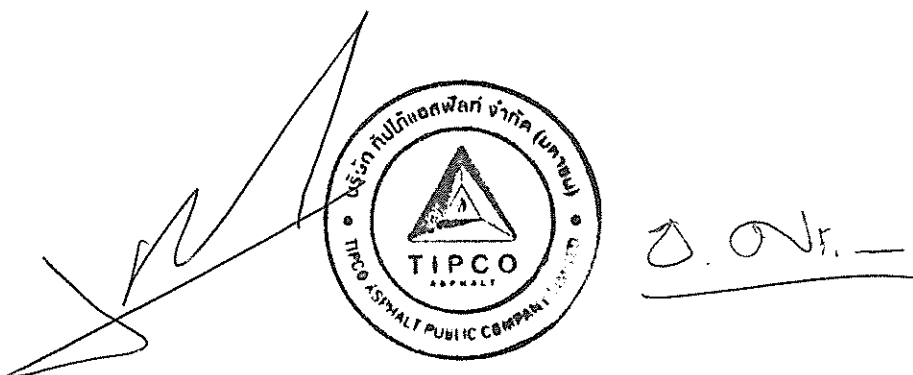
Statement of financial position

As at 31 March 2020

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		2,106,405	1,999,417	1,222,402	977,613
Trade and other receivables	3, 4	3,735,436	5,233,998	3,338,430	4,920,328
Short-term loans to related parties	4	-	-	48,000	13,000
Inventories	5	5,137,424	7,466,935	3,997,962	6,608,238
Derivative - price hedging contracts	2, 16	1,846,876	165,058	1,846,876	165,058
Other current assets		323,694	296,904	73,199	37,336
Total current assets		13,149,835	15,162,312	10,526,869	12,721,573
Non-current assets					
Investments in subsidiaries		-	-	7,717,240	7,717,240
Investments in joint ventures		127,746	112,624	67,553	67,553
Investments in associates		647,301	606,402	243,447	243,447
Long-term loans to related parties	4	-	-	1,564,043	1,479,030
Investment properties		256,933	256,933	94,342	94,342
Property, plant and equipment	6	8,658,670	8,285,712	968,619	984,241
Right-of-use assets	2	592,597	-	121,977	-
Goodwill		146,294	146,294	-	-
Intangible assets		184,826	195,513	64,575	71,616
Leasehold rights	2	-	287,084	-	2,507
Deferred tax assets - net		402,822	189,312	398,963	172,751
Other non-current assets		15,528	19,717	4,017	3,983
Total non-current assets		11,032,717	10,099,591	11,244,776	10,836,710
Total assets		24,182,552	25,261,903	21,771,645	23,558,283

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



Tipco Asphalt Public Company Limited and its subsidiaries

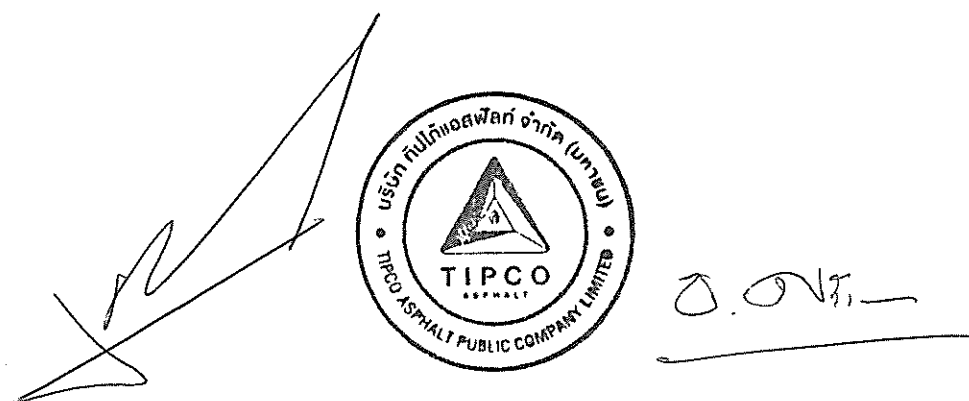
Statement of financial position (continued)

As at 31 March 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions		6,018,999	4,013,131	5,513,909	3,716,103
Trade and other payables	4, 7	2,806,007	6,316,115	3,782,904	7,088,061
Short-term loan from related party	4	-	-	160,000	160,000
Current portion of long-term loans from financial institutions	8	43,335	37,611	-	-
Current portion of long-term lease liabilities	2	46,246	-	20,370	-
Income tax payable		414,934	390,758	348,171	334,928
Derivative - price hedging contracts	2, 16	936,640	580,800	936,640	580,800
Other current liabilities		81,923	134,093	43,263	10,320
Total current liabilities		10,348,084	11,472,508	10,805,257	11,890,212
Non-current liabilities					
Long-term loans from financial institutions - net of current portion	8	28,890	36,701	-	-
Long-term loan from related party	4	6,766	6,343	-	-
Long-term lease liabilities - net of current portion	2	242,339	-	99,517	-
Derivative - price hedging contracts	2, 16	21,210	-	21,210	-
Provision for long-term employee benefits		167,807	167,693	120,171	119,182
Total non-current liabilities		467,012	210,737	240,898	119,182
Total liabilities		10,815,096	11,683,245	11,046,155	12,009,394

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



The image shows a handwritten signature on the left and a circular official stamp in the center. The stamp contains the text 'บริษัท ทีพีซีแอสฟัลท์ จำกัด (มหาชน)' (Tipco Asphalt Public Company Limited) around the perimeter and 'TIPCO ASPHALT' in the center. To the right of the stamp is another handwritten signature.

Tipco Asphalt Public Company Limited and its subsidiaries

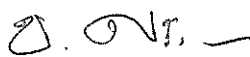
Statement of financial position (continued)

As at 31 March 2020

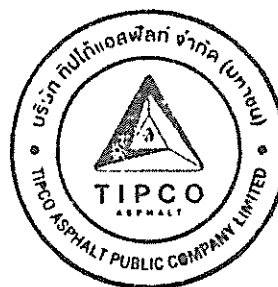
(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	12				
Registered					
1,579,883,570 ordinary shares of Baht 1 each		1,579,884	1,579,884	1,579,884	1,579,884
Issued and fully paid					
1,577,063,070 ordinary shares of Baht 1 each					
(31 Decmber 2019: 1,576,763,070 ordinary shares)		1,577,063	1,576,763	1,577,063	1,576,763
Premium on share capital		1,142,559	1,140,288	1,142,559	1,140,288
Share subscription	12	3,116	2,571	3,116	2,571
Non-controlling interests of subsidiary acquired					
by the Company at price lower than book value		6,238	6,238	-	-
Change in the Company's interest in subsidiaries					
which did not result in a loss of control		(570,311)	(570,311)	-	-
Capital reserve for share-based payment transactions		174,753	174,753	174,753	174,753
Retained earnings					
Appropriated - statutory reserve		172,123	172,123	172,123	172,123
Unappropriated		11,379,005	12,183,030	7,655,876	8,640,022
Other components of shareholders' equity		(687,023)	(1,278,229)	-	(157,631)
Equity attributable to owners of the Company		13,197,523	13,407,226	10,725,490	11,548,889
Non-controlling interests of the subsidiaries		169,933	171,432	-	-
Total shareholders' equity		13,367,456	13,578,658	10,725,490	11,548,889
Total liabilities and shareholders' equity		24,182,552	25,261,903	21,771,645	23,558,283

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



Directors



(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

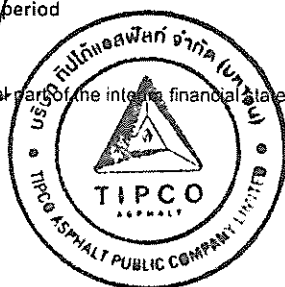
Statement of comprehensive income

For the three-month period ended 31 March 2020

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

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Profit or loss:					
Revenues					
Sales and service income		5,111,213	7,091,282	4,765,586	6,197,758
Other income					
Gain on exchange		19,580	109,006	18,603	105,613
Others		19,833	19,952	37,619	37,297
Total revenues		5,150,626	7,220,240	4,821,808	6,340,668
Expenses					
Cost of sales and services		4,914,934	6,681,763	4,775,518	6,346,784
(Gain) loss from price hedging contracts	16	(1,313,477)	32,202	(1,313,477)	32,202
Reduction of cost of inventories to net realisable value (reversal)	5	2,163,104	(790,733)	2,388,687	(921,885)
		5,764,561	5,923,232	5,850,728	5,457,101
Selling expenses		46,414	34,800	24,560	19,526
Administrative expenses		276,144	265,357	155,093	150,134
Other expenses					
Allowance for doubtful accounts (reversal)		10,240	7,074	5,544	(1,808)
Damages and expenses from a fire at a subsidiary	17	41,566	142,738	-	-
Total expenses		6,138,925	6,373,201	6,035,925	5,624,953
Profit (loss) from operating activities		(988,299)	847,039	(1,214,117)	715,715
Share of profit from investments in joint ventures		8,846	4,675	-	-
Share of profit from investments in associates		36,984	34,786	-	-
Finance cost		(29,483)	(60,217)	(19,548)	(40,453)
Profit (loss) before income tax		(971,952)	826,283	(1,233,665)	675,262
Income tax	10	176,399	(105,675)	251,597	(69,376)
Profit (loss) for the period		(795,553)	720,608	(982,068)	605,886
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		443,909	(119,997)	-	-
Change in fair value of hedging instruments of cash flow hedges - net of income tax	10, 16	157,631	(520,490)	157,631	(520,490)
Other comprehensive income for the period		601,540	(640,487)	157,631	(520,490)
Total comprehensive income for the period		(194,013)	80,121	(824,437)	85,396

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



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(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

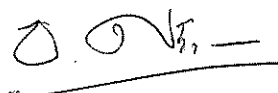
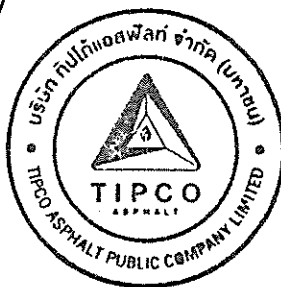
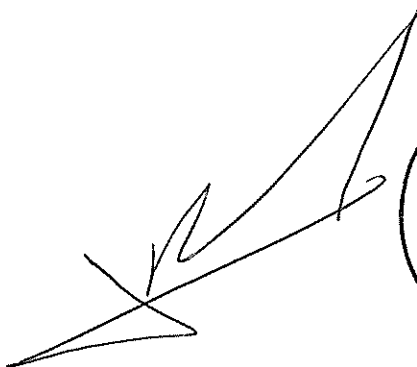
Statement of comprehensive income (continued)

For the three-month period ended 31 March 2020

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

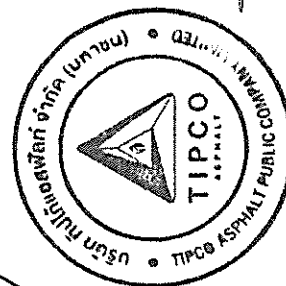
	Consolidated financial statements		Separate financial statements	
Note	2020	2019	2020	2019
Profit (loss) attributable to:				
Equity holders of the Company	(783,720)	717,676	(982,068)	605,886
Non-controlling interests of the subsidiaries	(11,833)	2,932		
	<u>(795,553)</u>	<u>720,608</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	(192,514)	77,641	(824,437)	85,396
Non-controlling interests of the subsidiaries	(1,499)	2,480		
	<u>(194,013)</u>	<u>80,121</u>		
Earnings per share (Baht)	11			
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>(0.50)</u>	<u>0.46</u>	<u>(0.62)</u>	<u>0.38</u>
Diluted earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>(0.50)</u>	<u>0.46</u>	<u>(0.62)</u>	<u>0.38</u>

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



(Unit: Thousand Baht)

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



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Tipco Asphalt Public Company Limited and its subsidiaries

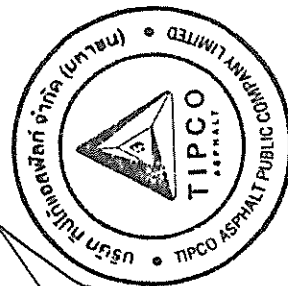
Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Separate financial statements									
	Other components of equity									
	Other comprehensive income									
	Issued and paid-up share capital	Premium on share capital	Share subscription	Capital reserve for share-based payment transactions	Retained earnings	Unappropriated	hedging instruments of cash flow hedges	components of shareholders' equity	Total	shareholders' equity
Balance as at 1 January 2019	1,573,822	1,118,474	8,074	174,753	172,123	7,259,324	399,997	399,997	10,706,567	10,706,567
Profit for the period	-	-	-	-	-	605,886	-	-	605,886	605,886
Other comprehensive income for the period	-	-	-	-	-	-	(520,490)	(520,490)	(520,490)	(520,490)
Total comprehensive income for the period	-	-	-	-	-	605,886	(520,490)	(520,490)	85,396	85,396
The warrant holders exercise warrants (Note 12)	995	7,079	(1,612)	-	-	-	-	-	6,462	6,462
Balance as at 31 March 2019	1,574,817	1,125,553	6,462	174,753	172,123	7,865,210	(120,493)	(120,493)	10,798,425	10,798,425
Balance as at 1 January 2020	1,576,763	1,140,288	2,571	174,753	172,123	8,640,022	(157,631)	(157,631)	11,548,889	11,548,889
Cumulative effect of change in new accounting policy (Note 2)	-	-	-	-	-	(2,078)	-	-	(2,078)	(2,078)
Balance as at 1 January 2020 - as restated	1,576,763	1,140,288	2,571	174,753	172,123	8,637,944	(157,631)	(157,631)	11,546,811	11,546,811
Loss for the period	-	-	-	-	-	(982,068)	-	-	(982,068)	(982,068)
Other comprehensive income for the period	-	-	-	-	-	-	157,631	157,631	157,631	157,631
Total comprehensive income for the period	-	-	-	-	-	(982,068)	157,631	157,631	(824,437)	(824,437)
The warrant holders exercise warrants (Note 12)	300	2,271	545	-	-	-	-	-	3,116	3,116
Balance as at 31 March 2020	1,577,063	1,142,559	3,116	174,753	172,123	7,655,876	-	-	10,725,490	10,725,490

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



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(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities:				
Profit (loss) before income tax	(971,952)	826,283	(1,233,665)	675,262
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	252,872	228,663	64,248	50,407
Allowance for doubtful accounts (reversal)	10,240	7,074	5,544	(1,808)
Reduction of cost of inventories to net realisable value (reversal)	2,163,104	(790,733)	2,388,687	(921,885)
Unrealised (gain) loss on exchange	29,647	(83,203)	(51,175)	(72,299)
Gain on sales of equipment	(2,650)	(663)	(1,734)	(667)
Share of profit from investments in joint ventures	(8,846)	(4,675)	-	-
Share of profit from investments in associates	(36,984)	(34,786)	-	-
Provision for long-term employee benefits	4,792	4,293	2,943	2,588
Change in fair value of forward exchange contracts	20,345	(10,727)	26,215	(580)
Change in fair value of price hedging contracts	(1,107,729)	278,961	(1,107,729)	278,961
Interest expenses	26,365	53,862	18,477	39,120
Profit from operating activities before changes in operating assets and liabilities	379,204	474,349	111,811	49,099
(Increase) decrease in operating assets				
Trade and other receivables	1,489,952	58,503	1,633,930	315,553
Inventories	165,808	(359,801)	221,588	(282,276)
Other current assets	(39,915)	(34,709)	(42,246)	(16,471)
Other non-current assets	4,172	(6,096)	(34)	127
Increase (decrease) in operating liabilities				
Trade and other payables	(3,565,407)	1,003,667	(3,401,802)	1,126,552
Other current liabilities	(85,379)	(11,075)	(5,561)	(30,981)
Other non-current liabilities	(2,133)	-	(1,954)	-
Cash flows from (used in) operating activities	(1,653,698)	1,124,838	(1,484,268)	1,161,603
Cash paid for interest expenses	(26,301)	(45,810)	(15,094)	(38,084)
Cash paid for corporate income tax	(47,545)	(17,878)	(260)	(444)
Net cash flows from (used in) operating activities	(1,727,544)	1,061,150	(1,499,622)	1,123,075

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





(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities:				
Increase in short-term loan to related party	-	-	(35,000)	-
Acquisition and cash paid to settle payables				
from purchases of equipment	(148,346)	(169,934)	(17,176)	(60,860)
Cash paid for acquisitions of computer software	(2,752)	(539)	-	-
Proceeds from sales of equipment	3,964	937	2,064	735
Net cash flows used in investing activities	(147,134)	(169,536)	(50,112)	(60,125)
Cash flows from financing activities:				
Increase (decrease) in short-term loans from financial institutions	2,024,146	(263,789)	1,797,806	(393,672)
Decrease in short-term loan from related party	-	-	-	(25,000)
Cash paid under lease liabilities	(16,301)	(64)	(6,399)	-
Repayment of long-term loans	(8,183)	(25,980)	-	-
Cash receipts from share subscription	3,116	6,462	3,116	6,462
Net cash flows from (used in) financing activities	2,002,778	(283,371)	1,794,523	(412,210)
Translation adjustments	(21,112)	(6,185)	-	-
Net increase in cash and cash equivalents	106,988	602,058	244,789	650,740
Cash and cash equivalents at beginning of period	1,999,417	1,103,711	977,613	269,949
Cash and cash equivalents at end of period	2,106,405	1,705,769	1,222,402	920,689
Supplemental cash flows information				
Non-cash transactions:				
Acquisitions of equipment for which cash has not been paid	33,177	-	-	-

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

Tipco Asphalt Public Company Limited and its subsidiaries
Notes to the interim consolidated financial statements
For the three-month period ended 31 March 2020

1. General information

1.1 Coronavirus disease 2019 pandemic

The COVID-19 pandemic has impacted several sectors on a greater scale resulting to an overall global economic slowdown, and also fluctuations in global oil prices. The Group's management assessed the impact of those situations on overall operations and noted that they had an effect on the value of inventories and derivative on price hedging contracts. The Group's management already recorded an allowance for diminution in value of inventories and the fair value of derivatives to the interim consolidated financial statements. Nevertheless, the Group's management will continuously monitor ongoing relevant developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

1.2 Basis for the preparation of interim financial statements

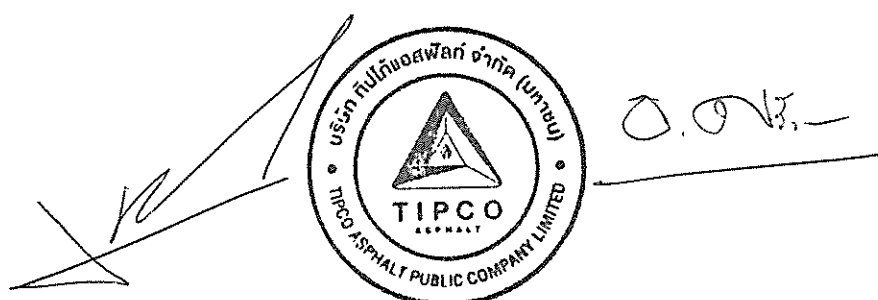
These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes 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 consolidated interim financial statements include the financial statements of Tipco Asphalt Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2019.



1.4 New financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. 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 Group's financial statements. However, the new standard involves changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Group's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The impact of the adoption of these standards on the Group's financial statements is recognition of credit losses. The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim 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 2019 except the changes in accounting policies related to financial instruments and leases.

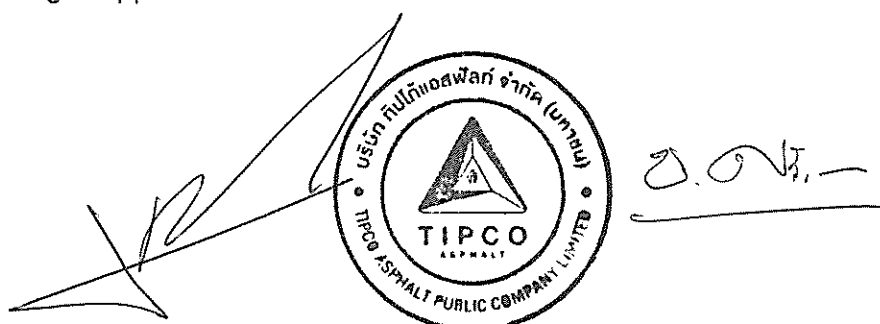
1.5.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied to the derivative contracts.



Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

Hedge Accounting

If hedge accounting criterias are met, recognition is as follows:

For cash flow hedges, a change in fair value of the effective portion of the hedging instrument is recognised in other comprehensive income, while a change in fair value of the ineffective portion of the hedging instruments is recognised in profit or loss.

1.5.2 Leases

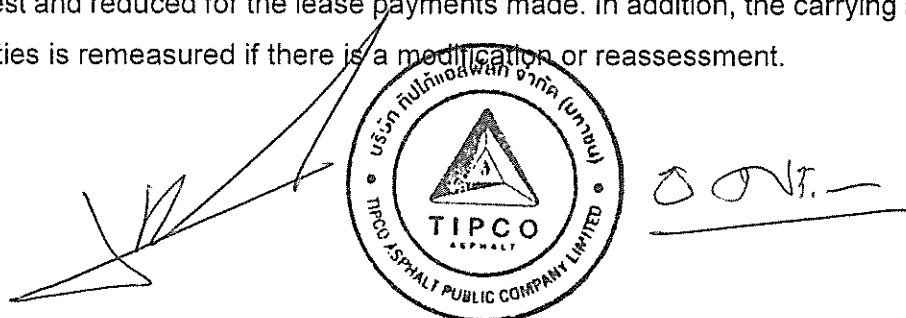
Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.



Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

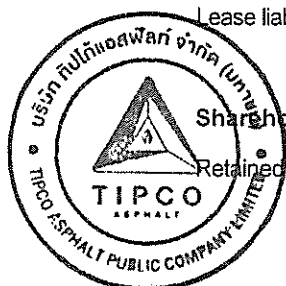
2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.4 to the interim financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the balance of retained earnings as at 1 January 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	The impacts of		
	TFRSs related to		
	31 December 2019	financial instruments TFRS 16	1 January 2020
Statement of financial position			
Assets			
Current assets			
Trade and other receivables	5,233,998	(26,703)	5,207,295
Non-current assets			
Right-of-use assets	-	-	569,006
Leasehold rights	287,084	-	(287,084)
Deferred tax assets - net	189,312	6,398	-
			195,710
Liabilities and shareholders' equity			
Current liabilities			
Current portion of lease liabilities	-	-	45,947
45,947			
Non-current liabilities			
Lease liabilities, net of current portion	-	-	235,975
235,975			
Shareholders' equity			
Retained earnings - unappropriated	12,183,030	(20,305)	-
12,162,725			



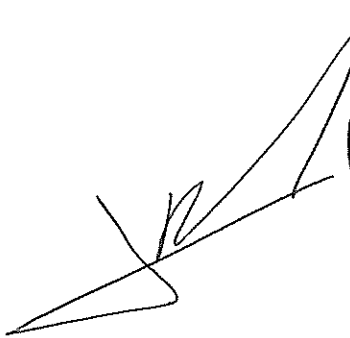
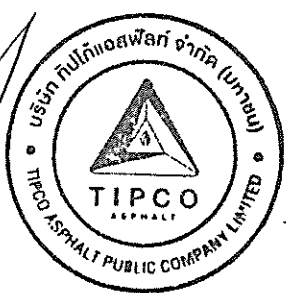

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			
	TFRSs related to			
	31 December	financial		1 January
	2019	instruments	TFRS 16	2020
Statement of financial position				
Assets				
Current assets				
Trade and other receivables	4,920,328	(2,598)	-	4,917,730
Non-current assets				
Right-of-use assets	-	-	125,514	125,514
Leasehold rights	2,507	-	(2,507)	-
Deferred tax assets - net	172,751	520	-	173,271
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	19,670	19,670
Non-current liabilities				
Lease liabilities, net of current portion	-	-	103,337	103,337
Shareholders' equity				
Retained earnings - unappropriated	8,640,022	(2,078)	-	8,637,944

2.1 Financial instruments

The impact of the recognition of an allowance for expected credit losses on financial assets on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments amounted to Baht 27 million (the Company only : Baht 3 million).

(Unaudited but reviewed)

As at 1 January 2020, the Group classified and measured financial assets and financial liabilities in accordance with TFRS 9 at amortised cost, except financial assets and financial liabilities as follows:

	Consolidated financial statements/Separate financial statements				(Unit: Thousand Baht)
	Classification and measurement in accordance with TFRS 9				
	Carrying amounts under the former basis	Fair value through profit or loss	Fair value through other comprehensive income	Total	
Financial assets as at 1 January 2020					
Derivative - price hedging contracts	165,058	165,058	-		165,058
Financial liabilities as at 1 January 2020					
Derivative - price hedging contracts	580,800	383,761	197,039		580,800




TPCO ASPHALT PUBLIC COMPANY LIMITED

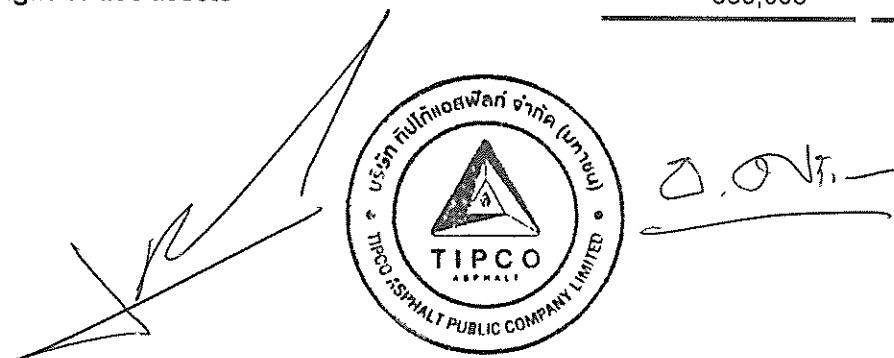
2.2 Leases

Upon initial application of TFRS 16, the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Operating lease commitments as at 31 December 2019	257,783	131,317
Less: Short-term leases and leases of low-value assets	(14,699)	(12,306)
Add: Option to extend lease term	157,454	77,072
Less: Contracts reassessed as service agreements	(73,723)	(63,753)
Add: Others	16,683	1,305
Less: Deferred interest expenses	(61,576)	(10,628)
Lease liabilities as at 1 January 2020	281,922	123,007
Comprise of:		
Current lease liabilities	45,947	19,670
Non-current lease liabilities	235,975	103,337

The adjustments and the classifications of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

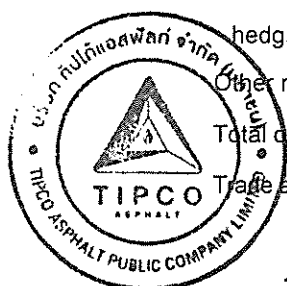
	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Land and buildings	490,512	100,496
Machinery and equipment	49,734	-
Motor vehicles	28,760	25,018
Total right-of-use assets	569,006	125,514



3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade receivables - related parties</u> (Note 4)				
Aged on the basis of due dates				
Not yet due	372,730	511,415	826,712	1,300,331
Past due				
Up to 3 months	116,537	227,813	168,920	361,864
3 - 6 months	91,242	26,962	84,832	92,963
6 - 9 months	27,232	-	42,875	20,796
9 - 12 months	-	-	-	4,469
Over 12 months	-	-	226,840	207,852
Total	607,741	766,190	1,350,179	1,988,275
Less: Allowance for doubtful accounts	-	-	(225,127)	(210,742)
Total trade receivables - related parties, net	607,741	766,190	1,125,052	1,777,533
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,839,636	3,513,056	1,236,660	2,535,804
Past due				
Up to 3 months	542,252	586,895	107,675	153,988
3 - 6 months	307,986	164,381	143,245	36,566
6 - 9 months	89,627	92,377	28,777	35,594
9 - 12 months	30,325	41,432	16,129	3,810
Over 12 months	323,269	313,220	59,580	64,556
Total	3,133,095	4,711,361	1,592,066	2,830,318
Less: Allowance for doubtful accounts	(338,040)	(299,928)	(74,328)	(66,186)
Total trade receivables - unrelated parties, net	2,795,055	4,411,433	1,517,738	2,764,132
Total trade receivables - net	3,402,796	5,177,623	2,642,790	4,541,665
<u>Other receivables</u>				
Amounts due from related parties (Note 4)	31,382	17,195	396,864	341,719
Accounts receivable from price				
hedging contracts	297,104	34,066	297,104	34,066
Other receivables	4,154	5,114	1,672	2,878
Total other receivables	332,640	56,375	695,640	378,663
Trade and other receivables - net	3,735,436	5,233,998	3,338,430	4,920,328

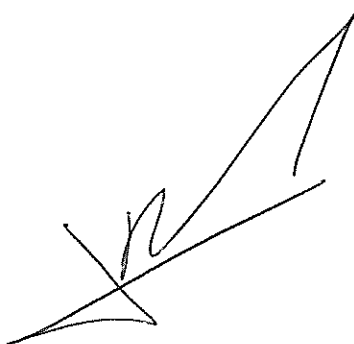


4. Related party transactions

During the periods, the Group had significant business transactions with its 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 the Group and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 31 March				
	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	2020	2019	2020	2019	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	1,470	1,272	Cost plus certain margin
Rental and service income	-	-	2	3	Contract price
Technical and administrative assistance income	-	-	15	12	Contract price
Interest income	-	-	12	9	At rate of 1.0 - 2.5 percent and reference to LIBOR
Purchases of goods	-	-	2	4	Cost plus certain margin
Rental and service expenses	-	-	949	566	Contract price
<u>Transactions with joint ventures</u>					
Sales and service income	434	349	434	349	Market price / contract price
<u>Transactions with associates</u>					
Sales and service income	41	44	34	24	Market price / contract price
<u>Transactions with related companies</u>					
Sales and service income	457	326	453	322	Market price / contract price
Rental and service expenses	18	19	17	19	Contract price
Technical and administrative assistance expenses	5	14	5	14	Contract price



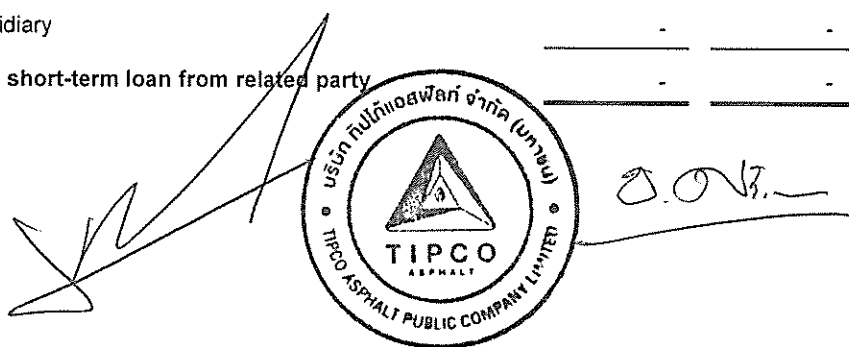


(Unaudited but reviewed)

The balances of the accounts as at 31 March 2020 and 31 December 2019 between the Group and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade and other receivables- related parties</u> (Note 3)				
Subsidiaries	-	-	1,154,274	1,576,406
Joint ventures	254,717	443,250	239,647	441,348
Associates	224,836	182,968	194,833	160,163
Related companies (common shareholders and directors)	159,570	157,167	158,289	152,077
Total trade and other receivables - related parties	639,123	783,385	1,747,043	2,329,994
Less: Allowance for doubtful accounts	-	-	(225,127)	(210,742)
Total trade and other receivables - related parties, net	639,123	783,385	1,521,916	2,119,252
<u>Short-term loans to related parties</u>				
Subsidiaries	-	-	48,000	13,000
Total short-term loans to related parties	-	-	48,000	13,000
<u>Long-term loans to related parties</u>				
Subsidiaries	-	-	1,564,043	1,479,030
Total long-term loans to related parties	-	-	1,564,043	1,479,030
<u>Trade and other payables - related parties</u> (Note 7)				
Subsidiaries	-	-	1,560,992	1,368,406
Joint venture	-	244	-	244
Associates	-	63	-	4
Related companies (common shareholders and directors)	92,924	81,058	91,479	79,582
Total trade and other payables - related parties	92,924	81,365	1,652,471	1,448,236
<u>Short-term loan from related party</u>				
Subsidiary	-	-	160,000	160,000
Total short-term loan from related party	-	-	160,000	160,000



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	(Audited)		(Audited)	
<u>Long-term loan from related party</u>				
Related company (shareholder of subsidiary)	6,766	6,343	-	-
Total long-term loan from related party	6,766	6,343	-	-

The balances and the movements of loans between the Group and those related companies are as follows:

(Unit: Thousand Baht)

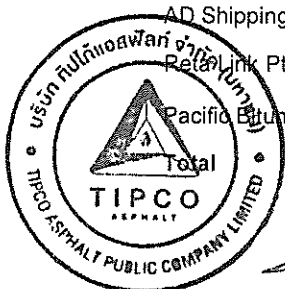
		Consolidated financial statements		
Company's name	Related by	Balance as at	Exchange differences	Balance as at
		31 December	on translation	31 March
		2019	of financial statements	2020
		(Audited)		
<u>Long-term loan from related party</u>				
Zhenjiang Highway Materials Company	Shareholder of subsidiary	6,343	423	6,766

(Unit: Thousand Baht)

		Separate financial statements			
Company's name	Related by	Balance as at	Increase		Balance as at
		31 December	during	Gain on	31 March
		2019	the period	exchange	2020
		(Audited)			
<u>Short-term loans to related parties</u>					
Alpha Maritime Co., Ltd.	Subsidiary	13,000	-	-	13,000
Tipco Maritime Co., Ltd.	Subsidiary	-	35,000	-	35,000
Total		13,000	35,000	-	48,000

Long-term loans to related parties

AD Shipping Pte. Ltd.	Subsidiary	178,559	-	15,105	193,664
Petal Link Pte. Ltd.	Subsidiary	599,958	-	10,650	610,608
Pacific Butmen Shipping Pte. Ltd.	Subsidiary	700,513	-	59,258	759,771
Total		1,479,030	-	85,013	1,564,043



Directors and management's benefits

For the three-month periods ended 31 March 2020 and 2019, the Group had employee benefit expenses of their directors and management as detailed below.

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
Short-term employee benefits	38	38	35	34
Post-employment benefits	1	1	1	1
Total	39	39	36	35

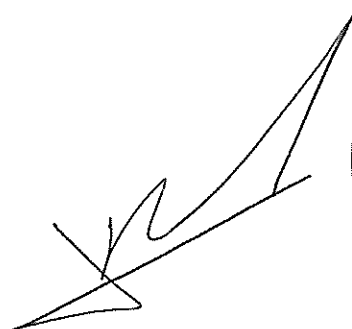
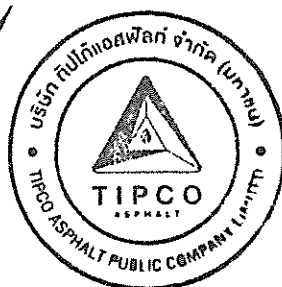
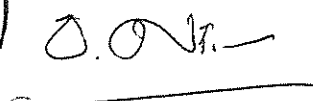
Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 9 to the interim financial statements.

5. Inventories

Movements in the reduction of cost to net realisable value of inventory account during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2020	13,490	5,881
Reduction of cost to net realisable value of inventory account during the period	2,163,104	2,388,687
Exchange differences on translation of financial statements	599	-
Balance as at 31 March 2020	2,177,193	2,394,568

(Unaudited but reviewed)

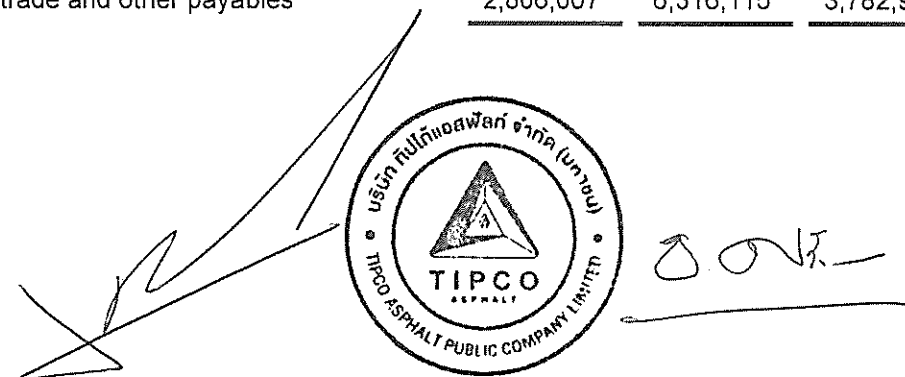
6. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2020	8,285,712	984,241
Acquisitions during the period - at cost	150,509	17,176
Disposals/written-off during the period - net book value		
at disposal/written-off date	(1,314)	(330)
Depreciation for the period	(198,514)	(32,468)
Exchange differences on translation of		
financial statements	422,277	-
Net book value as at 31 March 2020	8,658,670	968,619

7. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
Trade payables - related parties (Note 4)	1,634	2,037	1,494,104	1,326,321
Trade payables - unrelated parties	1,802,750	5,435,791	1,666,831	5,265,585
Amounts due to related parties (Note 4)	91,290	79,328	158,367	121,915
Accounts payable from price hedging contracts	148,612	8,101	148,612	8,102
Other payables and accrued expenses	761,721	790,858	314,990	366,138
Total trade and other payables	2,806,007	6,316,115	3,782,904	7,088,061



8. Long-term loans from financial institutions

Movements in the long-term loan account during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2020	74,312
Repayments	(8,183)
Unrealised loss on exchange	6,096
Balance as at 31 March 2020	72,225
Less: Current portion	(43,335)
Long-term loans - net of current portion	28,890

Loan covenants

The loan agreements of the subsidiaries contain certain restrictive covenants pertaining to, among others things, the maintenance of financial ratios, the corporate guarantees from the Group, the loan to related parties, restriction on dividend payment, the maintenance of shareholders and the limitation on creation of additional long-term debt.

9. Credit facilities

The credit facilities of the Group granted by financial institutions are secured by the following collaterals:

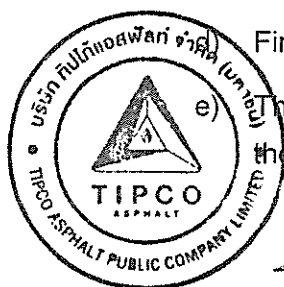
- The guarantees of the Company, its subsidiaries and a shareholder of a subsidiary;
- The pledges/mortgages of the assets of subsidiaries which the net book values as at 31 March 2020 and 31 December 2019 are summarised below.

	(Unit: Million Baht)	
	Consolidated financial statements	
	31 March 2020	31 December 2019
		(Audited)
Right-of-use assets - net	133	-
Leasehold rights - net	-	124
Property, plant and equipment - net	2,924	2,683

- The prohibition from creating lien over assets of the Group;

Financial support letters provided by the Group to banks;

- The Company allows its subsidiaries to use its facilities obtained from banks, with the Company responsible to the banks for the amounts drawdown by the subsidiaries.



10. Income tax

Income tax for the three-month periods ended 31 March 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2020</u>	<u>2019</u>
Current income tax:		
Current income tax charge	(70,121)	(93,751)
Deferred tax:		
Relating to origination and reversal of temporary differences	246,520	(11,924)
Income tax reported in the statement of comprehensive income	176,399	(105,675)


The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2020 and 2019 are as follows:

	(Unit: Thousand Baht)	
	Consolidated/	Separate
	financial statements	financial statements
	<u>2020</u>	<u>2019</u>
Deferred tax relating to change in fair value of hedging instruments of cash flow hedges	(39,408)	20,751

11. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) 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.

Diluted 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 plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period.



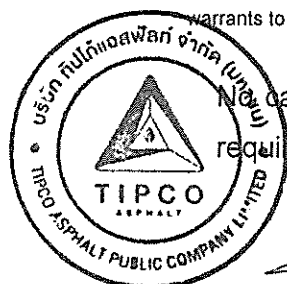
(Unaudited but reviewed)

The following tables set forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
For the three-month periods ended 31 March						
Profit (loss) for the periods		Weighted average number		Earnings (loss) per share		
		of ordinary shares				
<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit (loss) attributable to equity holders of the Company						
(783,720)	717,676	1,577,067	1,574,842	(0.50)	0.46	
Effect of dilutive potential						
ordinary shares						
ESOP-W4	-	-	314			
ESOP-W5	-	745	1,567			
	-	745	1,881			
Diluted earnings per share						
Profit (loss) of ordinary shareholders assuming the conversion of warrants to ordinary shares						
(783,720)	717,676	1,577,812	1,576,723	Anti-dilute	0.46	

Separate financial statements						
For the three-month periods ended 31 March						
Profit (loss) for the periods		Weighted average number		Earnings (loss) per share		
		of ordinary shares				
<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit (loss) attributable to equity holders of the Company						
(982,068)	605,886	1,577,067	1,574,842	(0.62)	0.38	
Effect of dilutive potential						
ordinary shares						
ESOP-W4	-	-	314			
ESOP-W5	-	745	1,567			
	-	745	1,881			
Diluted earnings per share						
Profit (loss) of ordinary shareholders assuming the conversion of warrants to ordinary shares						
(982,068)	605,886	1,577,812	1,576,723	Anti-dilute	0.38	

No calculation of diluted per share for the three-month period ended 31 March 2020 was required for warrants since the effect of diluted per share is antidilutive.



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12. Share capital

Below is the summary of the share registration from exercise of ESOP-W5 warrants during the current period.

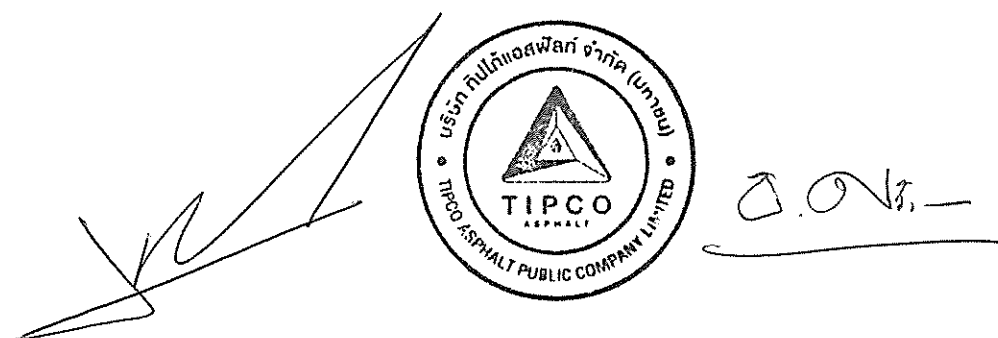
Number of warrants exercised (units)	300,000
Number of ordinary shares issued (shares)	300,000
Amount of cash received (Baht)	2,571,000
Share registration date	10 January 2020
Paid-up capital after share registration	Baht 1,577,063,070
(1,577,063,570 ordinary shares of Baht 1 each)	

As at 31 March 2020, the Company received advance subscription from the exercise of ESOP-W5 warrants as follows:

	ESOP-W5
Number of warrants exercised (units)	363,500
Number of ordinary shares issued (shares)	363,500
Amount of cash received (Baht)	3,115,195

The Company registered the paid-up capital increase from exercise of such warrants with the Ministry of Commerce on 10 April 2020. The paid-up capital after share registration is Baht 1,577,426,570 (1,577,426,570 ordinary shares of Baht 1 each).

As at 31 March 2020 and 31 December 2019, the remaining unexercised of warrants to purchase new ordinary shares of the Company issued to the executive directors and/or employees of the Group are 935,000 units and 1,298,500 units, respectively.




The image shows a handwritten signature on the left and a circular official stamp in the center. The stamp contains the text 'บริษัท หินปูนซีเมนต์ จำกัด (มหาชน)' at the top, 'TIPCO ASPHALT' in the middle, and 'TIPCO ASPHALT PUBLIC COMPANY LIMITED' at the bottom. To the right of the stamp is another handwritten signature.

13. Segment information

The Group are engaged in single operating segment which is manufacturing and trading of asphalt and petroleum oil products. Whereas, the marine logistic business complements the manufacturing and trading of asphalt and petroleum oil products. The Board of Directors of the Group is the chief operating decision makers of the Group. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment. Therefore, financial information by segment for the three-month periods ended 31 March 2020 and 2019 have been presented only by geographical area, as follows:

	Geographic segment located in Thailand		Geographic segment located in overseas		Eliminated transactions		Consolidated financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019
	(Unit: Million Baht)							
Revenues from external customers	3,535	5,817	1,576	1,274	-	-	5,111	7,091
Inter-segment revenues	1,464	1,146	742	7	(2,206)	(1,153)	-	-
Total revenues	4,999	6,963	2,318	1,281	(2,206)	(1,153)	5,111	7,091
Segment operating profit (loss)	(849)	715	71	11	(6)	(8)	(784)	718

Transfer prices between the segments are as set out in Note 4 to the interim financial statements.



14. Commitments and contingent liabilities

14.1 Capital commitments

The Group had outstanding capital commitments relating to the acquisitions of machinery, equipment and construction of building as follows:

(Unit: Million)

Foreign currency	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Audited)		(Audited)
Baht	47	55	33	39
Malaysian Ringgit	40	48	-	-
Vietnam Dong	12,105	12,251	-	-

14.2 Long-term service commitments

14.2.1 As at 31 March 2020, the Group has entered into service agreements. Future minimum service fees payable under these agreements are as follows:

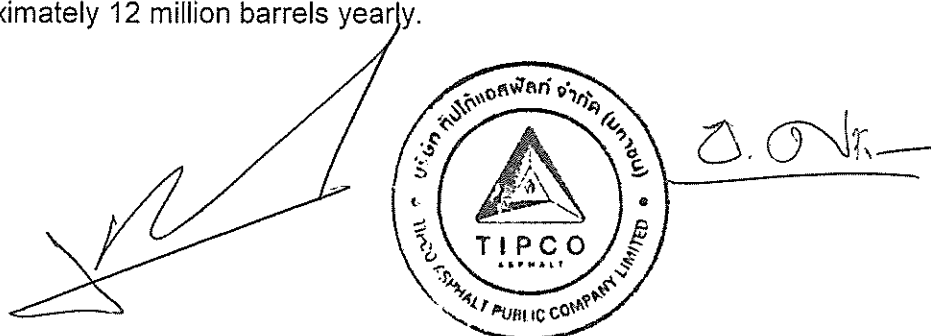
(Unit: Million Baht)

Payable within:	Consolidated financial statements	Separate financial statements
1 year	44	37
2 to 5 years	26	23

14.2.2 The Company has entered into a service agreement with Colas S.A. under which it receives management and marketing services and advice on methods and systems of management and technical assistance in the manufacture of Asphalt Emulsion and Modified Asphalt. Under this agreement, the Company agrees to pay an annual lump sum administrative fee of Euro 145,000 plus a technical assistance fee equivalent to 0.75 percent of the consolidated revenues of the Group generated from the stipulated products. The fees for the three-month periods ended 31 March 2020 and 2019 amounted to approximately Baht 5.1 million and Baht 14.3 million, respectively.

14.3 Crude oil purchase commitments

The Company had a crude supply contract under which the Company will receive approximately 12 million barrels yearly.



14.4 Bank guarantees

The outstanding bank guarantees issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business are summarised below.

(Unit: Million)

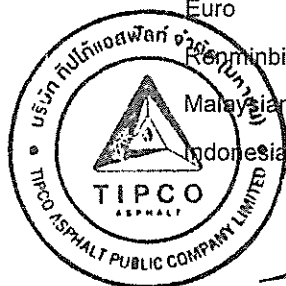
Foreign currency	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Audited)		(Audited)
Baht	3	3	2	2
Malaysian Ringgit	9	9	-	-
US Dollar	-	12	-	12

15. Foreign currency risk

The balances of financial assets and liabilities of the Group denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	31 March	31 December	31 March	31 December	31 March	31 December
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	(Audited)
		(Audited)		(Audited)		(Audited)
US Dollar	32	76	35	163	32.7	30.2
Euro	-	-	2	1	36.0	33.7
Yen	-	-	4	7	0.3	0.3
Malaysian Ringgit	10	8	21	23	7.6	7.3

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	31 March	31 December	31 March	31 December	31 March	31 December
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	(Audited)
		(Audited)		(Audited)		(Audited)
US Dollar	91	151	51	185	32.7	30.2
Euro	-	-	2	1	36.0	33.7
Renminbi	50	50	1	-	4.6	4.3
Malaysian Ringgit	-	-	3	5	7.6	7.3
Indonesia Rupiah	-	-	26	26	0.0020	0.0022



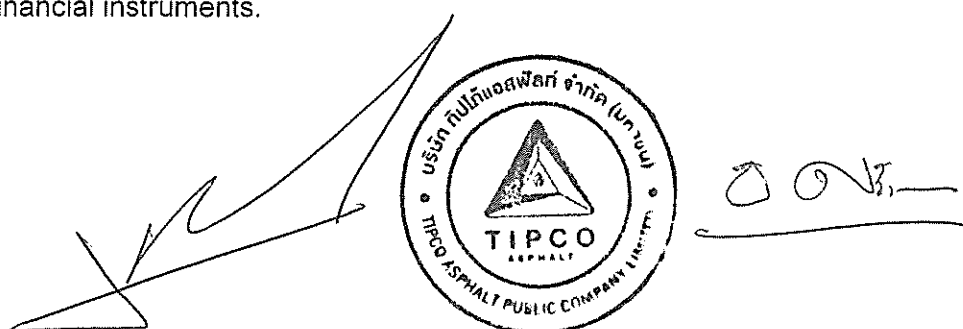
(Unaudited but reviewed)

The Group had the following outstanding foreign exchange contracts of which maturity dates are within one year.

As at 31 March 2020						
Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold amount (Million)	Bought amount (Million)	Sold amount (Million)	Bought amount (Million)	Sold (Per 1 foreign currency unit)	Bought
US Dollar	43	8	43	7	30.0 - 32.8 Baht	31.1 - 32.7 Baht
US Dollar	-	3	-	-	-	23,452 - 23,651 Vietnam Dong
US Dollar	-	3	-	-	-	14,525 - 15,617 Indonesia Rupiah
Euro	-	10	-	10	-	34.9 - 35.5 Baht

As at 31 December 2019 (Audited)						
Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold amount (Million)	Bought amount (Million)	Sold amount (Million)	Bought amount (Million)	Sold (Per 1 foreign currency unit)	Bought
US Dollar	90	11	90	10	30.0 - 30.3 Baht	30.1 - 30.4 Baht
US Dollar	-	12	-	-	-	23,200 - 23,230 Vietnam Dong
US Dollar	-	9	-	-	-	14,012 - 14,226 Indonesia Rupiah
US Dollar	-	4	-	-	-	4.1 - 4.2 Malaysian Ringgit

In addition, the Group exposed to foreign exchange risk on their investments in overseas subsidiaries, joint ventures and associates, loans to overseas subsidiaries and loans from financial institution. These investments and loans are currently not hedged by derivative financial instruments.



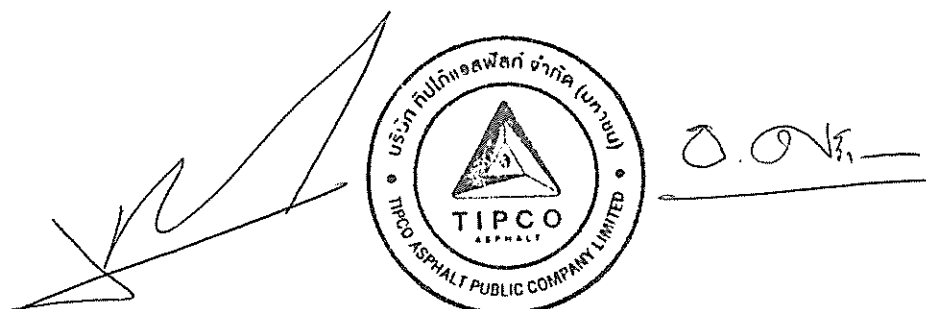
16. Derivative - price hedging contracts

As at 31 March 2020 and 31 December 2019, the Group had outstanding price hedging contracts which are presented in the statements of financial position at fair value and were summarised below.

(Unit: Million Baht)			
Contract type	Type of product	Consolidated/Separate financial statements	
		31 March 2020	31 December 2019
			(Audited)
<u>Derivative assets - price hedging contracts</u>			
Sold forward contract	Crude oil	351	-
Sold forward contract	Petroleum product	1,496	-
Bought forward contract	Crude oil	-	16
Bought forward contract	Petroleum product	-	149
Total derivative assets - price hedging contracts		1,847	165
<u>Derivative liabilities - price hedging contracts</u>			
Sold forward contract	Crude oil	-	253
Sold forward contract	Petroleum product	-	321
Bought forward contract	Crude oil	303	6
Bought forward contract	Petroleum product	655	1
Total derivative liabilities - price hedging contracts		958	581

Regarding hedge accounting for cash flow hedges of forecasted sales, the Group recognised gain and loss arising from changes in fair value of the forward contract in other comprehensive income for the three-month periods ended 31 March 2020 and 2019 as follows:

		(Unit: Million Baht)	
		Consolidated/Separate financial statements	
		2020	2019
Gain (loss) arising from changes in fair value of forward contract in other comprehensive income		197	(541)



17. Damages and expenses from a fire at subsidiary

During the three-month period ended 31 March 2020, the subsidiary had incurred additional operating expense for crude storage, logistic handling and other related expenses amounted to USD 1.3 million or Baht 42 million. Some of these expenses will be recurring until the damaged crude tanks are back in service.

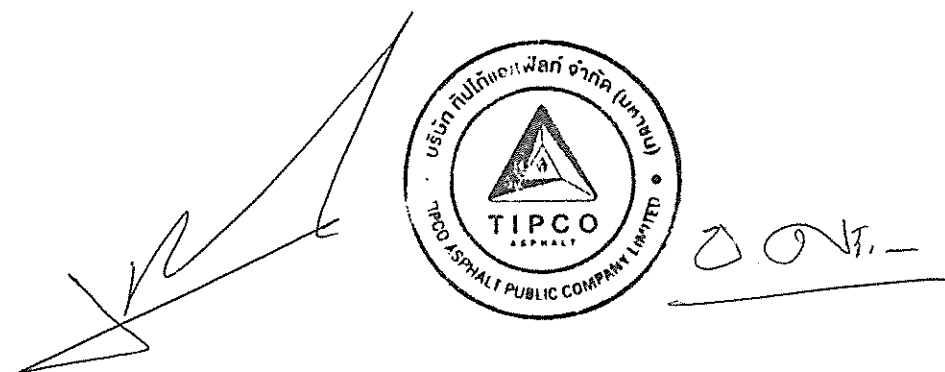
The management of the Group believes that there will be no substantial loss resulting from the incident because of insurance coverage for the assets and business interruption. Currently, the management of the Group is in the process of negotiating insurance claim to the insurance company.

18. Events after the reporting period

On 7 April 2020, the General Meeting of the Company's shareholders approved to pay a dividend for the year 2019 of Baht 1.1 per share, a total of Baht 1,735 million. The Company paid such dividend on 24 April 2020.

19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 5 May 2020.



The image shows a handwritten signature on the left and a circular corporate stamp in the center. The stamp features a triangle with the number '6' inside, and the text 'TPCO ASPHALT' below it. The outer ring of the stamp contains the text 'บริษัท ทีพีซีแอสฟัลท์ จำกัด (มหาชน)' at the top and 'TPCO ASPHALT PUBLIC COMPANY LIMITED' at the bottom. To the right of the stamp is another handwritten signature.