
Tipco Asphalt Public Company Limited and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2021

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 2021, 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.



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Emphasis of matters

I draw attention to Notes 1.1 and 7 to the interim consolidated financial statements as follows:

- 1.1) Compliance with the US State Department's request that the Company winds down its crude oil procurement from Venezuela, in order to avoid potential US sanctions
- 7) Assessment of the fair value of identifiable assets, liabilities and contingent liabilities of a subsidiary that has not been completed yet

My conclusion is not modified in respect of these matters.

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 6 May 2021

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2021

(Unit: Thousand Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | | 31 March 2021 | 31 December 2020 | 31 March 2021 | 31 December 2020 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 3,690,510 | 1,887,763 | 2,123,170 | 568,508 |
| Trade and other receivables | 3, 4 | 4,184,137 | 3,352,411 | 3,399,732 | 2,919,634 |
| Contract assets | 4, 5 | 797,593 | - | - | - |
| Advances to subcontractors | 4 | 294,771 | - | - | - |
| Short-term loans to related parties | 4 | - | 127,000 | 138,000 | 265,000 |
| Inventories | 6 | 5,637,908 | 5,382,849 | 4,877,705 | 4,775,366 |
| Derivative - commodity forward contracts | 18 | 67,997 | 140,293 | 67,997 | 140,293 |
| Other current assets | | 394,906 | 223,832 | 149,190 | 50,249 |
| Total current assets | | 15,067,822 | 11,114,148 | 10,755,794 | 8,719,050 |
| Non-current assets | | | | | |
| Investments in equity instrument | | 2,635 | - | - | - |
| Investments in subsidiaries | 7 | - | - | 8,315,283 | 7,717,240 |
| Investments in joint ventures | | 127,976 | 124,037 | 67,553 | 67,553 |
| Investments in associates | 7, 8 | 432,002 | 659,731 | 18,404 | 243,447 |
| Derivative - commodity forward contracts | 18 | 32,895 | 3,940 | 32,895 | 3,940 |
| Long-term loans to related parties | 4 | - | - | 1,342,667 | 1,305,671 |
| Investment properties | | 189,033 | 189,033 | 94,342 | 94,342 |
| Property, plant and equipment | 9 | 8,479,840 | 8,155,783 | 908,260 | 923,556 |
| Right-of-use assets | | 625,672 | 559,220 | 120,912 | 127,353 |
| Estimated amount of interest in the net assets value | | | | | |
| of subsidiary that under purchase cost | 7 | 260,806 | - | - | - |
| Goodwill | | 146,294 | 146,294 | - | - |
| Intangible assets | | 156,051 | 158,360 | 46,611 | 50,104 |
| Deferred tax assets - net | 13 | 268,628 | 208,272 | 226,610 | 172,767 |
| Other non-current assets | | 23,852 | 15,640 | 3,961 | 4,227 |
| Total non-current assets | | 10,745,684 | 10,220,310 | 11,177,498 | 10,710,200 |
| Total assets | | 25,813,506 | 21,334,458 | 21,933,292 | 19,429,250 |

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





Tipco Asphalt Public Company Limited and its subsidiaries

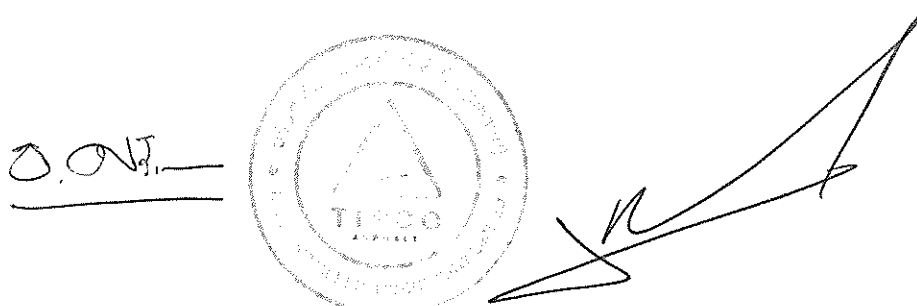
Statement of financial position (continued)

As at 31 March 2021

(Unit: Thousand Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|-------|-----------------------------------|------------------|-------------------------------|------------------|
| | | 31 March 2021 | 31 December 2020 | 31 March 2021 | 31 December 2020 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Short-term loans from financial institutions | | 4,056,014 | 1,540,412 | 3,853,690 | 1,451,764 |
| Trade and other payables | 4, 10 | 3,357,492 | 3,031,598 | 4,758,832 | 4,835,908 |
| Contract liabilities | 5 | 673,624 | - | - | - |
| Current portion of liabilities | | | | | |
| Long-term loan from financial institution | 11 | 27,725 | 36,550 | - | - |
| Lease liabilities | | 86,549 | 62,041 | 26,752 | 26,929 |
| Derivative - commodity forward contracts | 18 | 765,289 | 562,560 | 765,289 | 562,560 |
| Short-term loans from related party | 4 | 34,355 | - | - | - |
| Income tax payable | | 714,248 | 581,593 | 544,035 | 428,528 |
| Other current liabilities | | 148,045 | 103,690 | 31,793 | 2,334 |
| Total current liabilities | | 9,863,341 | 5,918,444 | 9,980,391 | 7,308,023 |
| Non-current liabilities | | | | | |
| Long-term loan from related party | 4 | 7,020 | 6,789 | - | - |
| Long-term liabilities - net of current portion | | | | | |
| Lease liabilities | | 251,145 | 218,477 | 93,985 | 100,098 |
| Derivative - commodity forward contracts | 18 | - | 3,722 | - | 3,722 |
| Retention for construction | | 21,462 | - | - | - |
| Provision for long-term employee benefits | | 210,542 | 166,386 | 114,894 | 114,115 |
| Total non-current liabilities | | 490,169 | 395,374 | 208,879 | 217,935 |
| Total liabilities | | 10,353,510 | 6,313,818 | 10,189,270 | 7,525,958 |

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



Tipco Asphalt Public Company Limited and its subsidiaries


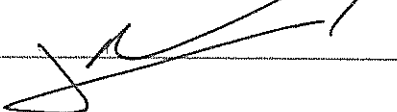
Statement of financial position (continued)

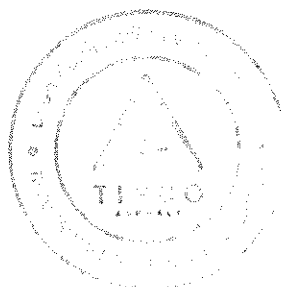
As at 31 March 2021

(Unit: Thousand Baht)

| Note | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|-------------------|-------------------------------|-------------------|
| | 31 March 2021 | 31 December 2020 | 31 March 2021 | 31 December 2020 |
| | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Shareholders' equity | | | | |
| Share capital | | | | |
| 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 | | | | |
| 1,578,361,570 ordinary shares of Baht 1 each | 1,578,362 | 1,578,362 | 1,578,362 | 1,578,362 |
| Premium on share capital | 1,152,389 | 1,152,389 | 1,152,389 | 1,152,389 |
| 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 | 13,494,358 | 13,545,642 | 8,752,665 | 8,915,797 |
| Other components of shareholders' equity | (955,834) | (1,221,847) | (86,270) | (90,132) |
| Equity attributable to owners of the Company | 15,052,078 | 14,837,349 | 11,744,022 | 11,903,292 |
| Non-controlling interests of the subsidiaries | 407,918 | 183,291 | - | - |
| Total shareholders' equity | 15,459,996 | 15,020,640 | 11,744,022 | 11,903,292 |
| Total liabilities and shareholders' equity | 25,813,506 | 21,334,458 | 21,933,292 | 19,429,250 |

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



 Directors



Tipco Asphalt Public Company Limited and its subsidiaries

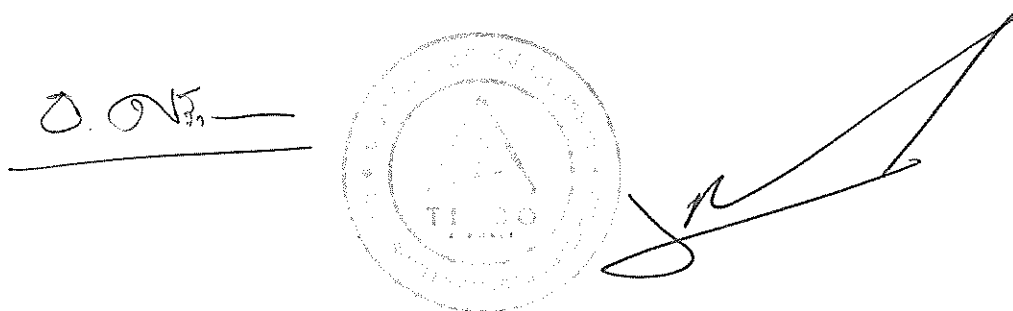
Statement of comprehensive income

For the three-month period ended 31 March 2021

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

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|------------------|-------------------------------|--------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Sales and service income | | 5,467,796 | 5,111,213 | 4,832,205 | 4,765,586 |
| Revenues from construction contracts | | 403,552 | - | - | - |
| Other income | | | | | |
| Dividend income from associate | | - | - | 51,638 | - |
| Gain on exchange | | - | 19,580 | - | 18,603 |
| Others | | 25,586 | 16,950 | 26,998 | 25,677 |
| Total revenues | | 5,896,934 | 5,147,743 | 4,910,841 | 4,809,866 |
| Expenses | | | | | |
| Cost of sales and services | | 4,278,652 | 4,914,934 | 3,914,568 | 4,775,518 |
| (Gain) loss from commodity forward contracts | 18 | 396,442 | (1,313,477) | 396,442 | (1,313,477) |
| Reduction of cost of inventories to net realisable value | 6 | - | 2,163,104 | - | 2,388,687 |
| | | 4,675,094 | 5,764,561 | 4,311,010 | 5,850,728 |
| Cost of construction | | 384,374 | - | - | - |
| Selling expenses | | 37,035 | 46,414 | 21,998 | 24,560 |
| Administrative expenses | | 281,250 | 276,144 | 159,887 | 155,093 |
| Other expenses | | | | | |
| Loss on exchange | | 25,229 | - | 31,475 | - |
| Damages and expenses from a fire at a subsidiary | 19 | - | 41,566 | - | - |
| Total expenses | | 5,402,982 | 6,128,685 | 4,524,370 | 6,030,381 |
| Profit (loss) from operating activities | | 493,952 | (980,942) | 386,471 | (1,220,515) |
| Share of profit (loss) from investments in joint ventures | | (107) | 8,846 | - | - |
| Share of profit from investments in associates | | 49,054 | 36,984 | - | - |
| Finance income | | 5,365 | 2,883 | 6,978 | 11,942 |
| Finance cost | | (25,302) | (29,483) | (17,495) | (19,548) |
| Expected credit losses | | (16,418) | (10,240) | (4,254) | (5,544) |
| Remeasurement gain on business combination | 7 | 20,748 | - | - | - |
| Profit (loss) before income tax | | 527,292 | (971,952) | 371,700 | (1,233,665) |
| Income tax | 13 | (98,241) | 176,399 | (61,333) | 251,597 |
| Profit (loss) for the period | | 429,051 | (795,553) | 310,367 | (982,068) |

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



Tipco Asphalt Public Company Limited and its subsidiaries

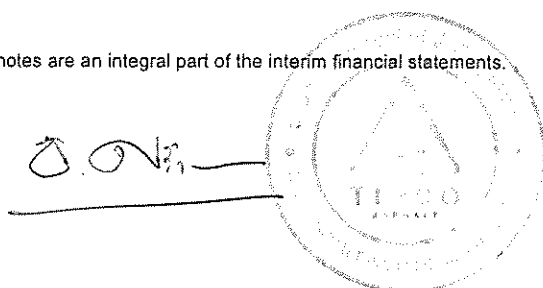
Statement of comprehensive income (continued)

For the three-month period ended 31 March 2021

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

| | | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|-------------|--|-------------|--------------------------------------|-------------|
| | <u>Note</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Other comprehensive income: | | | | | |
| Other comprehensive income to be reclassified | | | | | |
| to profit or loss in subsequent periods: | | | | | |
| Exchange differences on translation of | | | | | |
| financial statements in foreign currencies | | 269,293 | 443,909 | - | - |
| Change in fair value of hedging instruments | | | | | |
| of cash flow hedges - net of income tax | 13, 18 | 3,862 | 157,631 | 3,862 | 157,631 |
| Other comprehensive income to be reclassified | | | | | |
| to profit or loss in subsequent periods - net of income tax | | 273,155 | 601,540 | 3,862 | 157,631 |
| Other comprehensive income not to be reclassified | | | | | |
| to profit or loss in subsequent periods: | | | | | |
| Share of other comprehensive income in associate - net | | | | | |
| of income tax | | (2,348) | - | - | - |
| Other comprehensive income not to be reclassified | | | | | |
| to profit or loss in subsequent periods - net of income tax | | (2,348) | - | - | - |
| Other comprehensive income for the period | | 270,807 | 601,540 | 3,862 | 157,631 |
| Total comprehensive income for the period | | 699,858 | (194,013) | 314,229 | (824,437) |
| Profit (loss) attributable to: | | | | | |
| Equity holders of the Company | | 422,215 | (783,720) | 310,367 | (982,068) |
| Non-controlling interests of the subsidiaries | | 6,836 | (11,833) | | |
| | | 429,051 | (795,553) | | |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the Company | | 688,228 | (192,514) | 314,229 | (824,437) |
| Non-controlling interests of the subsidiaries | | 11,630 | (1,499) | | |
| | | 699,858 | (194,013) | | |
| Earnings per share (Baht) | 14 | | | | |
| Basic earnings per share | | | | | |
| Profit (loss) attributable to equity holders of the Company | | 0.27 | (0.50) | 0.20 | (0.62) |
| Diluted earnings per share | | | | | |
| Profit (loss) attributable to equity holders of the Company | | 0.27 | (0.50) | 0.20 | (0.62) |

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

For the three-month period ended 31 March 2021

(Unaudited but reviewed)

(Unit: Thousand Baht)

| Consolidated financial statements | | | | | | | | | | | | | |
|--|-----------------|---------------|-------------|-------------------|---------------|-------------|---------------|---------------|-------------------|-----------------|--------------|-------------------|----------------|
| Equity attributable to owners of the Company | | | | | | | | | | | | | |
| | Non-controlling | | | | Change in | | | | Retained earnings | | Other | | Equity |
| | interests of | subsidary | acquired by | the Company | the Company's | interest in | subsidaries | which did not | Capital reserve | for share-based | payment | transactions | |
| | at price | lower than | book value | a loss of control | result in | of control | which did not | result in | for share-based | payment | transactions | statutory reserve | Unappropriated |
| | share capital | Premium on | Share | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio |
| issued and | paid-up | share capital | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio | subscriptio |
| Balance as at 1 January 2020 | 1,576,763 | 1,140,288 | 2,571 | 6,238 | (570,311) | 174,753 | 172,123 | 12,183,030 | (1,278,229) | 13,407,226 | 171,432 | 13,578,658 | (20,305) |
| Cumulative effect of change in new accounting policy | | | | | | | | | | | | | |
| Balance as at 1 January 2020 - as restated | 1,576,763 | 1,140,288 | 2,571 | 6,238 | (570,311) | 174,753 | 172,123 | 12,162,725 | (1,278,229) | 13,386,921 | 171,432 | 13,558,353 | (20,305) |
| Loss for the period | - | - | - | - | - | - | - | (783,720) | - | (783,720) | (11,833) | (795,553) | - |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - | 591,206 | 591,206 | 10,334 | 601,540 | - |
| Total comprehensive income for the period | - | - | - | - | - | - | - | (783,720) | - | (783,720) | (11,833) | (795,553) | - |
| Warrant holders exercised warrants | 300 | 2,271 | 545 | - | - | - | - | - | - | - | - | - | 3,116 |
| Balance as at 31 March 2020 | 1,577,063 | 1,142,559 | 3,116 | 6,238 | (570,311) | 174,753 | 172,123 | 11,379,005 | (687,023) | 13,197,523 | 169,933 | 13,367,456 | (20,305) |
| Balance as at 1 January 2021 | 1,578,362 | 1,152,389 | - | 6,238 | (570,311) | 174,753 | 172,123 | 13,545,642 | (1,221,847) | 14,837,349 | 183,291 | 15,020,640 | - |
| Profit for the period | - | - | - | - | - | - | - | 422,215 | - | 422,215 | 6,836 | 429,051 | - |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - | 266,013 | 266,013 | 4,794 | 270,807 | - |
| Total comprehensive income for the period | - | - | - | - | - | - | - | 422,215 | 266,013 | 688,228 | 11,630 | 699,858 | - |
| Change in non-controlling interests of the subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | - |
| as a result of change in status of investment (Note 7) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividend paid (Note 15) | - | - | - | - | - | - | - | (473,499) | - | (473,499) | - | (473,499) | - |
| Balance as at 31 March 2021 | 1,578,362 | 1,152,389 | - | 6,238 | (570,311) | 174,753 | 172,123 | 13,494,358 | (955,834) | 15,052,078 | 407,918 | 15,459,996 | - |

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

(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2021

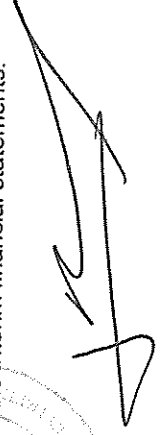
Other components of shareholders' equity are as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements (continued) | | | |
|--|---|--|---|-------------|
| | Other components of shareholders' equity | | | Total |
| | Exchange differences on translation of financial statements in foreign currencies | Share of other comprehensive income in associate | Change in fair value of hedging instruments of cash flow hedges | |
| Balance as at 1 January 2020 - as restated | (1,120,598) | - | (157,631) | (1,278,229) |
| Other comprehensive income for the period | 433,575 | - | 157,631 | 591,206 |
| Balance as at 31 March 2020 | (687,023) | - | - | (687,023) |
| Balance as at 1 January 2021 | (1,131,715) | - | (90,132) | (1,221,847) |
| Other comprehensive income for the period | 264,499 | (2,348) | 3,862 | 266,013 |
| Balance as at 31 March 2021 | (867,216) | (2,348) | (86,270) | (955,834) |

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





Tipco Asphalt Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2021

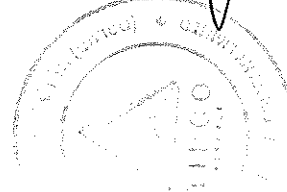
(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements

| | Other components of equity | | | | | | |
|--|----------------------------------|--------------------------|--------------------|--|--------------------------------|----------------|----------------------------|
| | Other comprehensive income | | | | | | Total shareholders' equity |
| | Issued and paid-up share capital | Premium on share capital | Share subscription | Capital reserve for share-based payment transactions | Retained earnings | | |
| | | | | | Appropriated statutory reserve | Unappropriated | |
| | | | | | | | |
| Balance as at 1 January 2020 | 1,576,763 | 1,140,288 | 2,571 | 174,753 | 172,123 | 8,640,022 | (157,631) |
| Cumulative effect of change in new accounting policy | - | - | - | - | - | (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) |
| Loss for the period | - | - | - | - | - | (982,068) | - |
| Other comprehensive income for the period | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - | - | - |
| The warrant holders exercise warrants | 300 | 2,271 | 545 | - | - | (982,068) | 157,631 |
| Balance as at 31 March 2020 | 1,577,063 | 1,142,559 | 3,116 | 174,753 | 172,123 | 7,655,876 | 10,725,490 |
| Balance as at 1 January 2021 | 1,578,362 | 1,152,389 | - | 174,753 | 172,123 | 8,915,797 | (90,132) |
| Profit for the period | - | - | - | - | - | 310,367 | - |
| Other comprehensive income for the period | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - | 3,862 | 3,862 |
| Dividend paid (Note 15) | - | - | - | - | - | (473,499) | - |
| Balance as at 31 March 2021 | 1,578,362 | 1,152,389 | - | 174,753 | 172,123 | 8,752,665 | (86,270) |

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

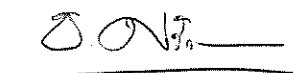
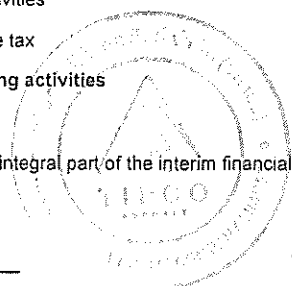
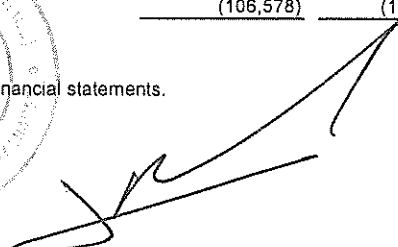
Cash flow statement

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-------------|-------------------------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash flows from operating activities: | | | | |
| Profit (loss) before income tax | 527,292 | (971,952) | 371,700 | (1,233,665) |
| Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid from) operating activities: | | | | |
| Depreciation and amortisation | 288,989 | 252,872 | 62,349 | 64,248 |
| Written-off withholding tax | 251 | - | - | - |
| Expected credit losses | 16,418 | 10,240 | 4,254 | 5,544 |
| Reduction of cost of inventories to net realisable value | - | 2,163,104 | - | 2,388,687 |
| Dividend income from associate | - | - | (51,638) | - |
| Unrealised (gain) loss on exchange | 16,078 | 29,647 | 10,501 | (51,175) |
| Gain on sales of equipment | (2,720) | (2,650) | (2,042) | (1,734) |
| Remeasurement gain on business combination | (20,748) | - | - | - |
| Share of (profit) loss from investments in joint ventures | 107 | (8,846) | - | - |
| Share of profit from investments in associates | (49,054) | (36,984) | - | - |
| Provision for long-term employee benefits | 6,515 | 4,792 | 2,977 | 2,943 |
| Change in fair value of forward exchange contracts | 19,643 | 20,345 | 19,810 | 26,215 |
| Change in fair value of commodity forward contracts | 247,176 | (1,107,729) | 247,176 | (1,107,729) |
| Finance income | (5,365) | (2,883) | (6,978) | (11,942) |
| Finance cost | 14,854 | 26,365 | 9,655 | 18,477 |
| Profit from operating activities before changes in operating assets and liabilities | 1,059,436 | 376,321 | 667,764 | 99,869 |
| (Increase) decrease in operating assets | | | | |
| Trade and other receivables | (550,092) | 1,489,953 | (456,424) | 1,645,387 |
| Contract assets | (120,609) | - | - | - |
| Advances to subcontractors | (56,563) | - | - | - |
| Inventories | (168,228) | 165,808 | (102,338) | 221,588 |
| Other current assets | (136,718) | (39,915) | (117,141) | (42,246) |
| Other non-current assets | (2,801) | 4,172 | 157 | (34) |
| Increase (decrease) in operating liabilities | | | | |
| Trade and other payables | (55,823) | (3,565,407) | (147,786) | (3,401,802) |
| Contract liabilities | (27,404) | - | - | - |
| Other current liabilities | (26,342) | (85,379) | 12,526 | (5,561) |
| Retention for construction | 6,609 | - | - | - |
| Other non-current liabilities | (2,734) | (2,133) | (2,199) | (1,954) |
| Cash flows used in operating activities | (81,269) | (1,656,580) | (145,441) | (1,484,753) |
| Cash paid for corporate income tax | (25,309) | (47,545) | (636) | (260) |
| Net cash flows used in operating activities | (106,578) | (1,704,125) | (146,077) | (1,485,013) |

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 2021

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|------------------|-------------------------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash flows from investing activities: | | | | |
| Cash paid for investment in subsidiary - net from | | | | |
| cash and cash equivalent received | (194,958) | - | (373,000) | - |
| Dividend received from associate | 51,638 | - | 51,638 | - |
| (Increase) decrease in short-term loan to related party | 127,000 | - | 127,000 | (35,000) |
| Cash receipt from interest | 5,373 | 2,882 | 135 | 485 |
| Acquisition and cash paid to settle payables from purchases of equipment | (112,944) | (148,346) | (18,536) | (17,176) |
| Cash paid for acquisitions of computer software | (3,869) | (2,752) | (2,626) | - |
| Proceeds from sales of equipment | 4,385 | 3,964 | 2,220 | 2,064 |
| Net cash flows used in investing activities | (123,375) | (144,252) | (213,169) | (49,627) |
| Cash flows from financing activities: | | | | |
| Increase in short-term loans from financial institutions | 2,494,282 | 2,024,146 | 2,401,925 | 1,797,806 |
| Decrease in short-term loan from related party | (4,839) | - | - | - |
| Payment of principal portion of lease liabilities | (19,445) | (16,301) | (7,748) | (6,399) |
| Repayment of long-term loan | (10,313) | (8,183) | - | - |
| Cash receipts from share subscription | - | 3,116 | - | 3,116 |
| Dividend paid to shareholders | (473,323) | - | (473,323) | - |
| Interest paid | (10,030) | (26,301) | (6,946) | (15,094) |
| Net cash flows from financing activities | 1,976,332 | 1,976,477 | 1,913,908 | 1,779,429 |
| Translation adjustments | 56,368 | (21,112) | - | - |
| Net increase in cash and cash equivalents | 1,802,747 | 106,988 | 1,554,662 | 244,789 |
| Cash and cash equivalents at beginning of period | 1,887,763 | 1,999,417 | 568,508 | 977,613 |
| Cash and cash equivalents at end of period | 3,690,510 | 2,106,405 | 2,123,170 | 1,222,402 |
| Supplemental cash flows information | | | | |
| Non-cash transactions: | | | | |
| Purchase of equipment for which cash has not been paid | 19,343 | 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 2021

1. General information

1.1 Winding down of crude oil procurement from Venezuela

In January 2019, the United States announced and imposed sanction on a Venezuelan oil company that has been the key source of crude oil that the Company used as a raw material for the production of about half of all asphalt product volume sold each year. The Company approached two law firms to seek advice on the implication of this sanction in respect of its crude oil purchases and payments. Both law firms opined that the transactions were not in violation of any applicable laws related to the sanction. The Company therefore continued to operate business as usual.

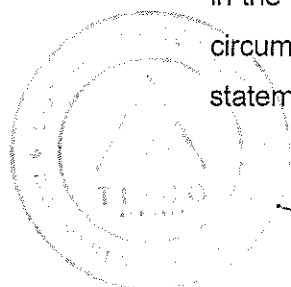
In September 2020, the US State Department requested the Company to wind down crude oil procurement from Venezuela. In order to avoid a potential US sanction, the Company complied with the request and informed the US State Department in writing that the Company would ceased purchasing crude oil from this source, effective by the end of November 2020. The Company has already ceased its purchasing crude oil from this source since the end of November 2020.

The Company notified the Stock Exchange of Thailand of these facts on 11 September 2020, 15 September 2020 and 23 November 2020, together with the Company's plans to mitigate the risk arising from the disruption of its normal source of crude supply by considering plans to procure non-Venezuelan crude oil from other sources or to procure asphalt from other sources.

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 interim consolidated 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 2020, except the change in shareholding percentage in Thai Slurry Seal Company Limited as described in Note 7 to the interim consolidated financial statements.

1.4 New financial reporting standards

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

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards are 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.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

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

1.5 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020. However, there are additional accounting policies due to the change in shareholding percentage in Thai Slurry Seal Company Limited as described in Note 7 to the interim consolidated financial statements as follows:



Revenues from construction contracts

The Group has determined that its construction contracts generally have one performance obligation. The Group recognises construction revenue over time where the stage of completion is measured using an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion.

The likelihood of contract variations claims and liquidated damages, delays in delivery or contractual penalties are taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

Costs of construction

Costs of construction services consist of costs of materials, labour, sub-contractors, services and other expenses.

Costs of construction are recognised in accordance with satisfied performance obligations in the contract when incurred. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained.

Balances of contracts with customers

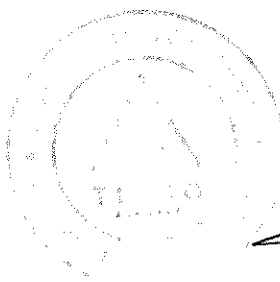
Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to the customer).

Contract liabilities

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer services to a customer. Contract liabilities are recognised as revenue when the Group fulfils their performance obligations under the contracts.

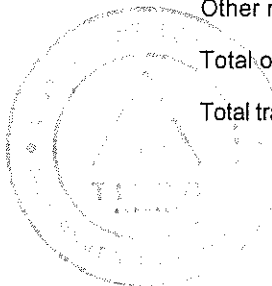
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3. Trade and other receivables

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|---------------------|----------------------------------|---------------------|
| | 31 March 2021 | 31 December 2020 | 31 March 2021 | 31 December 2020 |
| | | (Audited) | | (Audited) |
| <u>Trade receivables - related parties</u> (Note 4) | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due | 305,229 | 494,285 | 818,022 | 872,208 |
| Past due | | | | |
| Up to 3 months | 1,383 | 74 | 51,258 | 73,114 |
| 3 - 6 months | - | 12,899 | 8,304 | 40,063 |
| 6 - 9 months | - | 341 | 5,942 | 9,517 |
| 9 - 12 months | - | - | - | 70 |
| Over 12 months | - | - | 230,830 | 225,048 |
| Total | 306,612 | 507,599 | 1,114,356 | 1,220,020 |
| Less: Allowance for expected credit losses | - | - | (230,830) | (225,048) |
| Total trade receivables - related parties, net | 306,612 | 507,599 | 883,526 | 994,972 |
| <u>Trade receivables - unrelated parties</u> | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due | 2,945,357 | 2,002,695 | 2,025,687 | 1,268,593 |
| Past due | | | | |
| Up to 3 months | 511,212 | 546,551 | 87,289 | 299,444 |
| 3 - 6 months | 182,574 | 163,464 | 82,263 | 75,173 |
| 6 - 9 months | 150,613 | 74,701 | 62,009 | 7,138 |
| 9 - 12 months | 72,227 | 39,795 | 348 | 2,518 |
| Over 12 months | 383,622 | 372,772 | 59,756 | 67,906 |
| Total | 4,245,605 | 3,199,978 | 2,317,352 | 1,720,772 |
| Less: Allowance for expected credit losses | (412,440) | (388,248) | (83,187) | (76,660) |
| Total trade receivables - unrelated parties, net | 3,833,165 | 2,811,730 | 2,234,165 | 1,644,112 |
| Total trade receivables - net | 4,139,777 | 3,319,329 | 3,117,691 | 2,639,084 |
| <u>Other receivables</u> | | | | |
| Other receivables - related parties (Note 4) | 32,133 | 29,632 | 281,553 | 279,369 |
| Other receivables - unrelated parties | 12,227 | 3,450 | 488 | 1,181 |
| Total other receivables | 44,360 | 33,082 | 282,041 | 280,550 |
| Total trade and other receivables - net | 4,184,137 | 3,352,411 | 3,399,732 | 2,919,634 |



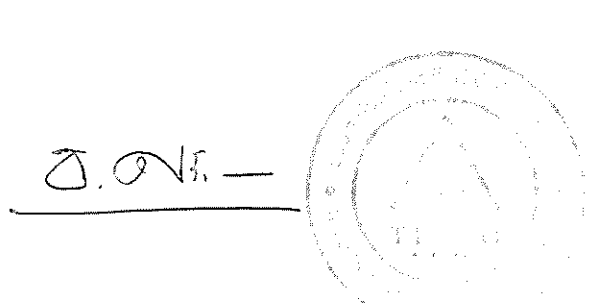
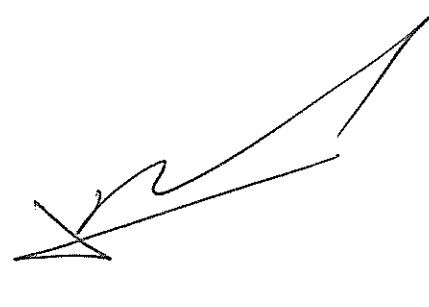
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4. Related party transactions

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 |
| | 2021 | 2020 | 2021 | 2020 | |
| <u>Transactions with subsidiaries</u> | | | | | |
| (eliminated from the consolidated financial statements) | | | | | |
| Sales and service income | - | - | 1,330 | 1,470 | Cost plus certain margin |
| Rental and service income | - | - | 1 | 2 | Contract price |
| Technical and administrative assistance income | - | - | 14 | 15 | Contract price |
| Interest income | - | - | 7 | 12 | At rate of 1.0 - 2.25 percent and reference to LIBOR |
| Purchases of goods | - | - | 4 | 2 | Cost plus certain margin |
| Rental and service expenses | - | - | 450 | 949 | Contract price |
| <u>Transactions with joint arrangements</u> | | | | | |
| Sales and service income | 127 | 434 | 127 | 434 | Market price / contract price |
| Revenues from construction contracts | 20 | - | - | - | Contract price |
| <u>Transactions with associates</u> | | | | | |
| Sales and service income | 13 | 41 | 11 | 34 | Market price / contract price |
| Dividend income | - | - | 52 | - | |
| <u>Transactions with related companies</u> | | | | | |
| Sales and service income | 439 | 457 | 439 | 453 | Market price / contract price |
| Rental and service expenses | 26 | 18 | 19 | 17 | Contract price |
| Technical and administrative assistance expenses | 6 | 5 | 6 | 5 | Contract price |





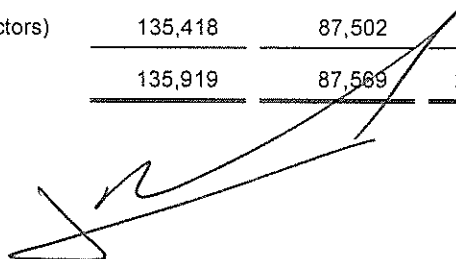
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The balances of the accounts as at 31 March 2021 and 31 December 2020 between the Group and those related parties are as follows:

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|----------------------|-------------|----------------------|-------------|
| | financial statements | | financial statements | |
| | 31 March | 31 December | 31 March | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| | (Audited) | | (Audited) | |
| <u>Trade and other receivables- related parties</u> (Note 3) | | | | |
| Subsidiaries | - | - | 1,119,019 | 1,023,516 |
| Joint ventures | 140,213 | 362,649 | 87,312 | 310,909 |
| Associates | 6,767 | 47,552 | - | 38,923 |
| Related companies (common shareholders and directors) | 191,765 | 127,030 | 189,578 | 126,041 |
| Total trade and other receivables - related parties | 338,745 | 537,231 | 1,395,909 | 1,499,389 |
| Less: Allowance for expected credit losses | - | - | (230,830) | (225,048) |
| Total trade and other receivables - related parties, net | 338,745 | 537,231 | 1,165,079 | 1,274,341 |
| <u>Unbilled receivables</u> | | | | |
| Related company (Other joint operator) | 13,300 | - | - | - |
| Total unbilled receivables | 13,300 | - | - | - |
| <u>Short-term loans to related parties</u> | | | | |
| Subsidiaries | - | - | 138,000 | 138,000 |
| Associate | - | 127,000 | - | 127,000 |
| Total short-term loan to related parties | - | 127,000 | 138,000 | 265,000 |
| <u>Long-term loans to related parties</u> | | | | |
| Subsidiaries | - | - | 1,342,667 | 1,305,671 |
| Total long-term loans to related parties | - | - | 1,342,667 | 1,305,671 |
| <u>Trade and other payables - related parties</u> (Note 10) | | | | |
| Subsidiaries | - | - | 2,312,734 | 2,426,698 |
| Joint venture | - | 13 | - | 13 |
| Associates | 501 | 54 | - | 54 |
| Related companies (common shareholders and directors) | 135,418 | 87,502 | 106,358 | 86,991 |
| Total trade and other payables - related parties | 135,919 | 87,569 | 2,419,092 | 2,513,756 |

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(Unaudited but reviewed)

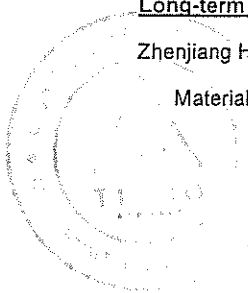
(Unit: Thousand Baht)


| | Consolidated | | Separate | |
|---|----------------------|--------------|----------------------|-------------|
| | financial statements | | financial statements | |
| | 31 March | 31 December | 31 March | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| | | (Audited) | | (Audited) |
| <u>Short-term loans from related party</u> | | | | |
| Related company (Other joint operator) | 34,355 | - | - | - |
| Total short-term loans from related party | 34,355 | - | - | - |
| <u>Advance received from customer</u> | | | | |
| Related company (Other joint operator) | 25,401 | - | - | - |
| Total advance received from customer | 25,401 | - | - | - |
| <u>Long-term loan from related party</u> | | | | |
| Related company (shareholder of subsidiary) | 7,020 | 6,789 | - | - |
| Total long-term loan from related party | 7,020 | 6,789 | - | - |

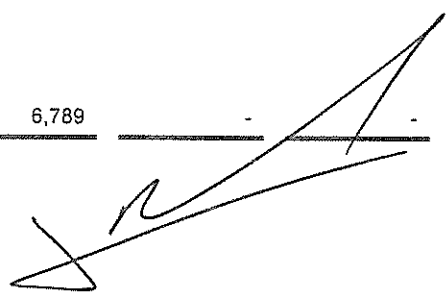
The balances and the movements of loans between the Group and those related parties are as follows:

(Unit: Thousand Baht)

| | | Consolidated financial statements | | | | |
|--|------------------------------|---|--|----------------------------------|---|-----------------------------------|
| Company's name | Related by | Balance as at 31 December 2020 (Audited) | Increase from business combination (Note 7) | Decrease during the period | Exchange | Balance as at 31 March 2021 |
| | | | | | differences on translation of financial statements | |
| <u>Short-term loan to related party</u> | | | | | | |
| Thai Slurry Seal Co., Ltd. | Subsidiary | 127,000 | - | (127,000) | - | - |
| <u>Short-term loans from related party</u> | | | | | | |
| Nawarat Patanakarn PCL | Other joint operator | - | 39,194 | (4,839) | - | 34,355 |
| <u>Long-term loan from related party</u> | | | | | | |
| Zhenjiang Highway Materials Company | Shareholder of subsidiary | 6,789 | - | - | 231 | 7,020 |



Signature: 



(Unaudited but reviewed)

(Unit: Thousand Baht)

| | | Separate financial statements | | | |
|---|------------|--|-------------------------------|---------------------|--------------------------------|
| Company's name | Related by | Balance as at 31 December 2020 (Audited) | Decrease during the period | Gain on exchange | Balance as at 31 March 2021 |
| <u>Short-term loans to related parties</u> | | | | | |
| Alpha Maritime Co., Ltd. | Subsidiary | 123,000 | - | - | 123,000 |
| Tipco Maritime Co., Ltd. | Subsidiary | 15,000 | - | - | 15,000 |
| Thai Slurry Seal Co., Ltd. | Subsidiary | 127,000 | (127,000) | - | - |
| Total | | 265,000 | (127,000) | - | 138,000 |
| <u>Long-term loans to related parties</u> | | | | | |
| AD Shipping Pte. Ltd. | Subsidiary | 148,041 | - | 6,474 | 154,515 |
| Reta Link Pte. Ltd. | Subsidiary | 459,671 | - | - | 459,671 |
| Pacific Bitumen Shipping Pte. Ltd. | Subsidiary | 697,959 | - | 30,522 | 728,481 |
| Total | | 1,305,671 | - | 36,996 | 1,342,667 |

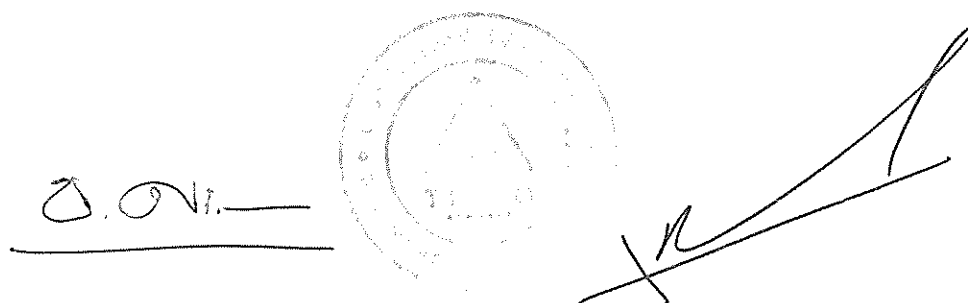
Directors and management's benefits

For the three-month periods ended 31 March 2021 and 2020, the Group had employee benefit expenses of their directors and management as detailed below.

| | Consolidated | | Separate | |
|------------------------------|----------------------|------|----------------------|------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Short-term employee benefits | 41 | 38 | 39 | 35 |
| Post-employment benefits | 1 | 1 | 1 | 1 |
| Total | 42 | 39 | 40 | 36 |

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 12 to the interim consolidated financial statements.



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5. **Contract assets/Contract liabilities**

(Unit: Thousand Baht)

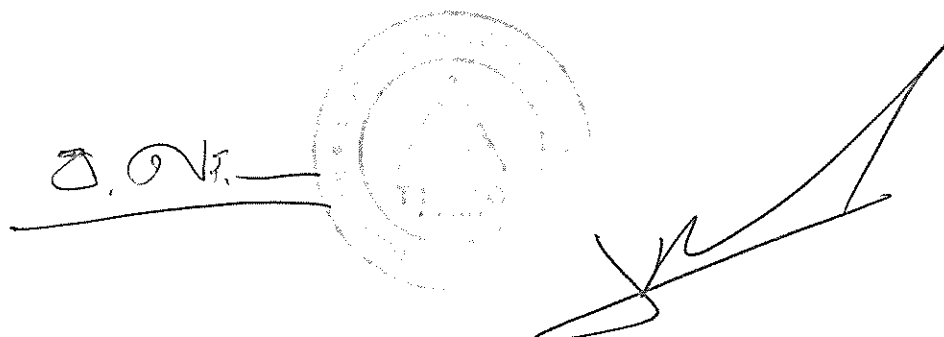
| | Consolidated financial statements | |
|----------------------------------|-----------------------------------|------------------|
| | 31 March 2021 | 31 December 2020 |
| | | (Audited) |
| Contract assets | | |
| Unbilled receivables | 733,680 | - |
| Retention receivables | 63,913 | - |
| Total contract assets | 797,593 | - |
| Contract liabilities | | |
| Advances received from customers | 673,624 | - |
| Total contract liabilities | 673,624 | - |

6. **Inventories**

Movements of the reduction of cost to net realisable value of inventory account during the three-month period ended 31 March 2021 are summarised below.

(Unit: Thousand Baht)

| | Consolidated financial statements | Separate financial statements |
|--|--------------------------------------|----------------------------------|
| Balance as at 1 January 2021 | 13,597 | 502 |
| Exchange differences on translation of financial statements | 276 | - |
| Balance as at 31 March 2021 | 13,873 | 502 |

A handwritten signature in black ink is written over a circular official stamp. The signature appears to be 'D. N.' followed by a long horizontal line and a large, stylized flourish. The circular stamp contains some text, but it is mostly illegible due to the signature and the quality of the scan.

7. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follow:

| Company's name | Investment cost | |
|---|-----------------|------------------|
| | 31 March 2021 | 31 December 2020 |
| | | (Audited) |
| <u>Domestic subsidiaries</u> | | |
| Raycol Asphalt Co., Ltd. | 580,712 | 580,712 |
| Thai Bitumen Co., Ltd. | 374,916 | 374,916 |
| Less: Allowance for impairment loss of investment | (60,775) | (60,775) |
| Tipco Maritime Co., Ltd. | 1,999 | 1,999 |
| Alpha Maritime Co., Ltd. | 142,999 | 142,999 |
| Bitumen Marine Co., Ltd. | 149,999 | 149,999 |
| Delta Shipping Co., Ltd. | 79,999 | 79,999 |
| Tasco Shipping Co., Ltd. | 289,999 | 289,999 |
| Thai Slurry Seal Co., Ltd. | 598,043 | - |
| <u>Overseas subsidiaries</u> | | |
| Tasco International (Hong Kong) Ltd. | 533,065 | 533,065 |
| Less: Allowance for impairment loss of investment | (65,420) | (65,420) |
| Kemaman Oil Corporation Sdn Bhd | 1,303,035 | 1,303,035 |
| Kemaman Bitumen Company Sdn Bhd | 2,752,967 | 2,752,967 |
| KBC Trading Sdn Bhd | 1,377 | 1,377 |
| Tipco Asphalt (Cambodia) Co., Ltd. | 165 | 165 |
| PT Asphalt Bangun Sarana | 337,254 | 337,254 |
| Pacific Bitumen Shipping Pte. Ltd. | 1,340 | 1,340 |
| Highway Resources Pte. Ltd. | 717,054 | 717,054 |
| AD Shipping Pte. Ltd. | 430,232 | 430,232 |
| Reta Link Pte. Ltd. | 28,682 | 28,682 |
| Tipco Asphalt Lao Company Limited | 78,877 | 78,877 |
| Total investments in subsidiaries | 8,276,519 | 7,678,476 |
| Cost of share-based payment transactions, under warrants to purchase new ordinary shares of the Company issued to the subsidiaries' employees | 38,764 | 38,764 |
| Total investments in subsidiaries - net | 8,315,283 | 7,717,240 |

The subsidiaries did not declare any dividend during the period.

Thai Slurry Seal Company Limited

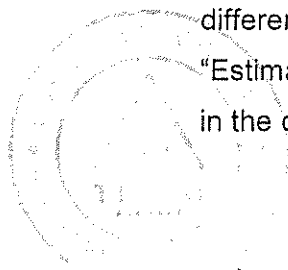
Thai Slurry Seal Company Limited ("Thai Slurry Seal") is domiciled in Thailand and engaged in the road rehabilitation services. Thai Slurry Seal has a subsidiary and joint operations in 3 companies as follows:

| Company's name | Nature of business | Country of incorporation | Related by | Shareholding percentage (%) |
|--------------------------------|--|--------------------------|------------------|-----------------------------|
| Thanomwongse Service Co., Ltd. | Construction service and sales of construction materials | Thailand | Subsidiary | 100.00 |
| TN Joint Venture | Construction service | Thailand | Joint operations | 51.61 |
| CEI Joint Venture | Construction service | Thailand | Joint operations | 51.00 |

On 14 January 2021, the Company's Board of Director Meeting passed a resolution to approve the increase of its shareholding in Thai Slurry Seal from the current shareholding of 1,243,334 shares with the par value of Baht 100 per share, equivalent to 25 percent of total issued and paid-up shares, to 3,108,334 shares with the par value of Baht 100 per share, equivalent to 62.5 percent of total issued and paid-up shares, through the acquisition of 1,865,000 ordinary shares with the par value of Baht 100 per share, equivalent to 37.5 percent of the total issued and paid-up shares, at acquisition price of Baht 200 per share, totaling Baht 373 million.

On 1 February 2021, the Company received 1,375,000 ordinary shares of Thai Slurry Seal and made full payment for these shares. Therefore, the Company has had control over such subsidiary since 1 February 2021 (the acquisition date) onwards, resulted in Thai Slurry Seal's status change from an associate to a subsidiary.

The Company remeasured previously held interest at fair value at acquisition date and recorded remeasurement gain on business combination amounting to Baht 20.7 million in consolidated statement of comprehensive income. The Company also made preliminary assessment the difference between purchase cost of the investment and net book value of assets was approximately Baht 260.8 million. However, the Company is in the process of assessing the fair value of the identifiable assets, liabilities and contingent liabilities of Thai Slurry Seal as of the acquisition date, and this process is currently not completed. Such difference amount of Baht 260.8 million is therefore recorded as non-current assets under "Estimated amount of interest in the net asset value of subsidiary that under purchase cost" in the consolidated statement of financial position. The details are as follows:



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(Unaudited but reviewed)

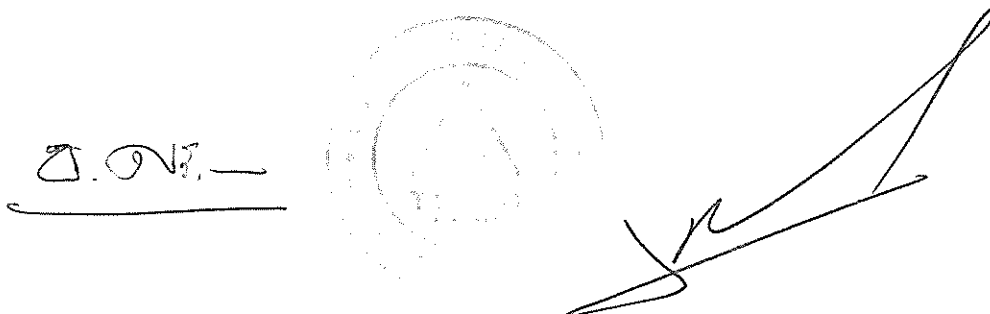
(Unit: Thousand Baht)

| | |
|--|-----------|
| Cost of acquisition | 615,802 |
| Estimated carrying amounts of net assets acquired (62.5% of net assets value) | 354,996 |
| Estimated amount of interest in the net assets value under purchase cost | 260,806 |
| Cash paid in the acquisition | 373,000 |
| Less: Cash and cash equivalents as of acquisition date | (178,042) |
| Net cash paid in the acquisition - net from cash and cash equivalent received | 194,958 |

The carrying amounts of assets and liabilities in the consolidated financial statements of Thai Slurry Seal as of 1 February 2021 were as follows:

(Unit: Thousand Baht)

| | |
|---|-----------|
| Cash and cash equivalents | 178,042 |
| Trade and other receivables | 291,616 |
| Contract assets | 676,984 |
| Advances to subcontractors | 238,208 |
| Inventories | 87,247 |
| Property, plant and equipment | 216,090 |
| Right-of-use assets | 72,760 |
| Other assets | 94,866 |
| Short-term loan from financial institutions | (20,000) |
| Trade and other payables | (345,630) |
| Short-term loan from related party | (39,194) |
| Contract liabilities | (701,028) |
| Retention for construction | (14,854) |
| Provision for long-term employee benefits | (40,576) |
| Lease liabilities | (67,584) |
| Deferred tax liabilities | (5,024) |
| Other liabilities | (53,930) |
| Net assets | 567,993 |

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8. Investments in associates

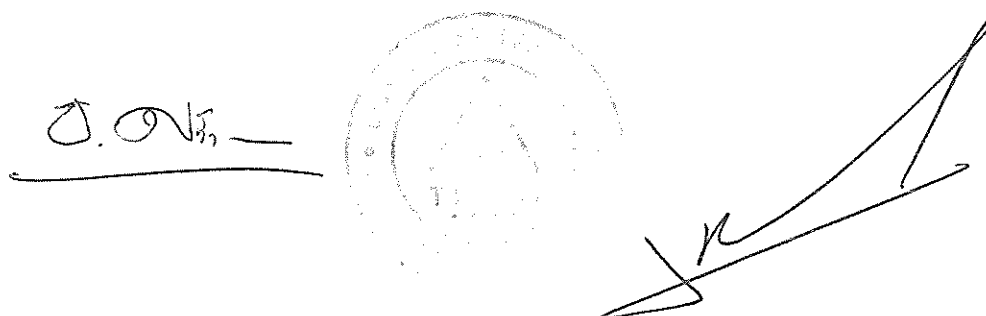
Movements of investments in associates account during the three-month period ended 31 March 2021 are as follows:

| | (Unit: Thousand Baht) | |
|--|-----------------------|----------------------|
| | Consolidated | Separate |
| | financial statements | financial statements |
| | Equity method | Cost method |
| Net book value as at 1 January 2021 | 659,731 | 243,447 |
| Share of profit from investments in associates | 49,054 | - |
| Dividend income | (51,638) | - |
| Share of other comprehensive income in associate | (2,348) | - |
| Change in status of investment (Note 7) | (222,054) | (225,043) |
| Exchange differences on translation of financial statements | (743) | - |
| Net book value as at 31 March 2021 | 432,002 | 18,404 |

9. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2021 are summarised below.

| | (Unit: Thousand Baht) | |
|--|-----------------------|----------------------|
| | Consolidated | Separate |
| | financial statements | financial statements |
| Net book value as at 1 January 2021 | 8,155,783 | 923,556 |
| Acquisitions during the period - at cost | 113,836 | 18,536 |
| Increase from business combination (Note 7) | 216,090 | - |
| Disposals/written-off during the period - net book value at disposal/written-off date | (1,665) | (179) |
| Depreciation for the period | (220,075) | (33,653) |
| Exchange differences on translation of financial statements | 215,871 | - |
| Net book value as at 31 March 2021 | 8,479,840 | 908,260 |

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10. Trade and other payables

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|----------------------|-------------|----------------------|-------------|
| | financial statements | | financial statements | |
| | 31 March | 31 December | 31 March | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| | | (Audited) | | (Audited) |
| Trade payables - related parties (Note 4) | 1,520 | 946 | 2,312,271 | 2,427,259 |
| Trade payables - unrelated parties | 2,397,742 | 2,086,299 | 2,056,384 | 1,930,651 |
| Other payables - related parties (Note 4) | 134,399 | 86,623 | 106,821 | 86,497 |
| Accounts payable from commodity forward contracts | 113,323 | 45,079 | 113,323 | 45,079 |
| Other payables and accrued expenses - unrelated parties | 710,508 | 812,651 | 170,033 | 346,422 |
| Total trade and other payables | 3,357,492 | 3,031,598 | 4,758,832 | 4,835,908 |

11. Long-term loan from financial institutions

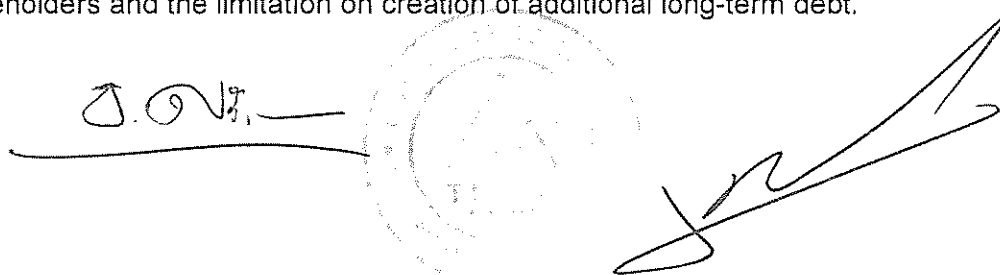
Movements of the long-term loan account during the three-month period ended 31 March 2021 are summarised below.

(Unit: Thousand Baht)

| | Consolidated |
|---|----------------------|
| | financial statements |
| Balance as at 1 January 2021 | 36,550 |
| Repayment | (10,313) |
| Unrealised loss on exchange | 1,488 |
| Balance as at 31 March 2021 | 27,725 |
| Less: Current portion | (27,725) |
| Long-term loan - net of current portion | - |

Loan covenants

The loan agreements of the subsidiary 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.



12. 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 2021 and 31 December 2020 are summarised below.

(Unit: Million Baht)

| | Consolidated financial statements | |
|-------------------------------------|-----------------------------------|------------------|
| | 31 March 2021 | 31 December 2020 |
| | | (Audited) |
| Right-of-use assets - net | 124 | 120 |
| Property, plant and equipment - net | 2,679 | 2,593 |

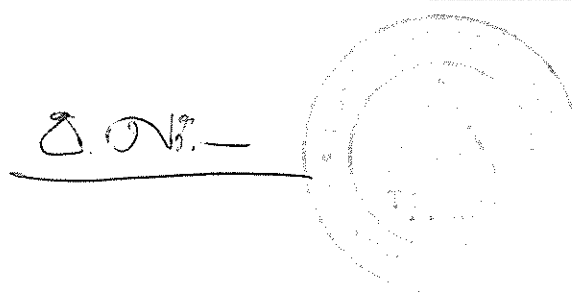
- The prohibition from creating lien over assets of the Group;
- Financial support letters provided by the Group to banks;
- The Company allows its subsidiaries to use its facilities obtained from banks, with the Company responsible to the banks for the amounts drawdown by the subsidiaries.

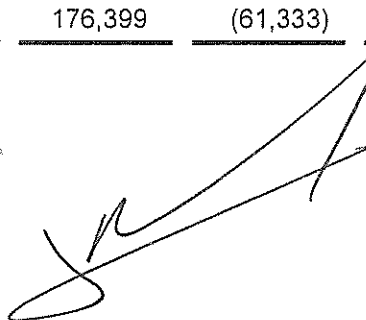
13. Income tax

Income tax for the three-month periods ended 31 March 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|----------------|----------------------------------|----------------|
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Current income tax: | | | | |
| Current income tax charge | (159,562) | (70,121) | (116,141) | (13,503) |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | 61,321 | 246,520 | 54,808 | 265,100 |
| Income tax reported in the statement of comprehensive income | <u>(98,241)</u> | <u>176,399</u> | <u>(61,333)</u> | <u>251,597</u> |





(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2021 and 2020 are as follows:

| | (Unit: Thousand Baht) | |
|--|--|----------|
| | Consolidated/Separate financial statements | |
| | 2021 | 2020 |
| Deferred tax relating to change in fair value of hedging instruments of cash flow hedges | 965 | (39,408) |

14. 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 at the beginning of the period.

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

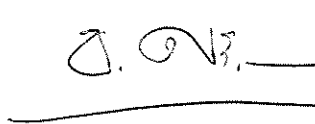
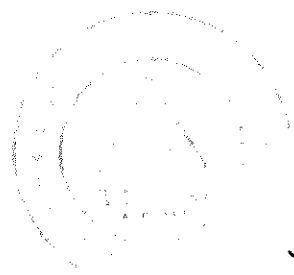

| Consolidated financial statements | | | | | | |
|---|-----------------|-------------------------|-------------------|---------------------------|-------------|--|
| For the three-month periods ended 31 March | | | | | | |
| Profit (loss) for the periods | | Weighted average number | | Earnings (loss) per share | | |
| | | of ordinary shares | | | | |
| <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | |
| (Thousand Baht) | (Thousand Baht) | (Thousand shares) | (Thousand shares) | (Baht) | (Baht) | |
| Basic earnings per share | | | | | | |
| Profit (loss) attributable to equity holders of the Company | | | | | | |
| 422,215 | (783,720) | 1,578,362 | 1,577,067 | 0.27 | (0.50) | |
| Effect of dilutive potential ordinary shares | | | | | | |
| ESOP-W5 | - | - | - | 745 | | |
| Diluted earnings per share | | | | | | |
| Profit (loss) of ordinary shareholders assuming the conversion of warrants to ordinary shares | | | | | | |
| 422,215 | (783,720) | 1,578,362 | 1,577,812 | 0.27 | Anti-dilute | |

(Unaudited but reviewed)

| 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>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | |
| (Thousand Baht) | (Thousand Baht) | (Thousand shares) | (Thousand shares) | (Baht) | (Baht) | |
| Basic earnings per share | | | | | | |
| Profit (loss) attributable to equity | | | | | | |
| holders of the Company | 310,367 | (982,068) | 1,578,362 | 1,577,067 | 0.20 | (0.62) |
| Effect of dilutive potential | | | | | | |
| ordinary shares | | | | | | |
| ESOP-W5 | - | - | - | 745 | | |
| Diluted earnings per share | | | | | | |
| Profit (loss) of ordinary shareholders | | | | | | |
| assuming the conversion of | | | | | | |
| warrants to ordinary shares | <u>310,367</u> | <u>(982,068)</u> | <u>1,578,362</u> | <u>1,577,812</u> | 0.20 | Anti-dilute |

15. Dividend

| Dividends | Approved by | Total dividend | Dividend |
|--|--------------------------------|----------------|------------|
| | | (Million Baht) | per share |
| | | | (Baht) |
| Interim dividends for 2020 | Board of Directors' Meeting on | | |
| | 14 January 2021 | 473.5 | 0.3 |
| Total for the three-month period ended 31 March 2021 | | <u>473.5</u> | <u>0.3</u> |

16. Segment information

Revenue and profit (loss) information regarding the Group's operating segments for the three-month periods ended 31 March 2021 and 2020 are as follows:

| | Manufacturing and trading segment | | | | (Unit: Million Baht) | | | |
|----------------------------------|-----------------------------------|-------|----------------------|------|-------------------------|------|-----------------------------------|-------|
| | Manufacturing and trading segment | | Construction segment | | Eliminated transactions | | Consolidated financial statements | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues from external customers | 5,467 | 5,111 | 404 | - | - | - | 5,871 | 5,111 |
| Inter-segment revenues | 94 | - | - | - | (94) | - | - | - |
| Total revenues | 5,561 | 5,111 | 404 | - | (94) | - | 5,871 | 5,111 |
| Segment operating profit (loss) | 398 | (784) | 8 | - | 16 | - | 422 | (784) |

During the period, the Company increase of its shareholding in Thai Slurry Seal as described in Note 7 to the interim consolidated financial statements, then the Group considered to organize into business groups based on types of products and services. The major segments of the Group are as follows:

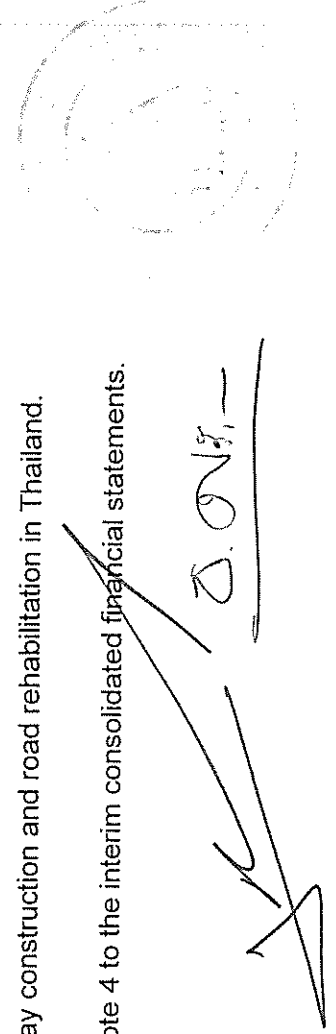
Manufacturing and trading

The Group conducts manufacturing and trading of asphalt, petroleum oil products and asphalt concrete in both domestic and overseas markets. Whereas, the marine logistic business complements the manufacturing and trading of asphalt and petroleum oil products.

Construction business

The Group conducts construction service related to highway construction and road rehabilitation in Thailand.

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



(Unaudited but reviewed)

Revenue from external customers based on locations of the customers is as follows:

(Unit: Million Baht)

| | Consolidated financial statements | |
|----------|--|-------|
| | For the three-month periods ended 31 March | |
| | 2021 | 2020 |
| Thailand | 3,393 | 1,304 |
| Overseas | 2,478 | 3,807 |
| Total | 5,871 | 5,111 |

17. Commitments and contingent liabilities

17.1 Capital commitments

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

(Unit: Million)

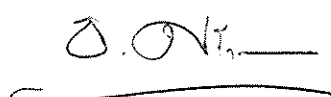
| Foreign currency | Consolidated financial statements | | Separate financial statements | |
|-------------------|-----------------------------------|-------------|-------------------------------|-------------|
| | 31 March | 31 December | 31 March | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| | | (Audited) | | (Audited) |
| Baht | 38 | 23 | 31 | 15 |
| Malaysian Ringgit | 17 | 26 | - | - |
| Vietnam Dong | 10,421 | 5,755 | - | - |

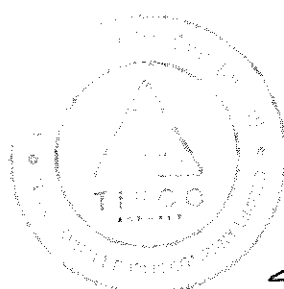
17.2 Long-term service commitments

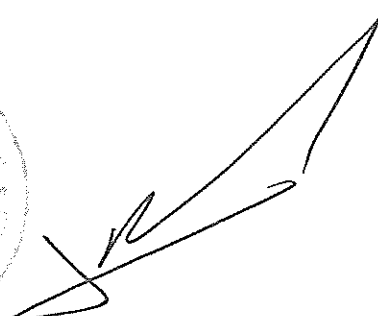
17.2.1 As at 31 March 2021, the Group had entered into service agreements. Future minimum service fees payable under these agreements are as follows:

(Unit: Million Baht)

| Payable within: | Consolidated financial statements | Separate financial statements |
|-----------------|-----------------------------------|-------------------------------|
| 1 year | 55 | 45 |
| 2 to 5 years | 21 | 18 |







17.2.2 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 110,000 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 period ended 31 March 2021 and 2020 amounted to approximately Baht 6.3 million and Baht 5.1 million, respectively

17.3 Bank guarantees

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

(Unit: Million)

| Foreign currency | Consolidated financial statements | | Separate financial statements | |
|-------------------|-----------------------------------|------------------|-------------------------------|------------------|
| | 31 March 2021 | 31 December 2020 | 31 March 2021 | 31 December 2020 |
| | | (Audited) | | (Audited) |
| Baht | 1,172 | 3 | 2 | 2 |
| Malaysian Ringgit | 10 | 10 | - | - |
| US Dollar | 32 | 1 | 32 | 1 |

18. Financial instruments

18.1 Fair value of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position. For derivatives, fair value is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

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18.2 Derivatives

As at 31 March 2021 and 31 December 2020, the Group had derivative assets and liabilities which were presented in the statements of financial position at fair value and were summarised below.

| | Consolidated | | (Unit: Thousand Baht) | |
|---------------------------------------|----------------------|---------------------|-------------------------------|---------------------|
| | financial statements | | Separate financial statements | |
| | 31 March 2021 | 31 December 2020 | 31 March 2021 | 31 December 2020 |
| | | (Audited) | | (Audited) |
| Derivative assets | | | | |
| Not designated as hedging instruments | | | | |
| Commodity forward contracts | 92,730 | 144,233 | 92,730 | 144,233 |
| Forward exchange contracts | 53 | 2,929 | 53 | 2,929 |
| Designated as hedging instruments | | | | |
| Commodity forward contracts | 8,162 | - | 8,162 | - |
| Total derivative assets | 100,945 | 147,162 | 100,945 | 147,162 |
| Derivative liabilities | | | | |
| Not designated as hedging instruments | | | | |
| Commodity forward contracts | 654,216 | 452,565 | 654,216 | 452,565 |
| Forward exchange contracts | 18,020 | 1,253 | 17,738 | 804 |
| Designated as hedging instruments | | | | |
| Commodity forward contracts | 111,073 | 113,717 | 111,073 | 113,717 |
| Total derivative liabilities | 783,309 | 567,535 | 783,027 | 567,086 |

All derivatives were measured at fair value in level 2.



18.3 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 |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | (Million) | (Million) (Audited) | (Million) | (Million) (Audited) | (Baht per 1 foreign currency unit) | (Audited) |
| US Dollar | 19 | 33 | 67 | 64 | 31.3 | 30.0 |
| Euro | - | - | 2 | 1 | 36.7 | 36.9 |
| Yen | - | - | 11 | 7 | 0.3 | 0.3 |
| Malaysian Ringgit | 10 | 15 | 22 | 23 | 7.5 | 7.4 |

| Foreign currency | Separate financial statements | | | | | |
|-------------------|-------------------------------|------------------------|-----------------------|------------------------|------------------------------------|-------------|
| | Financial assets | | Financial liabilities | | Average exchange rate | |
| | 31 March | 31 December | 31 March | 31 December | 31 March | 31 December |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | (Million) | (Million) (Audited) | (Million) | (Million) (Audited) | (Baht per 1 foreign currency unit) | (Audited) |
| US Dollar | 74 | 86 | 90 | 88 | 31.3 | 30.0 |
| Euro | - | - | 2 | 1 | 36.7 | 36.9 |
| Renminbi | 49 | 50 | - | - | 4.8 | 4.6 |
| Malaysian Ringgit | - | - | 9 | 7 | 7.5 | 7.4 |
| Singapore Dollar | - | - | 32 | - | 23.3 | 23.0 |

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

As at 31 March 2021

| Foreign currency | Consolidated | | Separate | | Contractual exchange rate | |
|------------------|----------------------|-----------|----------------------|-----------|-------------------------------|-------------------------------------|
| | financial statements | | financial statements | | | |
| | Sold | Bought | Sold | Bought | Sold | Bought |
| | amount | amount | amount | amount | (Per 1 foreign currency unit) | |
| | (Million) | (Million) | (Million) | (Million) | | |
| US Dollar | 18 | - | 18 | - | 29.9 - 30.8 Baht | - |
| US Dollar | - | 5 | - | - | - | 14,104 - 14,500 Indonesia Rupiah |

As at 31 December 2020 (Audited)

| Foreign currency | Consolidated | | Separate | | Contractual exchange rate | |
|------------------|----------------------|-----------|----------------------|-----------|-------------------------------|------------------|
| | financial statements | | financial statements | | Sold | Bought |
| | Sold | Bought | Sold | Bought | | |
| | amount | amount | amount | amount | | |
| | (Million) | (Million) | (Million) | (Million) | (Per 1 foreign currency unit) | |
| US Dollar | 39 | 3 | 39 | 3 | 29.9 - 30.4 Baht | 30.1 - 30.4 Baht |
| US Dollar | - | 5 | - | - | - | 23,138 - 23,215 |
| | | | | | | Vietnam Dong |
| US Dollar | - | 6 | - | - | - | 14,200 - 14,853 |
| | | | | | | Indonesia Rupiah |

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.

19. Damages and expenses from a fire at a subsidiary

During the three-month period ended 31 March 2020, the subsidiary had incurred additional operating expenses for crude storage, logistic handling and other related expenses amounted to USD 1.3 million or Baht 42 million. These expenses were presented as expenses from a fire incident until the date when damaged crude oil tanks were recommissioned for operation in the second quarter of 2020.

Currently, the Group's management is in the final process of negotiating insurance claim with the insurance company.

20. Events after the reporting period

On 8 April 2021, the Annual General Meeting of the Company's shareholders approved to pay a dividend for the year 2020 of Baht 1.0 per share, a total of Baht 1,578 million. The Company paid such dividend on 28 April 2021.

21. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 6 May 2021.

